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(Securities Code: 7856)

January 5, 2021

To our shareholders:

Kazushi Asano  
Representative Director and President  
**Hagihara Industries Inc.**  
1-4, Nakadori, Mizushima, Kurashiki-shi, Okayama

## Notice of the 58th Annual General Meeting of Shareholders

We are pleased to announce the 58th Annual General Meeting of Shareholders of Hagihara Industries Inc. (the “Company”), which will be held as indicated below.

**You can exercise your voting rights in writing. Please review the attached Reference Documents for the General Meeting of Shareholders and indicate your approval or disapproval for each of the proposals on the enclosed voting form, and return the form so as to be received no later than Monday, January 25, 2021, at 5:30 p.m. (JST).**

**1. Date and Time:** Tuesday, January 26, 2021, at 10:00 a.m. (JST)

**2. Venue:** Ivy Emerald Hall, Kurashiki Ivy Square  
7-2, Honmachi, Kurashiki-shi, Okayama

There will be no distribution of gifts. Moreover, snacks will not be provided at the discussion session.

We appreciate your understanding.

**3. Purpose of the meeting:**

### **Matters to be reported**

1. The Business Report and the Consolidated Financial Statements for the 58th fiscal year (from November 1, 2019 to October 31, 2020), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 58th fiscal year (from November 1, 2019 to October 31, 2020)

### **Matters to be resolved**

**Proposal No. 1:** Appropriation of Surplus

**Proposal No. 2:** Election of Eight (8) Directors

- When you attend the meeting, you are kindly requested to present the enclosed voting form at the reception.
- If any changes are made to items in the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements or to the Reference Documents for the General Meeting of Shareholders, such changes will be posted on the Company’s website (<https://www.hagihara.co.jp/>).
- Pursuant to the relevant laws and regulations and Article 15 of the Company’s Articles of Incorporation, among documents to be attached to this notice of Annual General Meeting of Shareholders, “Notes to the Consolidated Financial Statements” and “Notes to the Non-consolidated Financial Statements” are posted on the Company’s website (<https://www.hagihara.co.jp/>) and are not attached to this notice.

Consequently, Consolidated Financial Statements and Non-consolidated Financial Statements stated in the documents attached to this notice of Annual General Meeting of Shareholders consist of part of the Consolidated Financial Statements, Non-consolidated Financial Statements and other documents that were audited by the Audit & Supervisory Board Members and the Financial Auditor in preparing their audit reports.

Note to shareholders

Regarding measures to prevent spread and infection of COVID-19

The Company will take the following measures to prevent the spread and infection of the novel coronavirus disease (COVID-19) at the 58th Annual General Meeting of Shareholders. We ask for your understanding and cooperation on this matter.

[Requests to shareholders]

- Please refrain from attending the meeting regardless of the state of your health, and instead exercise your voting rights in writing (postal mail) beforehand.
- As the seats in the venue will be arranged with a distance between them exceeding that of previous years, the number of seats will be much fewer than previous years. Please accept that once the seating capacity has been filled, entry will be declined to any additional people wishing to enter.

[Requests to shareholders attending in person]

- Please wear a mask.
- Temperature checking equipment will be placed near the entrance of the venue to check everyone's body temperature. Any person with a fever or who is deemed to be in poor physical health may not be admitted.

If significant changes are made to the holding and running of the General Meeting of Shareholders due to future circumstances, they will be announced on the Company's website shown below.

The Company's website (<https://www.hagihara.co.jp/>)

## Reference Documents for the General Meeting of Shareholders

### Proposals and references

#### Proposal No. 1: Appropriation of Surplus

The Company recognizes increasing the return of profit to its shareholders as a key management priority, and it maintains a basic policy of paying stable dividends while giving comprehensive consideration to matters including the Company's business performance trends and financial position. Accordingly, it proposes the payment of year-end dividends and other appropriation of surplus as follows:

#### 1. Year-end dividends

##### i) Type of dividend property

To be paid in cash.

##### ii) Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥18 per common share of the Company.

In this event, the total dividends will be ¥261,830,916.

##### iii) Effective date of dividends of surplus

The dividends will take effect on January 27, 2021.

#### 2. Other appropriation of surplus

##### i) Item of surplus to be increased and amount of increase

General reserve: ¥300,000,000

##### ii) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥300,000,000

**Proposal No. 2:** Election of Eight (8) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this meeting. Therefore, the Company proposes to elect eight (8) Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Kuniaki Hagihara (August 19, 1953)	<p>Mar. 1976    Joined the Company</p> <p>Dec. 1976    Director</p> <p>Dec. 1979    Managing Director</p> <p>Dec. 1984    Representative Director and President</p> <p>Jan. 2010    Representative Director and President &amp; Chief Executive Officer</p> <p>Jan. 2016    Representative Director &amp; Chairman (present)</p> <p>Mar. 2016    Outside Director of TRUSCO Nakayama Corporation (present)</p> <p>Jun. 2018    President of TOYO HEISEI POLYMER CO., LTD. (present)</p> <p>Jun. 2020    External Director of Wavelock Holdings Co., Ltd. (present)</p>	524,040
<p>Reason for nomination as a candidate for Director</p> <p>Kuniaki Hagihara has served as Representative Director and President as well as Representative Director &amp; Chairman and has been in charge of the Company's management for many years. His abundant and broad experience and insight, gained while holding these positions, is expected to continue contributing to decision making at the Company's Board of Directors, and is expected to lead to enhancing the supervision of management. Accordingly, the Company nominates him as a candidate for Director.</p>			
2	Kazushi Asano (August 14, 1963)	<p>Mar. 1986    Joined the Company</p> <p>May 2004    Manager of General Affairs Department of Supporting Division</p> <p>Jan. 2007    Director, Manager of General Affairs Department of Supporting Division</p> <p>Jan. 2010    Executive Officer, Division Manager of Supporting Division</p> <p>Jan. 2011    Director &amp; Executive Officer, Division Manager of Supporting Division</p> <p>Nov. 2014    Director &amp; Executive Officer, Assistant to Senior Executive Manager of Plastics Business Headquarters</p> <p>Nov. 2015    Director &amp; Managing Executive Officer, Assistant to Senior Executive Manager of Plastics Business Headquarters, General Manager of Hagiline Division</p> <p>Jan. 2016    Representative Director and President &amp; Chief Executive Officer</p> <p>Nov. 2016    Representative Director and President &amp; Chief Executive Officer, General Manager of Plastics Business Division</p> <p>Nov. 2017    Representative Director and President &amp; Chief Executive Officer (present)</p>	20,000
<p>Reason for nomination as a candidate for Director</p> <p>Kazushi Asano assumed the position of Director of the Company in 2007, has abundant experience primarily related to administrative department, and is thoroughly familiar with the Company's business. Since 2016, he has led the Company as the Representative Director and President, and he is expected to continue contributing to the improvement of the Company's corporate value. Accordingly, the Company nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Yoshihiro Sasahara (August 27, 1962)	<p>Mar. 1983    Joined the Company</p> <p>Nov. 2007    General Manager of Manufacturing Management Section of Manufacturing Department of Engineering Division</p> <p>Nov. 2009    Division Manager of Manufacturing Division of Engineering Business Headquarters</p> <p>Jan. 2010    Executive Officer, Division Manager of Manufacturing Division of Engineering Business Headquarters</p> <p>Nov. 2013    Executive Officer, General Manager of Overseas Marketing Section of Engineering Business Headquarters</p> <p>Jan. 2015    Director &amp; Executive Officer, Senior Executive Manager of Engineering Business Headquarters, General Manager of Overseas Marketing Section</p> <p>Nov. 2016    Director &amp; Executive Officer, General Manager of Engineering Business Division, General Manager of Overseas Marketing Section</p> <p>Nov. 2017    Director &amp; Executive Officer, General Manager of Engineering Business Division, General Manager of Production Control Department</p> <p>Jan. 2018    Director &amp; Managing Executive Officer, General Manager of Engineering Business Division, General Manager of Production Control Department</p> <p>Nov. 2018    Director &amp; Managing Executive Officer, General Manager of Engineering Business Division</p> <p>Nov. 2019    Director &amp; Managing Executive Officer, Division Manager of Plastics Business Division</p> <p>Nov. 2020    Director &amp; Managing Executive Officer, Division Manager of Plastics Business Division, General Manager of Sales Planning Department (present)</p>	24,000
<p>Reason for nomination as a candidate for Director</p> <p>Yoshihiro Sasahara is expected to continue contributing to the improvement of the Company's corporate value because he has been involved in the machinery products business for many years, has overseen the administration of said business as a Director from 2015 to 2019, and the plastics-processed products business since November 2019 and has considerable knowledge. Accordingly, the Company nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Junichi Yoshida (October 14, 1965)	<p>Apr. 1991    Joined Japan Development Bank (present Development Bank of Japan Inc.)</p> <p>Oct. 2008    Senior Vice President of Corporate Planning &amp; Coordination Department of Development Bank of Japan Inc.</p> <p>May 2009    Senior Vice President of Project Division Shikoku Branch</p> <p>May 2011    Chief Representative of Representative Office in Okayama</p> <p>Apr. 2014    Seconded to the Company, General Manager of Corporate Planning Division</p> <p>Nov. 2014    Division Manager of Supporting Division, General Manager of General Affairs Department</p> <p>Jan. 2015    Executive Officer, Division Manager of Supporting Division, General Manager of General Affairs Department</p> <p>Jan. 2017    Retired from Development Bank of Japan Inc.</p> <p>Director &amp; Executive Officer, Division Manager of Supporting Division, General Manager of General Affairs Department (present)</p>	-
<p>Reason for nomination as a candidate for Director  Junichi Yoshida has abundant experience and insight gained over many years working at financial institutions, and his experience in administrative department is expected to continue contributing to the improvement of the Company's corporate value. Accordingly, the Company nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Masayuki Matsuura (July 24, 1961)	<p>Mar. 1980    Joined the Company</p> <p>Nov. 2004    Transferred to Japan Fabweld Co., Ltd. (Director &amp; General Manager of Administration Department)</p> <p>Nov. 2006    Manager of Production Department of Hagiline Business Unit of Plastics Business Division</p> <p>Nov. 2008    Unit Manager of BCI Business Unit of Plastics Business Division</p> <p>Nov. 2009    General Manager of BCI Division of Plastics Business Headquarters</p> <p>Nov. 2016    Executive Officer, Assistant to General Manager of Plastics Business Division, General Manager of R&amp;D Department</p> <p>Nov. 2017    Executive Officer, General Manager of Plastics Business Division, General Manager of Business Vitalization Department</p> <p>Jan. 2018    Director &amp; Executive Officer, General Manager of Plastics Business Division, General Manager of Business Vitalization Department</p> <p>Nov. 2018    Director &amp; Executive Officer, General Manager of Plastics Business Division</p> <p>Nov. 2019    Director &amp; Executive Officer, Vice Division Manager of Plastics Business Division</p> <p>Jul. 2020    Director &amp; Executive Officer, Vice Division Manager of Plastics Business Division, General Manager of Kasaoka Project Promotion Office (present)</p>	5,200
<p>Reason for nomination as a candidate for Director</p> <p>Masayuki Matsuura is expected to continue contributing to the improvement of the Company's corporate value because he has been involved in the plastics-processed products business for many years, has overseen the administration of said business as a Director since 2018, and has considerable knowledge. Accordingly, the Company nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Tatsuhiko Iiyama (January 20, 1964)	<p>Mar. 1982    Joined the Company</p> <p>Nov. 2007    Manager of Marketing Department of Engineering Division</p> <p>Nov. 2009    General Manager of Marketing Section of Marketing Development Department of Engineering Division</p> <p>Jan. 2010    Executive Officer, General Manager of Marketing Section of Marketing Development Department of Engineering Business Headquarters</p> <p>Nov. 2013    Executive Officer, General Manager of Domestic Marketing Section of Engineering Business Headquarters</p> <p>Nov. 2015    Executive Officer, General Manager of Technical Section of Engineering Business Headquarters</p> <p>Nov. 2018    Executive Officer, General Manager of Production Control Department of Engineering Business Division</p> <p>Nov. 2019    Executive Officer, Division Manager of Engineering Business Division</p> <p>Jan. 2020    Director &amp; Executive Officer, Division Manager of Engineering Business Division</p> <p>Nov. 2020    Director &amp; Executive Officer, Division Manager of Engineering Business Division, General Manager of Sales Department (present)</p>	2,900
<p>Reason for nomination as a candidate for Director</p> <p>Tatsuhiko Iiyama is expected to continue contributing to the improvement of the Company's corporate value because he has been involved in the machinery products business for many years, is currently demonstrating leadership in the operation of said business as a Director, and has considerable knowledge. Accordingly, the Company nominates him as a candidate for Director.</p>			
7	Yuji Nakahara (June 19, 1945)	<p>Apr. 1968    Joined Nakahara Certified Tax Accountant Office</p> <p>Dec. 1988    Audit &amp; Supervisory Board Member of the Company</p> <p>May 1995    Director of Yuji Nakahara Certified Tax Accountant Office (present)</p> <p>Jan. 2016    Director of the Company (present)</p>	35,400
<p>Reason for nomination as a candidate for Outside Director</p> <p>Yuji Nakahara has abundant expertise and experience related to finance and accounting gained as a tax accountant, and the Company deems him capable of continuing to supervise the Company's management based on such insight. Accordingly, the Company nominates him as a candidate for Outside Director.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	Akane Ohara (September 19, 1967)	<p>Apr. 1991    Joined MTB Investment Technology Institute Co., Ltd.</p> <p>Sep. 1994    Retired from MTB Investment Technology Institute Co., Ltd.</p> <p>May 2000    Director of the Board of Incorporated Foundation (present Public Interest Incorporated Foundation) Ohara Museum of Art</p> <p>Sep. 2007    Auditor of Incorporated Foundation (present Public Interest Incorporated Foundation) Ohara Syonokai (present)</p> <p>Apr. 2010    Director of the Board of General Incorporated Foundation (present Public Interest Incorporated Foundation) Yurinkai</p> <p>Jun. 2016    Chair of Social Welfare Corporation Wakatakenosono (present)</p> <p>Jul. 2016    Chair of Public Interest Incorporated Foundation Ohara Museum of Art (present)</p> <p>May 2018    Director of the Board of Public Interest Incorporated Foundation Kurashiki Archaeological Museum (present)</p> <p>Jun. 2018    Director of the Board of Public Interest Incorporated Foundation KURASHIKI MUSEUM OF FOLK CRAFT (present)</p> <p>Director of the Board of Public Interest Incorporated Foundation Kurashiki City Culture Promotion Foundation (present)</p> <p>Jan. 2019    Director of the Company (present)</p> <p>Jul. 2019    Chair of Public Interest Incorporated Foundation Yurinkai (present)</p> <p>Sep. 2020    Inspector (part time) of Okayama University (present)</p>	—
<p>Reason for nomination as a candidate for Outside Director</p> <p>Akane Ohara has abundant experience from serving in management roles at various public interest incorporations, and the Company deems her capable of continuing to supervise the Company's management while representing the perspectives of a broad range of stakeholders. Accordingly, the Company nominates her as a candidate for Outside Director.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Yuji Nakahara and Akane Ohara are candidates for Outside Director.
  3. Yuji Nakahara and Akane Ohara are currently Outside Directors of the Company, and at the conclusion of this meeting, their terms of office as Outside Directors will have been five years and two years, respectively. Yuji Nakahara has been an Audit & Supervisory Board Member of the Company in the past.
  4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Yuji Nakahara and Akane Ohara to limit their liability for damages under Article 423, paragraph (1) of the same act to the minimum liability amount provided for by Article 425, paragraph (1) of the act. If their reelection is approved, the Company plans to renew the aforementioned agreements with them.
  5. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Yuji Nakahara and Akane Ohara have been appointed as independent officers as provided for by the said exchange. If their reelection is approved, the Company plans for their appointment as independent officers to continue.