

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Securities Code: 6247)

June 8, 2023

To Our Shareholders:

Yoshikazu Takeshita, Director, President and Chief
Executive Officer
Hisaka Works, Ltd.
2-12-7, Sonezaki, Kita-ku, Osaka City

Notice of the 94th Annual General Meeting of Shareholders

We are pleased to announce the 94th Annual General Meeting of Shareholders of Hisaka Works, Ltd. (the “Company”), which will be held as indicated below. We look forward to your attendance.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in an electronic format are to be taken) in an electronic format, and posts this information on the Company’s website. Please access the website by using the Internet address as shown below to review information.

The Company’s website: https://www.hisaka.co.jp/ir_info/meeting.html (in Japanese)

In addition to posting items subject to measures for electronic provision on the Company’s website, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE) which can be viewed below.

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the Internet address shown above, enter “Hisaka Works” in “Issue name (company name)” or the Company’s securities code “6247” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are not able to attend the Meeting in person, you may exercise your voting rights in any one of the following ways. Please follow the instructions in the reference document and complete your voting.

[Exercise of Votes via Internet, etc.]

Please access the Company’s designated website (<https://evote.tr.mufg.jp/>) (in Japanese), follow the instructions on the screens, and input your approval or disapproval by 5:00 p.m. (JST) on Wednesday, June 28, 2023.

When exercising your voting rights via the Internet, etc. please refer to the Information on Exercising Voting Rights via the Internet, etc. on page 4 (in Japanese only).

[Exercise of Votes in Writing (by Mail)]

Please indicate on the Voting Rights Exercise Form enclosed herewith your approval or disapproval for the proposals and return the form by 5:00 p.m. (JST) on Wednesday, June 28, 2023.

1. Date and Time: Thursday, June 29, 2023, 10:00 a.m. (JST)

2. Venue: Rental Conference Room, 26th Floor, Osaka Umeda Twin Towers North
8-1, Kakuda-cho, Kita-ku, Osaka City

3. Purpose of the Meeting:

Matters to be reported:

1. Report on the Business Report, the Consolidated Financial Statements for the 94th Fiscal Year (From April 1, 2022 to March 31, 2023), and Audit Reports by the Accounting Auditor and the Audit and Supervisory Committee on the Consolidated Financial Statements

2. Report on the Non-consolidated Financial Statements for the 94th Fiscal Year (From April 1, 2022 to March 31, 2023)

Matters to be resolved:

- Proposal No. 1** Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 2** Election of Three Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 3** Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

Please kindly note that no gifts will be given to attendees. Your understanding would be highly appreciated.
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- If you attend the meeting, please submit the Voting Rights Exercise Form enclosed herewith to the reception desk at the entrance of the meeting hall.
- As the Company's efforts for "Cool Biz" energy conservation, please note that the Board members and relevant staff will dress lightly on the day of the Meeting. Shareholders are also encouraged to attend the Meeting in light clothing.
- For this General Meeting of Shareholders, the content of reference documents for the general meeting of shareholders, etc. (items subject to measures for electronic provision) will be delivered to all shareholders who have voting rights regardless of whether they have requested the delivery of paper-based documents pursuant to the Companies Act.
- Among the items subject to measures for electronic provision, the following items of the Consolidated Financial Statements and Non-Consolidated Financial Statements are posted on each of the websites listed on the previous page in accordance with applicable laws and regulations of Japan, and the provision of Article 15 of the Company's Articles of Incorporation, and therefore, are not included in this document. They are Consolidated Statements of Changes in Equity, Notes to Consolidated Financial Statements, Statements of Changes in Equity and Notes to Non-Consolidated Financial Statements. Accordingly, the Consolidated Financial Statements and Non-Consolidated Financial Statements accompanying this document are the portions of Consolidated Financial Statements and Non-Consolidated Financial Statements that were audited by the Independent Auditor in the preparation of the Independent Auditor's Report or by the member of the Audit and Supervisory Committee in the preparation of the Auditor's Report.
- If revisions to the items for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details before and after the revisions will be posted on each of the websites stated on the preceding page.
- Attendance at the venue
 - We would like shareholders coming to the venue to carefully confirm the status of infectious disease epidemic and their health condition, and to take necessary precautions for preventing infection such as wearing a mask at the venue if necessary.
 - To ensure the health of other shareholders and conduct smooth and calm proceedings, we may refuse entry to the meeting venue if you seem unwell. Your understanding would be highly appreciated.
- Depending on the circumstances, issues that shareholders need to be informed of prior to the day of the meeting will be announced on the Company's website.
The Company's website: <https://www.hisaka.co.jp/>

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office for all of the current seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of the Meeting. Therefore, the Company proposes the election of seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members).

The election of candidates for Directors has been determined after consulting and advising by the Nomination and Compensation Committee, in which the Independent Outside Directors comprise a majority of the members. In addition, the Audit and Supervisory Committee has stated its opinion that all of the candidates for Directors are appropriate.

The candidates for Directors are as follows:

Candidates for Directors

Candidate No.	Name	Positions and responsibility in the Company
1	Yoshikazu Takeshita	Re-election President and Representative Director; President and CEO
2	Koji Ohta	Re-election Director, Managing Executive Officer Technical & Development and Konoike Plant Manager
3	Toshiya Usami	Re-election Director, Managing Executive Officer In charge of Sales and Tokyo Branch Office Manager
4	Toshiyuki Funakoshi	Re-election Director, Managing Executive Officer Corporate Sustainability and Human Resources & General Affairs field
5	Akihito Adachi	New election Managing Executive Officer General Manager of the Technology Development Division
6	Koji Mizumoto	Re-election Independent officer Candidate for Outside Director Outside Director
7	Yuko Tsuno	Re-election Independent officer Candidate for Outside Director Outside Director

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Yoshikazu Takeshita (November 4, 1957) Re-election	<p>Mar. 1981 Joined Hisaka Works, Ltd.</p> <p>Mar. 2012 Manager of the Manufacturing Department of the Vital Industry Division (present Process Engineering Division) of the Company</p> <p>Mar. 2014 General Manager of the Vital Industry Division</p> <p>June 2014 Director and General Manager of the Vital Industry Division</p> <p>Oct. 2015 Director, General Manager of the Vital Industry Division and in charge of the Kyushu Branch</p> <p>Apr. 2016 Managing Director in charge of Finance and Management Strategy</p> <p>Apr. 2017 Director, President and Chief Executive Officer</p> <p>June 2020 President and Representative Director; President and CEO (current position)</p>	41,700
<p>(Reasons for nomination as candidate for Director)</p> <p>Yoshikazu Takeshita possesses a wealth of knowledge and experience mainly in the textile dyeing and processing machine business. After being appointed as Director, he has assumed the positions of General Manager of the Vital Industry Division (present Process Engineering Division) and in charge of Finance and Management Strategy. Since 2017, he has demonstrated strong leadership as President and CEO, devoting himself to achieving the goals of the Medium-term Management Plan to contribute to the Company's development. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Koji Ohta (May 11, 1958) Re-election	Mar. 1982 Joined Hisaka Works, Ltd. Mar. 2012 Manager of the Design and Development Department of the Valve Division of the Company Mar. 2014 General Manager of the Valve Division Oct. 2015 General Manager of the Valve Division, and Kitakyushu Branch Office Manager Apr. 2016 Executive Officer, General Manager of the Valve Division, Manager of the Technology Department, and Kitakyushu Branch Office Manager June 2016 Director, General Manager of the Valve Division, Manager of the Technology Department, and Kitakyushu Branch Office Manager Apr. 2018 Director in charge of the Technology Department of the Valve Division, and Manager of the Information System Department Apr. 2019 Managing Director in charge of the Technology and Valve Division, Konoike Plant Manager, and Manager of the Information System Department June 2019 Managing Director in charge of Technology, Konoike Plant Manager, and Manager of the Information System Department Apr. 2020 Managing Director in charge of the Technology Development Division, and Konoike Plant Manager June 2020 Director, Managing Executive Officer, Technical & Development field and Konoike Plant Manager (current position)	26,000
(Reasons for nomination as candidate for Director) Koji Ohta possesses a wealth of knowledge and experience in development and sales of the Valve business. After being appointed as Director, he has assumed the positions of General Manager of the Valve Business Division, Manager of the Technology Department, and Manager of the Information System Department. Ohta is currently responsible for heading technology development as well as serving as Head of the Konoike Plant to contribute to development of the Company. He also assumes the role of decision-making of important matters on overall business. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Toshiya Usami (November 16, 1959) Re-election	<p>Mar. 1983 Joined Hisaka Works, Ltd.</p> <p>Mar. 2014 Manager of Sales Section of the Heat Exchanger Division</p> <p>Apr. 2016 Executive Officer; Manager of Sales Section of the Heat Exchanger Division; Head of Nagoya Branch</p> <p>Apr. 2017 Executive Officer; Manager of the Manufacturing Section of the Valve Division</p> <p>Apr. 2018 Executive Officer; General Manager of the Valve Division</p> <p>June 2019 Director, General Manager of the Valve Division</p> <p>June 2020 Senior Executive Officer; General Manager of the Valve Division</p> <p>Apr. 2021 Managing Executive Officer; domestic sales field; General Manager of the Valve Division</p> <p>July 2021 Managing Executive Officer; Sales field, General Manager of the Valve Division</p> <p>Apr. 2022 Managing Executive Officer Sales field and Tokyo Branch Office Manager</p> <p>June 2022 Director, Managing Executive Officer, Sales field and Tokyo Branch Office Manager (current position)</p>	36,600
<p>(Reasons for nomination as candidate for Director)</p> <p>Toshiya Usami possesses a wealth of knowledge and experience of sales at the heat exchanger business. After being appointed Executive Officer, he has assumed the positions of Manager of the Sales Department of the Heat Exchanger Division, Manager of the Manufacturing Department of Valve Division, and General Manager of the Valve Division. He currently assumes responsibilities for Sales, oversees company-wide sales, and contributes to the business development of the Company. He also fulfills the role of decision-making for important matters on overall management at the Board of Directors. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Toshiyuki Funakoshi (September 15, 1958) Re-election	Mar. 1981 Joined Hisaka Works, Ltd. Mar. 2009 Manager of the Manufacturing Department of the Heat Exchanger Division of the Company Mar. 2013 Manager of the Corporate Management Department Mar. 2014 Manager of the Corporate Management Department and Manager of the Human Department June 2014 Director, Manager of the Corporate Management Department, and Manager of the Human Department Mar. 2015 Director and General Manager of the Heat Exchanger Business Division Apr. 2017 Director and Plant Manager Apr. 2018 Director, Plant Manager, and in charge of matters specially assigned by the President Apr. 2019 Director in charge of Human Resources, and the Heat Exchanger Business Division Apr. 2020 Managing Director in charge of the Human Resources and General Affairs Division and the Heat Exchanger Business Division June 2020 Managing Executive Officer; Responsible for Human Resources and General Affairs Apr. 2021 Managing Executive Officer; Responsible for Human Resources and General Affairs, and Tokyo Branch Office Manager July 2021 Managing Executive Officer; Corporate Social Responsibility and Human Resources & General Affairs field, Tokyo Branch Office Manager Apr. 2022 Managing Executive Officer; Corporate Sustainability and Human Resources & General Affairs field (current position)	25,800
<p>(Reasons for nomination as candidate for Director)</p> <p>Toshiyuki Funakoshi possesses a wealth of knowledge and experience of sales, production management and safety administration at the heat exchanger business. After being appointed Director, he assumed positions of Manager of the Corporate Management Department, Manager of the Human Department, General Manager of Heat Exchanger Division, and Plant Manager. He currently assumes responsibilities for overseeing Sustainability, and Human Resources and General Administration, and contributing to the development of the Company. He also fulfills the role of decision-making for important matters on overall management at the Board of Directors. The Company judges he will be able to continue contributing to increasing its corporate value, and therefore proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	<p style="text-align: center;">Akihito Adachi (December 27, 1960)</p> <p style="text-align: center;">New election</p>	<p>Mar. 1984 Joined Hisaka Works, Ltd.</p> <p>Mar. 2014 Manager of the Manufacturing Department of the Vital Industry Division (present Process Engineering Division) of the Company</p> <p>Apr. 2016 Executive Officer, General Manager of the Vital Industry Division, and Kyushu Branch Office Manager</p> <p>Apr. 2018 Executive Officer, General Manager of the Process Engineering Division</p> <p>June 2018 Director and General Manager of the Process Engineering Division</p> <p>Apr. 2019 Director, General Manager of the Process Engineering Division, and Kyushu Branch Office Manager</p> <p>Nov. 2019 Director, General Manager of the Process Engineering Division, Ome Plant Manager, and Kyushu Branch Office Manager</p> <p>Apr. 2020 Director in charge of the Process Engineering Division, General Manager of the Technology Development Division, and Manager of the Information System Department</p> <p>June 2020 Senior Executive Officer, General Manager of the Technology Development Division, and Manager of the Information System Department</p> <p>Apr. 2021 Senior Executive Officer, General Manager of the Technology Development Division</p> <p>Apr. 2023 Managing Executive Officer, General Manager of the Technology Development Division (current position)</p>	23,000
<p>(Reasons for nomination as candidate for Director)</p> <p>Akihito Adachi possesses a wealth of knowledge and experience in development and manufacture of food processing equipment. After being appointed Executive Officer, he has held positions such as General Manager of the Process Engineering Division. He currently serves as General Manager of the Technology Development Division, and he has been contributing to the Company's business development. For the aforementioned reasons, the Company judges he will be able to contribute to increasing its corporate value, and therefore proposes his new election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	<p style="text-align: center;">Koji Mizumoto (November 3, 1954)</p> <p style="text-align: center;">Re-election Independent officer Candidate for Outside Director</p>	<p>Apr. 1978 Joined Nisshin Steel Co., Ltd. (present Nippon Steel Corporation)</p> <p>June 2001 General Manager of the Corporate Planning Dept. of Nisshin Steel Co., Ltd.</p> <p>Apr. 2005 Executive Officer and General Manager of the Sales Administration Dept. of Nisshin Steel Co., Ltd.</p> <p>Apr. 2007 Executive Officer and General Manager of the Human Resources Dept. of Nisshin Steel Co., Ltd.</p> <p>Apr. 2009 Managing Executive Officer and General Manager of the Human Resources Division of Nisshin Steel Co., Ltd.</p> <p>June 2009 Director and Managing Executive Officer of Nisshin Steel Co., Ltd.</p> <p>Apr. 2012 Director and Managing Executive Officer of Nisshin Steel Co., Ltd. Chairman of Nisshin Steel Shanghai Co., Ltd.</p> <p>June 2012 Managing Executive Officer of Nisshin Steel Co., Ltd.</p> <p>Apr. 2014 Vice President, Executive Officer and CFO of Nisshin Steel Co., Ltd.</p> <p>June 2014 Representative Director; Vice President, Executive officer; and CFO of Nisshin Steel Co., Ltd.</p> <p>Apr. 2017 Director (assistant to President) of Nisshin Steel Co., Ltd.</p> <p>June 2017 Senior Advisor of Nisshin Steel Co., Ltd.</p> <p>June 2018 Advisor of Nisshin Steel Co., Ltd.</p> <p>June 2019 Outside Director of Hisaka Works Co., Ltd. (current position)</p> <p>Aug. 2020 Outside Director of Toyo Denki Seizo K.K. (current position)</p> <p>(Significant concurrent positions outside the Company) Outside Director of Toyo Denki Seizo K.K.</p>	—
<p>(Summary of reasons for nomination of candidate for Outside Director and expected responsibilities)</p> <p>Koji Mizumoto had been in charge of corporate management of Nisshin Steel Co., Ltd. (present Nippon Steel Corporation) as Representative Director, Vice President and Executive Officer. Since being appointed as the Company's Outside Director, he has provided advice on its management and performed an appropriate supervisory function from an objective and practical point of view. As one of the Nomination and Compensation Committee members, he has also engaged in the election of candidates for Directors and decision-making on Directors' remuneration and other matters from an objective and neutral point of view. The Company judges that he will continue to utilize his insight and contribute to increasing its corporate value, and accordingly proposes him as a candidate for Outside Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Yuko Tsuno (November 10, 1981) Re-election Independent officer Candidate for Outside Director	<p>Dec. 2008 Completed the requisite courses at the Supreme Court's Legal Research and Training Institute (61st class) Registered with Aichi Bar Association</p> <p>Aug. 2009 Registered with Osaka Bar Association Joined Chuo Sogo Law Office P.C. (current position)</p> <p>Apr. 2012 Joined Intellectual Property Law Practice Study Group (current position)</p> <p>June 2012 Director of Kansai Branch of Japan Trademark Association (current position)</p> <p>June 2016 Officer in charge of the protection of personal information and a committee member of information disclosure screening in the city of Kaizuka (current position)</p> <p>Apr. 2017 Joined Intellectual Property Committee and Road Traffic Accident Committee of Osaka Bar Association (current position)</p> <p>Sept. 2017 Lecturer of the School of Policy Studies of Kwansai Gakuin University (current position)</p> <p>June 2019 Outside Director of Hisaka Works Co., Ltd. (current position)</p> <p>Aug. 2019 Equity Commission Member of Kaizuka City (current position)</p> <p>Apr. 2020 Vice Chairperson of the Intellectual Property Committee of the Osaka Bar Association</p>	-
<p>(Summary of reasons for nomination of candidate for Outside Director and expected responsibilities)</p> <p>Yuko Tsuno possesses abundant experience and knowledge as a lawyer. After being appointed as an Outside Director of the Company, she has provided advice on the Company's management and performed an appropriate supervisory function from an objective and specialized point of view. As one of the Nomination and Compensation Committee members, she has also engaged in the election of candidates for Directors and decision-making on Directors' remuneration and other matters from an objective and neutral point of view. The Company judges that she will continue to utilize her insight and contribute to increasing its corporate value, and accordingly proposes her as a candidate for Outside Director. Although she has no experience in the past of corporate management other than performing as outside officer, the Company judges, based on the above reasons, that she will be able to fulfill the roles and duties of Outside Director appropriately.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Koji Mizumoto and Yuko Tsuno are candidates for Outside Director.
 3. Koji Mizumoto and Yuko Tsuno satisfy the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc., and the Company has submitted notification to the aforementioned exchange concerning their designation as an independent officer. If they are re-elected, the Company plans to submit notification to the aforementioned exchange concerning the renewal of their designation as independent officers.
 4. The Company has set out its Criteria for the Independence of Outside Officers of the Company. (The Company's website: https://www.hisaka.co.jp/company_info/outline.html) (Japanese only)
All of the candidates for Outside Directors nominated in this proposal have satisfied these standards.
 5. Koji Mizumoto and Yuko Tsuno are currently Outside Directors of the Company. At the conclusion of this meeting, their tenures since assuming office as Outside Directors will have been four years.
 6. Limited liability agreements with candidates for Outside Directors
To secure human resources who are valuable as Outside Directors, the Company's Articles of Incorporation have prescribed that the Company is allowed to enter into a limited liability agreement with Outside Directors. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Koji Mizumoto and Yuko Tsuno to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. If they are re-elected, the Company plans to renew the aforementioned agreements with them.
An outline of the limited liability agreement is as follows:
Pursuant to Article 427, paragraph (1) of the Companies Act, in line with the provisions of the Articles of Incorporation that allow for the Company to enter into an agreement to limit liability for damages, the maximum amount of liability for

damages under this agreement is 1 million yen or the minimum amount provided for under laws and regulations, whichever is higher.

7. Liability Insurance Policy for Directors and Executive officers

The Company has entered into a directors and officers liability insurance agreement with the insurance company pursuant to Article 430-3, Paragraph (1) of the Companies Act. A summary of details of the insurance agreement is provided on page 22 of the Business Report (in Japanese only). Provided that a candidate for Director is approved, he or she will be covered as an insured party under the said insurance policy.

The Company is scheduled to renew the said insurance policy with the same details at the time of renewal.

Proposal No. 2 Election of Three Directors Who Are Audit and Supervisory Committee Members

The terms of office for all of the current three (3) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of the Meeting. Therefore, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Naoto Hattori (June 17, 1960) New election	Mar. 1984 Joined Hisaka Works, Ltd. Mar. 2016 Manager of Sales Department of the Valve Division of the Company Apr. 2022 Manager in charge of Sales Department of the Valve Division and Tokyo Branch Office Apr. 2023 Deputy Manager Assistant to the Audit and Supervisory Committee Member (current position)	3,800
		(Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member) Naoto Hattori has been mainly engaged in the valve business and gained management experience as Manager of the Sales Department. He currently serves as Assistant to the Audit and Supervisory Committee Member. He possesses an extensive experience and broad insight of the Company's business. The Company judges he will be able to contribute to ensuring soundness, and proposes his election as candidate for Director who is an Audit and Supervisory Committee Member.	
2	Akira Nakai (November 21, 1980) Re-election Independent officer Candidate for Outside Director	Apr. 2005 Graduated from the Legal Training and Research Institute of the Supreme Court of Japan (the 59th graduating class) Oct. 2006 Registered with Osaka Bar Association Joined Yodoyabashi & Yamagami LPC Mar. 2011 Joined Shanghai office of King & Wood Mallesons as a trainee Jan. 2012 Trainee at Lee and Li, Attorneys-at-Law and Henry Wai & Co. Jan. 2013 Rejoined Yodoyabashi & Yamagami LPC (current position) Apr. 2015 Part-time lecturer at Kobe University, Graduate School of Law (current position) June 2016 Outside Auditor of the Company Dec. 2020 Outside Auditor of AvanStrate Inc. (current position) June 2021 Outside Director (Audit and Supervisory Committee Member) of Hisaka Works, Ltd. (current position)	-
		(Summary of reasons for nomination of candidate for Outside Director who is an Audit and Supervisory Committee Member and expected responsibilities) Akira Nakai possesses abundant experience and knowledge as a lawyer. Since being appointed as Outside Auditor of the Company, he has conducted precise audits from an independent and fair point of view. The Company judges he will be able to continue helping to ensure soundness, and proposes his election as Outside Director who is an Audit and Supervisory Committee Member. Although he has no experience in the past of corporate management other than performing as outside officer, the Company judges, based on the above reasons, that he will be able to fulfill the roles and duties of Outside Director appropriately.	

Candidate No.	Name (Date of birth)	Career summary and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Noriyuki Fujita (August 26, 1958) Re-election Independent officer Candidate for Outside Director	Apr. 1981 Joined the International Trade Fair Association Apr. 1985 Joined National Tax Agency July 2014 Director of Miyazu Tax Office July 2015 Examiner in charge of Second Large Enterprise Examination Department of the Osaka Regional Taxation Bureau July 2018 District Director of Ashiya Tax Office Aug. 2019 Registered as a certified tax accountant Aug. 2019 Established Fujita Noriyuki Tax Office (current position) June 2020 Outside Auditor of the Company Mar. 2021 President and Representative Director of MAC BRAIN Inc. June 2021 Outside Director (Audit and Supervisory Committee Member) of Hisaka Works, Ltd. (current position) (Significant concurrent positions outside the Company) Representative of Fujita Noriyuki Tax Office	—
<p>(Summary of reasons for nomination of candidate for Outside Director who is an Audit and Supervisory Committee Member and expected responsibilities)</p> <p>Noriyuki Fujita assumed the positions of Examiner and District Director of a district tax office, and has served as a certified tax accountant and president of a company after retirement. Since being appointed as Outside Auditor of the Company, he has utilized his keen insight related to finance, taxation and accounting, and has conducted audits from an independent and fair point of view. The Company judges he will be able to continue helping to ensure soundness, and proposes his election as Outside Director who is an Audit and Supervisory Committee Member.</p>			

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Akira Nakai and Noriyuki Fujita are candidates for Outside Director.
 - Akira Nakai and Noriyuki Fujita satisfy the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc., and the Company has submitted notification to the aforementioned exchange concerning their designation as an independent officer. If they are elected, the Company plans to submit notification to the aforementioned exchange concerning the renewal of their designation as independent officers.
 - The Company has set out its Criteria for the Independence of Outside Officers of the Company. (The Company's website: https://www.hisaka.co.jp/company_info/outline.html) (in Japanese)
All of the candidates for Outside Directors nominated in this proposal have satisfied these standards.
 - Akira Nakai and Noriyuki Fujita are currently Outside Directors of the Company who are Audit and Supervisory Committee Members. At the conclusion of this Meeting, their tenures since assuming office as Outside Directors who are Audit and Supervisory Committee Members will have been two years. They have served in the past as a non-executive officers (Auditors) of the Company.
 - Limited liability agreements with candidates for Directors who are Audit and Supervisory Committee Members
To secure human resources who are valuable as Directors who are Audit and Supervisory Committee Members, the Company's Articles of Incorporation have prescribed that the Company is allowed to enter into a limited liability agreement with Directors who are Audit and Supervisory Committee Members. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Akira Nakai and Noriyuki Fujita to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. If they are reelected, the Company plans to renew the aforementioned agreements with them. If Naoto Hattori is elected, the Company also plans to enter into the same limited liability agreement with him.
An outline of the limited liability agreement is as follows:
Pursuant to Article 427, paragraph (1) of the Companies Act, in line with the provisions of the Articles of Incorporation that allow for the Company to enter into an agreement to limit liability for damages, the maximum amount of liability for damages under this agreement is 1 million yen or the minimum amount provided for under laws and regulations, whichever is higher.
 - Liability Insurance Policy for Directors and Executive officers
The Company has entered into a directors and officers liability insurance agreement with the insurance company pursuant to Article 430-3, paragraph (1) of the Companies Act. A summary of details of the insurance agreement is provided on page 21 of the Business Report (in Japanese only). Provided that a candidate for Director who is an Audit and Supervisory Committee Member is approved, he or she will be covered as an insured party under the said insurance policy.
The Company is scheduled to renew the said insurance policy with the same details at the time of renewal.

[Reference] Skill Matrix for Director (planned after the conclusion of this Meeting)

Director	Expertise that the Company expects for Directors (including Directors who are Audit and Supervisory Committee Members)								
	Corporate management	Sales	Technology and Research development	Internationality	Manufacturing and Quality	Management Planning	Finance and Accounting	Human Resources and Labor Management	Legal affairs and Internal control
Yoshikazu Takeshita	●	●		●	●	●	●		
Koji Ohta	●	●	●	●	●				
Toshiya Usami	●	●		●	●	●	●		
Toshiyuki Funakoshi	●	●	●	●	●		●	●	
Akihito Adachi	●		●		●				
Koji Mizumoto	●			●		●	●	●	
Yuko Tsuno								●	●
Naoto Hattori Audit and Supervisory Committee Member		●							●
Akira Nakai Audit and Supervisory Committee Member	●			●					●
Noriyuki Fujita Audit and Supervisory Committee Member	●						●		

*The above matrix does not present all of the expertise possessed by the respective Directors.

Proposal No. 3 Election of One Substitute Director Who Is an Audit and Supervisory Committee Member

The Company proposes the election of one substitute Director who is an Audit and Supervisory Committee Member to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary (Significant concurrent positions outside the Company)	Number of the Company's shares owned
Toshiyuki Yamauchi (March 3, 1965) Independent officer Candidate for Outside Director	Feb. 2010 Registered as a certified tax accountant Established Yamauchi Toshiyuki Tax Office (current position) July 2011 Registered as Legal Specialist in Certified Administrative Procedures (current position) (Significant concurrent positions outside the Company) Representative of Yamauchi Toshiyuki Tax Office	-
(Summary of reasons for nomination of candidate for substitute Outside Director who is an Audit and Supervisory Committee Member and expected responsibilities) Toshiyuki Yamauchi possesses professional knowledge and experience as a certified tax account where he has obtained considerable insight into taxation, finance and accounting. The Company has judged he will be able to perform precise audits from an independent point of view if he is appointed as Outside Director who is an Audit and Supervisory Committee Member, and proposes his election. He has never been directly involved in the management of a company. However, based on the above reasons, the Company has judged he will appropriately fulfill his duties as Outside Director.		

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Toshiyuki Yamauchi is a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member.
 3. Toshiyuki Yamauchi satisfies the requirements for an independent officer as provided for by Tokyo Stock Exchange, Inc., and if he is appointed as Director who is an Audit and Supervisory Committee Member, the Company plans to submit notification to the aforementioned exchange concerning his designation as an independent officer.
 4. The Company has set out its Criteria for the Independence of Outside Officers of the Company.
(The Company's website: https://www.hisaka.co.jp/company_info/outline.html) (in Japanese)
The candidate in this proposal has satisfied these standards.
 5. The validity of the election of Toshiyuki Yamauchi can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that this only applies before being appointed as Director who is an Audit and Supervisory Committee Member.
 6. Limited liability agreements with candidates for Directors who are Audit and Supervisory Committee Members
To secure human resources who are valuable as Outside Directors who are Audit and Supervisory Committee Members, the Company's Articles of Incorporation have prescribed that the Company is allowed to enter into a limited liability agreement with Directors who are Audit and Supervisory Committee Members. If Toshiyuki Yamauchi is appointed as Director who is an Audit and Supervisory Committee Member, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, it plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph (1) of the Companies Act.
An outline of the limited liability agreement is as follows:
Pursuant to Article 427, paragraph (1) of the Companies Act, in line with the provisions of the Articles of Incorporation that allow for the Company to enter into an agreement to limit liability for damages, the maximum amount of liability for damages under this agreement is 1 million yen or the minimum amount provided for under laws and regulations, whichever is higher.
 7. Liability Insurance Policy for Directors and Executive officers
The Company has entered into a directors and officers liability insurance agreement with the insurance company pursuant to Article 430-3, paragraph (1) of the Companies Act. A summary of details of the insurance agreement is provided on page 22 of the Business Report (in Japanese only). If Toshiyuki Yamauchi is appointed as Director who is an Audit and Supervisory Committee Member, he will be covered as an insured party under the said insurance policy.