Special Feature Process Leading to Integration for Creating New Value

The Gunma Bank and Daishi Hokuetsu Financial Group will conduct a business integration based on the basic policy of mutual trust and an equal integration in April 2027 (planned). We will aim to become a regional financial group that can meet the expectations of all stakeholders by continuously contributing to the growth and development of customers and regions as well as achieving sustainable growth and improvement of corporate value.

Outline of Integrated Holding Company

Trade Name	**Gunma Niigata Financial Group, Inc.** Abbreviation GNFG
Representative (planned)	**Michiro Ueguri** **Chairman and Representative Director** (currently President and Representative Director of Daishi Hokuetsu Financial Group) **Akihiko Fukai** **President and Representative Director (Group CEO)** (currently President and Representative Director of Gunma Bank)
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.

Philosophy of the New Financial Group

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.

Roadmap to Date and Going Forward

2021

December: Signing of the Gunma and Daishi Hokuetsu Alliance



GUNMA DAISHI HOKUETSU ALLIANCE
群馬・第四北越 アライアンス

The Gunma and Daishi Hokuetsu Alliance ▶ P.59

2025

April: Memorandum of understanding (MOU) towards the business integration



Initiatives from the MOU to the Definitive Agreement

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 discussed key matters.



• Specialist Subcommittees
Ten subcommittees (including corporate planning, sales, system administration, and risk management) were established to conduct Fit & Gap analyses and consider standardizing operations.

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.



Viewing event; Gunma Green Wings game

• 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.

2026

March: Definitive agreement reached; new group's name decided to be Gunma Niigata Financial Group



March 26: Board resolution of two companies
Signing of Share Exchange Agreement and Business Integration Agreement
September 30 (planned): Record date of extraordinary shareholders' meeting of two companies
December 23 (planned): Extraordinary shareholders' meeting of two companies

2027

April: Business integration

March 29 (planned): Last trading day of Gunma Bank's shares
March 30 (planned): Delisting of Gunma Bank
April 1 (planned): Effective date of share exchange
Start of the First Mid-Term Business Plan

GNFG
(After change of Daishi Hokuetsu Financial Group's trade name)

Gunma Bank | DAISHI HOKUETSU BANK

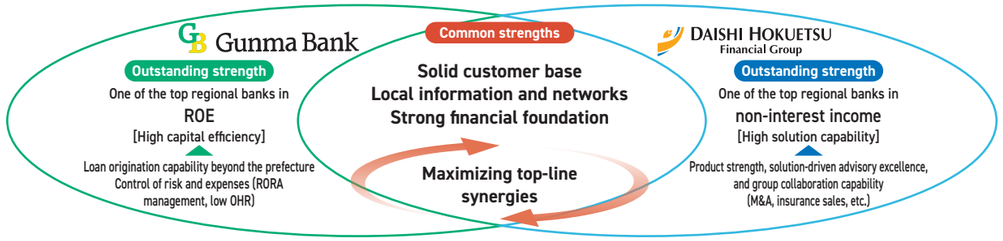
To realize integration synergies at an early stage, we went through the "Pre-Action 180" period and, following the definitive agreement, RUN UP 180 and FLY UP 180 were designated to accelerate our detailed studies for operational integration and operational verification.

Before Post Merger Integration (PMI)

	Period	Description
Pre-Action 180	October 2025 to March 2026 (Implemented)	Deepening of mutual understanding
RUN UP 180	April 2026 to September 2026	Detailed studies for integration and operational verification
FLY UP 180	October 2026 to March 2027	Materialization of organization and operations after the integration

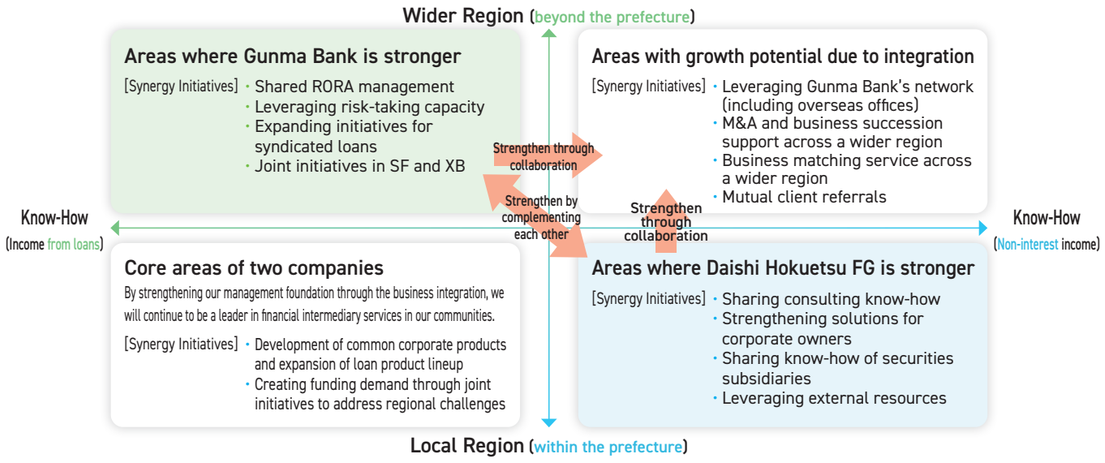
Purpose of the Business Integration

This business integration **aims to step 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.



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).



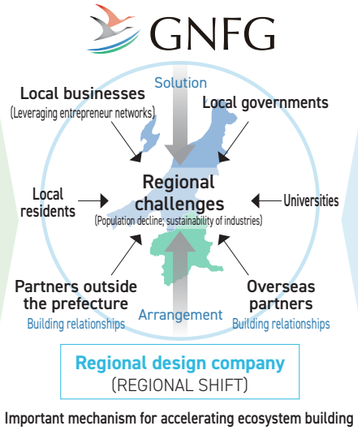
Synergies (II) Region x Challenge

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 increases the sustainability of regional industries
- Business succession, talent referral, and 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 regional life
- Promoting cashless payments
- Leveraging payments data and circulating local information
- Promoting local products (functioning as a regional trading company)



Important mechanism for accelerating ecosystem building

4 Ecosystem that sustains regional infrastructure
- Cross-regional/cross-sector collaboration with local governments
- Promoting renewable energy
- Rebuilding regional medical care systems
- Improving 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.

A New Financial Group that Constitutes One of the Top Regional Banks

Total assets (Consolidated)
21,696.2 billion yen

Banking locations
Japan: 237
Overseas: 5

Within Gunma Prefecture
Gunma Bank
Share of deposits: 38%
Share of loans: 34%
(Top in the prefecture)

Market capitalization
1,271.1 billion yen

Group companies (Business domains)
11 businesses

Within Niigata Prefecture
DAISHI HOKUETSU BANK
Share of deposits: 43%
Share of loans: 50%
(Top in the prefecture)

*As of March 31, 2026 (Simple sum for total assets, market capitalization, banking locations, and group companies; market share for each bank in relevant prefecture)
*Market share in prefecture: (Source) Finance Journal "Finance Map 2026" (Base date: March 31, 2025)

Quantitative Plan of the New Financial Group

