

Small IR Briefing Session

# Definitive Agreement on Business Integration

between The Gunma Bank, Ltd. and Daishi Hokuetsu Financial Group, Inc.

April 3, 2026

Presenter : Takeo Uchibori

Senior managing director



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# Brand Story

## **With Two Wings, We Bring a New Wind to the Future**

At a time when the world is undergoing dramatic change, we want to deliver new strength to the future of our communities.

Like the two symbols of the regions—the crane, evoked by the shape of Gunma prefecture, and the crested ibis that flies across the skies of Niigata—meeting in the open sky and setting out together on a new journey, the Gunma Bank and Daishi Hokuetsu Financial Group are coming together as an integrated company to envision the future together.

Building on the trust and track record each bank has cultivated over many years, we will cross prefectural boundaries, connect our regions to the future, and deliver value that goes beyond the traditional scope of finance.

As two wings come together as one, we hope to bring a new wind to the future of our communities.

This is our story and our promise—to Gunma and Niigata, and to everyone associated with the two regions.



# 1. Outline of Integrated Holding Company

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Trade Name: **Gunma Niigata Financial Group, Inc.**

Abbreviation: GNFG

Representative: **Michiro Ueguri**

(planned)

(currently President and Representative Director of Daishi Hokuetsu Financial Group)

Chairman and Representative Director

**Akihiko Fukai**

(currently President and Representative Director of Gunma Bank)

President and Representative Director (Group CEO)

Head Office: Tekko Building, 1-8-2 Marunouchi, Chiyoda-ku, Tokyo

Corporate Mark:



**GNFG**

The logo design depicts the two symbols of the regions—the crane, evoked by the shape of Gunma prefecture, and the crested ibis that flies across the skies of Niigata—meeting in the open sky and setting out together on a new journey. It expresses our commitment to crossing prefectural boundaries, connecting our regions to the future, and delivering value that goes beyond the traditional scope of finance.

## 2. Philosophy of the New Financial Group

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**MISSION**            **Creating the Future of Our Communities with Two Wings**

**VISION**            **Becoming a Regional Solutions Group that, grounded in trust, goes beyond the scope of finance to connect and deliver value.**

**VALUES**            **(1) Four-way satisfaction**

We act to enhance the well-being and prosperity of our customers and communities, our company, our colleagues and business partners, and our shareholders.

**(2) Integrity**

We work with integrity as professionals, steadily building unwavering trust.

**(3) Challenge**

We continue to take on challenges without fear of failure, creating a new wind for the future of our communities.

**(4) Co-creation**

We connect people, goods, and services across regions, creating new value through the power of solutions.



Based on the results of more than 3,400 survey responses collected from employees of both companies (on what the New Financial Group should aim for and the values it should uphold), the two companies held extensive discussions and decided on the above.

### 3. Purpose of the Business Integration

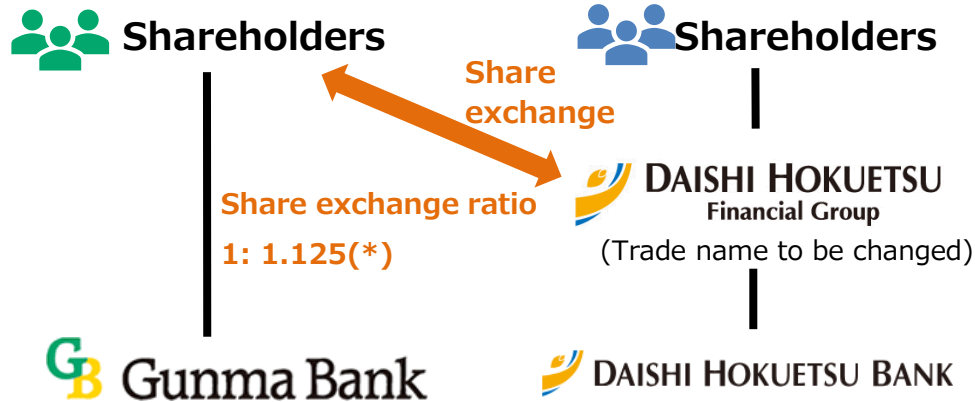


**Stepping up to become a financial group that constitutes one of the top regional banks in terms of both scale and quality of management by building on the common strengths of both companies and complementing them with each party's outstanding strengths to realize top-line synergies and further sophisticate management and governance**

**As a result, we aim to enhance the well-being and prosperity of all stakeholders, including our customers and communities, employees and business partners, and shareholders.**

# 4. Overview of the Business Integration

## Before the Business Integration



\* For each share of Gunma Bank's common stock, 1.125 shares of Daishi Hokuetsu Financial Group's common stock will be allotted and delivered.

## Schedule of Share Exchange

March 26, 2026	Board resolution of two companies Signing of Share Exchange Agreement and Business Integration Agreement
September 30, 2026 (planned)	Record date of extraordinary shareholders' meeting of two companies
December 23, 2026 (planned)	Extraordinary shareholders' meeting of two companies
March 29, 2027 (planned)	Last trading day of Gunma Bank's shares
March 30, 2027 (planned)	Delisting of Gunma Bank
April 1, 2027 (planned)	Effective date of share exchange

## After the Business Integration



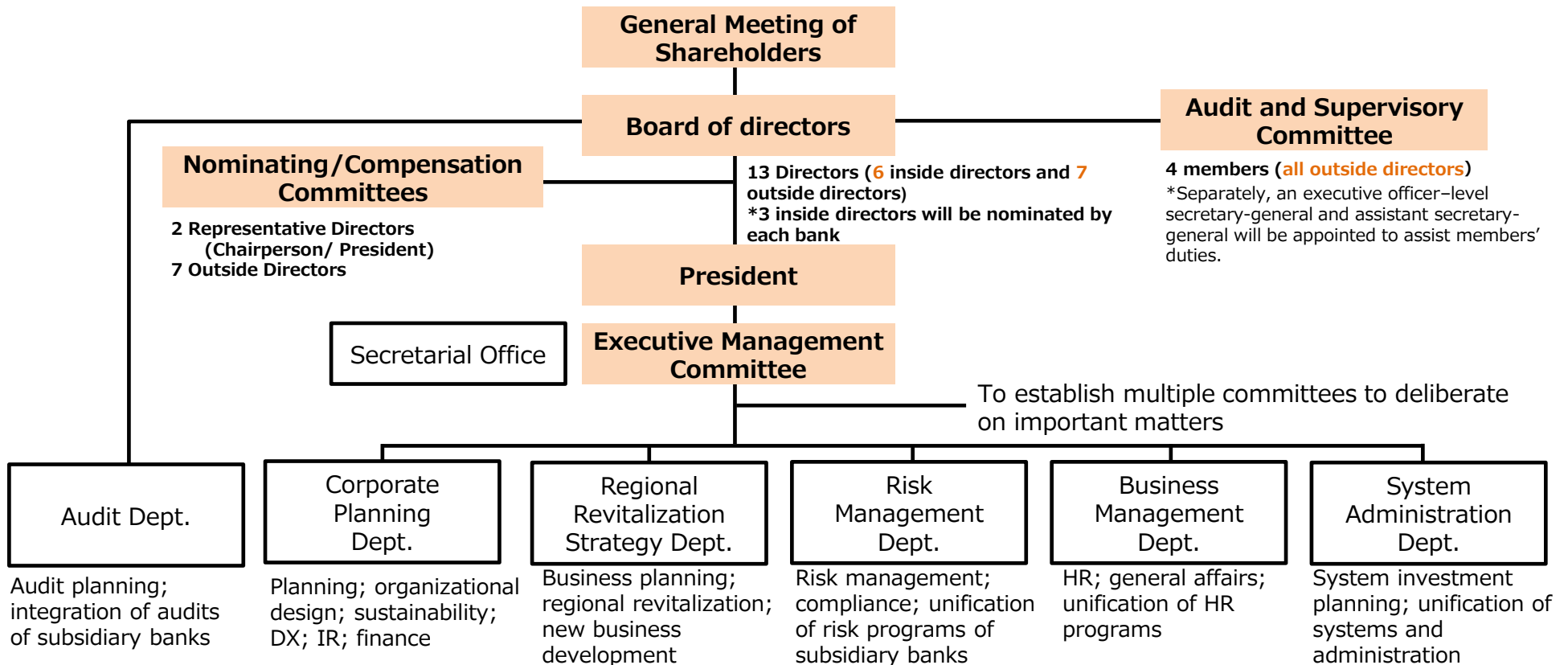
- **There is no plan to merge The Gunma Bank and Daishi Hokuetsu Bank.**
- **Both banks will continue to operate as subsidiaries of the integrated holding company. Also, we have no plans to consolidate or close any branches due to the business integration.**
- **There will be no changes to either bank's trade name, corporate mark, head office location, etc.**
- **After the business integration, we will optimize the group structure and aim for increased sophistication in management.**

# 5. Governance and Organizational Structure of the New Financial Group

- The fundamental principles of the business integration is mutual trust and equal integration. We will optimize governance and our organizational structure and work to enhance corporate value.

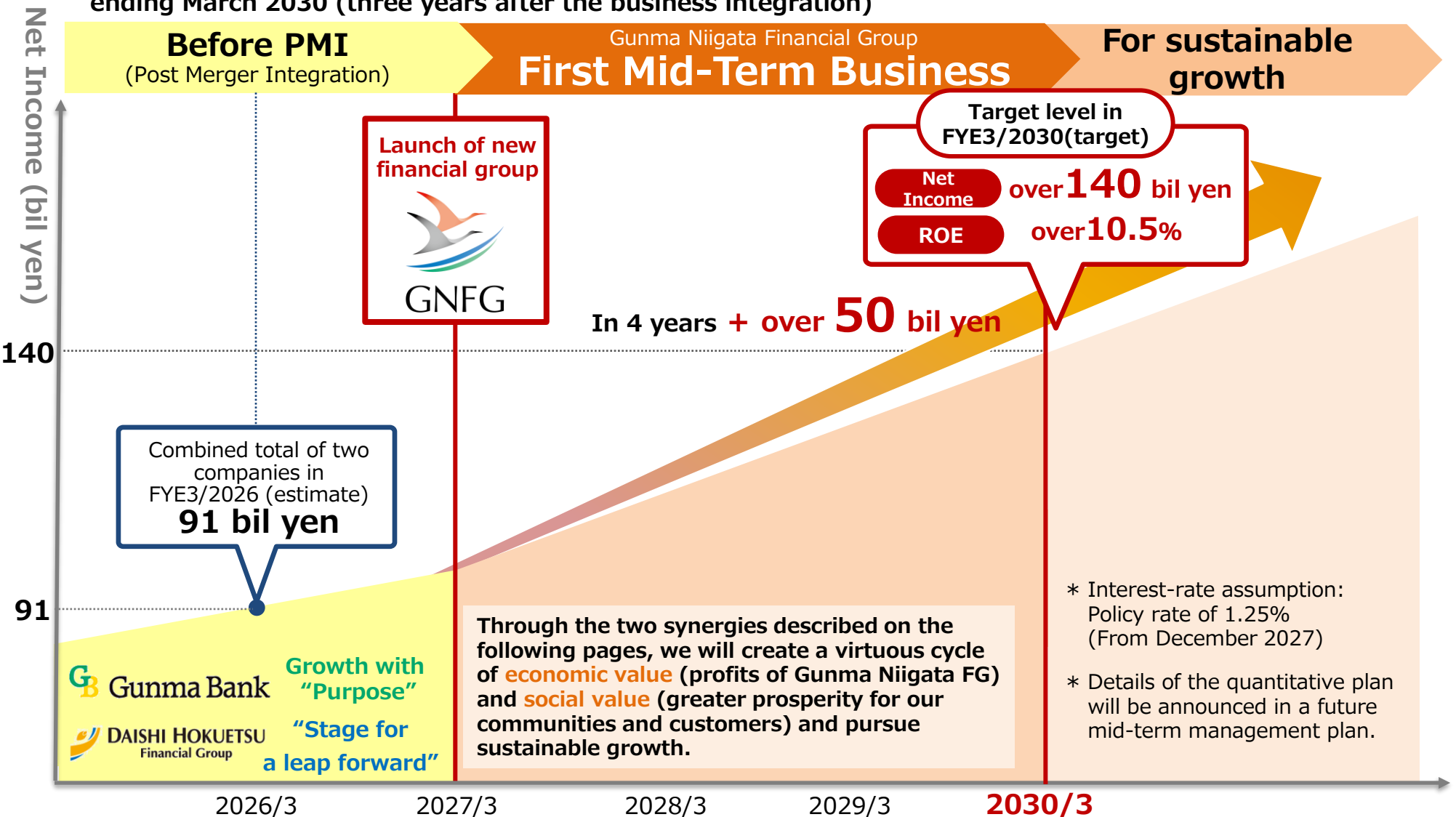
## Organizational Structure of Integrated Holding Company

**Around 100 staff** will be assigned to serve as the core team for the integrated holding company's operations, to lead the entire group by formulating the group's management policies and plans and strengthening risk management.



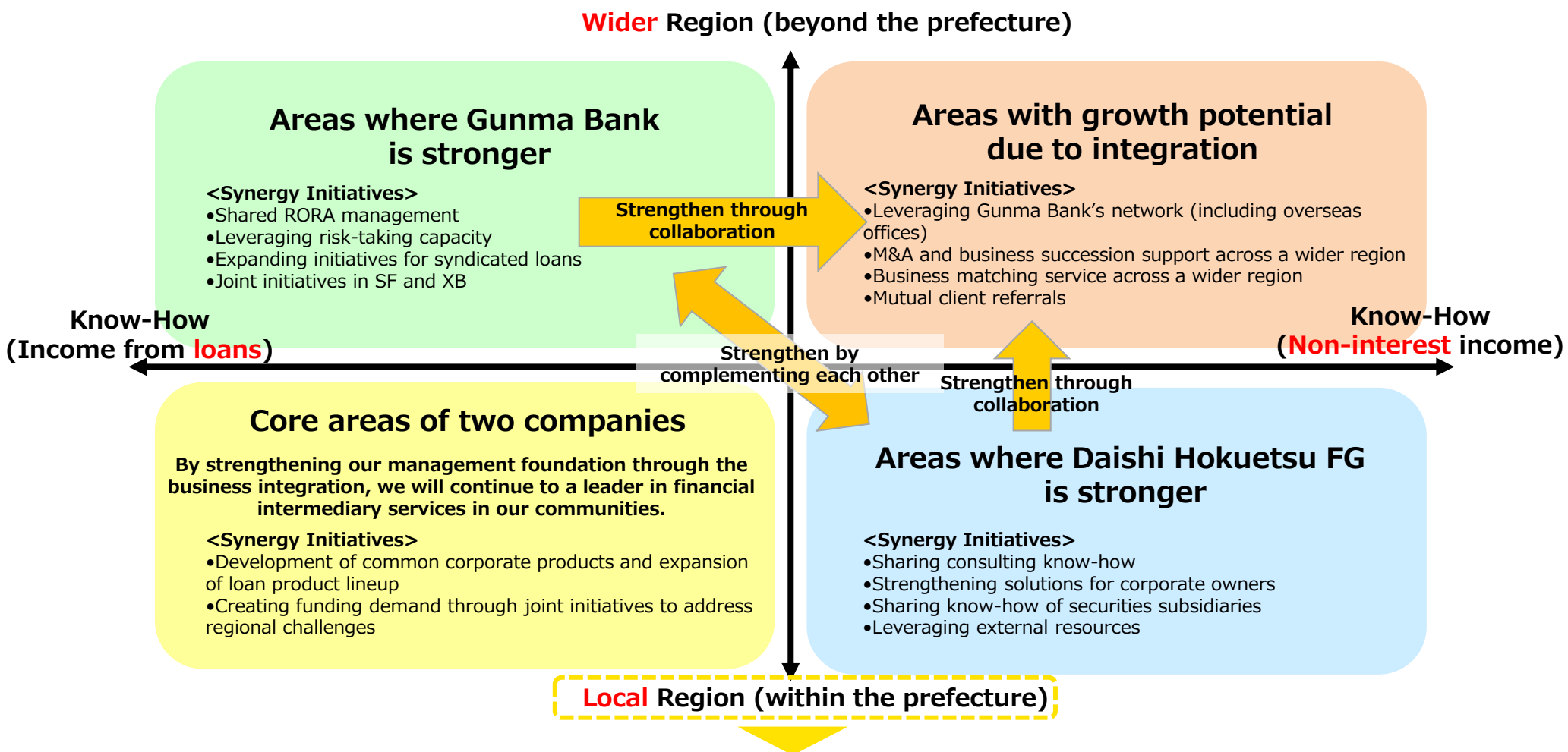
# 6. Quantitative Plan of the New Financial Group

- To achieve “maximization of top-line synergies,” which is one of the key objectives of the business integration, we will aim to deliver net income of over 140 billion yen and ROE of over 10.5% in the fiscal year ending March 2030 (three years after the business integration)



# 7. Synergies (I) Scale x Know-How

- We will seek to increase net interest income and non-interest business profits (to realize **top-line synergies**) by **expanding our scale** (including our service area, total assets, risk-taking capacity, and human capital) through the business integration and combining each other's strengths (**know-how**).



By pursuing **Synergies (II)** described in the next page, we aim to achieve sustainable growth in our **local** region (within the prefecture).

# 7. Synergies (II) Region x Challenge

- Building **regional ecosystems** : Building a virtuous cycle in our communities, with the new financial group serving as a hub and collaborating with external partners.

## ① Ecosystem that enhances the sustainability of regional industries

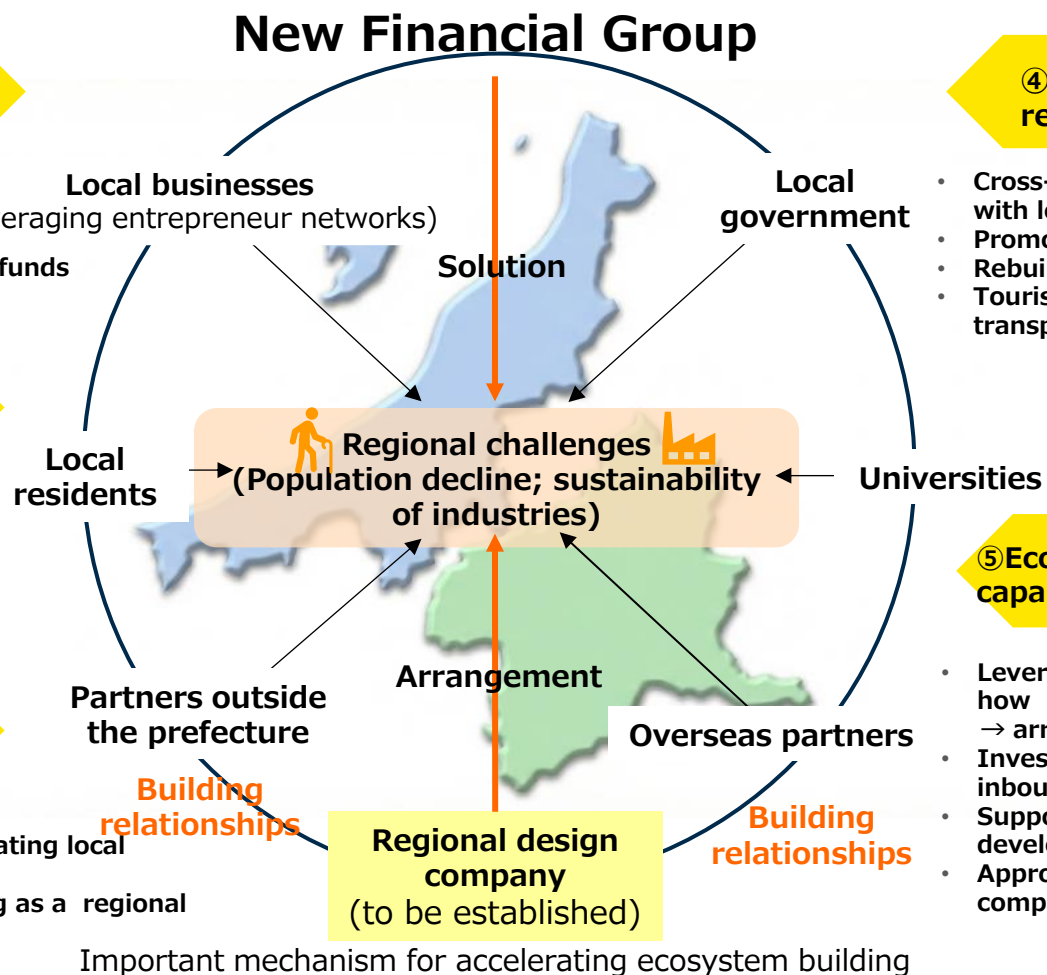
- Business succession
- Talent referral
- Industry reorganization
- Formation and utilization of regional funds
- Open innovation

## ② Ecosystem that enhances regional productivity

- Expansion of BPO business
- Support for digitalization
- AI adoption
- Joint back-office operations among regional financial institutions

## ③ Ecosystem that enriches life in our communities

- Promoting cashless payments
- Leveraging payments data and circulating local information
- Promoting local products (functioning as a regional trading company)



## ④ Ecosystem that sustains regional infrastructure

- Cross-regional/ cross-sector collaboration with local governments
- Promoting renewable energy
- Rebuilding regional medical care systems
- Tourism infrastructure (e.g., transportation, personnel, revitalization)

## ⑤ Ecosystem that leverages global capabilities for our communities

- Leveraging overseas talent and know-how  
→ arranging deals for regional projects
- Investments and financing overseas, and inbound investment from overseas
- Supporting overseas expansion and developing distribution channels
- Approaching and attracting overseas companies

**Goal: Collaborate with external partners from the initial stage to address regional challenges, which will enhance regional sustainability while creating new needs and revenue opportunities.**

# Reference: Position in the Regional Banking industry


Business integration will bring the new Financial Group within **the top 5** in each category (comparison of **73 listed regional banks**).


Total Assets (End of Dec. 2025) <b>4th place</b>		Deposits (End of Dec. 2025) <b>4th place</b>		Loans (End of Dec. 2025) <b>5th place</b>		3Q profits (End of Dec. 2025 : consolidated) <b>2nd place</b>		ROE (End of Dec. 2025) <b>6th place</b>		Market Capitalization (End of Feb. 2026) <b>4th place</b>	
(Unit : Trillions of yen)		(Unit : Trillions of yen)		(Unit : Trillions of yen)		(Unit : Billions of yen)				(Unit : Billions of yen)	
1 Fukuoka	34.0	1 Fukuoka	21.4	1 Fukuoka	20.0	1 Yokohama	85.0	1 Shikoku	12.2%	1 Yokohama	1,934.4
2 Yokohama	25.2	2 Yokohama	20.3	2 Yokohama	17.6	<b>2 Gunma+Daishi Hokuetsu</b>	<b>78.6</b>	2 Suruga	10.5%	2 Chiba	1,874.4
3 Mebuki	21.9	3 Mebuki	17.6	3 Chiba	14.0	2 Fukuoka	70.3	3 Iyogin	10.2%	3 Shizuoka	1,823.9
<b>4 Gunma+Daishi Hokuetsu</b>	<b>21.5</b>	<b>4 Gunma+Daishi Hokuetsu</b>	<b>17.0</b>	4 Mebuki	13.6	3 Shizuoka	69.6	<b>4 Gunma</b>	<b>10.2%</b>	<b>4 Gunma+Daishi Hokuetsu</b>	<b>1,458.1</b>
4 Chiba	20.7	4 Chiba	16.3	<b>5 Gunma+Daishi Hokuetsu</b>	<b>12.6</b>	4 Chiba	68.8	5 Tokyo Kiraboshi	9.5%	4 Fukuoka	1,308.0
5 Hokuhoku	17.3	5 Hokuhoku	14.4	5 Shizuoka	11.0	5 Mebuki	64.6	<b>6 Gunma+Daishi Hokuetsu</b>	<b>9.5%</b>	5 Mebuki	1,271.9
6 Shizuoka	15.8	6 Shizuoka	12.1	6 Hokuhoku	10.8	6 Iyogin	64.5	6 Fukuoka	9.4%	6 Kyoto	1,168.4
7 Kyushu	13.8	7 North Pacific	10.7	7 Nishi-Nippon	9.9	7 Hachijuni	47.7	<b>7 Daishi Hokuetsu</b>	<b>8.8%</b>	7 Iyogin	1,063.7
8 Hachijuni	13.5	8 Kyushu	10.4	8 Kyushu	9.2	<b>8 Gunma</b>	<b>44.7</b>	8 Hokuhoku	8.7%	8 Hachijuni Nagano	1,026.8
9 Nishi-Nippon	13.5	9 Nishi-Nippon	10.4	9 Yamaguchi	8.9	9 Hokuhoku	44.7	9 77	8.5%	<b>9 Gunma</b>	<b>895.5</b>
10 North Pacific	13.3	10 Yamaguchi	10.2	10 North Pacific	8.3	10 77	39.9	10 Mebuki	8.5%	10 Hokuhoku	763.9
11 Yamaguchi	13.0	11 Hachijuni	9.5	11 Hirogin	8.2	11 Kyoto	39.1	11 Kiyo	8.4%	11 77	754.1
12 Hirogin	12.7	12 Kyoto	9.5	12 Kyoto	7.5	<b>12 Daishi Hokuetsu</b>	<b>33.9</b>	12 Yokohama	8.4%	12 Nishi-Nippon	652.0
13 Kyoto	12.2	13 Hirogin	9.3	<b>13 Gunma</b>	<b>7.0</b>	13 Nishi-Nippon	33.6	13 Hirogin	8.2%	13 Yamaguchi	646.1
14 Chugin	11.4	14 77	8.6	14 Chugin	6.7	14 Hirogin	32.9	14 First Bank of Toyama	8.1%	14 Kyushu	620.0
<b>15 Daishi Hokuetsu</b>	<b>10.7</b>	<b>15 Gunma</b>	<b>8.6</b>	15 Hachijuni	6.6	15 Chugin	31.5	15 Saga	7.9%	15 Chugin	593.5
<b>16 Gunma</b>	<b>10.7</b>	16 Chugin	8.5	16 77	6.6	16 Kyushu	30.9	16 Nishi-Nippon	7.8%	16 Hirogin	591.3
17 77	10.4	<b>17 Daishi Hokuetsu</b>	<b>8.4</b>	17 Iyogin	6.1	17 Yamaguchi	28.8	17 Nagoya	7.7%	<b>17 Daishi Hokuetsu</b>	<b>562.6</b>
18 Iyogin	9.3	18 Iyogin	6.6	<b>18 Daishi Hokuetsu</b>	<b>5.8</b>	18 Tokyo Kiraboshi	27.6	18 Tsukuba	7.7%	18 Shiga	479.9
19 San-in Godo	8.5	19 Tokyo Kiraboshi	6.4	19 San-in Godo	5.3	19 Suruga	23.8	19 Shizuoka	7.7%	19 Hyakugo	432.0
20 Shiga	7.6	20 San-in Godo	6.3	20 Hyakugo	5.1	20 North Pacific	20.4	20 Chiba	7.6%	20 Suruga	418.5



※Round off to the nearest unit. Consolidated basis.

# Reference: Outline of Two Companies

## A financial group that constitutes one of the top regional banks

 <b>Gunma Bank</b>	
Head Office	Maebashi, Gunma
Establishment	September 1932
Total Assets (Consolidated)	10,773.2 billion yen
Deposits	8,788.3 billion yen
Loans	7,158.5 billion yen
Assets under Custody(Consolidated)	1,451.3 billion yen
Net Income (Consolidated)	55.0 billion yen
Market Capitalization	856.1 billion yen
Employees (Consolidated)	2,979
Banking locations	Japan: 106, Overseas: 4
Group Companies	<b>Financial sector</b> Bank, securities, lease, credit card, credit guarantee, fund management
	<b>Non-financial sector</b> Consulting/regional trading, system development, transportation & maintenance

 <b>DAISHI HOKUETSU Financial Group</b>	
Head Office	Niigata, Niigata
Establishment	November 1873
Total Assets (Consolidated)	10,782.9 billion yen
Deposits	8,589.8 billion yen
Loans	5,879.2 billion yen
Assets under Custody(Consolidated)	1,826.8 billion yen
Net Income (Consolidated)	36.0 billion yen
Market Capitalization	535.5 billion yen
Employees (Consolidated)	3,530
Banking locations	Japan: 135, Overseas: 1
Group Companies	<b>Financial sector</b> Bank, securities, lease, credit card, credit guarantee, fund management
	<b>Non-financial sector</b> Consulting/research, system development, recruiting agency, regional trading

<b>New Financial Group (Simple sum)</b>		
Total Assets (Consolidated)	<b>21,556.1 billion yen</b>	
Deposits	<b>17,378.1 billion yen</b>	
Loans	<b>13,037.7 billion yen</b>	
Assets under Custody (Consolidated)	<b>3,278.1 billion yen</b>	
Net Income (consolidated)	<b>91.0 billion yen</b>	
Market Capitalization	<b>1,391.6 billion yen</b>	
Employees (Consolidated)	<b>6,509</b>	
Banking locations	<b>Japan: 241 Overseas:5</b>	
Group companies (Business domains)	<b>11 businesses</b>	
 <b>Gunma Bank</b> Market Share within Gunma Prefecture	Share of deposits	<b>38%</b>
	Share of Loans	<b>34%</b>
 <b>DAISHI HOKUETSU Financial Group</b> Market Share within Niigata Prefecture	Share of deposits	<b>43%</b>
	Share of Loans	<b>50%</b>

※Total assets, deposits, loans and assets under custody: As of December 31, 2025; Net income: FYE3/2026 (estimate); Market capitalization: As of February 27, 2026  
 Employees, banking locations, group companies: As of September 30, 2025; Market share in prefecture: (Source) Finance Journal "Finance Map 2026" (March 31, 2025)

# Reference: Progress of Initiatives Undertaken since April 24, 2025 MOU

- The two companies have held discussions at various organizational levels with a view to reaching a definitive agreement and pursuing integration synergies.

## Integration Preparatory Committee

Led by the top management of the two companies, the committee has met **8 times** to date to discuss key matters.



## Specialist Subcommittees

Ten subcommittees (including corporate planning, sales, system administration, and risk management) were set up to conduct Fit & Gap analyses and consider standardizing operations and way to realize synergies. To date, **87** subcommittee meetings have been held.

- To realize synergies at an early stage, the period from October 2025 to March 2026 was designated as **“Pre-Action 180,”** and efforts were made to align employees’ mindsets (**“mindset integration”**) and to launch studies for **“operational integration”** aimed at upgrading our operations.

## Mindset Integration

We held joint training sessions and co-hosted events, and carried out an employee survey on the business integration (with responses from more than 3,400 employees).



Joint training sessions by business level/function

(e.g., branch manager training, women’s management training, overseas training sessions)

Regular distribution of joint newsletters

● Viewing regional sports game together (with more than 1,200 participants)

● Co-hosting the “Gunma-Niigata Marche”

## Operational Integration

We began examining the standardization of functions such as risk management, revenue management, and auditing, and launched joint research on the use of generative AI.

- After signing of the definitive agreement (after April 2026), we will accelerate discussions on joint initiatives, such as in the area of sales, so that we can deliver **top-line synergies** immediately after the integration.

## Regarding the U.S. Securities Act

If the Business Integration is executed, it is planned that Daishi Hokuetsu Financial Group will file a Form F-4 registration statement with the SEC in connection with the Business Integration. If a Form F-4 is filed, the Form F-4 will include a prospectus and other documents. If a Form F-4 is filed and becomes effective, the prospectus filed as part of the Form F-4 will be sent to U.S. shareholders of Gunma Bank before the date of the shareholders meeting at which voting rights will be exercised to approve the proposed Business Integration. The Form F-4 and prospectus will, if the Form F-4 is filed, contain material information, including information about the Two Companies, the Business Integration, and other related information. U.S. shareholders to whom the prospectus is distributed are requested to carefully read the Form F-4, prospectus, and other documents that are planned to be filed with the SEC in connection with the Business Integration before exercising voting rights in relation to the Business Integration at the Gunma Bank's shareholders meeting. All documents filed with the SEC in connection with the Business Integration will be made available, free of charge, on the SEC's website ([www.sec.gov](http://www.sec.gov)) after they have been filed. These documents will be provided free of charge upon request. Requests for delivery may be made using the contact information below.

Company name: Daishi Hokuetsu Financial Group

Address: 1071-1 Higashiborimae-dori 7-bancho, Chuo-ku, Niigata-shi, Niigata

Phone: +81-25-224-7111

## Cautionary Statement Concerning Forward-Looking Statements

This document contains forward-looking statements regarding a business integration between Gunma Bank and Daishi Hokuetsu Financial Group and its outcome. These forward-looking statements are presented using the words "anticipates," "aims," "will," "risk," "might," and other similar expressions or by descriptions regarding strategies, goals, plans, intentions, or the like. A number of factors might cause the Two Companies' actual respective business performances to differ materially from the forward-looking statements contained herein.

The Two Companies do not bear any obligation to update and publicly announce any forward-looking statements after the date of this document. Investors are requested to refer to any further disclosures made by the Two Companies (or the post-integration group) in public announcements in Japan and SEC filings.

Examples of risks, uncertainties, and other factors indicated above include, but are not limited to, those set out below.

- Failure to obtain the necessary shareholder meeting approval for the Business Integration
- Failure to obtain the necessary permits and approvals for the Business Integration, or failure to fulfill other terms and conditions for the execution of the Business Integration
- Impact of changes in laws, accounting standards, or the business environment applicable to the Two Companies
- Challenges in implementing the business strategies of the Two Companies
- Impact of changes in general economic or industry conditions, including financial market instability
- Other risks related to the execution of the Business Integration

## Contact Information



**Corporate Planning Department**  
**TEL +81-27-252-1111**



**Group Strategy Promotion Division**  
**TEL +81-25-224-7111**

- This document contains forward-looking statements. Such statements do not guarantee future performance and are subject to risks and uncertainties. Please note that future performance may differ from targets due to changes in the business environment and other factors.
- The form of the Business Integration is subject to change based on ongoing and future discussions and considerations between the two companies.