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(Stock Exchange Code 6622)
June 8, 2022

To Shareholders with Voting Rights:

Shoichiro Minomo
President and Chief Executive Officer
DAIHEN Corporation
2-1-11 Tagawa, Yodogawa-ku, Osaka,
Japan

**NOTICE OF
THE 158TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We are pleased to announce that the 158th Annual General Meeting of Shareholders of DAIHEN Corporation (the “Company”) will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights following the instructions provided no later than 5:00 p.m. on Monday, June 27, 2022, Japan time.

- 1. Date and Time:** Tuesday, June 28, 2022 at 10:00 a.m. Japan time
- 2. Place:** The Company’s Head Office
2-1-11 Tagawa, Yodogawa-ku, Osaka, Japan
(Please refer to the guide map at the end of this notice.)
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company’s 158th Fiscal Year (April 1, 2021 - March 31, 2022) and results of audits by the Financial Auditor and the Board of Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 158th Fiscal Year (April 1, 2021 - March 31, 2022)
 - Matters to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Partial Amendments to the Articles of Incorporation
 - Proposal 3:** Election of Three (3) Auditors
 - Proposal 4:** Revision of the Amount of Compensation for Directors

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - The following items are posted on the Company's website (*) in accordance with laws and regulations and the Articles of Incorporation of the Company, and are therefore not included in this notice of convocation.
 1. Notes to Consolidated Financial Statements
 2. Notes to the Non-consolidated Financial StatementsThe "Notes to the Consolidated Financial Statements" and the "Notes to the Non-consolidated Financial Statements" are part of the Consolidated and Non-consolidated Financial Statements audited by the Auditors and the Financial Auditor in the preparation of the Audit Report.
 - Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (*).

* Company's website: <https://www.daihen.co.jp/>

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<Measures to Prevent the Spread of the Novel Coronavirus Infection>

- When attending this Annual General Meeting of Shareholders, please be aware of your health condition up to the day of the meeting and be sure not to strain yourself.
In particular, shareholders who are elderly, have underlying diseases, or are pregnant, are requested to exercise careful judgment.
- On the day of the meeting, we ask for your cooperation in wearing a mask and using an alcohol disinfectant to prevent infection.
Please note that we may take measures such as taking body temperature measurements.
- The Company's officers and operating staff will wear masks.
- If there are any changes to the operation of the General Meeting of Shareholders due to future changes in circumstances, the information will be posted on the Company's website (<https://www.daihen.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

Matters concerning the year-end dividend

The year-end dividend for the current fiscal year will be as follows, taking into consideration the business results for the current fiscal year and future business development.

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and total amount thereof
60.00 yen per share of common stock of the Company
Total amount: 1,476,856,020 yen
- (3) Effective date of distribution of surplus
June 29, 2022

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September, 1 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 15, Paragraph 1 provides that information contained in the reference materials for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The proposed Article 15, Paragraph 2 provides that the Company may limit the scope of the matters contained in the paper copy to be sent to shareholders who have requested it.
- (3) With the introduction, the provisions related to the disclosure via the Internet of reference documents for shareholders meeting, etc. (Article 15 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted; and
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Disclosure via the Internet of reference documents for shareholders meeting, etc.) Article 15</u> <u>The Company may disclose via the Internet the information related to matters that should be recorded or specified in the reference documents for shareholders meeting, financial statements, consolidated financial statements, or business reports, pursuant to the provisions of the applicable Ordinance of the Ministry of Justice.</u></p> <p><Newly established></p>	<p><Deleted></p> <p><u>(Electronic provision of reference documents for shareholders meeting, etc.)</u> <u>Article 15</u> 1. <u>The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</u> 2. <u>The Company may choose not to include all or part of the matters to be provided electronically stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>
<p><Newly established></p>	<p><u>Supplementary provisions</u> <u>Article 1</u> 1. <u>The deletion of Article 15 (Disclosure via the Internet of reference documents for shareholders</u></p>

	<p><u>meeting, etc.) of the current Articles of Incorporation and the proposed Article 15 (Electronic provision of reference documents for shareholders meeting, etc.) shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u></p> <p>2. <u>Notwithstanding the provisions of the preceding paragraph, Article 15 (Disclosure via the Internet of reference documents for shareholders meeting, etc.) of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p>3. <u>The provisions of these supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>
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Proposal 3: Election of Three (3) Auditors

The term of office of Auditor, Mr. Masashi Yoshida will expire, and Auditors, Messrs. Naoki Urai and Masayuki Furusawa will resign at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of three (3) Auditors is proposed.

The candidates for Auditor are as follows.

Mr. Tatsuya Iba is a substitute for Mr. Naoki Urai and Mr. Hiroyuki Shime for Mr. Masayuki Furusawa. Thus, according to the Articles of Incorporation of the Company, their terms of office are the remaining terms of office of their predecessors, respectively.

The Board of Auditors has given its prior consent to this proposal.

No.	Name	Current positions at the Company
1	Tatsuya Iba [New Candidate]	Senior Vice President
2	Masashi Yoshida [Reappointment] [Outside] [Independent]	Auditor
3	Hiroyuki Shime [New Candidate] [Outside] [Independent]	

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Tatsuya Iba (February 25, 1960) [New Candidate]	April 1982 April 2020 April 2020	Joined the Company Vice President Senior Vice President (to present)	1,700
	[Reasons for selection as a candidate for auditor] Mr. Tatsuya Iba has abundant experience in managing overseas affiliated companies and broad insight in manufacturing and technology fields. The Company believes that his experience and insight will strengthen the Company's auditing function and has therefore nominated him as a candidate for auditor.			
2	Masashi Yoshida (September 5, 1954) [Reappointment] [Outside] [Independent] <Attendance at Board of Directors meetings> 9/9 (100.00%) <Attendance at Board of Auditors meetings> 8/8 (100.0%)	April 1979 August 1982 July 1998 August 2009 April 2014 August 2014 June 2018 September 2020	Joined the Nitto Audit and Accounting Office (currently Crowe Toyo & Co.) Registered as certified public accountant Representative Partner, Crowe Toyo & Co. Managing Partner, Crowe Toyo & Co. Auditor, National Institute of Technology (to present) Adviser, Crowe Toyo & Co. Outside Auditor, the Company (to present) Representative, Yoshida Public Accountant Office (to present) (Significant concurrent positions) Auditor, National Institute of Technology Representative, Yoshida Public Accountant Office	0
	[Reasons for selection as a candidate for auditor] The Company believes that his deep insight in corporate accounting and tax affairs as a certified public accountant will strengthen the Company's auditing system and has thus nominated Mr. Masashi Yoshida again as a candidate for auditor. Although he has never been directly involved in corporate management, the Company believes that he can adequately perform his duties as outside auditor based on the reasons stated above.			
3	Hiroyuki Shime (February 10, 1952) [New Candidate] [Outside] [Independent]	April 1975 June 2008 July 2012 June 2014 June 2019	Joined UNITIKA LTD. Director, Senior Executive Officer, UNITIKA LTD. Director, Managing Executive Officer, UNITIKA LTD. Representative Director and President, Chief Executive Officer, UNITIKA LTD. Representative Director Chairman, UNITIKA LTD. (to present) (Significant concurrent positions) Representative Director Chairman, UNITIKA LTD.	0
	[Reasons for selection as a candidate for auditor] Mr. Hiroyuki Shime has been involved in the overall management of UNITIKA LTD., large textile manufacturer in Japan, and has made efforts to improve its corporate value. The Company believes that he will strengthen the Company's auditing function by supervising and guiding our board of directors independently based on his abundant experience and broad insight, and has therefore nominated him as a candidate for auditor.			

- (Notes)
1. There are no special interests between any of the candidates and the Company.
 2. Messrs. Masashi Yoshida and Hiroyuki Shime are candidates for outside director.
 3. Messrs. Masashi Yoshida and Hiroyuki Shime are candidates for Independent Auditor as stipulated by the Tokyo Stock Exchange and the Fukuoka Stock Exchange.
 4. The term of office of Mr. Masashi Yoshida as an outside auditor of the Company will be four (4) years at the conclusion of this General Meeting of Shareholders.
 5. Mr. Masashi Yoshida currently serves as an outside auditor of the Company, and pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with him to limit his liability for damages under Article 423, Paragraph 1 of the same Act. The liability for damages under the agreement is limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his election is approved, the Company plans to continue the agreement with him.
If election of Mr. Hiroyuki Shime is approved, the Company plans to enter into agreements of the same nature with them.
 6. The Company has entered into a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company and plans to renew and maintain the said contract. If election of each candidate is approved, each of them will be the insured under the said insurance.
The said insurance contracts will compensate for damages including compensation for damages and legal expenses to be borne by the insureds as a result of the insureds assuming liability for the execution of his or her duties. Provided, however, that there are certain exemptions; for example, damages arising from the insured's criminal acts shall not be covered.

Proposal 4: Revision of the Amount of Compensation for Directors

The 151st Annual General Meeting of Shareholders, held on June 26, 2015, approved the amount of annual compensation for directors of the Company, which has been not more than 440 million yen (of which not more than 20 million yen is for outside directors) to date. The 155th Annual General Meeting of Shareholders, held on June 26, 2019, approved that, within the scope of this amount, the Company may provide monetary compensation claims as compensation, etc. related to restricted shares for directors (excluding outside directors), the total amount of which has been not more than 50 million yen (the maximum number of restricted shares is 50 thousand) to date.

In consideration of various circumstances, including a recent increase in the number of outside directors intended to further enhance the corporate governance structure, the Company proposes to revise the amount of annual compensation for directors to not more than 470 million yen (of which not more than 50 million yen is for outside directors).

There will be no change to the amount of compensation, etc. related to restricted shares for directors (excluding outside directors).

The employee salary portion for directors who serve concurrently as employees will remain excluded from the amount of compensation for directors.

The Company considers this proposal to be reasonable because the Board of Directors decided on the content after comprehensively taking into consideration the Company's management structure, the number of directors, future changes in the economic climate, and other factors. In addition, the decision was based on the Nomination and Compensation Advisory Committee's report, which stated that the proposal was in line with the policy for determining the details of compensation, etc. for individual directors. The policy is described in Matters on Compensation etc., for Company Officers in the Business Report.

The Company currently has nine (9) directors (of which three (3) are outside directors).