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(Securities Code: 6247)

June 6, 2025

To Our Shareholders:

Toshiya Usami, Director, President and Chief Executive Officer

Hisaka Works, Ltd.

2-12-7, Sonezaki, Kita-ku, Osaka City

Notice of the 96th Annual General Meeting of Shareholders

We are pleased to announce the 96th 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.mufig.jp/>) (in Japanese), follow the instructions on the screens, and input your approval or disapproval by 5:00 p.m. (JST) on Thursday, June 26, 2025.

When exercising your voting rights via the Internet, etc. please refer to the Information on Exercising Voting Rights via the Internet, etc. on page 5 (in Japanese only).

[Exercise of Votes in Writing (by Mail)]

Please indicate on the Voting Rights Exercise Form your approval or disapproval for the proposals and return the form by 5:00 p.m. (JST) on Thursday, June 26, 2025.

1. Date and Time: Friday, June 27, 2025, 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 96th Fiscal Year (From April 1, 2024 to March 31, 2025), 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 96th Fiscal Year (From April 1, 2024 to March 31, 2025)

Matters to be resolved:

<Company Proposals (Proposal No. 1 to Proposal No. 3)>

Proposal No. 1 Election of Six 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

<Shareholder Proposals (Proposal No. 4 and Proposal No. 5)>

Proposal No. 4 Partial Amendment to the Articles of Incorporation

Proposal No. 5 Appropriation of Surplus

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 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.
- Depending on the circumstances, if issues arise concerning the management of the General Meeting of Shareholders that need to be informed of prior to the day, they 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

<Company Proposals (Proposal No. 1 to Proposal No. 3)>

Proposal No. 1 Election of Six 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 six (6) 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	Toshiya Usami	Re-election President and Representative Director; President and CEO
2	Akihito Adachi	Re-election Director, Senior Managing Executive Officer Sales and Technical & Development fields
3	Hiroshi Hatano	Re-election Director, Senior Executive Officer; Administration, Management Strategy, and Investor Relations fields, In charge of Ome Plant and Tokyo Branch
4	Koji Mizumoto	Re-election Independent officer Candidate for Outside Director Outside Director
5	Yuko Tsuno	Re-election Independent officer Candidate for Outside Director Outside Director
6	Emiko Ikigoshi	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	Toshiya Usami (November 16, 1959) Re-election	Mar. 1983 Joined Hisaka Works, Ltd. Mar. 2014 Manager of the Sales Section of the Heat Exchanger Division of the Company Apr. 2016 Executive Officer, Manager of the Sales Section of the Heat Exchanger Division, and In charge of Nagoya Branch Apr. 2017 Executive Officer, Manager of the Manufacturing Section of the Valve Division Apr. 2018 Executive Officer, General Manager of the Valve Division June 2019 Director, General Manager of the Valve Division June 2020 Senior Executive Officer, General Manager of the Valve Division Apr. 2021 Managing Executive Officer, Domestic Sales field; and General Manager of the Valve Division July 2021 Managing Executive Officer, Sales field; General Manager of the Valve Division Apr. 2022 Managing Executive Officer, Sales field and In charge of Tokyo Branch June 2022 Director, Managing Executive Officer, Sales field and In charge of Tokyo Branch June 2023 Director, Managing Executive Officer, Corporate Planning and Overseas Operation fields and In charge of Tokyo Branch Apr. 2024 President and Representative Director, President and CEO (current position)	55,300
(Reasons for nomination as candidate for Director) Toshiya Usami possesses a wealth of knowledge and experience of sales at the heat exchanger business. After being appointed as an Executive Officer, he has assumed the positions of Manager of the Sales Section of the Heat Exchanger Division, Manager of the Manufacturing Section of Valve Division, and General Manager of the Valve Division. After being appointed as a Director, he has assumed responsibilities for overseeing the company-wide Sales, Corporate Planning, and Overseas Operations. Since 2024, 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.			

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	Akihito Adachi (December 27, 1960) Re-election	<p>Mar. 1984 Joined Hisaka Works, Ltd.</p> <p>Mar. 2014 Manager of the Manufacturing Department of the Process Engineering Division of the Company</p> <p>Apr. 2016 Executive Officer, General Manager of the Process Engineering Division, and In charge of Kyushu Branch</p> <p>Apr. 2018 Executive Officer, General Manager of the Process Engineering Division</p> <p>June 2018 Director, General Manager of the Process Engineering Division</p> <p>Apr. 2019 Director, General Manager of the Process Engineering Division, and In charge of Kyushu Branch</p> <p>Nov. 2019 Director, General Manager of the Process Engineering Division, and In charge of Ome Plant and Kyushu Branch</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</p> <p>June 2023 Director, Managing Executive Officer, Technical & Development field, and General Manager of the Technology Development Division</p> <p>Apr. 2024 Director, Managing Executive Officer, Sales and Technical & Development fields, and Konoike Plant Manager</p> <p>Apr. 2025 Director, Senior Managing Executive Officer, Sales and Technical & Development fields (current position)</p>	42,800
<p>(Reasons for nomination as candidate for Director)</p> <p>Akihito Adachi possesses abundant knowledge and experience mainly in development and manufacture of food processing equipment. After being appointed as an Executive Officer, he has assumed the positions of General Manager of the Process Engineering Division and General Manager of the Technology Development Division. Currently, he devotes himself to the Company's development by enhancing the company-wide sales force and improving technological capabilities as Executive Officer in charge of Sales and Technical & Development, while playing a practical role in making decisions on significant overall management issues 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
3	Hiroshi Hatano (January 29, 1965) Re-election	Sept. 2008	Joined Hisaka Works, Ltd.	15,900
		Mar. 2015	Manager of the Corporate Management Department of the Company	
		Apr. 2020	Executive Officer, General Manager of the Corporate Planning Division, and Manager of the Corporate Management Department	
		Apr. 2024	Senior Executive Officer; Administration, Management Strategy, and Investor Relations fields, and In charge of Ome Plant and Tokyo Branch	
		June 2024	Director, Senior Executive Officer; Administration, Management Strategy, and Investor Relations fields, and In charge of Ome Plant and Tokyo Branch (current position)	
(Reasons for nomination as candidate for Director) Hiroshi Hatano possesses a wealth of knowledge and experience in corporate management, monetary affairs, financial affairs, and legal affairs. After being appointed as an Executive Officer, he assumed positions such as General Manager of the Corporate Planning Division and is currently contributing to the development of the Company as the person in charge of Administration, Management Strategy, and Investor Relations, while playing a practical role in making decisions on significant overall management issues 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.				

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	Koji Mizumoto (November 3, 1954) Re-election Independent officer Candidate for Outside Director	<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
5	Yuko Tsuno (November 10, 1981) Re-election Independent officer Candidate for Outside Director	Dec. 2008 Completed the requisite courses at the Legal Training and Research Institute of the Supreme Court of Japan (61st class) Registered with Aichi Bar Association Aug. 2009 Registered with Osaka Bar Association Joined Chuo Sogo Law Office P.C. (current position) Apr. 2012 Joined Intellectual Property Law Practice Study Group (current position) June 2012 Director of Kansai Branch of Japan Trademark Association (current position) 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) Apr. 2017 Joined Intellectual Property Committee and Road Traffic Accident Committee of Osaka Bar Association (current position) Sept. 2017 Lecturer of the School of Policy Studies of Kwansei Gakuin University (current position) June 2019 Outside Director of Hisaka Works Co., Ltd. (current position) Aug. 2019 Equity Commission Member of Kaizuka City (current position) Apr. 2020 Vice Chairperson of the Intellectual Property Committee of the Osaka Bar Association Nov. 2022 Toyonaka City Administrative Documents Committee Member	—
(Summary of reasons for nomination of candidate for Outside Director and expected responsibilities) 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.			

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	Emiko Ikigoshi (May 13, 1960) Re-election Independent officer Candidate for Outside Director	<p>Oct. 1990 Joined Chuo Shinko Audit Corporation</p> <p>Mar. 1994 Registered as a certified public accountant</p> <p>June 2003 Partner of ChuoAoyama Audit Corporation</p> <p>Aug. 2007 Joined Deloitte Touche Tohmatsu (present Deloitte Touche Tohmatsu LLC) as a partner</p> <p>Oct. 2023 Established Ikigoshi Certified Public Accountant Office (current position)</p> <p>June 2024 Outside Director of SINKO INDUSTRIES LTD. (Audit and Supervisory Committee Member) (current position)</p> <p>June 2024 Outside Director of Chugin Financial Group, Inc. (Audit and Supervisory Committee Member) (current position)</p> <p>June 2024 Outside Director of Hisaka Works Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Representative of Ikigoshi Certified Public Accountant Office</p> <p>Outside Director of SINKO INDUSTRIES LTD. (Audit and Supervisory Committee Member)</p> <p>Outside Director of Chugin Financial Group, Inc. (Audit and Supervisory Committee Member)</p>	—
<p>(Summary of reasons for nomination of candidate for Outside Director and expected responsibilities)</p> <p>Emiko Ikigoshi possesses professional knowledge and experience as a certified public accountant where she has obtained abundant knowledge into finance and accounting. 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. 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:
- There is no special interest between any of the candidates and the Company.
 - Koji Mizumoto, Yuko Tsuno, and Emiko Ikigoshi are candidates for Outside Director.
 - Koji Mizumoto, Yuko Tsuno, and Emiko Ikigoshi 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.
 - 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.
 - Koji Mizumoto, Yuko Tsuno, and Emiko Ikigoshi are currently Outside Directors of the Company. At the conclusion of this Meeting, the tenures of Koji Mizumoto and Yuko Tsuno since assuming office as Outside Directors will have been six years, while the tenure of Emiko Ikigoshi as an Outside Director will have been one year.
 - 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, Yuko Tsuno, and Emiko Ikigoshi 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.
 - 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 26 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) Re-election	Mar. 1984 Mar. 2016 Apr. 2022 Apr. 2023 June 2023	Joined Hisaka Works, Ltd. Manager of Sales Department of the Valve Division of the Company Manager in charge of Sales Department of the Valve Division and Tokyo Branch Office Deputy Manager Assistant to the Audit and Supervisory Committee Member Director (Audit and Supervisory Committee Member (full time)) (current position)	5,900
	(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 a long tenure in management as Manager of the Sales Department. He possesses an extensive experience and broad insight of the Company's business. After being appointed as a Director (Audit and Supervisory Committee Member), he has appropriately fulfilled his roles and duties based on his career insight. The Company judges he will be able to continue contributing 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 Oct. 2006 Mar. 2011 Jan. 2012 Jan. 2013 Apr. 2015 June 2016 Dec. 2020 June 2021	Graduated from the Legal Training and Research Institute of the Supreme Court of Japan (the 59th graduating class) Registered with Osaka Bar Association Joined Yodoyabashi & Yamagami LPC Joined Shanghai office of King & Wood Mallesons as a trainee Trainee at Lee and Li, Attorneys-at-Law and Henry Wai & Co. Rejoined Yodoyabashi & Yamagami LPC (current position) Part-time lecturer at Kobe University, Graduate School of Law (current position) Outside Auditor of Hisaka Works, Ltd. Outside Auditor of AvanStrate Inc. 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 Hisaka Works, Ltd. 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:
1. There is no special interest between any of the candidates and the Company.
 2. Akira Nakai and Noriyuki Fujita are candidates for Outside Director.
 3. 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 reelected, 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) (in Japanese)
All of the candidates for Outside Directors nominated in this proposal have satisfied these standards.
 5. 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 four years. They have served in the past as a non-executive officers (Auditors) of the Company.
 6. 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 Naoto Hattori, Akira Nakai, and Noriyuki Fujita 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 26 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	Sustainability
Toshiya Usami	●	●	●	●	●	●	●			●
Akihito Adachi	●	●	●		●				●	●
Hiroshi Hatano	●	●				●	●	●	●	●
Koji Mizumoto	●			●		●	●	●		●
Yuko Tsuno								●	●	●
Emiko Ikigoshi							●		●	●
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:
- There is no special interest between the candidate and the Company.
 - Toshiyuki Yamauchi is a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member.
 - 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.
 - 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.
 - 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.
 - 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.
 - 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 26 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.
The Company is scheduled to renew the said insurance policy with the same details at the time of renewal.

< Shareholder Proposals (Proposal No. 4 and Proposal No. 5)>

Proposal No. 4 and Proposal No. 5 have been proposed by one shareholder (hereinafter referred to as the “Proposing Shareholder”).

The following contains the relevant portions of written shareholder proposals submitted by the Proposing Shareholder in the original text, except for formal adjustments.

Proposal No. 4 Partial Amendment to the Articles of Incorporation

[Details of the proposal]

Delete Article 34 of the Company’s Articles of Incorporation.

[Reasons for the proposal]

In order to achieve adequate shareholder returns in line with the current state of the Company’s business activities and to reflect the will of shareholders, the current Article 34 of the Articles of Incorporation should be deleted, and the matters listed in each item of Article 459, paragraph (1) of the Companies Act should be decided by resolution of the General Meeting of Shareholders. Of the shareholder proposals I have made, item 2. “Appropriation of Surplus,” is proposed on the condition that the above proposal is approved and adopted.

[Opinion of the Company’s Board of Directors on the Shareholder Proposals]

The Company’s Board of Directors opposes the Shareholder Proposal.

The Shareholder Proposal seeks to amend the Articles of Incorporation to stipulate that dividends and other appropriation of surplus be a matter to be resolved by the General Meeting of Shareholders.

Pursuant to Article 459, paragraph (1) and Article 460 of the Companies Act, in accordance with the provisions of the Articles of Incorporation, the Company distributes dividends and other appropriation of surplus through resolutions of the Board of Directors.

The reason dividends and other distributions are resolved at the Board of Directors is that we believe it is necessary to have a system that allows us to implement dividends and other distributions in a flexible and agile manner, taking into comprehensive consideration the business environment and capital policy, in order to achieve sustainable growth, enhance medium- and long-term corporate value, and ultimately promote the common interests of shareholders.

Based on this approach, we have set Directors’ terms of office at one year to ensure the supervisory function and responsibilities of management, while enabling flexible and appropriate decision-making regarding dividends and other appropriation of surplus.

The Company’s purpose of existence is “to be a manufacturer that can stably supply high-quality machines and services to resolve social issues by achieving energy saving and manpower saving.” By leveraging our technological capabilities, product strengths, maintenance services, and other comprehensive strengths, we are seeking to contribute to the resolution of social issues such as environmental problems, labor shortages, and improvements in safety at manufacturing sites, and we are confident that it will ultimately lead to the enhancement of corporate value and to interests of shareholders.

Furthermore, to realize our long-term vision of “Becoming a company that leverages control technology for fluid heat and pressure to support the future of energy, water, and food together with our customers,” we will appropriately allocate resources to growth investments, research and development, and human resources development and retention, while providing continuous and stable shareholder returns.

To implement such shareholder returns in a flexible and adaptive manner in line with that management policy, we believe it is most reasonable to entrust the decision on dividends and other distributions to the Board of Directors,

which can accurately assess the business environment and the execution of management strategies, rather than the General Meeting of Shareholders.

For the reasons above, the Company's Board of Directors opposes the proposal.

Proposal No. 5 Appropriation of Surplus

[Details of the proposal]

(1) Type of dividend assets

Cash

(2) Matters concerning the allocation of dividend assets and the total amount thereof

The dividend amount per common share (hereinafter referred to as "dividend per share") shall be 66 yen less the dividend per share determined by the Board of Directors or less the dividend per share based on the proposal regarding the appropriation of surplus which is submitted by the Company's Board of Directors and approved at the 96th Annual General Meeting of Shareholders (hereinafter referred to as the "Company's Profit Appropriation Proposal").

If the amount obtained by deducting the interim dividend of 21 yen from 4% of the net assets per share for the fiscal year ended March 31, 2025 differs from 66 yen, the aforementioned 66 yen shall be replaced as the amount obtained by deducting the interim dividend of 21 yen from the amount equivalent to 4% of the net assets per share for the fiscal year ended March 31, 2025.

(Amounts less than 1 yen shall be rounded down.)

The total dividend shall be the amount obtained by multiplying the number of shares eligible for dividends as of the record date for voting rights at the 96th Annual General Meeting of Shareholders.

(3) Effective date of distribution of dividends from the surplus

The day following the Company's 96th Annual General Meeting of Shareholders

In addition, if the Company's Profit Appropriation Proposal is submitted at the 96th Annual General Meeting of Shareholders, this proposal shall be submitted as an additional proposal that is independent of and compatible with the aforementioned proposal.

[Reasons for the proposal]

The intent of this proposal is to set the dividend per share for a full fiscal year at an amount equivalent to 4% of net assets per share, i.e., a dividend on equity ratio (hereinafter referred to as "DOE") of 4%.

In January 2023, the Tokyo Stock Exchange published the "Summary of Discussions on Measures to Improve the Effectiveness of the Market Restructuring," which stated that companies with a PBR consistently below 1x should disclose their policies and specific initiatives for improvement.

Although the Company announced initiatives in November 2023 aimed at improving PBR by increasing corporate value, as of April 15, 2025, the PBR stands at 0.42x, continuing to reflect a low valuation by the stock market.

In terms of capital efficiency, the Company's capital efficiency is ROE of approximately 4%, which is significantly lower than the ROE of approximately 8% considered to be general shareholder equity cost. Despite pursuing an expansion policy through excessive capital investment in the past, the Company has not been able to generate sufficient profits, and the current dividend policy (target of dividend payout ratio of 30% or more with minimum DOE of 2.0%) is conservative, which has resulted in holding excessive net assets without implementing sufficient measures to increase shareholder value. As long as this policy

continues, it is unlikely that corporate value will improve in the future. In terms of shareholder returns, with a view to enhancing medium- to long-term corporate value, I believe it is desirable to clearly state a policy of actively returning profits and controlling without excess accumulation of capital.

Therefore, in order to improve the valuation of the Company's stock price, the Proposing Shareholder proposes that the Company pay dividends in an equivalent amount for the fiscal year under review with a view to increasing the level of returns to shareholders. i.e., raising DOE as minimum dividend to 4%.

[Opinion of the Company's Board of Directors on the Shareholder Proposals]

The Company's Board of Directors opposes the Shareholder Proposal.

The Company is committed to striving for continuous and stable return of profit to shareholders, securing a strong financial base, and achieving sustainable growth and medium- to long-term enhancement of corporate value. To this end, we have established our basic capital policy to consider strategic investments in a balanced manner.

As for profit distribution, our basic policy is to return appropriate profits to shareholders while working to strengthen our financial position and management foundation, keeping in mind fairness and impartiality toward all stakeholders. Specifically, we take into account the status of consolidated net assets and consolidated operating results while considering the balance with internal reserves, and are striving to maintain continuous and stable dividends with a dividend payout ratio of 30% or more while setting a minimum consolidated dividend on equity ratio (DOE) of 2.0%.

In our long-term vision, the Company aims to achieve net sales of 100.0 billion yen by the fiscal year ending March 31, 2043, which marks the 100th anniversary of our founding. To achieve this goal, we formulate a Mid-Term Business Plan every three years. The fiscal year ending March 31, 2026 is the final year of the Mid-Term Business Plan "G-23," in which we are addressing important issues (materialities) such as business strengthening, contributions to social and environmental issues, human resource development and organizational strengthening.

In this Mid-Term Business Plan "G-23," we have created a cash allocation plan based on our current financial situation and the capital investment plans necessary to achieve our vision, and are allocating funds to shareholder returns and growth investments.

The Proposing Shareholder has pointed out in the reasons for the proposal that "despite pursuing an expansion policy through excessive capital investment in the past, the Company has not been able to generate sufficient profits." However, we have made capital investments that we believe are essential for the growth of the Company. In the past, from the fiscal year ended March 31, 2006 to the fiscal year ended March 31, 2009, we carried out large-scale capital investments, including the integration of business sites, with an aim of improving productivity and profitability. As a result, we were able to expand net sales from approximately 20.0 billion yen to approximately 35.0 billion yen and achieve growth in profits as well from approximately 1.0 billion yen to approximately 2.0 billion yen.

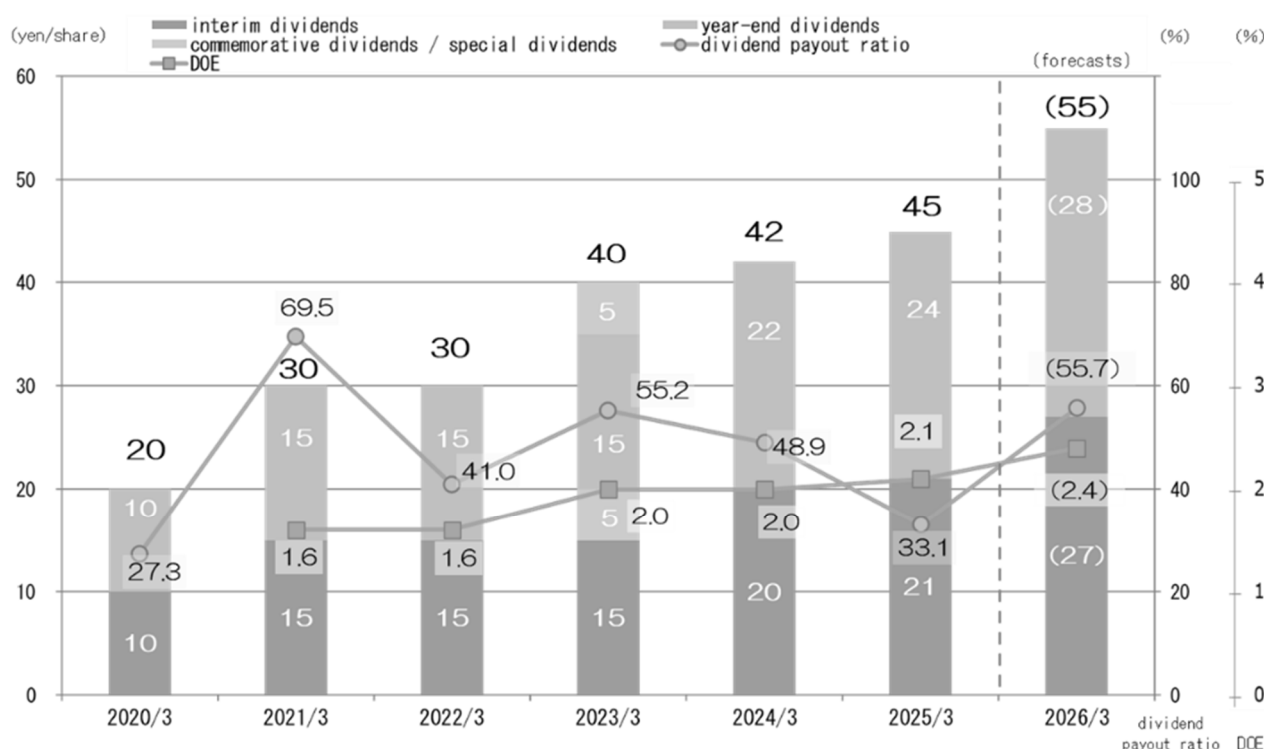
In addition, regarding the investment in the Ikoma Plant, which was established in January 2024, net sales in the Process Engineering Segment for the fiscal year ending March 31, 2026 are expected to exceed 20.0 billion yen, the highest in history, due to factors such as expansion of production capacity and the establishment of a highly efficient production system, and the results of those are beginning to show.

Furthermore, we are currently aiming to achieve consolidated net sales of 50.0 billion yen and consolidated operating profit of 5.0 billion yen by the fiscal year ending March 31, 2030, and are proceeding with the restructuring of the Konoike Plant with the aim of expanding production capacity for the Heat Exchanger Segment and Valve Segment.

Regarding the dividend policy, the Company introduced DOE and established it as the basis for our dividend policy in the fiscal year ended March 31, 2021 and has strengthened shareholder returns by increasing the DOE from 1.5% or more to 2.0% or more in the fiscal year ended March 31, 2024. As a result, the dividend per share has more than doubled, increasing from 20 yen in the fiscal year ended March 31, 2020 to 45 yen in the fiscal year ended March 31, 2025. Additionally, in the fiscal year ended March 31, 2025, we purchased 1 million treasury shares totaling 1,046 million yen and canceled 4 million treasury shares. As a result, the total return ratio for the fiscal year ended March 31, 2025 was 60.5%. Regarding dividend forecast for the fiscal year ending March 31, 2026, considering that this will be the first year since the Company's founding that we are aiming for net sales exceeding 40.0 billion yen, we plan to pay a dividend of 55 yen per share, an increase of 10 yen from 45 yen in the fiscal year ended March 31,

2025, taking into account the level of internal reserves based on business plans, business environment and stock price trends.

Additionally, the Company has already resolved to implement purchase of treasury shares up to 1 million shares for a maximum amount of 1,400 million yen, during the fiscal year ending March 31, 2026. Combined with dividends, the total return ratio is also expected to be approximately 90%.



The Shareholder Proposal, in contrast, requests that the Company double to 4% the dividend policy that has a minimum DOE of 2%, which we consider optimal within the growth strategy, and set the year-end dividend at 66 yen per share. While this may contribute to short-term shareholder returns, we believe it could undermine the financial resources necessary for the Group's growth investments in the medium to long term, potentially weakening our competitive position and making it difficult to maintain stable shareholder returns in the future.

We believe that improving the corporate value of the Group in the medium to long term by balancing continuous and stable profit distribution to shareholders with strategic investments for future growth will lead to an increase in shareholder interests.

For the reasons above, the Company's Board of Directors opposes the proposal.