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Securities Code: 6364

June 9, 2022

To Our Shareholders:

Yoshimasa Horiuchi, President
Hokuetsu Industries Co., Ltd.
3074 Shimoaouzu, Tsubame-shi, Niigata

Notice of the 91st Annual General Meeting of Shareholders

We are pleased to announce that the 91st Ordinary General Meeting of Shareholders of Hokuetsu Industries Co., Ltd. (the “Company”) will be held as follows.

If unable to attend the meeting for any reason, you may exercise your voting rights in writing or online. **To prevent infection and the spread of COVID-19, we encourage shareholders to exercise their voting rights in advance by post or via the internet whenever possible.** Please take some time to review the following reference document for the General Meeting of Shareholders and exercise your voting rights no later than 5:10 p.m. on Monday, June 27, 2022 (JST).

Exercising voting rights in writing or via the internet

Exercising voting rights in writing

Deadline for exercise of voting rights by post: **By 5:10 p.m. on Monday, June 27, 2022 (JST)**

Indicate your approval or disapproval of the proposals on the enclosed Voting Form, and post it so that it arrives by the voting deadline.

Exercising voting rights via the internet

Deadline for exercise of voting rights via the internet: **No later than 5:10 p.m. on Monday, June 27, 2022 (JST)**

(1) How to read QR Code® “Smart Exercise”

You can easily exercise your voting rights without having to enter a voting code and password by reading the QR Code® at the bottom right of the voting form via your smartphone.

(2) How to enter the voting code and password

Please access the specified company voting website (<https://soukai.mizuho-tb.co.jp/>), use the “Voting Code” and “Password” provided on the enclosed Voting Form, then follow the on-screen instructions to vote on the proposals by the specified closing date.

If you exercise your voting rights both in writing and via the internet, the vote via the internet will be deemed valid. If you exercise your voting rights on multiple occasions online, only the last vote will be deemed valid.

For more details on how to exercise voting rights, please refer to the “Guide to Voting” on page 7.

- If you attend the meeting in person, please avoid detaching the enclosed voting form and instead, submit it to the reception, as it will be used in place of an attendance slip.
- Any amendments to the Reference Documents for the General Meeting of Shareholders, the business report, the consolidated financial statements and the non-consolidated financial statements will be posted online via the Company’s website (<https://www.airman.co.jp/>).

- 1. Date and Time:** Tuesday, June 28, 2022, at 10:00 a.m. (JST) (Reception will begin at 9:00 a.m.)
- 2. Place:** Conference Room, 1F Welfare Building, Headquarters/Factory, Hokuetsu Industries Co., Ltd.
3074 Shimoaouzu, Tsubame-shi, Niigata

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit Committee for the 91st fiscal year (from April 1, 2021 to March 31, 2022)
2. The Non-consolidated Financial Statements for the 91st fiscal year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Amendment to the Articles of Incorporation |
| Proposal No. 3 | Election of Four Directors (Excluding Audit Committee Members) |
| Proposal No. 4 | Election of One Director Who Is Audit Committee Member |

[If exercising voting rights via the internet, etc.]

The attachments to this notice do not include the notes to both the consolidated and non-consolidated financial statements as these are published on the Company's website in accordance with the law and the Company's Articles of Incorporation. Both the consolidated financial statements and non-consolidated financial statements audited by the accounting auditors and the Audit Committee are included in the attachment attached to the notice of the General Meeting of Shareholders as well as the notes to the consolidated financial statements on the Company's website.

Company website □ <https://www.airman.co.jp/>

How to exercise voting rights

Voting rights can be exercised in the following three ways.

If you attend the General Meeting of Shareholders in person, you need not exercise your voting rights in writing or via the internet.

For those attending the General Meeting of Shareholders

Please **submit** the enclosed voting form **to the reception at the venue**.

(No personal seal is required.)

Date and Time: **Tuesday, June 28, 2022, at 10:00 a.m. (JST)** (Reception will begin at 9:00 a.m.)

Place: **Conference Room, 1F Welfare Building, Headquarters/Factory, Hokuetsu Industries Co., Ltd.**

For those sending the Voting Form by post

Indicate your approval or disapproval of the proposals on the enclosed Voting Form and return it. No stamp is needed.

Deadline for exercise of voting rights by post: **By 5:10 p.m. on Monday, June 27, 2022 (JST)**

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

Year-end dividends

From the Company's perspective, returning profit to shareholders is one of its top management priorities. As a general rule, dividends commensurate with earnings will continue to be paid, while efficiently using retained earnings for investments aiming to strength the business structure and boost profitability going forward.

The Company has decided on the following year-end dividend after consideration of our performance in the current fiscal year and future business development.

Accordingly, the dividend for the fiscal year, including the interim dividend, will be ¥30 per share.

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

¥20 per common share of the Company

Total: ¥574,541,140

(3) Effective date of dividends of surplus

June 29, 2022

Proposal No. 2 Amendment to the Articles of Incorporation

1 Reasons for the Proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 14, paragraph 1 in “Proposed Amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 14, paragraph 2 in “Proposed Amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 14 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2 Details of the amendments

The details of the amendments are as follows:

Current Articles of Incorporation	Proposed Amendments
Article 1 to 13 (Omitted)	Article 1 to 13 (Unchanged)
<u>(Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.)</u>	(Deleted)
<u>Article 14.</u>	
<u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or indicated in the reference documents of the general meeting of shareholders, business report, financial statements and/or consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u>	

(Underlined portions indicate the proposed amendments.)



Current Articles of Incorporation	
	(Newly established)
Article 15 to 39	(Omitted)
	(Newly established)



Proposed Amendments	
<u>(Measures, etc. for Providing Information in Electronic Format)</u>	
<u>Article 14.</u>	
1.	<u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u>
2.	<u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u>
Article 15 to 39	(Unchanged)
<u>Supplementary Provisions</u>	
1.	<u>The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders) of the pre-amended Articles of Incorporation and the establishment of Article 14 (Measures, etc. for Providing Information in Electronic Format) of the proposed amendment shall become effective as of September 1, 2022 (hereinafter referred to as the “Date of Enforcement”).</u>
2.	<u>Notwithstanding the provision of the preceding paragraph, Article 14 of the pre-amended Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u>
3.	<u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal No. 3 Election of Four Directors (Excluding Audit Committee Members)

The terms of office of all four Directors (excluding those appointed as audit committee members; applicable to the rest of this proposal) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of four Directors.

The Audit Committee of the Company has determined that all of the candidates for Director included in the proposal are qualified.

The candidates for Directors are as follows:

Candidate No.	Name		Current position and area of responsibility in the Company	Number of years in office as a Director	Attendance at Board of Directors meetings
1	Masayoshi Terao	Reelection	Chairman	12 years	100% (16/16)
2	Yoshimasa Horiuchi	Reelection	President	6 years	100% (16/16)
3	Goichi Sato	Reelection	Director, General Manager of Administration Dept.	1 year	100% (13/13)
4	Katsumi Kaneko	New election	Executive Officer, General Manager of the Production Dept.	-	-

- Notes:
1. The tenure of each candidate in relation to this proposal is as of the conclusion of this meeting.
 2. The number of Board of Directors meetings attended by Goichi Sato is the number of meetings he has attended since his appointment as Director on June 25, 2021.

Candidate No.	Name (Date of birth)	Career summary, position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p>Masayoshi Terao Date of birth: January 11, 1955 (67 years old)</p> <p>Reelection</p> <p>Number of years in office as a Director 12 years</p> <p>Attendance at Board of Directors meetings 100% (16/16)</p>	<p>Apr. 1977 Joined the Company</p> <p>Mar. 1997 General Manager of Design Division No. 3</p> <p>Mar. 2001 General Manager of Development Division</p> <p>Nov. 2002 General Manager of Manufacturing Division</p> <p>Mar. 2004 General Manager of Manufacturing Division and Production Innovation Team Leader</p> <p>Mar. 2005 Executive Officer, General Manager of Manufacturing Division and Production Innovation Team Leader</p> <p>June 2005 Executive Officer, General Manager of Manufacturing Division</p> <p>Apr. 2008 Executive Officer, General Manager of Sales Promotion Division</p> <p>Mar. 2009 Executive Officer, General Manager of Sales Promotion Division and Customer Support Division</p> <p>Mar. 2010 Executive Officer, General Manager of Sales Promotion Division and Corporate Planning Office</p> <p>June 2010 Director, General Manager of Sales Promotion Division and Corporate Planning Office</p> <p>Apr. 2011 Managing Director, General Manager of Production Dept.</p> <p>Mar. 2014 Senior Managing Director in charge of Production Dept.</p> <p>Mar. 2015 President</p> <p>Mar. 2022 Chairman (current position)</p> <p>Significant concurrent positions outside the Company None.</p>	68,600 shares
<p>Reasons for nomination as candidate for Director</p> <p>Since joining the Company, Masayoshi Terao has been involved in the development, manufacturing, sales promotion, and corporate planning divisions, and has headed each department. He has abundant business experience in the Company and knowledge of the overall management of the Group. The Company therefore considers him an appropriate candidate as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p>Yoshimasa Horiuchi Date of birth: August 24, 1959 (62 years old)</p> <p>Reelection</p> <p>Number of years in office as a Director 6 years</p> <p>Attendance at Board of Directors meetings 100% (16/16)</p>	<p>Apr. 1982 Joined the Company</p> <p>Mar. 2010 General Manager of Osaka Sales Department and Manager of Nishi Nihon Branch</p> <p>Apr. 2011 Executive Officer, General Manager of Osaka Sales Division</p> <p>Mar. 2013 Executive Officer, General Manager of Nishi Nihon Sales Division</p> <p>Mar. 2016 Executive Officer, General Manager of Higashi Nihon Sales Division</p> <p>June 2016 Director, General Manager of Higashi Nihon Sales Division</p> <p>Mar. 2019 Director, General Manager of Sales Dept.</p> <p>Mar. 2021 Managing Director, General Manager of Sales Dept.</p> <p>Mar. 2022 President (current position)</p> <p>Significant concurrent positions outside the Company None.</p>	30,200 shares
<p>Reasons for nomination as candidate for Director</p> <p>Yoshimasa Horiuchi is currently President of the Company and has abundant business experience and knowledge of the overall management of the Company, as well as insights on general management of the Group. The Company therefore considers him an appropriate candidate as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<p>Goichi Sato Date of birth: May 30, 1971 (51 years old)</p> <p>Reelection</p> <p>Number of years in office as a Director 1 year</p> <p>Attendance at Board of Directors meetings 100% (13/13)</p>	<p>Apr. 1998 Joined the Company</p> <p>Mar. 2013 Managing Director of ASC Company Ltd.</p> <p>Mar. 2014 Executive Officer of the Company Representative Director, President of ASC Company Ltd.</p> <p>Mar. 2018 Executive Officer, General Manager of Administration Division of the Company</p> <p>Mar. 2021 Executive Officer, General Manager of Administration Dept. and Corporate Planning Office</p> <p>June 2021 Director, General Manager of Administration Dept. and Corporate Planning Office</p> <p>Mar. 2022 Director, General Manager of Administration Dept. (current position)</p> <p>Significant concurrent positions outside the Company None.</p>	510,842 shares
<p>Reasons for nomination as candidate for Director</p> <p>Goichi Sato oversees the administrative department and has experience as a manager of a group company, a service division, as well as extensive business experience and insights into accounting, finance, general affairs, and human resources operations in general. The Company therefore considers him an appropriate candidate as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	<p>Katsumi Kaneko Date of birth: May 11, 1968 (54 years old)</p> <p>New election</p> <p>Number of years in office as a Director - years</p> <p>Attendance at Board of Directors meetings - %</p>	<p>Apr. 1994 Joined the Company</p> <p>Mar. 2019 General Manager of Manufacturing Division and Manufacturing Group I</p> <p>Mar. 2020 Executive Officer, General Manager of Manufacturing Division</p> <p>Mar. 2022 Executive Officer, General Manager of Production Dept. (current position)</p> <p>Significant concurrent positions outside the Company None.</p>	1,400 shares
<p>Reasons for nomination as candidate for Director</p> <p>Katsumi Kaneko has overseen the production department and, since joining the Company, he has been involved in the development and manufacturing divisions and held key positions. He has abundant business experience and knowledge of the overall production operations of Company. The Company therefore considers him an appropriate candidate as a Director.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has concluded a directors and officers liability insurance contract with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act, and a summary of the contents of the contract is described in page 32 of the Business Report (in Japanese version only). If the election of candidates for Director is approved, they will be included in the parties covered by said insurance contract.
Also, the insurance contract will be renewed with the same contents at the next time of renewal.

Proposal No. 4 Election of One Director Who Is Audit Committee Member

As Masami Adachi, Director who is an Audit Committee member, will retire at the conclusion of this meeting, the Company proposes that one Director be elected as an Audit Committee member to fill his vacancy.

The term of office of a substitute for Director who is an Audit Committee member shall run until the expiration of the term of office of the retiring Director who is an Audit Committee member, in accordance with the provisions of the Articles of Incorporation of the Company.

In addition, the consent of the Audit Committee Member has been obtained for this proposal.

Candidates for the role of Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name		Current position and area of responsibility in the Company	Number of years in office as a Director	Attendance at Board of Directors meeting and Audit Committee meeting
1	Junichi Kanai	New election	Executive Officer General Manager of Audit Committee Member Secretariat	-	-

Candidate No.	Name (Date of birth)	Career summary, position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	<p>Junichi Kanai Date of birth: November 16, 1960 (61 years old)</p> <p>New election</p> <p>Number of years in office as a Director - years</p> <p>Attendance at Board of Directors meetings - %</p> <p>Attendance at Audit Committee meetings - %</p>	<p>Apr. 1983 Joined the Company</p> <p>Mar. 2008 General Manager of Technology Development Division and Product Development Group</p> <p>Mar. 2010 Manager and Supervisor of Development Group, Development Division</p> <p>Mar. 2014 General Manager of Manufacturing Division</p> <p>Mar. 2017 General Manager of Quality Assurance Division</p> <p>Mar. 2019 General Manager of Audit Board Member Secretariat</p> <p>June 2019 General Manager of Audit Committee Member Secretariat</p> <p>Mar. 2020 General Manager of Internal Audit Office</p> <p>Mar. 2021 Executive Officer, General Manager of Internal Audit Office</p> <p>Mar. 2022 Executive Officer, General Manager of Audit Committee Secretariat (current position)</p> <p>Significant concurrent positions outside the Company None.</p>	8,400 shares
<p>Reasons for nomination as candidate for Director</p> <p>Junichi Kanai has held key positions in the Company's Production Dept. and Internal Audit Office, and has abundant experience and insights regarding the Company in general and offer objective opinion from a neutral standpoint. The Company therefore considers him an appropriate candidate as a Director.</p>			

- Notes:
1. There is no special interest between Junichi Kanai and the Company.
 2. The Company has concluded a directors and officers liability insurance contract with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act, and a summary of the contents of the contract is described in page 32 of the Business Report (in Japanese version only). If the election of candidate for Director who is an Audit Committee Member is approved, the candidate will be included in the parties covered by said insurance agreement. Also, the insurance contract will be renewed with the same contents at the next time of renewal.

(Reference) **Director Skill Matrix (current/candidate)**

The Nomination and Compensation Advisory Committee deliberates on the selection of the Company's candidates for Director, after which the Board of Directors decides on the candidates. Candidates for the Company's Board of Directors shall meet the following requirements.

1. Common for all Directors

Candidates for Director must respect the ethos of the Company's management principle, recognize that their role is to fulfill their social responsibility, and be able to practice this responsibility. They should also have excellent character and knowledge and be in good physical and mental health.

2. Executive Director

Must be familiar with the business of the Group, and contribute to the enhancement of the Company's corporate value through strong leadership.

3. Outside Director

Must have sufficient social credibility. Candidate for Independent Outside Director must be a person who conforms to the independence standards set forth by Tokyo Stock Exchange, Inc.

■ Details regarding expertise and experience

Corporate Management	Experience in corporate management
Finance/Accounting	Expertise in management accounting, business planning and financial accounting
Legal/Risk	Expertise in risk management and legal affairs
Development/Technology	Experience in research and development
Production/Procurement	Experience in production or procurement
Sales/Marketing	Expertise in sales or research in the sales area
Human resources/Labor	Expertise in human resources development and labor management

- The matrix indicates the expertise and experience that the Directors (current/candidate) have in particular.

	Masayoshi Terao	Yoshimasa Horiuchi	Goichi Sato	Katsumi Kaneko
Current/Candidate	Current	Current	Current	Candidate
Current title	Chairman	President	Director, General Manager of Administration Dept.	Executive Officer, General Manager of Production Dept.
Number of years in office as Director	12	6	1	–
Age	67	62	51	54
Corporate Management	●	●	●	●
Finance/Accounting	–	–	●	–
Legal/Risk	–	–	●	–
Development/Technology	●	–	–	●
Production/Procurement	●	–	–	●
Sales/Marketing	●	●	–	–
Human resources/Labor	–	–	●	–

	Junichi Kanai	Toshihiko Koike	Takamasa Suzuki	Yoshikane Saito
Current/Candidate	Candidate	Current	Current	Current
Current title	Executive Officer, General Manager of Audit Committee Secretariat	Outside Director (Audit Committee Member)	Outside Director (Audit Committee Member)	Outside Director (Audit Committee Member)
Number of years in office as Director	–	3	7	1
Age	61	62	62	49
Corporate Management	–	–	–	●
Finance/Accounting	–	–	–	●
Legal/Risk	●	●	–	●
Development/Technology	●	–	●	–
Production/Procurement	●	–	–	–
Sales/Marketing	–	–	–	–
Human resources/Labor	–	–	●	–

- Notes: 1. Up to four main areas of expertise expected of each candidate are listed.
2. The above list does not show all the experience and expertise possessed by each person.