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(Securities code: 9793)
May 7, 2021

To Shareholders with Voting Rights:

Hideki Hashira
President and Representative Director
Daiseki Co., Ltd.
1-86 Funami-cho Minato-ku, Nagoya,
Aichi, Japan

**NOTICE OF
THE 63RD ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Please be informed that the 63rd Ordinary General Meeting of Shareholders (the “Meeting”) of Daiseki Co., Ltd. (the “Company”) will be held for the purposes as described below.

In lieu of attending the Meeting in person, you can exercise your voting rights in writing or via electromagnetic means (the Internet, etc.). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Wednesday, May 26, 2021, Japan time, by following instructions in the Guidance on the Exercise of Voting Rights, etc. on the next page.

- 1. Date and Time:** Thursday, May 27, 2021 at 10:00 a.m. Japan time
- 2. Place:** 4F, Conference Room at the Head Office Building of the Company,
1-86 Funami-cho Minato-ku, Nagoya, Aichi, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company’s 63rd Fiscal Year (March 1, 2020 - February 28, 2021) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
 2. Non-consolidated Financial Statements for the Company’s 63rd Fiscal Year (March 1, 2020 - February 28, 2021)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Five (5) Directors (Excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal 3:** Partial Amendments to the Restricted Stock Compensation Plan

No souvenirs will be available for distribution to shareholders who attend the Meeting. We appreciate your understanding.

4. Guidance on the Exercise of Voting Rights, etc.

(1) Exercise of voting rights in writing

Please indicate your vote for or against each proposal on the enclosed voting rights exercise form and return it so that it is received by 5:30 p.m. on Wednesday, May 26, 2021, Japan time.

(2) Exercise of voting rights via the Internet

Please access the voting rights exercise website (<https://evote.tr.mufg.jp/>) (in Japanese), use your Login ID and Temporary Password printed on the voting rights exercise form, and follow the on-screen instructions to enter your vote for or against each proposal by 5:30 p.m. on Wednesday, May 26, 2021, Japan time. If you have exercised a voting right multiple times, the content of the last vote will be considered valid. For details, please confirm the Guidance on the Exercise of Voting Rights via the Internet as described below.

(3) If you have exercised your voting right both in writing and via the Internet, the content of your voting right exercised via the Internet will be considered valid.

If you attend the Meeting, please submit the enclosed voting rights exercise form at the reception desk on the day of the Meeting.

Any revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report and the Consolidated and Non-consolidated Financial Statements will be posted on the Company's website (URL: <https://www.daiseki.co.jp/IR/stock/meeting.html>).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Items related to the year-end dividend:

The Company proposes to pay year-end dividends for the 63rd fiscal year as below to reward our shareholders for their support and in consideration of business performance for the current fiscal year and future business development.

- 1) Type of dividend property:
Cash
- 2) Items related to the allocation of dividend property to shareholders and its total amount:
28 yen per share of the Company's common stock at a total of 1,198,586,060 yen
- 3) Effective date of dividend from surplus:
May 28, 2021

Proposal 2: Election of Five (5) Directors (Excluding Directors who are Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same shall apply in this proposal) will expire at the closing of the Meeting. Accordingly, the Company proposes the election of five (5) Directors.

An overview of the Audit and Supervisory Committee’s opinion on the election of Directors is as follows:

The Audit and Supervisory Committee examined the proposal from the perspectives of the individual qualities and status of business execution of each candidate, effectiveness of the supervisory function of the Board of Directors, and enhancement of corporate value, among others. As a result, the Committee has judged that it is appropriate to elect each candidate as a Director since each of the candidates has deep expertise and abundant experience, is equipped with the qualification to serve as a Director, and is significantly contributing to the improvement of the Company’s performance.

The candidates for Director are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Hiroyuki Ito (April 5, 1943) [Male]	August 1963 Joined the Company April 1975 Director May 1978 Managing Director March 1986 Senior Managing Director April 1990 Senior Managing Representative Director December 1990 Representative Director Vice President May 1996 Representative Director President March 2015 Representative Director Chairman May 2020 Representative Director Chairman Executive Officer (current position)	1,061,738
[Reason for nomination as candidate for Director] In light of his track record of having led the Company as Representative Director and his extensive insight and experience in management in general, we have judged that he is qualified to continue to serve as Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Hideki Hashira (December 18, 1960) [Male]	<p>April 1984 Joined The Tokai Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>April 1990 Joined the Company</p> <p>April 1990 General Manager, Finance Department</p> <p>August 1990 Director</p> <p>October 1995 Managing Director</p> <p>March 1996 General Manager, Headquarters of Planning and Management</p> <p>May 1999 Representative Director Vice President</p> <p>March 2015 Representative Director President</p> <p>May 2020 Representative Director President Executive Officer (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> • Representative Director, Itoji Co., Ltd. 	315,440
<p>[Reason for nomination as candidate for Director]</p> <p>In light of his track record of having led the management of the Company with strong leadership and his extensive insight and experience, we have judged that he is qualified to continue to serve as Director.</p>			
3	Tetsuya Yamamoto (January 9, 1965) [Male]	<p>April 1989 Joined Hitachi, Ltd.</p> <p>October 1989 Joined the Company</p> <p>March 1995 General Manager, Technology Development Department</p> <p>May 1995 Director</p> <p>March 2000 Managing Director</p> <p>March 2001 General Manager, Nagoya Works</p> <p>May 2006 Senior Managing Director</p> <p>March 2009 General Manager, Headquarters of Business Generalization (current position)</p> <p>March 2015 Director Vice President</p> <p>May 2020 Director Vice President Executive Officer (current position)</p>	438,580
<p>[Reason for nomination as candidate for Director]</p> <p>In light of his track record of having made a significant contribution to the growth and development of the Company as General Manager of the Headquarters of Business Generalization and his extensive insight and experience, we have judged that he is qualified to continue to serve as Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Koji Amano (June 16, 1960) [Male]	June 1985 Joined the Company September 2000 General Manager, Kyushu Works May 2003 Director September 2003 General Manager, Kanto Works May 2013 Managing Director March 2015 Deputy General Manager, Headquarters of Business Generalization (current position) March 2015 Senior Managing Director September 2019 General Manager, Kansai Works May 2020 Director Senior Managing Executive Officer (current position)	10,060
		<p>[Reason for nomination as candidate for Director] In light of his extensive experience in on-site management operation as a General Manager at the Company's Works, as well as his track record of having commanded overall business as Deputy General Manager of the Headquarters of Business Generalization, we have judged that he is qualified to continue to serve as Director.</p>	
5	Yasuo Ito (September 20, 1972) [Male]	February 1996 Joined the Company March 2010 General Manager, Nagoya Works May 2010 Director May 2013 Managing Director March 2015 Senior Managing Director March 2018 Headquarters of Business Generalization May 2020 Director Senior Managing Executive Officer (current position) May 2020 General Manager, Corporate Planning Office, Headquarters of Business Generalization (current position)	84,441
		<p>[Reason for nomination as candidate for Director] In light of his track record of having led the Company's overall sales-related business operations as General Manager of Nagoya Works, which constitutes the Company's key unit, we have judged that he is qualified to continue to serve as Director.</p>	

- Notes: 1. There is no special interest between any of the above candidates and the Company.
2. The Company has entered into a Directors and Officers liability insurance contract to insure all of its Directors. The contract shall cover any damage that may arise as a result of the insured Directors assuming liability for the execution of his or her duties or receiving a claim related to the pursuit of such liability. In the event each candidate assumes the office of Director, they will be insured by the said insurance contract. The Company intends to renew the liability insurance contract during their terms of office.

Proposal 3: Partial Amendments to the Restricted Stock Compensation Plan

The Company received approval for the introduction of the restricted stock compensation plan (hereinafter, the “Plan”) for Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter, “Directors”) at the 60th Ordinary General Meeting of Shareholders held on May 24, 2018. In addition, at the 62nd Ordinary General Meeting of Shareholders held on May 28, 2020, along with the introduction of an executive officer system with an aim to streamline the management structure and expedite decision making, the Company received approval for partial amendments to the Plan (individuals eligible for the Plan were changed to include Directors and executive officers) (hereinafter, the resolution adopted at the said General Meeting of Shareholders is referred to as the “Original Resolution”). Following the enforcement of the Act Partially Amending the Companies Act (Act No. 70 of 2019) on March 1, 2021, the Company requests shareholders’ approval for setting an upper limit on the number of the Company’s common stock to be delivered to the Company’s Directors and executive officers (60,000 shares per annum). The revision subject to the approval is the underlined part as indicated below.

This proposal is intended for a procedural matter along with revisions in the law, and is not to increase the actual amount of compensation compared to that in the Original Resolution. As in the Original Resolution, by clarifying the link between the compensation for the Company’s Directors and executive officers and stock value associated with stock price fluctuations, the Plan is aimed at facilitating their sense of sharing value with shareholders and giving them greater motivation to make contributions to greater corporate value. The Company therefore considers the contents of this proposal to be appropriate. As a result, the Company will utilize the Plan as in the past, with the addition of the new provision (underlined part), considering the monetary compensation claims within the range of 200 million yen per annum as compensation pertaining to restricted stock as well as the recent stock price of the Company.

While there are currently five (5) Directors who are eligible for the Plan, the number of eligible Directors will remain the same, even after Proposal 2 is approved as proposed.

The resolution on this proposal shall be retroactively effective as of March 1, 2021.

[Reference]

Overview of the Company’s Plan in the event approval is given to this proposal

Under the Plan, the Company’s Directors and executive officers shall be provided with monetary compensation claims within the range of 200 million yen per annum as compensation pertaining to restricted stock, based on the resolution of the Company’s Board of Directors, and each of the Directors and executive officers shall deliver all of the monetary compensation claims as contributions in-kind to receive issuance or disposal of the Company’s common stock.

Under the Plan, the total number of common stock to be newly issued or disposed of by the Company shall be up to 60,000 shares per annum, and the amount to be paid in for the restricted stock shall be determined by the Company’s Board of Directors within a range not especially advantageous to the Directors and executive officers receiving the restricted stock, based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day prior to the date of the resolution of the Company’s Board of Directors (if no trades are concluded on that day, the closing price of the most recent trading day prior to that day). Furthermore, upon issuance or disposal of the Company’s common stock under the Plan, the Company shall enter into a restricted stock allotment agreement with the Directors and executive officers, which includes the following details (hereinafter, the “Allotment Agreement”):

- (1) The Directors and executive officers shall not transfer, pledge, or otherwise dispose of the Company’s common stock allotted under the Allotment Agreement (hereinafter, the “Allotted Stock”) for ten (10) years (hereinafter, the “Restricted Period”) from the payment date (hereinafter, the “Transfer Restriction”).

- (2) If the Directors and executive officers retire as the Company's Directors or executive officers before the Restricted Period expires, the Company shall acquire the Allotted Stock without compensation unless there are reasons deemed justifiable by the Company's Board of Directors.
- (3) Notwithstanding the above item (1), the Company shall remove the Transfer Restriction on all of the Allotted Stock at the expiration of the Restricted Period, provided that the Directors and executive officers continued to hold their respective positions during the Restricted Period. However, if the Directors and executive officers retire from the positions provided under the above item (2), the number of the Allotted Stock for which the Transfer Restriction is to be removed and the timing of the removal of the Transfer Restriction shall be reasonably adjusted, as necessary.
- (4) The Company shall automatically acquire the Allotted Stock for which the Transfer Restriction has not been removed based on the provisions of the above item (3) without compensation at the expiration of the Restricted Period.
- (5) Notwithstanding the above item (1), in the event where matters regarding a merger agreement in which the Company becomes the dissolved company, a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other matters related to organizational restructuring, etc. are approved by the Company's general meeting of shareholders (or by the Company's Board of Directors, if approval by the Company's general meeting of shareholders is not required for such organizational restructuring, etc.) during the Restricted Period, the Company shall remove the Transfer Restriction on a certain number of the Allotted Stock reasonably determined based on the period from the start of the Restricted Period until the date of approval of such organizational restructuring, etc., prior to the effective date of such organizational restructuring, etc., in accordance with resolution of the Company's Board of Directors.
- (6) In the cases as provided for in the above item (5), the Company shall acquire without compensation the Allotted Stock for which the Transfer Restriction has not been removed immediately after the removal of the Transfer Restriction based on the provisions in the above item (5).