Mid-Term Management Plan 2024 (FY Aug 2022 – FY Aug 2024)

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GIKEN's Mission: Construction Revolution

Scientifically examining the construction industry ,and further expanding the "Press-in industry" which can realize the ideal state of construction work

Press-in industry

By applying the non-polluting "Press-in Method", we will

- Comply with The Five Construction Principles, which are standards created from the public's perspective.
- Build Implant Structure that are resilient to natural disasters.
- Provide Functional Structure that can flexibly adapt to social changes.

Aesthetics CONSTRUCTION Safety PRINCIPLES

2. Summary of Mid-Term Management Plan 2021

Numerical Results (Consolidated, Domestic/Abroad)

		Period of Mid-Term Management Plan 2021				(Unit: million JPY)
1	Item	FY AUG 2018	FY AUG 2019	FY AUG 2020	FY AUG 2021	Rate of Change Cf. w/ FY AUG 2018
Sales		29,142	32,442	24,640	27,618	∆5.2%
	Domestic	25,105	27,397	21,822	22,158	△11.7%
	Abroad	4,036	5,044	2,818	5,460	35.3%
Operatir	ng Profit	5,977	6,689	2,498	3,997	∆33.1%



2. Summary of Mid-Term Management Plan 2021

① Expanding the market of the Implant Method[™]

Beginning with its use in a World Heritage site canal revetment renovation project, it has been adopted in ODA projects as "high-quality Japanese technology"



World Heritage site canal revetment renovation (Netherlands) Contracted in 2020, construction starts in 2022



Landslide control piles using Skiplock Method™ (Nagasaki) July 2017-July 2020



Gowanus Canal seawall renovation (U.S.A) 2020



Port of Dakar quay renovation (ODA) (Republic of Senegal) September 2019-March 2021



Construction of hospital facilities (ODA) (Egypt) 2019



Subway retaining wall construction (Australia) 2021

2. Summary of Mid-Term Management Plan 2021

② Results achieved

Results achieved from the basic strategy of MTMP 2021 (① - ③) (excerpted)

①Create Culture and Value for the World by Offering Complete Packages	②Strengthen Business Structure and Expand Development	③Spread Business and Development Advantages from Kochi to the World
Revetment renovation at the "Canals of Amsterdam" World Heritage Site	Development and sales of ultra- low overhead clearance press-in machine (CLW100 · CLP200A)	Creation and publication of English-version technical evaluation certificate and report for Gyropress Method™ (JSCE)
Signed a contract with a sales agent in China and a designated factory, Shijiazhuang Tianyuan Technology Group Co., Ltd.	Development and on-site installation of GRB™ platform	Construction of building foundation for "facility for visual verification of press in technology" by Press-in Method
Signed a contract with AKTIO PACIFIC PTE. LTD. (a designated factory in Singapore)	Development and sales of SMART PILER™ (SX-1)	Registration of Press-in Method in STePP (Sustainable Technology Promotion Platform)
Representative office opened in Bangkok, Thailand	Started co-development and provision of Implant NAVI™ with CITEC CO., LTD.	Received JAPAN Construction International Award

Management Policy

Transforming Global Construction with the Implant Method

Business Policy

Global development by packaged offerings of the Implant Method

- Become a global engineering company carrying out grand design of construction
 - (aim for an overseas sales ratio which is 70% of the total)
- Establish a highly-profitable corporate structure (a wise company)

Long-term

Vision

- Basic Strategy / FY Aug 2022 FY Aug 2024
 ① Global expansion specializing in technological proposals of the Implant Method
 ② Providing solutions to society by developing high added-value
 - construction methods and products

①Global expansion specializing in technological proposals of the Implant Method

(1) Further expansion of applicable coverage

Expand applicable coverage from a focus on disaster prevention to all types of infrastructure improvements



Landslide control piles

Earthquake-proofing of reservoirs © 2021 GIKEN LTD. All Rights Reserved.

1 Global expansion specializing in technological proposals of the Implant Method

(2) Technological proposals focusing on "the superiority of the Press-in Principle"

Provide technological proposals to the world based on projects that demonstrate "the superiority of the Press-in Principle"



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①Global expansion specializing in technological proposals of the Implant Method

(3) Develop proposals allowing "the superiority of the Press-in Principle" to be visually demonstrated

Spread the Implant Method with facilities that demonstrate its superiority in a visually clear way



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①Global expansion specializing in technological proposals of the Implant Method

(4) Global development through partnerships

Sharing common visions and technical skill, and finding the best partners for mutual growth

Focus on the superiority of the "Press-in Principle"

Expansion of applicable coverage

Visually clear

proposals

Local partners

Design : Consultants Sales : Distributing agents Maintenance : Designated factories Support : Instructors Construction : Contractors

Establishment of channels

Business models in accordance with regional characteristics



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4. Detailed Description of the Basic Strategy

② Providing solutions to society by developing high added-value construction methods and products

(1) Differentiation through added value (1/2)

Implementation of advanced Press-in Method by ICT construction

Automation and shifts to unmanned operation at construction sites ICT construction

Implant NAVI



Automatic measurement of pile penetration depth, displacement, and inclination in conjunction with press-in machines

PPTS[™]automatic operation

Estimation of geotechnical

Automatic setting to optimal values

Execution of Press-in operation

information Recognition of press-in

posture

Estimation of ground information by automatic operation modes, and optimization of press-in force and speed

Press-in force Torque Speed

Labor-saving construction



Realization of remote installation for future unmanned construction



② Providing solutions to society by developing high added-value construction methods and products

(1) Differentiation through added value (1/2)

Visualization of structural integrity by monitoring through measuring instruments

Sensing Structures – Managing and maintaining structures by proving numerically that they are exhibiting their functions



② Providing solutions to society by developing high added-value construction methods and products

(2) Development that can realize a sustainable society

Solving social issues by providing new inventions as a development-based company



② Providing solutions to society by developing high added-value construction methods and products

(3) Smart manufacturing systems

Optimizing resources with digital technology by Smart Factories, and providing high added-value products in the shortest time



Continuing to provide society with forward-looking solutions

Since our establishment as a "pollution control company", dealing with environmental issues has been our starting point.



(1) Creation of strong and resilient infrastructures

We will contribute to building a strong, sustainable society through the proposal and spread of Implant Structure that are resilient to earthquakes, tsunamis, and floods, and can be constructed rapidly.

Technological proposals toward disaster prevention and mitigation work



Challenge of transforming the "Earthen Embankment Principles"





(2) Construction with no temporary work

Since temporary work (manufacturing, transportation, installation, and disposal of temporary construction materials) required in conventional construction methods is unnecessary, substantial reduction of CO_2 emissions is possible.



13 **CLIMATE** ACTION

(3) Providing Functional Structure

We will review functions to flexibly adapt to social changes, and provide structures with the premise of reusing their materials.





Construction of highway bridges



From two lanes



To four lanes

Functionality can be revised according to needs



Removal after fulfilling its function



Reuse of parts



Diversion to other locations

Removed materials can be diverted to other locations

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(4) Electrification and automation of Press-in System

We will work to become independent from fossil fuels through electrification of press-in machines and systems.

We will eliminate labor shortages and increase our productivity through automation.





(5) Change of production system

We will transition to BTO manufacturing in which necessary products are manufactured only in necessary amounts, to minimize the use of management resources.



Transition to **BTO Manufacturing** from 2021

It is only because of SILENT PILER[™], which accounts for 90% of the global share, that we can make a transition to "sales without inventory"



Review the costs of inventory control (people, locations, etc.), and focus management resources on the creation and expansion of new markets

Further development of the Press-in Industry



(6) Ensuring smart management

We will thoroughly execute GIKEN's new normal, and promote the diversification of work styles. We will improve productivity and job satisfaction, and realize efficient management.



3 GOOD HEALTH AND WELL-BEING

> DECENT WORK AND ECONOMIC GROWTH

5 GENDER EQUALITY

13 CLIMATE ACTION

6. Prospects of Our Long-Term Business

Aiming for dramatic growth by increasing sales to 100 billion yen in 10 years

Creating businesses that take advantage of the superiority of the Press-in Principle by proposing ingenious new methods to the world, rather than only extending existing businesses.



Building a foundation for future growth © 2021 GIKEN LTD. All Rights Reserved.

7. Numerical Target

① Consolidated Figures (Domestic/Abroad)

(Unit: million JPY)

Item		Item FY AUG 2021 FY AUG 2024 Achieved Target		Rate of Change (%)	
Sale	es		27,618	35,000	26.7%
		Domestic	22,158	25,000	12.8%
	-	Abroad	5,460	10,000	83.1%
	-	Ratio of Abroad	19.8%	28.6%	
Ope	erating Profit		3,997	5,500	37.6%
Rati	io of Operatin	g Profit to Sales	14.5%	15.7%	
Sales (Uni	it: million JPY)			Operating Profit	Unit: million JPY)
40,000				35,000	13,500
35,000	32,442	•			Domes
30,000	5,044	24 6 40	27,618	10,000	10,500
25,000		24,040	5,460		9,000
20.000	27,397	2,010	22.450	25,000	7,500 Abroad
20,000	C (00	21,822	22,158		6,000
15,000	0,089				4,500
10,000				5,500	Operati
5.000		2 409	3,997		Profit
2,000		2,490			1,500
0	FY AUG 201	.9 FY AUG 2020	0 FY AUG 2021	FY AUG 2024 (Target)	U

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7. Numerical Target

2 Consolidated Figures (by Business Segment)

(Unit: million JPY)

Ite	em	FY AUG 2021 Achieved	FY AUG 2024 Target	Rate of Change (%)
Sales		27,618	35,000	26.7%
	Construction Machinery	19,134	25,000	30.7%
	Press-in Work	8,484	10,000	17.9%



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Transforming Global Construction with the Implant Method



Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. The Company does not promise to achieve these goals, and results may differ substantially from the consolidated forecasts due to various factors.