

Initiatives of the Gunma Bank Group

The Gunma Bank Group consists of the Bank, six consolidated subsidiaries, two non-consolidated equity-method subsidiaries, and one equity-method affiliate. In addition to our core banking services, we provide a wide range of financial products and services. Here, we introduce the initiatives of five companies. (See page 45 for details on Gungin Securities)

Gungin Consulting Co., Ltd.



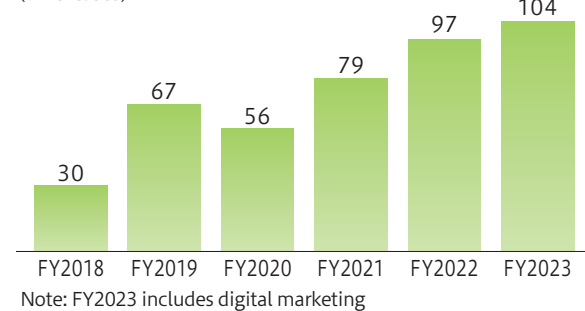
Expanding Business Areas as the Core of the Group's Corporate Non-financial Business

Nobuhito Saito President

- Please tell us about your business.

In our Consulting Business we provide consulting services with a focus on business succession, management strategy planning, organizational and personnel system construction, human resource development and training, etc., and have increased the number of contracted projects since we first opened in 2018. In our new Human Resources Solutions Business, we will strengthen the conditions needed to transfer the recruitment business that was previously handled by the Bank from 2023 to us, so that we can provide an introduction service that connects local businesses seeking new human resources with those who want to play an active role in the region. Another new business, the Regional Trading Company, Marketing and Advertising Business, has been gradual-

[Number of contracted consulting projects]
(unit: cases)



ly rolling out consulting services since 2023 related to operating e-commerce sites and purchase-type crowdfunding, as well as consulting on digital marketing and advertising. The aim is to discover new businesses and products originating from the region, as well as to expand sales channels and increase recognition.

- Please tell us about the significance of Gungin Consulting's efforts to expand its business domain.

Expanding our business domain involves addressing increasingly sophisticated and diverse management challenges, such as seeking executive-level talent or wanting to develop marketing strategies, within our consulting services. By integrating new businesses with our existing consulting operations and implementing goal-based comprehensive solution proposals, we believe we can contribute even more effectively to solving our clients' challenges.

- Please tell us about your aspirations for the future.

We are positioned at the core of the Gunma Bank Group's corporate non-financial business. We are committed to providing solutions by making the most of our specialized knowledge, expertise, and the networks and resources of the Group. Our goal is to contribute to the growth of regional businesses and the development of a sustainable regional economy.

Case Study Promoting Regional Businesses through Regional Trading Company Expansion

We have launched our own platform for purchase-based crowdfunding and e-commerce, called TSUNAGU+. The goal of the purchase-based crowdfunding is to create new regional products and services and promote them widely both domestically and internationally. The e-commerce site not only permanently sells new regional products and services that originated from crowdfunding but also introduces unique and attractive regional products divided into four zones: LOVE IT, FEEL GOOD, HAVE FUN, and IT'S COOL. It is hoped that TSUNAGU+ will add new value to the region through our ability to connect.

In addition to marketing support through the above platform, we also provide support for corporate rebranding and product branding as well as digital marketing and advertising support for businesses in the region.



We will contribute to the future of local communities by providing value that goes beyond existing business areas as a Groupwide effort.

Gunma Regional Advanced Solution Partners, Co., Ltd.



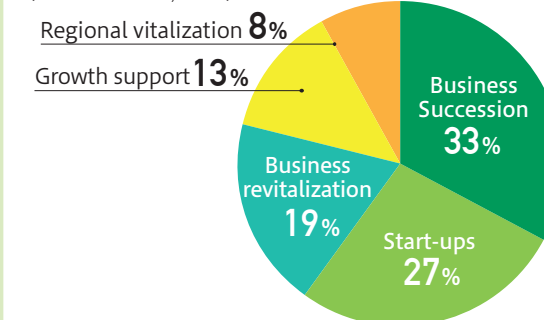
Aiming to Improve the Value of the Entire Region by Fulfilling Our Role as a Hub for Regional Cooperation

Hideo Kagamiyama President

- Please tell us about your business.

We are working to create new businesses that contribute to the revitalization of the local economy through investment, as well as business expansion, growth, and smooth business succession to the next generation. In addition, we provide hands-on accompanying support that meets the needs of the business. We make investments in accordance with the company's stage (business expansion, succession, revitalization, etc.) and business challenges. We have also established a regional power company with the aim to develop and make renewable energy sources more widespread, and we are focusing our efforts on initiatives to solve such regional issues.

[Overview by Investment Theme]
(As of March 31, 2024)



- What are the defining features of Gunma Regional Advanced Solution Partners?

The purpose of our business is to make the region better through investment. Although we are an investment company, we do not believe that we should pursue only profit for ourselves, or in other words, purely maximize returns. We must increase business value through investment and hands-on accompanying support. It's important to know how much we can increase the value of the entire region, including the business partners and employees of the companies we invest in, as well as the local residents. I believe this is the role of our company as a fund rooted in the region.

We also position ourselves as a hub that functions for cooperation in the region. We believe that combining the knowledge and know-how of experts who are well versed in each field will lead to the revitalization of the region.

- What ambitions do you have for the future?

We want to be a partner that together with companies is able to generate business and build communities. There is a limit to how much regional revitalization and problem-solving can be achieved purely by a single entity, so we need to have new frameworks that include collaboration, co-creation, and platforms to make it happen. I hope you will be able to work with us to be a role model for the community.

Case Study Collaborating with Local Stakeholders to Revitalize Ikaho Onsen

In Ikaho, through a fund managed by our company, we have established an urban development company called Sekiraku Co., Ltd. in partnership with local businesses in the Ikaho region. Sekiraku has acquired the former Ichikawa Ryokan, which ceased operations over 40 years ago. The acquired building will undergo renovation that preserves the charm of the over 100-year-old wooden ryokan (Japanese style inn), with plans to include restaurants and retail stores. The aim is to utilize the building's location halfway up the Ikaho Stone Steps to function as a central house where people can relax. The opening is planned for the fall of 2024.

We will continue to work closely with regional stakeholders, including Shibukawa City and the Shibukawa Ikaho Onsen Tourism Association, using this fund as a starting point to contribute to the revitalization of the Ikaho Onsen resort.



The Gungin Card Co., Ltd.

Aiming to build a local digital ecosystem
As well as proving worthy of customers’ trust by providing high-quality services in the credit card business, Gungin Card seeks to contribute to the development of society and the economy through appropriate business operations and sound growth in business performance. As society rapidly becomes more cashless, payment needs are diversifying and becoming more sophisticated. Gungin Card is working with banks to connect payments and settlements throughout the region using digital means in an effort to build a sustainable local digital ecosystem.

Promoting cashless payments in cooperation with banks
In April 2022, we strengthened our framework by taking over the credit card member business, which was previously handled by the Bank itself, consolidating the card-related businesses within the Group into our company.
In terms of acquiring new merchants, we are working



Gungin Card Head Office (Maebashi City)

with the Bank to make proposals for new business partners and non-member clients. In the fiscal 2023, we acquired 2,428 new merchants (an increase of 1,605 from the previous year), and the annual transaction volume grew to 170.8 billion yen (up 14.8 billion yen year-on-year).
In January 2024, we launched the Gungin Debit Visa/ JCB card (co-issued with the Bank). This card can be issued free of charge to customers who newly open a regular savings account or to those who already have an account, allowing anyone aged 15 and above (excluding junior high school students) to easily make cashless payments and transactions.
Moving forward, we will continue to work on expanding our merchant base through more multi-payment terminals in local stores, businesses, and clinics, as well as increasing the number of credit and debit card holders. Our goal is to create a region where cashless payments can be made anywhere by anyone.



The Gungin Debit Visa/JCB cards

Gungin Lease Co., Ltd.

Providing diverse added value through leasing
Gungin Lease has five bases (Isesaki City, Ota City, Kumagaya City, Saitama City, and Utsunomiya City) in addition to its head office (Maebashi City) where it provides all sorts of added value through leasing.
The main business is leasing. Gungin Lease handles a wide range of leased properties, from vehicles and industrial and machine tools, to office equipment, commercial equipment, and medical equipment. We support our business partners through proposals such as reducing initial costs when introducing equipment and making effective use of funds, as well as keeping admin labor and costs down to a minimum.
And in order to make the most of our in-house leasing business expertise within the Gunma Bank Group, we make proposals to our business partners in cooperation with banks, for example, by sending employees to Gunma Bank.



Gungin Lease Head Office (Maebashi City)

Gungin System Service Co., Ltd.

Supporting the digitalization of the region, our customers, and the Bank
As the Group’s systems company, Gungin System Service plays an important role within our digital strategies that are the foundation for “Connections and Spinning the Threads.”
In the digitalization of the community, the company provides support in a number of ways, including actually going to customers’ places of business to help set up and operate their computers and systems. In the digitalization of customer contact points, meanwhile, it works with the Gunma Bank on system development and also provides operational support. In the digitalization of internal bank operations, it provides its insights and know-how as a systems company and works with the Bank to plan and manage a number of initiatives including the promotion of paperless operations and the automation of routine operations.
In addition, employees seconded to the Gunma Bank Corporate Consulting Sales Department serve as a point of contact and help business partners to transform digitally.



Gungin System Service Head Office (Maebashi City)

The Gunma Bank Group Companies

Gunma Chuo Kogyo Co., Ltd. CS			
Established	February 24, 1971		
Location	226 Motosojamachi, Maebashi, Gunma		
Key operations	Transportation of goods, maintenance of automated teller machines (ATM), etc.		
Capital	10 million yen		
Ratio of ownership of voting rights by the Group	100.00%		
Gunma Bank	100.00%	Subsidiaries, etc.	—
Gungin Consulting Co., Ltd. CS			
Established	April 18, 2018		
Location	194 Motosojamachi, Maebashi, Gunma		
Key operations	Consulting, human resources solutions, regional trading company, marketing and advertising business		
Capital	100 million yen		
Ratio of ownership of voting rights by the Group	100.00%		
Gunma Bank	100.00%	Subsidiaries, etc.	—
Gungin Lease Co., Ltd. CS			
Established	October 1, 1973		
Location	171-1 Motosojamachi, Maebashi, Gunma		
Key operations	Leasing		
Capital	180 million yen		
Ratio of ownership of voting rights by the Group	100.00%		
Gunma Bank	50.00%	Subsidiaries, etc.	50.00%
The Gungin Card Co., Ltd. ES			
Established	March 12, 1982		
Location	194 Motosojamachi, Maebashi, Gunma		
Key operations	Credit cards		
Capital	30 million yen		
Ratio of ownership of voting rights by the Group	66.67%		
Gunma Bank	42.14%	Subsidiaries, etc.	24.53%
Sky Ocean Asset Management Co., Ltd. EA			
Established	November 25, 2014		
Location	3-1-1 Minatomirai, Nishi-ku, Yokohama, Kanagawa		
Key operations	Asset management		
Capital	300 million yen		
Ratio of ownership of voting rights by the Group	15.00%		
Gunma Bank	15.00%	Subsidiaries, etc.	—
Gungin Securities Co., Ltd. CS			
Established	February 12, 2016		
Location	2-2-11 Honmachi, Maebashi, Gunma		
Key operations	Securities dealing		
Capital	3,000 million yen		
Ratio of ownership of voting rights by the Group	100.00%		
Gunma Bank	100.00%	Subsidiaries, etc.	—
Gunma Regional Advanced Solution Partners, Co., Ltd. CS			
Established	December 25, 2020		
Location	194 Motosojamachi, Maebashi, Gunma		
Key operations	Fund structuring and operation		
Capital	100 million yen		
Ratio of ownership of voting rights by the Group	100.00%		
Gunma Bank	100.00%	Subsidiaries, etc.	—
Gunma Shinyo Hosyo Co., Ltd. CS			
Established	September 28, 1983		
Location	194 Motosojamachi, Maebashi, Gunma		
Key operations	Assurance engagements		
Capital	30 million yen		
Ratio of ownership of voting rights by the Group	100.00%		
Gunma Bank	45.45%	Subsidiaries, etc.	54.54%
Gungin System Service Co., Ltd. ES			
Established	July 26, 1986		
Location	171-1 Motosojamachi, Maebashi, Gunma		
Key operations	System development and sales		
Capital	30 million yen		
Ratio of ownership of voting rights by the Group	75.00%		
Gunma Bank	20.00%	Subsidiaries, etc.	55.00%

*1 CS (Consolidated Subsidiary), ES (Equity-method subsidiary), EA (Equity-method Affiliate)
*2 Ratio of ownership of voting rights held is rounded down to two decimal places.