

(Stock code: 6289)
November 4, 2021

To All Shareholders

Nunoshida 3948-1, Kochi-shi,
K o c h i P r e f e c t u r e
G I K E N L T D .
Representative Director and President
S h i n n o s u k e M o r i b e

Notice of Convocation of the 40th Ordinary General Meeting of Shareholders

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 40th Ordinary General Meeting of Shareholders of Giken Ltd. (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the internet. When exercising your voting rights in writing or via the internet, please review the attached Reference Documents for the General Meeting of Shareholders, refer to the Guide to Exercise of Voting Rights on the following page, and exercise your voting rights no later than 5:00 p.m. on Monday, November 22, 2021, Japan time.

1. Date and Time 10 a.m., Wednesday, November 24, 2021
2. Place Rainbow Hall, third floor, Chres,
155, Takasu-sunaji, Kochi-shi, Kochi Prefecture
3. Meeting Agenda
Matters to be reported
 1. The Business Report and Consolidated Financial Statements for the Company’s 40th Fiscal Year (September 1, 2020 – August 31, 2021) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
 2. Non-consolidated Financial Statements for the Company’s 40th Fiscal Year (September 1, 2020 – August 31, 2021)

Proposals to be resolved

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| Proposal 1 | Appropriation of Surplus |
| Proposal 2 | Partial Amendment to the Articles of Incorporation |
| Proposal 3 | Election of One Outside Director |
| Proposal 4 | Election of Three Directors |

- * When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- * The Consolidated Statement of Changes in Net Assets, Notes to Consolidated Financial Statements, Non-consolidated Statement of Changes in Net Assets, and Notes to Non-consolidated Financial Statements are posted on the Company’s website (<https://www.giken.com>) in accordance with provisions of laws and regulations as well as Article 16 of the Company’s Articles of Incorporation,

and therefore are not included in the accompanying documents of this Notice of Convocation.

The Consolidated Statement of Changes in Net Assets, Notes to Consolidated Financial Statements, Non-consolidated Statement of Changes in Net Assets, and Notes to Non-consolidated Financial Statements are part of the consolidated financial statements and non-consolidated statements that were audited by the Board of Corporate Auditors and the Accounting Auditor in preparing the audit reports.

* Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<https://www.giken.com>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1 Appropriation of Surplus

The Company proposes to appropriate surplus as described below.

Matters regarding year-end dividend

Regarding the year-end dividend for the 40th term, the Company proposes to pay 35.00 yen per share taking into account the business results for the fiscal year and the future business development. This brings the annual dividend including the interim dividend to 70.00 yen per share.

(1) Type of dividend property

Cash

(2) Distribution of dividend property, and the total amount thereof

35.00 yen per share of the Company's common stock

The total amount of dividend is 959,803,775 yen.

(3) Effective date of distribution of surplus

Thursday, November 25, 2021

Proposal 2 Partial Amendment to the Articles of Incorporation

The Company proposes to amend part of the Articles of Incorporation as described below.

1. Reasons for the amendment

In preparation for business expansion as a global company, the Company aims to further strengthen the management structure and enhance the corporate governance system. For this purpose, the Company proposes to change the number of its directors stipulated in Article 19 of the Article of Incorporation from up to 12 persons to up to 15 persons.

2. Details of the amendment

Details of the amendment are as follows.

The proposed amendment of the Articles of Incorporation shall take effect at the closing of the General Meeting of Shareholders.

(The proposed amendment is underlined.)

Current Articles of Incorporation	Proposed amendment
(Number of Members) Article 19 The members of the Board of Directors shall be <u>12</u> or fewer.	(Number of Members) Article 19 The members of the Board of Directors shall be <u>15</u> or fewer.

Proposal 3 Election of One Outside Director

The Company proposes to increase the number of Outside Directors by one and elect him in order to further strengthen the management structure and enhance supervision over corporate management.

The term of office of the Directors to be appointed at this General Meeting of Shareholders will be until the expiration of the term of other existing Directors, in accordance with the Company's Articles of Incorporation.

The candidate for Outside Director is as follows:

No.	Name (Date of birth)	Career summary, positions and areas of responsibility at the Company, and important concurrent positions	Number of the Company's shares held
1	[New] [Independent] Takaaki Iwaki (November 30, 1952)	Aug. 1978 Joined Kochi Prefectural Government Office Apr. 2009 General Manager of Industrial Promotion Department Jan. 2012 Deputy Governor of Kochi Prefecture Mar. 2021 Retired June 2021 Representative Director and President, Kochi Airport Terminal Building Co., Ltd. (current position) Outside Director, Nippon Kodoshi Corporation (current position) To present (Important concurrent position) Representative Director and President, Kochi Airport Terminal Building Co., Ltd. Outside Director, Nippon Kodoshi Corporation	—
<Reasons for nomination as an Outside Director candidate and the role expected of the candidate> Mr. Takaaki Iwaki has sufficient insight based on extensive experience from serving in the prefectural government for many years and he also has been engaged in corporate management since June 2021. We nominated Mr. Iwaki as an Outside Director candidate on expectations that he would contribute to the Company's growth and improvement in its values and appropriately supervise the business execution based on his experience and from a professional perspective.			

(Notes)

1. There are no special interests between the candidate and the Company.
2. If this proposal is approved and Mr. Iwaki is elected as an Outside Director, the Company plans to enter into a limited liability agreement with him in accordance with Article 26-2 of the Articles of Incorporation. The maximum amount of liability under the agreement is the minimum liability amount as provided in laws and ordinances.
3. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan to cover legal damages and litigation expenses to be borne by the insured including its Directors. The candidate will be included in the insured persons of the said insurance contract if he is elected and appointed as a Director. The Company plans to renew the said insurance contract at the next renewal with the same contents.
4. The Company plans to submit an Independent Director/Auditor Notification to the Tokyo Stock Exchange to register Mr. Iwaki as an Independent Director.

Proposal 4 Election of Three Directors

On the premise that Proposal 2 Partial Amendment to the Articles of Incorporation will be approved, the Company proposes to increase the number of Directors by three and elect them in order to further strengthen the management structure and appoint and nurture younger employees who will lead the next generation.

The term of office of the Directors to be appointed at this General Meeting of Shareholders will be until the expiration of the term of other existing Directors, in accordance with the Company's Articles of Incorporation.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, positions and areas of responsibility at the Company, and important concurrent positions	Number of the Company's shares held	
1	[New] Shigeki Fukumaru (February 8, 1970)	Apr. 1993 Nov. 2017	Joined the Company Department Leader, Construction Solutions Department, the Company	6,549
		Aug. 2019 Dec. 2020	Temporary transfer to Giken Europe B.V. Operating Officer in charge of the International Business, the Company To present	
<p><Reasons for nomination as a Director candidate> Mr. Shigeki Fukumaru has abundant experience in the Company's Press-in Method Promotion Business as well as overseas business, and he has been demonstrating his leadership and fulfilling the role as an Operating Officer since 2020. The Company nominated him as a Director candidate on expectations that Mr. Fukumaru would strengthen the decision-making function and supervisory function of the Board of Directors.</p>				
2	[New] Toru Matsuoka (August 24, 1973)	Apr. 1997 Sept. 2015	Joined the Company Department Leader, Total Support Department, the Company	396
		Oct. 2019	Operating Officer in charge of the Press-in Method Promotion Business, the Company To present	
<p><Reasons for nomination as a Director candidate> Mr. Toru Matsuoka has abundant experience in the Company's Press-in Method Promotion Business, and he has been demonstrating his leadership and fulfilling the role as an Operating Officer since 2019. The Company nominated him as a Director candidate on expectations that Mr. Matsuoka would strengthen the decision-making function and supervisory function of the Board of Directors.</p>				

No.	Name (Date of birth)	Career summary, positions and areas of responsibility at the Company, and important concurrent positions	Number of the Company's shares held
3	[New] Yusei Morino (June 1, 1977)	Apr. 1996 Joined the Company Sept. 2016 Department Leader, Production Management Department, the Company Nov. 2017 Operating Officer in charge of the Press-in Products Business, the Company To present	2,456
<p><Reasons for nomination as a Director candidate> Mr. Yusei Morino has abundant experience in the Company's Press-in Products Business, and he has been demonstrating his leadership and fulfilling the role as an Operating Officer since 2017. The Company nominated him as a Director candidate on expectations that Mr. Morino would strengthen the decision-making function and supervisory function of the Board of Directors.</p>			

(Notes)

1. There are no special interests between the candidates and the Company.
2. The Company has entered into a directors and officers (D&O) liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act of Japan to cover legal damages and litigation expenses to be borne by the insured including its Directors. The candidates will be included in the insured persons of the said insurance contract if they are elected and appointed as a Director. The Company plans to renew the said insurance contract at the next renewal with the same contents.
3. The number of shares held in the Company by Messrs. Shigeki Fukumaru, Toru Matsuoka, and Yusei Morio includes their holdings of the Company shares as part of Giken Employee Share Owner Club.