FY2025 Earnings Results Briefing

June 1, 2026

Our challenges build our future.

Chugin Financial Group, Inc.

What we would like to tell you today

FY2025 — Significant expansion of profit levels	Profit attributable to owners of parent	39.7 billion yen	YoY +12.3 billion yen
	ROE	6.8 %	
FY2026 — Achieving revised KPI*	Profit attributable to owners of parent	45.0 billion yen	YoY +5.3 billion yen
	ROE	7 % or more	
FY2027 and beyond — Consideration for the next Medium-term Management Plan	Profit attributable to owners of parent	80.0 billion yen or more	Under considering :early achievement of ROE of at least 10%
	ROE	10 % or more	

* FY2026: 40 billion yen or more for profit attributable to owners of parent and 7% or more for ROE

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Section I

Earnings Results for FY2025
and
Earnings Forecasts for FY2026

Consolidated for the Chugin Financial Group (End of March 2026)

() indicates YoY (compared to end of March 2025)

Assets 11.3 trillion yen
(+0.3 trillion yen)

Loans 6.7 trillion yen
(+0.2 trillion yen)

Securities 3.1 trillion yen
(+0.3 trillion yen)

Cash and short-term investments, etc. 1.1 trillion yen
(-0.3 trillion yen)

Liabilities 10.7 trillion yen
(+0.2 trillion yen)

Deposits 8.5 trillion yen
(+0.1 trillion yen)

*Includes negotiable certificates of deposit

Net assets 0.6 trillion yen
(+0.1 trillion yen)

Mainly in the local area, Loans and deposits increased

➢ Loans 6.7 trillion yen (YoY +0.2 trillion yen, +3.4%)

- Business loans: 4.8 trillion yen (YoY +125.8 billion yen, +2.7%)
  Of which, local: 2.6 trillion yen (YoY +136.6 billion yen, +5.4%)
- **Personal loans: 1.4 trillion yen (YoY +78.1 billion yen, +5.7%)**

➢ Securities 3.1 trillion yen (YoY +0.3 trillion yen)

- Bonds (Other securities): 2.4 trillion yen (YoY +178.9 billion yen)

➢ Deposits 8.5 trillion yen (YoY +0.1 trillion yen, +1.6%)

- **Individual: 5.4 trillion yen (YoY +44.7 billion yen, +0.8%)**
- **Corporate: 2.1 trillion yen (YoY +20.4 billion yen, +0.9%)**
- Public funds, etc.: 0.8 trillion yen (YoY +75.0 billion yen, +9.8%)

Profits increased for the sixth consecutive year due to top-line growth

* Forecast published on Nov. 14, 2025

Consolidated for the Chugin Financial Group (billion yen)	FY2024 Result	FY2025 Result	YoY	vs. Plan*
Consolidated ordinary profit	38.3	56.0	17.7	6.0
Profit attributable to owners of parent	27.4	39.7	12.3	4.7

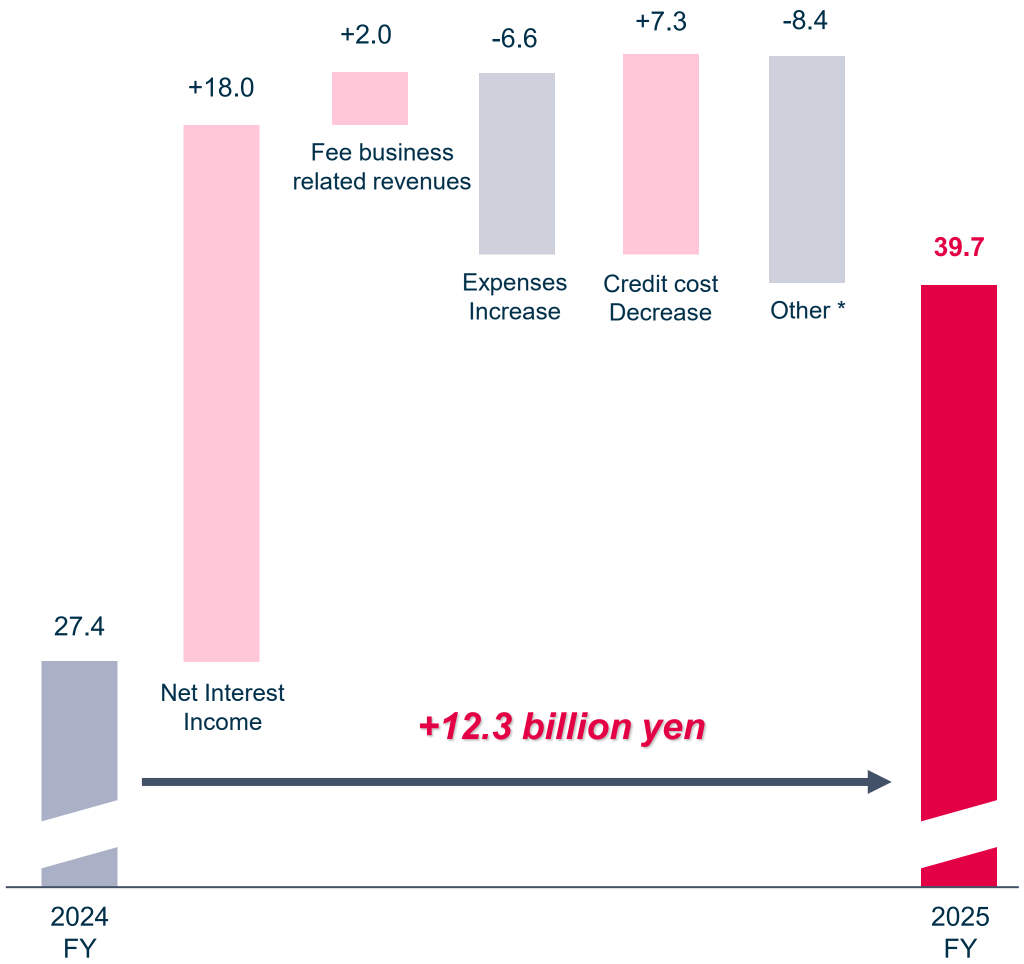
<Reference: Non-consolidated for The Chugoku Bank>

Core business gross profit	99.7	120.3	20.6	5.9
Expenses (-)	55.2	61.8	6.6	0.1
Core business net profit	44.5	58.4	13.9	5.8
Of which, credit cost (-)	13.4	6.1	-7.3	-0.9
Of which, profits and losses related to securities	2.5	-3.5	-6.0	-2.8
Ordinary profit	34.5	51.5	17.0	5.7
Net income	25.2	36.9	11.7	4.7

Factors behind change (Profit attributable to owners of parent)

(billion yen)

* Profits and losses related to securities, etc.



Earnings Results for FY2025 —Net interest income (Non-consolidated for the Bank)—

[Breakdown of net interest income (non-consolidated for the Bank)]

(billion yen)	FY2024 Result	FY2025 Result	YoY
(1) Net interest income	76.3	94.3	18.0
Yen net interest income	65.2	80.9	15.7
Of which, interest on loans	50.7	67.8	(1) 17.1
Of which, interest on securities	21.2	31.6	(2) 10.4
Of which, gains and losses on cancellation of investment trusts	0.2	0.0	-0.2
Of which, interest on deposits (-) ※	4.9	17.1	12.2
Foreign currency net interest income	11.1	13.4	2.3
Investment revenues	75.4	65.7	-9.7
Procurement costs (-)	64.3	52.2	-12.1

Net other operating profits	1.7	2.4	0.7
(2) Of which, foreign-currency procurement costs (-)	0.1	-0.1	-0.2

<Reference>

(1)+(2) Net interest income (real)	76.2	94.5	18.3

※Including negotiable certificates of deposit

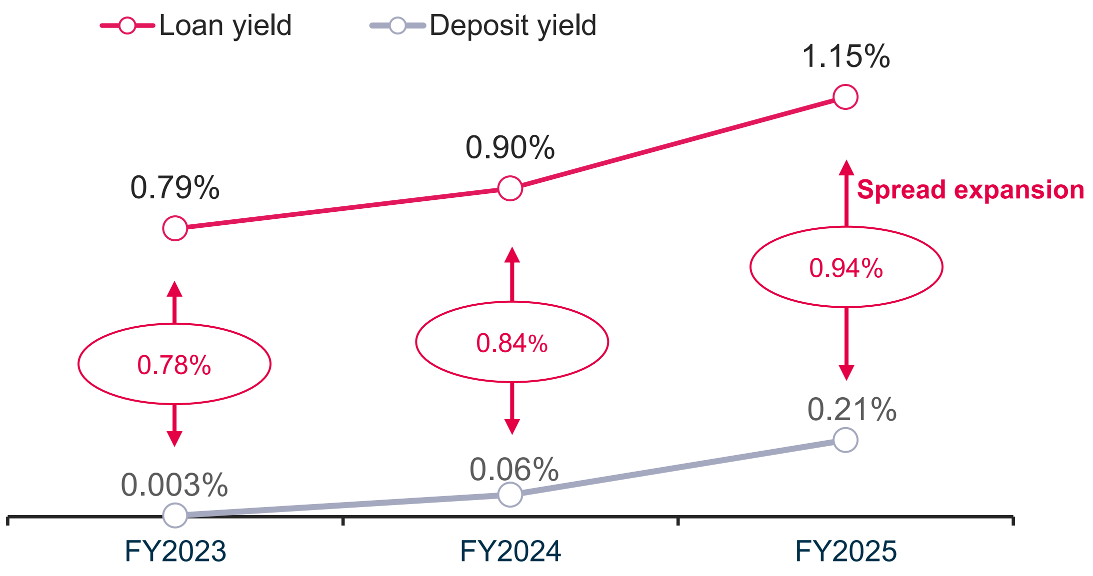
Yen net interest income increased significantly.

[Breakdown of increase]

(1) Average balance factor +2.5 billion yen, Yield factor +14.6 billion yen

(2) Average balance factor +3.0 billion yen, Yield factor +7.4 billion yen

[Yen-based yield]



Earnings Results for FY2025 —Fee business-related revenues (Group total)—

[Breakdown of fee business-related revenues (Group total)]

(billion yen)	FY2024 Result	FY2025 Result	YoY
Fee business-related revenues	30.4	32.4	2.0
The Chugoku Bank	23.9	25.5	1.6
Investment banking business (Recorded in net fee income)	5.6	6.0	0.4
Assets in custody (Recorded in net fee income)	6.0	6.2	0.2
Other net fee income (Recorded in net fee income)	9.9	11.1	1.2
Derivative fees, etc.	2.2	2.0	-0.2
Group companies other than The Chugoku Bank*	6.4	6.8	0.4
The Chugin Lease	1.7	1.4	-0.3
The Chugin Card	0.9	1.0	0.1
Chugin Human Innovations	0.1	0.1	0.0
C Cube Consulting	0.4	0.3	-0.1
Chugin Securities	2.6	3.3	0.7
Chugin Asset Management	0.5	0.6	0.1

Of which, corporate solution related revenue	11.1	11.0	-0.1
Of which, assets in custody	9.2	10.2	1.0

* Gross profit for The Chugin Lease, and operating revenues for other Group companies (after deducting internal transactions)

Fee business expanded across the entire Group.

[Breakdown of increase]

- **Investment banking business**
- **Assets in custody (bank, securities, asset)**
- **Other net fee income (mortgage-related fees, etc.)**

Earnings Results for FY2025 —Expenses and Credit cost (Non-consolidated for the Bank)—

[Breakdown of expenses (non-consolidated for the Bank)]

(billion yen)	FY2024 Result	FY2025 Result	YoY
Expenses (-)	55.2	61.8	6.6
Personnel expenses	28.4	30.3	(1) 1.9
System expenses	7.1	8.9	(2) 1.8
Other property expenses	12.4	13.7	(3) 1.3
Deposit insurance premium	1.1	1.1	0.0
Business management fee*	2.4	3.4	1.0
Taxes	3.5	4.1	0.6

* Expenses paid to the holding company (offset on a FG consolidated basis)

OHR	55.3%	51.4%	-3.9 pt

Implemented base pay increases, strategic investments, etc.
(as planned)

(1) Base pay increases, higher bonuses, etc.
(2) Increase in depreciation due to introduction of Surface devices and replacement of GPT, etc.
(3) Introduction of RS for employee stock ownership plan, strengthening of personal loan advertising, etc.

[Breakdown of credit cost (non-consolidated for the Bank)]

(billion yen)	FY2024 Result	FY2025 Result	YoY
Credit cost (-)	13.4	6.1	-7.3
Provision of general allowance for loan losses	2.1	2.2	0.1
Provision of specific allowance for loan losses	11.3	3.8	-7.5
Other credit costs ※	0.0	0.0	0.0

※Writing off of loans, allowance for credit to specific foreign borrowers, allowance for loss on sale of loans, loss onn sale of loans, and recovery of written-off receivables

■ Calculation method of general allowance for loan losses
- The expected loss rate is calculated based on the actual loan loss rates, with one calculation period being three years. (Each calculation period is moved half a year forward.)
- The expected loss rate shall be the "most recent three-period average," the "most recent five-period average," or the "long-term average starting from the fiscal period ended in September 2008," whichever is larger (changed from the fiscal period ended September 2022).
- Loans to healthy accounts and accounts requiring caution I are adjusted by taking into consideration the average remaining period of the receivables.

Significant YoY decrease

* Reaction to special factors in the previous year (multiple large-scale provisions occurred)

Earnings Forecasts for FY2026

Consolidated for the Chugin Financial Group (billion yen)	FY2025 Result	FY2026 Forecasts	YoY
Consolidated ordinary profit	56.0	65.0	9.0
Profit attributable to owners of parent	39.7	**45.0**	5.3

<Reference: Non-consolidated for The Chugoku Bank>

	FY2025 Result	FY2026 Forecasts	YoY
Core business gross profit	120.3	133.1	(1) 12.8
Expenses (-)	61.8	68.4	(2) 6.6
Core business net profit	58.4	64.6	6.2
Of which, credit cost (-)	6.1	7.5	1.4
Of which, profits and losses related to securities	-3.5	0.0	3.5
Ordinary profit	51.5	61.0	9.5
Net income	36.9	42.3	5.4

Toward Achieving Medium-term Management Plan KPIs

Profit attributable to owners of parent	**45.0 billion yen**
ROE	**7% or more**

(1) Boosting top-line revenue, primarily through net interest income

- Accumulating assets, primarily in the local region
- Factoring in two domestic policy interest rate hikes (June and December 2026)

(2) Continuing to plan base pay increases, strategic investments, etc.

- Personnel expenses +Approx. 3.0 billion yen

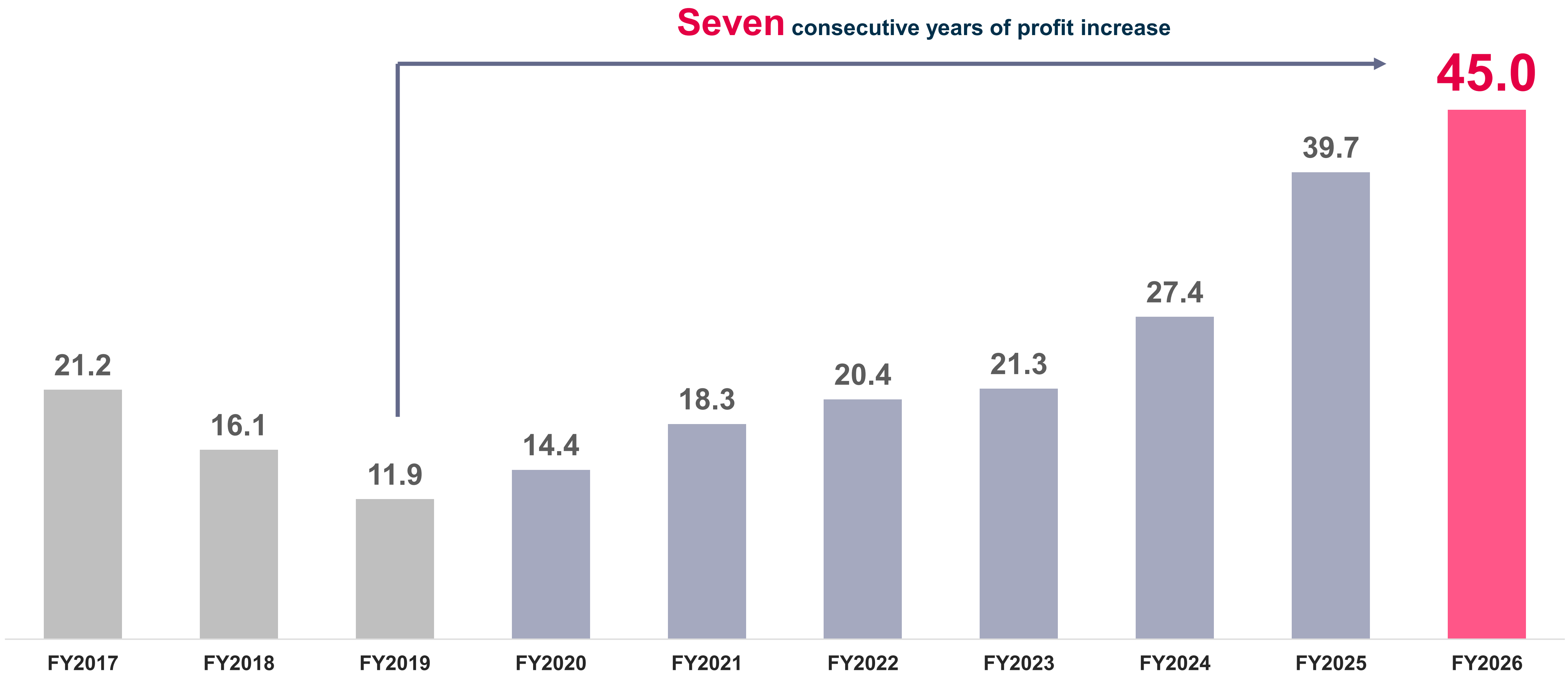
  Base pay increases, increased bonuses, enhanced allowances, etc.

- Strategic investments +Approx. 2.5 billion yen

  DX-related (Company-wide introduction of M365, new CRM, strengthening of apps and in-store tablets, etc.)

  Sales-related (Advertising and campaigns: promotion of deposits & assets in custody, personal loans, apps, etc.)

Profit attributable to owners of parent (billion yen)



Stage I
Apr. 2017 to Mar. 2020

Structural reforms

- BPR investments (A shift from administrative affairs to sales activities)

Stage II
Apr. 2020 to Mar. 2023

Behavioural reforms

- Autonomous sales system and personnel system
- Acceleration of the development of new businesses
- Transition to a holding company system

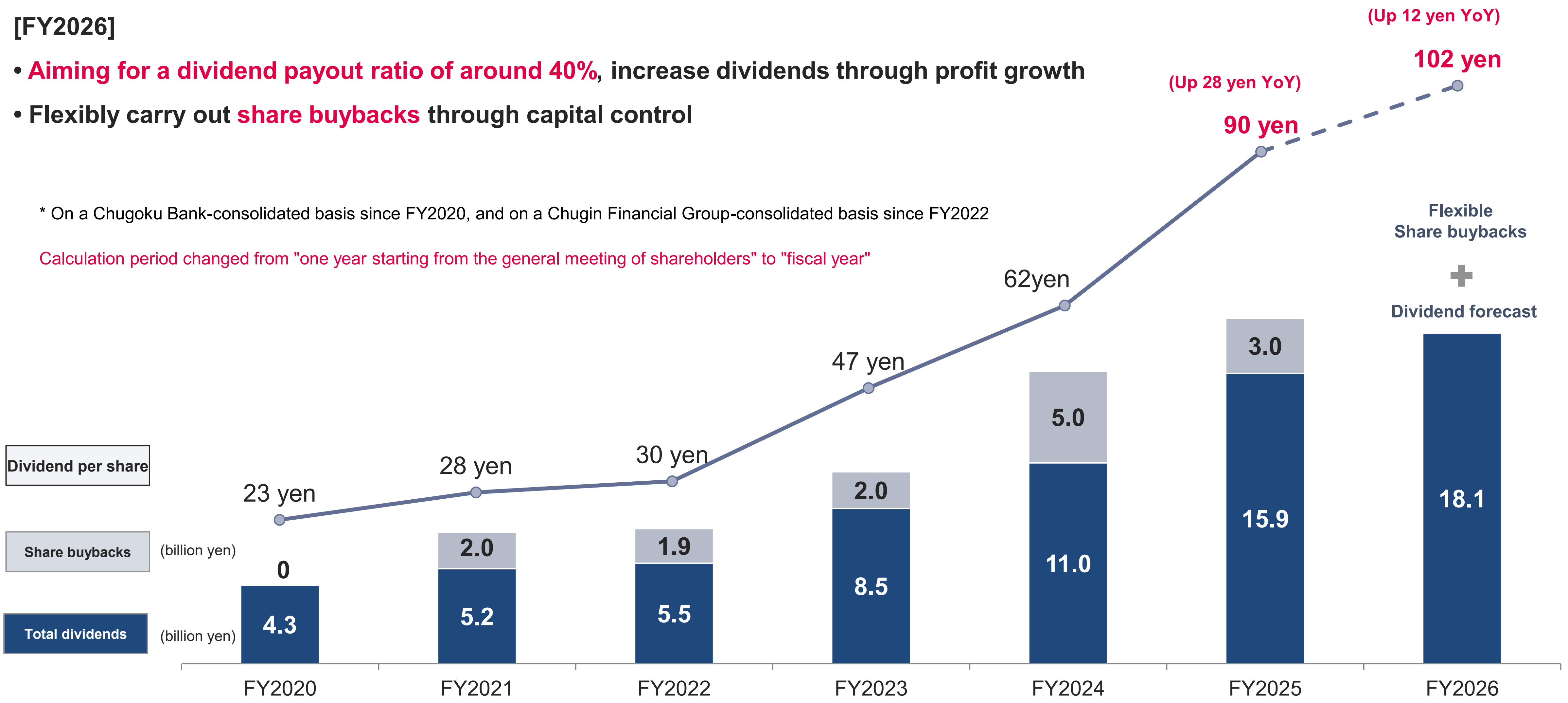
Stage III
Apr. 2023 to Mar. 2027

Demonstrating results and taking on new challenges

- Chugin DX Strategy
- Establishment of a unit system

[FY2026]

- **Aiming for a dividend payout ratio of around 40%, increase dividends through profit growth**
- **Flexibly carry out share buybacks through capital control**



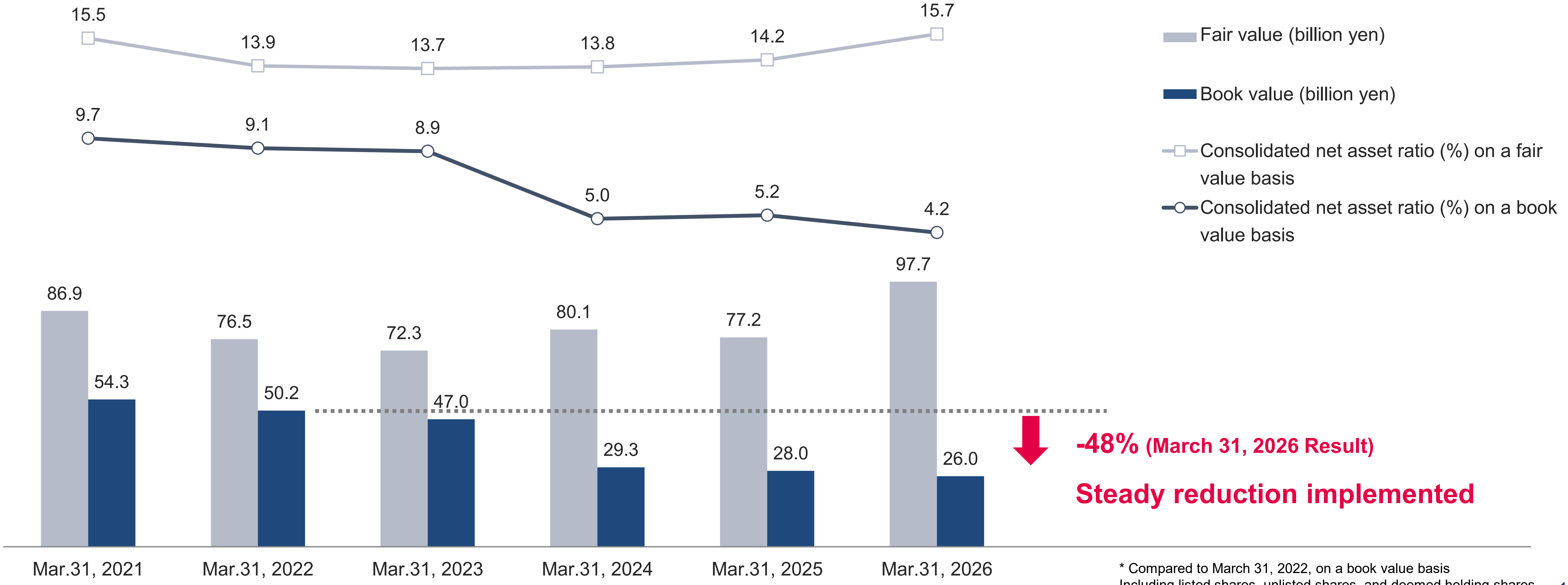
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Dividend payout ratio	29.8%	28.4%	26.9%	40.0%	40.4%	40.2%	Approx. 40%
Shareholder return ratio	29.8%	39.2%	36.4%	49.3%	58.6%	47.8%	Not yet determined

Cross-shareholdings

[Basic Policy]

- **We hold strategic shares only where needed for the investee's and the Group's sustainable growth and corporate value.**
- **We are reducing them through dialogue with investees, to improve capital efficiency and cut shareholding risk.**

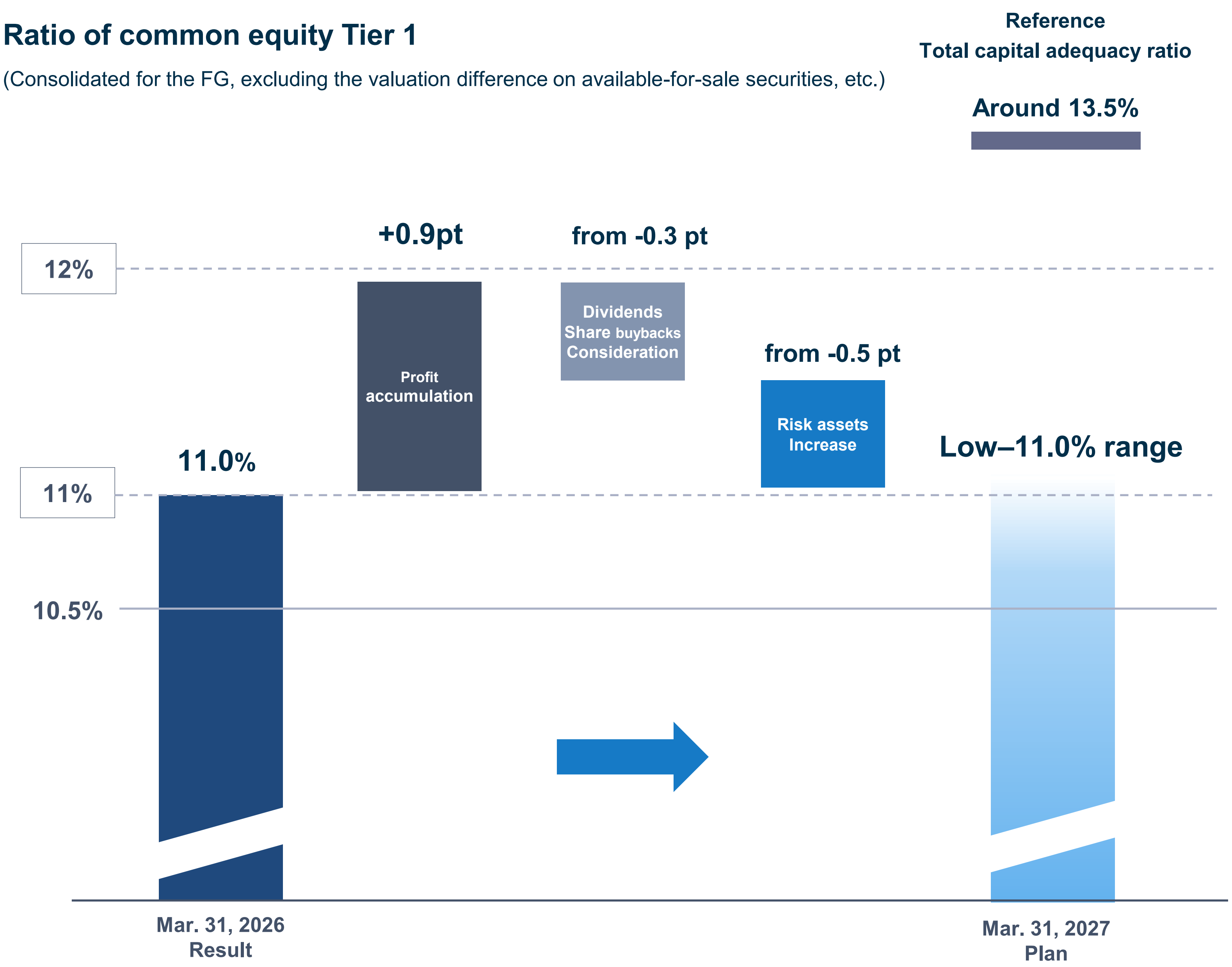
Reduction plan
(March 31, 2027)
50 % reduction *



* Compared to March 31, 2022, on a book value basis
Including listed shares, unlisted shares, and deemed holding shares

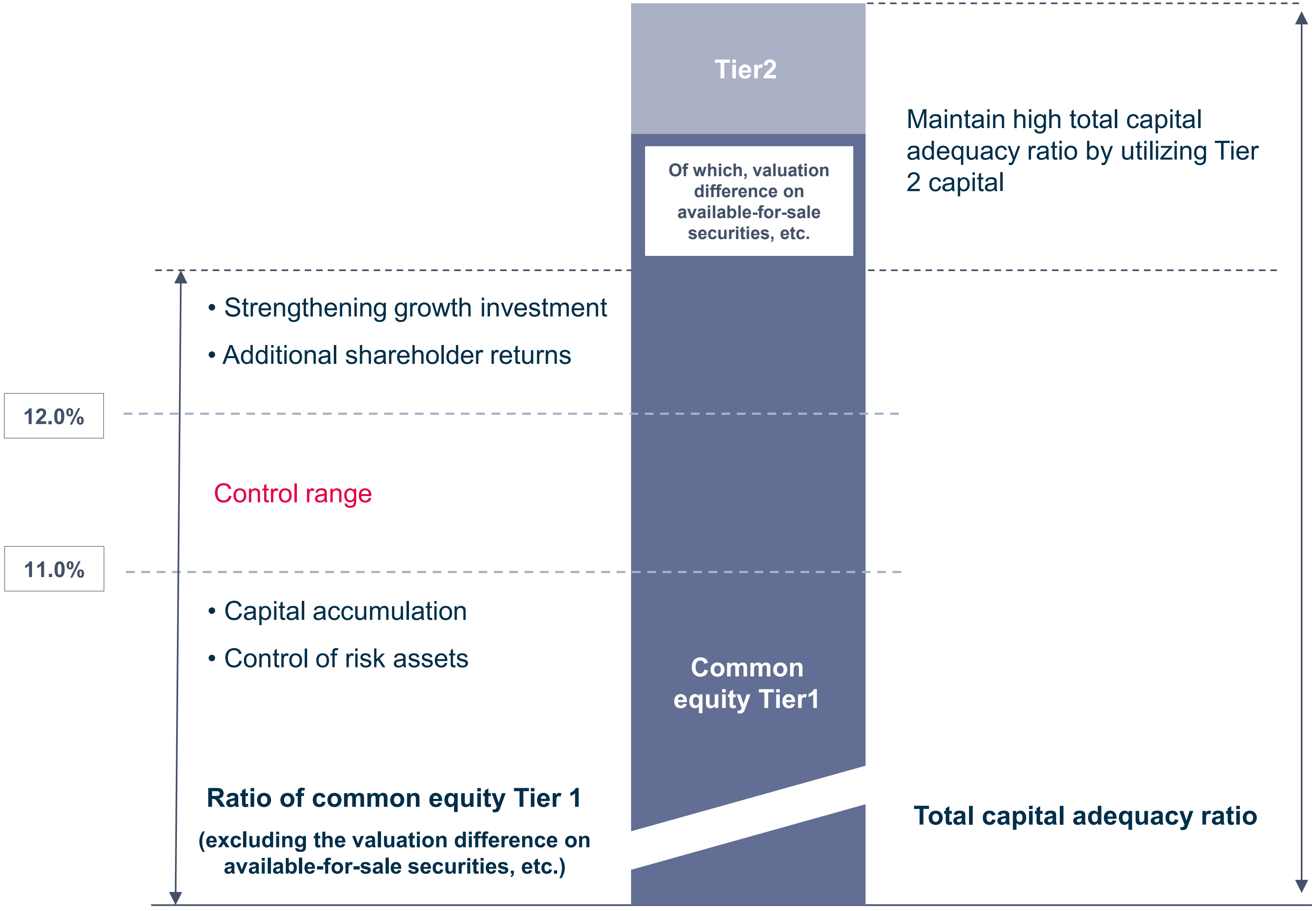
Ratio of common equity Tier 1

(Consolidated for the FG, excluding the valuation difference on available-for-sale securities, etc.)



Accumulating high-quality assets through capital control

(Reference) Capital Management Approach



Ensuring both solid soundness and high capital efficiency

Section II

Toward Enhancement of Corporate Value

Toward Enhancement of ROE

	FY2025 Result	FY2026 Plan
Net income	39.7 billion yen	45.0 billion yen or more
ROE * TSE-based	6.8 %	7 % or more
Financial leverage	8.2 times	Increase
RORA	0.83 %	Increase
PER	11.6 times	Increase
PBR	0.79 times	Toward 1.0 time

Financial leverage

Asset growth

Loans year-end balance

+Approx. 400.0 billion yen (5.6% p.a.)

Growth drivers

- ✓ Ship (ship-related)
- ✓ Structured-finance loans
- ✓ Sustainable finance

RORA

Yield increase

Loans +Approx. 30bp

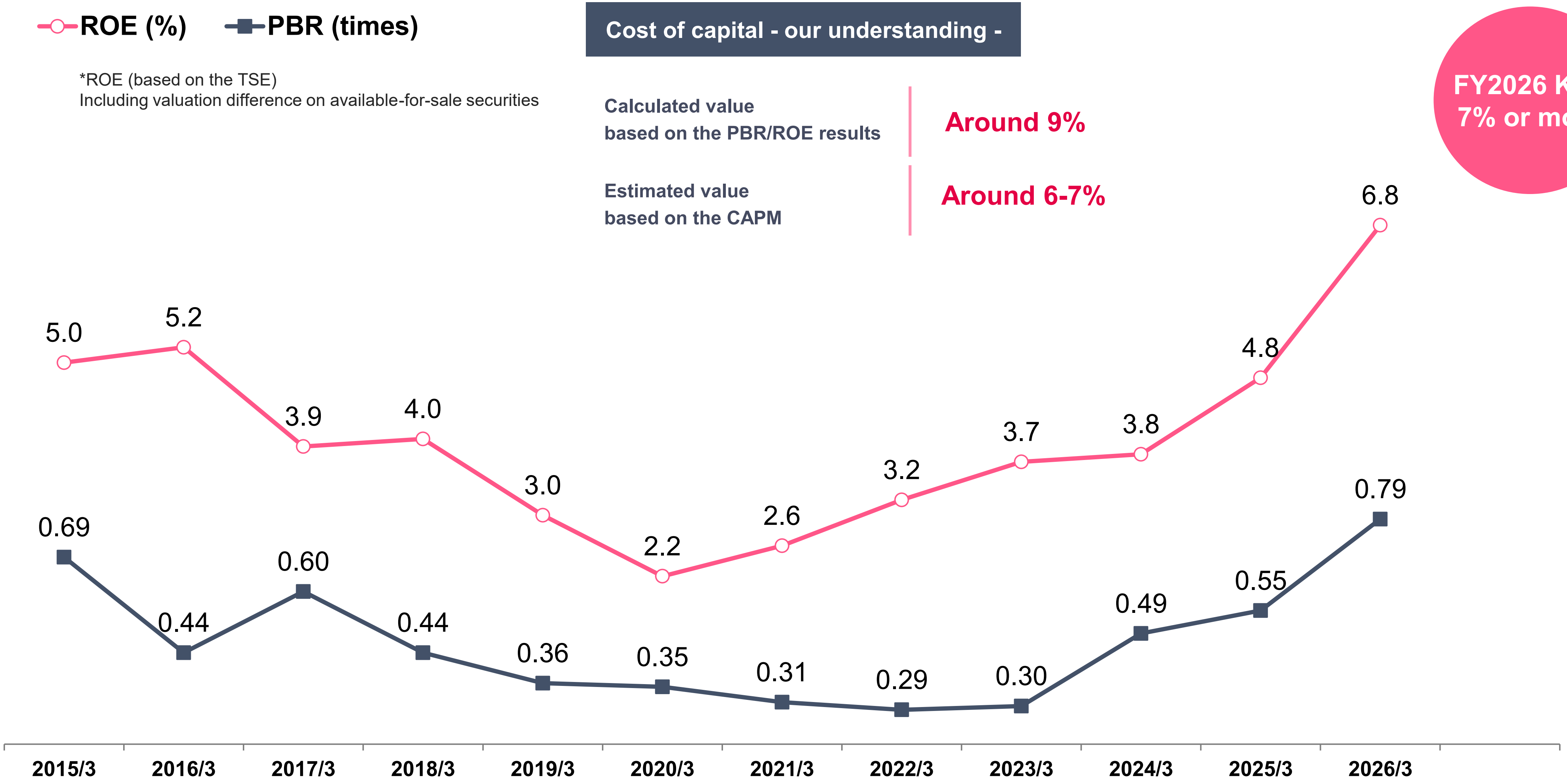
Bonds +Approx. 20bp Shortening Dur

- Both on a yen-based, average balance basis

Growth drivers

- ✓ Local loans SP increase
- ✓ Asset replacement
  - Replacement and RORA increase for urban areas/ SF loans
  - Replacement of low-yield bonds

(Reference) Trends in ROE/PBR



Cost of capital - our understanding -

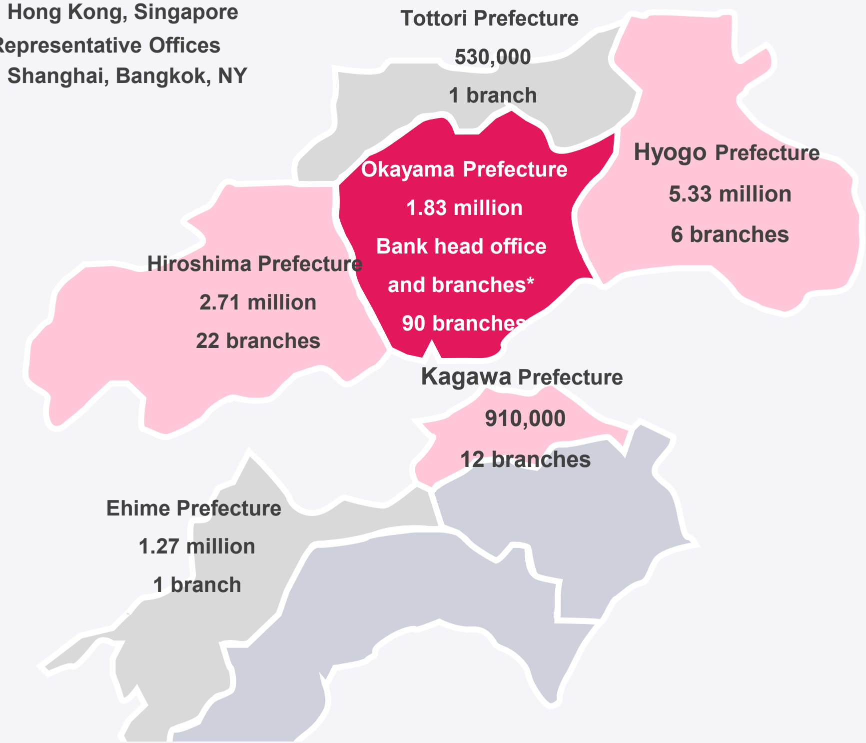
Calculated value based on the PBR/ROE results	**Around 9%**
Estimated value based on the CAPM	**Around 6-7%**

FY2026 KPI: 7% or more

Strengths and Potential of the Group

Wide-ranging Market

Branches
Tokyo, Osaka
Hong Kong, Singapore
Representative Offices
Shanghai, Bangkok, NY



Point ➢ **Favorable Regional Characteristics**

Transportation hub, mild climate with few disasters, and abundant forest nature

➢ **Industrial Characteristics and Demand for Funds**

One of the nation's leading industrial zones, distribution/logistics, shipbuilding/maritime, etc.
...Demand for funds for decarbonization, DX, business succession (LBO, etc.)

✖

Our Strengths

Case Study P.21-

Group Comprehensive Strength

- Wide range of solutions
- Asset creation capabilities
- High soundness and risk management, etc.

Case Study P.22-

Advanced Financial and Consulting Capabilities

- Advanced deal structuring capabilities
- Integration of consulting and finance
- Equity investment, etc.

Case Study P.27-

Regional Hub Function and Diverse Expertise

- TSUBASA Alliance
- Community collaboration
  (Industry-academia-government-finance)
- Cross-industry collaboration (Non-financial), etc.

Potential for Profit Growth

Accumulation of Assets and Expansion of SP

High-quality regional assets
(Avoidance of interest rate competition)
Diverse nationwide projects
(Incorporation of growth and high-profitability sectors)
(Absorption of know-how and regional contribution)

Expansion of Fee Income

Corporate consulting
Assets in custody

Profit Growth Above Market Interest Rates

Group Comprehensive Strength

Chugin Financial Group, Inc.

Corporate Planning, etc.

Sales strategy unit

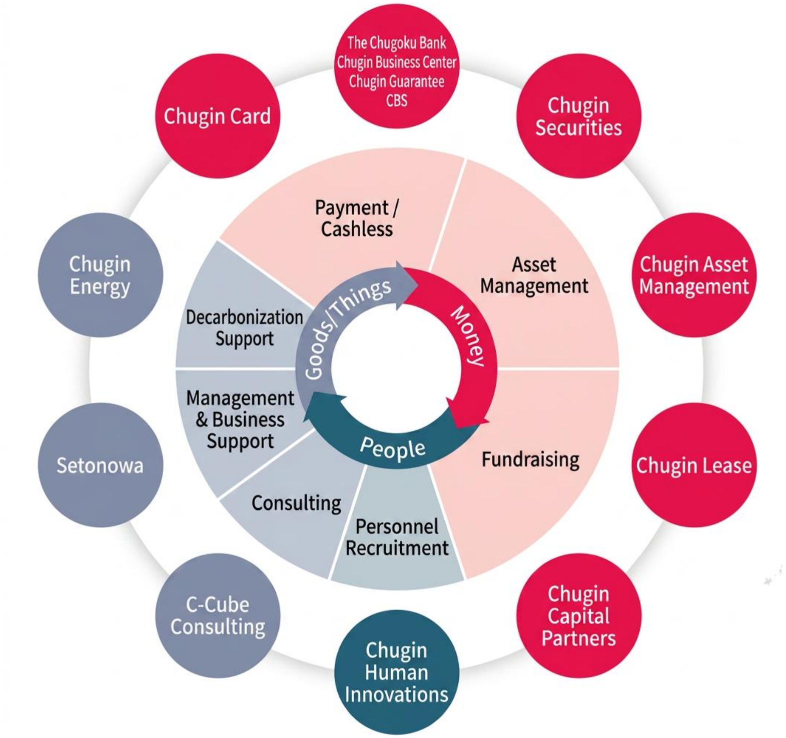
Supervises overall business strategy

centered on the local region

Investment strategy unit

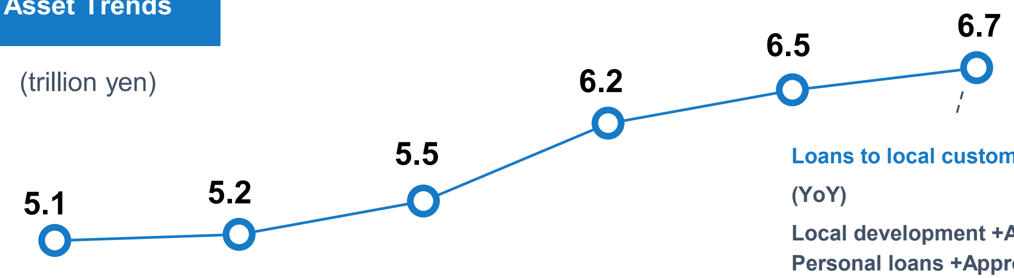
Supervises strategic investment and lending, equity,

and a wide range of asset strategies



Asset Trends

(trillion yen)



Loans Year-end Balance
(Business strategy unit)
(Investment strategy unit)

Loans to local customers remained strong

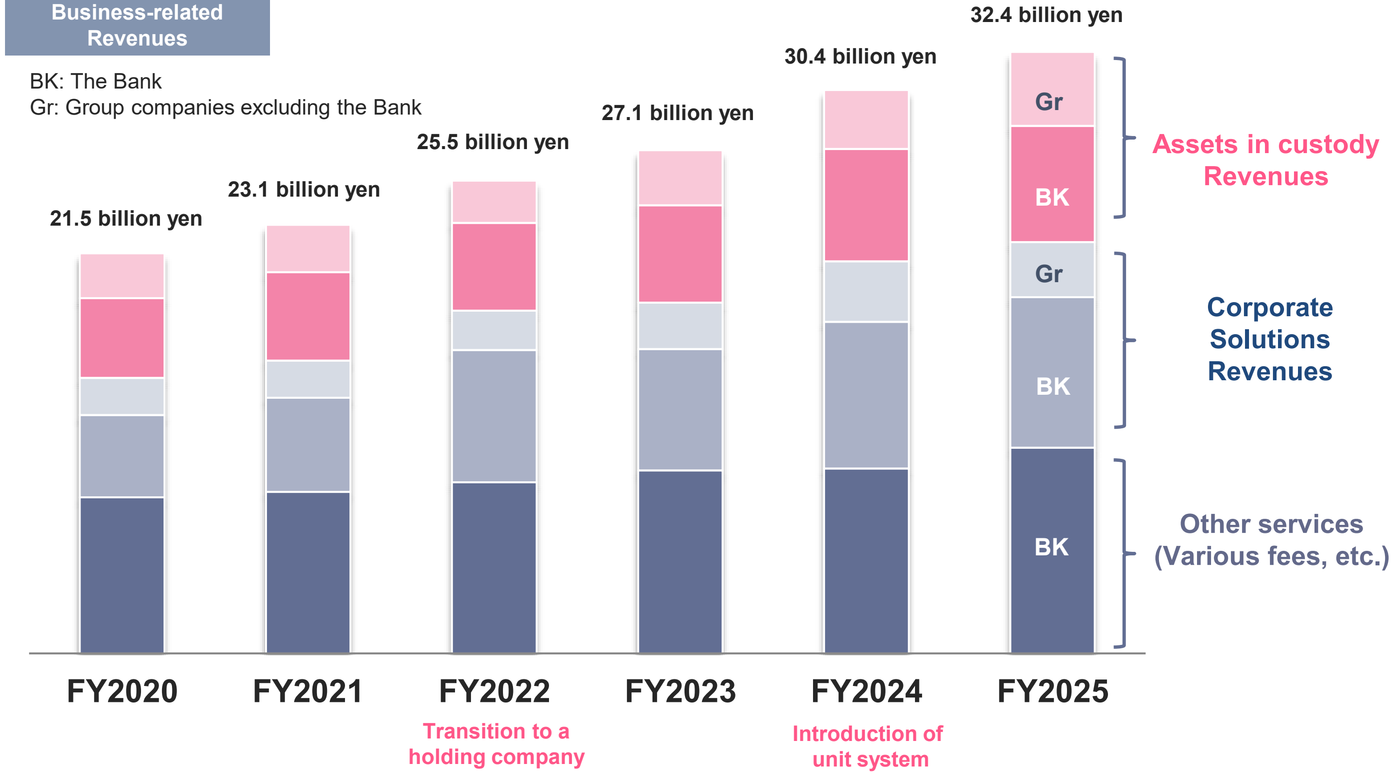
(YoY)

Local development +Approx. 140 billion yen

Personal loans +Approx. 80 billion yen

Fee business Trends in Fee Business-related Revenues

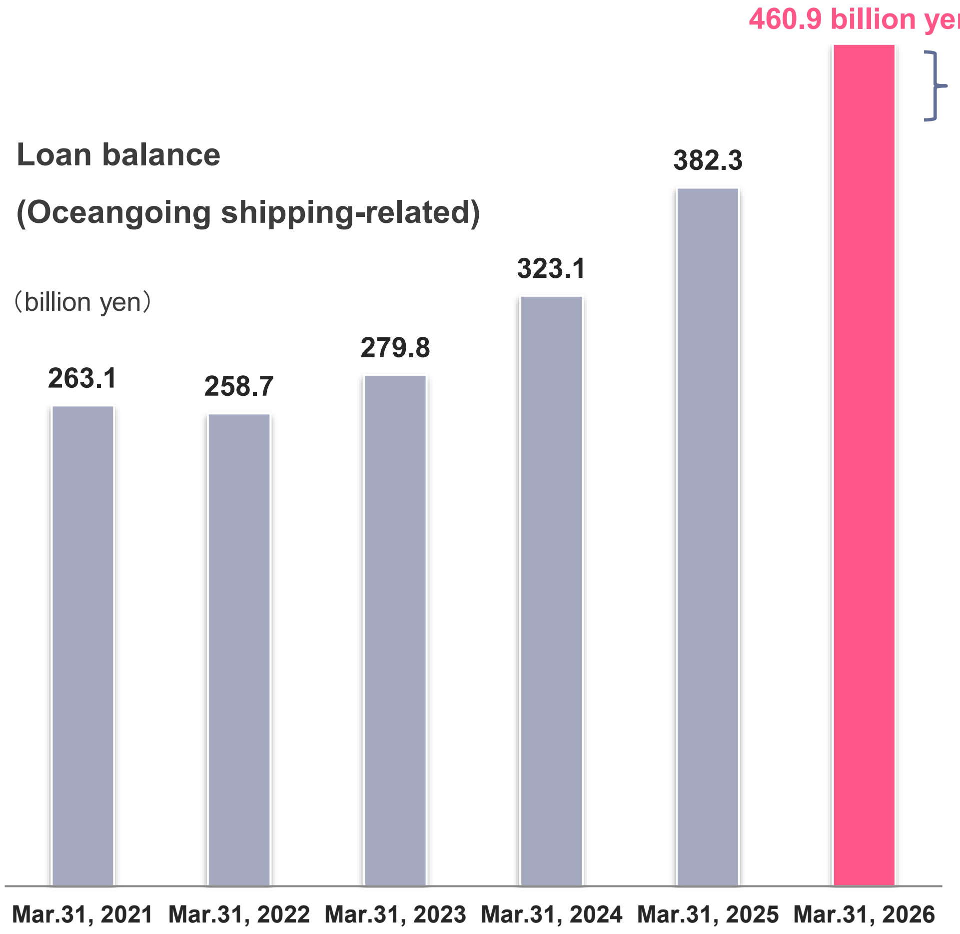
BK: The Bank
Gr: Group companies excluding the Bank



Ship finance

Steady expansion and growth potential

Further
asset expansion



Singapore Branch
53 billion yen

Strengths as a bank on the International Base I capital-adequacy standard

- Hong Kong Branch
- Singapore Branch

Expansion of investment
(High-quality assets)

Stable procurement
(Diversification of foreign currency-based procurement)

Regional revitalization
(Overseas expansion of customers and incorporating overseas growth into the region)

Asset growth potential

- Solid funding needs
  Upsizing of vessels, decarbonization, etc.
- Potential from the perspective of total loans
  Ratio to total loans: approx. 7%

Annual growth rate of balance
Over 20%
(YoY as of end of Mar. 2026)

High profitability

- RORA above home-region business lending
  High SP ratio, structured revenues, etc.
- High-quality claims and collateralpreservation
  Ratio of healthy accounts: 99.8%
  (End-March. 2026)

RORA
1.2%
(Reference: Local development 0.75%)
* Based on SP

Sophistication of sales capabilities and risk management

- Ship Finance Center
  (Concentration of professional human resources and accumulation of expertise)
- Singapore Branch
  (Strengthening support for Setouchi shipowners and acquiring projects)

Professional human resources
Experience and knowledge
Expertise

Advanced Financial and Consulting Capabilities

Decarbonization

Engagement strategy

Regional characteristics and issues Our portfolio → Selection of target sectors And companies (Priority) → Engagement implementation (Solutions) → Progress monitoring Consideration of future initiatives

Local customers

Recognition and understanding → Visualization → Reduction target planning → Reduction → Disclosure

Group-wide solution support (Financial and non-financial)

- Dialogue Engagement
- GX Board
- Decarbonization Consulting
- Loans Leases Solar PPA
- Sustainability link loan Positive impact finance

Chugin FG Engagement Strategy

Consulting

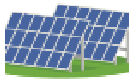
Solutions Expansion of projects

For decarbonization Identifying issues and providing accompanying support

C Cube Consulting

Approaching companies that represent the region
- SX strategy formulation support
- TCFD disclosure support, etc.

Chugin Energy



On-site PPA Mar. 2026 result
- Operating power plants 30 facilities
- CO_2 reduction 3,310t (per year)

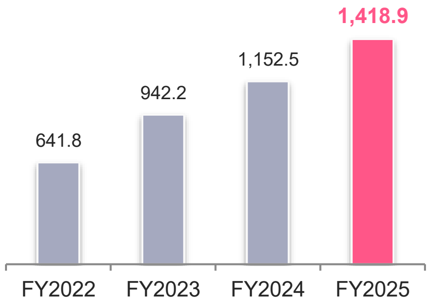
(Equivalent to the annual CO_2 emissions of 1,300 households)

Finance

FY2030 Goals 3 trillion yen

Expansion of capital demand

Supporting the acceleration of greenhouse gas emission reductions

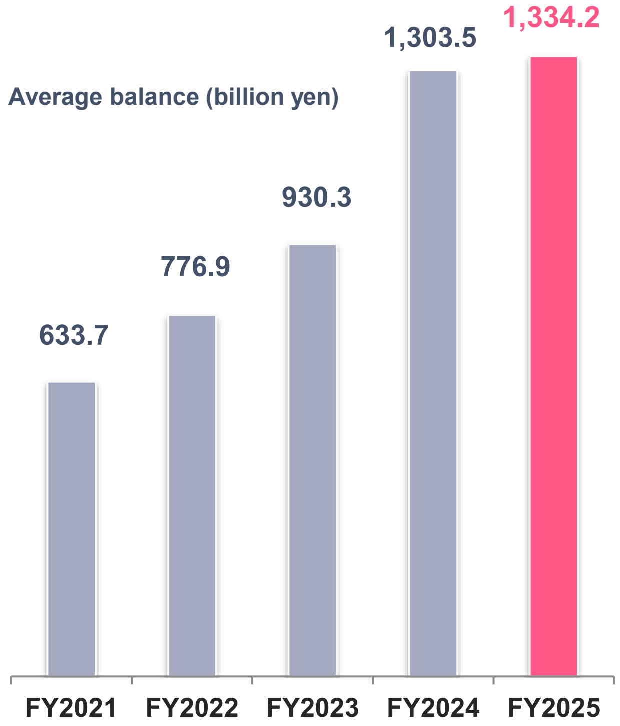


Sustainable finance Cumulative amount executed (billion yen)

Structured finance

Initiatives for loans from the headquarters

Driving revenues and RORA



Strategic investment ･･･ Expansion and strengthening
・Real estate, ships, aircraft, LBO, renewable energy, etc.
(Taking on a variety of projects by leveraging advanced know-how and expertise)

Market investment
・CLL, CLO, repackaged loans, etc.
(Investment in conjunction with securities according to market conditions)

RORA
1.73 %
* Based on SP

(Reference)
Local development: 0.75%
Urban development: 0.57%

Collaboration with local sales offices

Spillover effects on local projects

Relationships and project syndication capabilities acquired through loans from the headquarters

Solving problems for local customers
(Expansion of project syndication, fee income, and net interest income)

Examples of spillover effects on local projects

➢ Responding to local businesses' needs for real estate securitization
・Collaboration with customers with whom the headquarters has relationships
⇒ Realizing the needs of local businesses through introductions from related parties
・Joint syndication with sales offices
⇒ Project syndication utilizing know-how cultivated through loans from the headquarters

Startup support

Group-wide support system tailored to growth stages

Chugin FG			Startups: Customers
M&A The Chugoku Bank		▶	IPO M&A
IPO support Chugin Securities			
Equity investment Growth support Chugin Capital Partners	Overseas expansion support The Chugoku Bank	▶	Post-startup Growth stage
	Sales channel support Setonowa		
	Human resource support Chugin Human Innovations		
Startup support FG, Bank, Chugin Capital Partners		▶	Pre-startup

Chugin Capital Partners

✓ **11 funds**

✓ **Total amount of over 26.4 billion yen**

Of which, cumulative execution amount is approx. 17.4 billion yen (investment and management fees, etc.)

In December 2025, two investees listed on the TSE Growth Market

Hutzper Inc.
・AI solutions for the manufacturing industry

PowerX, Inc.
・Manufacturing and sales of large-scale storage batteries, etc.

Three core funds

Startups	Regional revitalization companies, etc.	Business succession companies
Infinity Fund	Impact Fund	Future Co-creation Fund
Building a regional ecosystem with startups	Regional revitalization and contribution to decarbonization	Survival and development of companies without successors

Startup ecosystem

Initiatives in their **10** th year
(From FY2017)

Consistent support from idea generation to commercialization and growth

Total number of entries **Approx. 1,600**

Number of program participants **Approx. 490**

Support expanded to **39 companies** *

* Newly established corporations through the startup ecosystem from FY2017 to FY2025

Advanced Financial and Consulting Capabilities

* From our website

この挑戦が、未来となる。
ちゅうぎんフィナンシャルグループ

NEWS RELEASE
ちゅうぎんエナジー

２０２６年４月２０日
株式会社ちゅうぎんエナジー

パワーエックスと蓄電池ビジネスに関する基本合意書を締結
― 第１号案件として松江市に系統用蓄電所を建設 ―

株式会社ちゅうぎんエナジー（岡山市　代表取締役　松岡　信一）は、株式会社パワーエックス（玉野市　取締役 代表執行役社長 CEO　伊藤　正裕）と蓄電池を活用した再生可能エネルギーの地産地消スキームを共同で推進する包括的な基本合意書を締結しましたことをお知らせいたします。

基本合意書によって４月より着工となる「(仮称) 松江市宍道蓄電所」は、２０２６年度中に運転開始を予定しております。本件はちゅうぎんエナジーによる蓄電池事業における第１号案件であり、さらにパワーエックスにおいても地方銀行グループが所有する系統用蓄電所を運用する初めての案件であります。今後も共同で蓄電池活用による地産地消型エネルギー利用の拡大を推進し、再生可能エネルギー拡大に一層貢献してまいります。

イメージ図

~ Case Study (Decarbonization and Startup Support) ~

PowerX × Chugin Energy

Conclusion of Basic Agreement on Storage Battery Business

- Construction of a grid-scale storage battery station in Matsue City as the first project -

PowerX
- Supply of a complete set of equipment and materials for grid-scale storage battery stations
- Investment of grid-scale storage battery stations
- Utilization of electricity through retail, wholesale, etc.

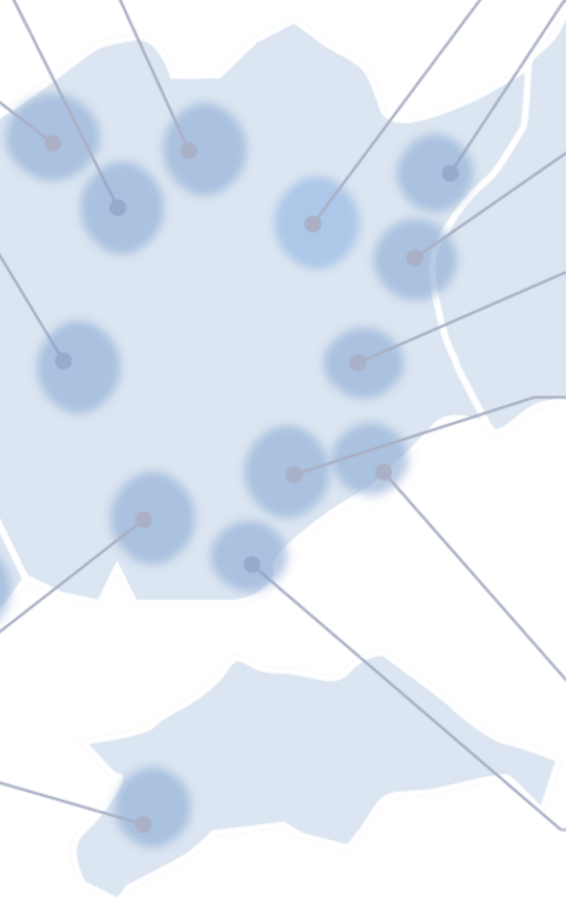
Chugin Energy
- Ownership of grid-scale storage battery stations and utilization of co-located storage batteries
- Introduction of storage battery station operators, solar power plant operators, electricity consumers, etc. to PowerX

Promoting regional decarbonization together with startup support recipients

Regional Hub Function and Diverse Expertise

Collaboration with municipal governments (Initiatives that capture the community from a wide perspective)

DX·SX × Regional Features·Issues → Attractive Co-creation



SDGs X Kagamino-cho
- Agreement concerning comprehensive cooperation related to regional revitalization SDGs

SDGs X Maniwa-shi
- Agreement concerning comprehensive cooperation related to regional revitalization SDGs

SDGs X Shinjo-son
- Agreement concerning comprehensive cooperation related to regional revitalization SDGs
- Forestation project aimed at building sustainable forests
- DX promotion support business

SDGs X Takahashi-shi
- Agreement concerning comprehensive cooperation related to regional revitalization SDGs

SX X Fuchu-shi
- Operations to analyze the regional economy toward the realization of a decarbonized society and to conduct surveys on the potential for the introduction of renewable energy

SX X Fukuyama-shi
- Comprehensive agreement related to regional revitalization

SX X Kurashiki-shi
- Comprehensive agreement related to regional revitalization

DX, SX, and SDGs X Mitoyo-shi
- Industrial development utilizing AI, IoT, and other advanced technologies
- Agreement concerning collaboration toward the realization of a decarbonized society
- Agreement concerning collaboration and cooperation toward the realization of a sustainable and attractive agriculture industry in Mitoyo-shi

SX X Okayama Prefecture
- Comprehensive agreement related to regional revitalization

SX X Tsuyama-shi
- Operations to support applications for certification as a Decarbonization Leading Area

SX X Nishi-awakura-son
- Co-proposal for "Decarbonization Leading Areas"
- Establishment of a new local electricity company

西粟倉百年の森林でんき

SX X Mimasaka-shi
- Comprehensive agreement related to regional revitalization

SX X Wake-cho
- Comprehensive agreement related to collaboration and cooperation related to regional decarbonization

DX, SX, and SDGs X Okayama-shi
- Comprehensive agreement related to regional revitalization
- Agreement on the dissemination of the SDGs Collaboration Partners Program and the promotion of activities of registered businesses
- Introduction of "Enpay for Chugoku Bank" to public kindergartens and daycare facilities
- Accepting contract BPR operations for Okayama City's smart counter service
- Accepting contract to operate Okayama City Zero Carbon Study Group for FY2025

SX X Setouchi-shi
- Co-proposal for "Decarbonization Leading Areas"
- Establishment of a new local electricity company

瀬戸内市民電力株式会社

SX X Tamano-shi
- Comprehensive agreement related to regional revitalization

* The red font color indicates contracted operations performed by C Cube Consulting.
The blue font color indicates investments made by Chugin Energy.

Regional-based transformation support -Providing advanced consulting centered on DX/SX-

Cキューブ・コンサルティング

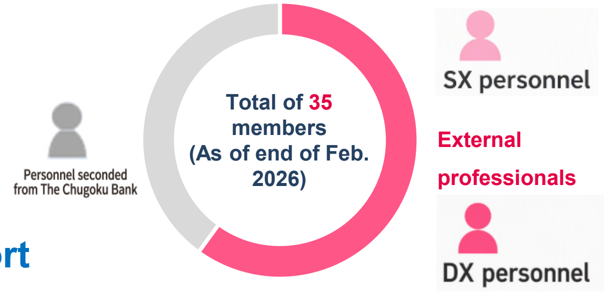
" Regional bank capital

×

highly specialized human resources from outside"

Realizing value beyond finance through hands-on support

Including the representative, many former employees of major consulting firms are enrolled



Consulting areas

Management and business operations
- Medium-term management plan and strategy formulation
- Management control

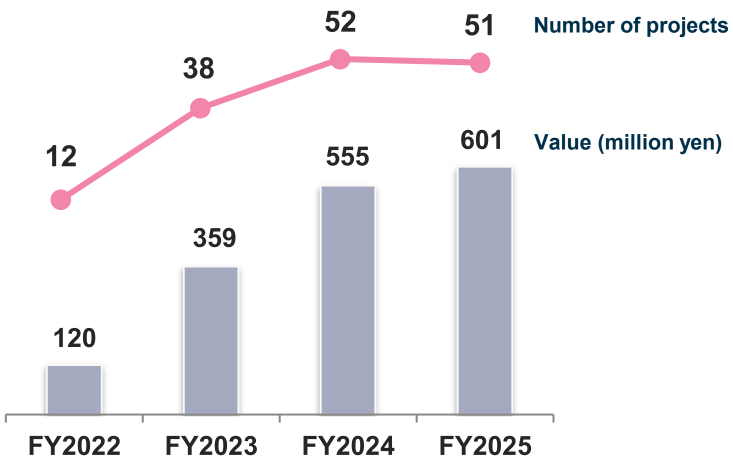
Operations
- BPR/BPO
- PMO
- Sales and marketing

Sustainability
- Decarbonization and climate change
- New energy
- Agriculture

Government and local municipalities
- Concept formulation and secretariat
- Procurement and process management
- DX promotion, etc.

New contracts

Capturing the needs of customers and the region
Continuous expansion of contracts



Becoming a model case for regional DX/SX
-Creating regional demand for funds-
-Further horizontal expansion nationwide-

Examples of results

Public sector (prefectures, municipalities universities, etc.)
- Introduction of smart counters / BPR support
- DX support
- Sustainable forest creation and afforestation projects

Local customers (including listed companies)
- Growth strategy and marketing support
- DX / business improvement support
- Sophistication of procurement and purchasing
- TCFD disclosure support

Local financial institutions nationwide
- Sales office clerical BPR support
- TNFD disclosure support

Regional Hub Function and Diverse Expertise

Wide-area collaboration

- **TSUBASA Alliance**

Top-line revenue Boosting	Syndicated loans
	Inheritance-related business
Cost reduction	Core system integration
	TSUBASA FinTech common platform
Sophistication of operations	Sophistication of AML operations
SDGs	Joint purchase of non-fossil certificates, etc.

Total of 10 leading regional banks nationwide

Total assets : 100 trillion yen
Synergy effect (FY2025) : 25.6 billion yen (total for 10 banks)
Chugoku Bank portion: 2.3 billion yen

地域とともに
未来へはばたく
TSUBASA ALLIANCE

The largest economies of scale among regional banks
Synergy effects in both top-line revenue and costs

Community collaboration

- **Alliance for Co-creation of Future of Okayama** (The Chugoku Bank, Okayama University)
- **Okayama Consortium for Promotion of Community Decarbonization**
  (Collaboration among industry, government, academia, and financial institutions in Okayama Prefecture)
- **Okayama Co-creation Partnership**
  (The Chugoku Bank, Tomato Bank, Japan Finance Corporation, Okayama Prefecture Credit Guarantee Association)
- **Partnership agreement for the promotion of sustainability in the Sanyo region**
  (Chugin Financial Group, Inc., Hirogin Holdings)

Collaborate with various stakeholders for sustainable development of local communities

Other External Alliances

<Collaboration examples>

- **Hitachi, Ltd.**

Started co-creation of AI agent utilization in lending operations.
Aiming to realize the provision of financial services that allow us to better serve our customers by automating lending operations.

- **Money Forward X**

Started collaborative development of "BANK Biz," a corporate service platform for local financial institutions.
Aiming to promote the digitalization of the regional economy, renewal of the business portal provided by Chugoku Bank is scheduled (Fall 2026).

- **Matsuo Institute**

Started joint research on generative AI. Aiming to provide services that solve business issues faced by local companies, using AI.

- **SAS Institute Japan, Comture**

Introduced new analytics AI platform. Aiming to promote the use of data and AI and establish a system that enables prompt and accurate provision of high-value-added services to our customers.

- **National Institute for Environmental Studies**

Concluded a comprehensive partnership agreement with the aim of contributing to the sustainable development of the region (construction of a Regional Circular and Ecological Sphere) through surveys, research, and social implementation regarding the sustainable use of environmental capital (natural capital), etc.

***First comprehensive alliance with a financial institution**

Co-create new value beyond conventional ideas

Recognition of Issues and Response Policies

Issues and Responses for Profit Growth

Issue (1)

Changes in the Procurement Environment

Response Policy

Example P.33~

Strengthening Deposits	✓ Becoming the main bank through overwhelming market share ✓ Expansion of workplace services
Asset Improving Profitability	✓ Improving SP through asset replacement ✓ Considering of utilizing external procurement (Bonds payable, securitization, etc.) → Stable procurement and asset expansion

Issue (2)

Development and Securing of Human Resources

Response Policy

Example P.35~

Human capital · D&I	✓ Human resource development ✓ Improving employee engagement ✓ Achieving D&I
Personnel Creation and Redeployment	✓ Operational process reforms ✓ Reduction of workload equivalent to 600 people → Operational shift and Strategic Redeployment

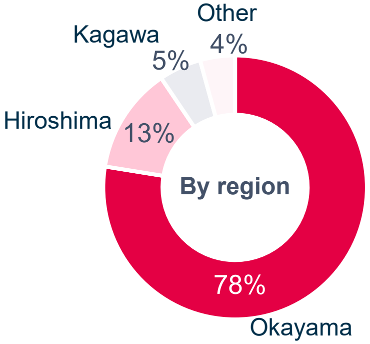
Recognition of Issues and Steady Response

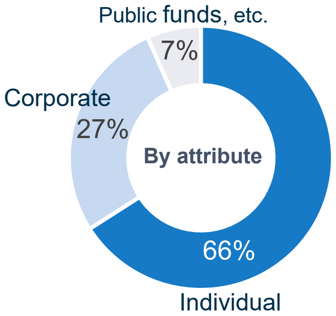
Toward Continued and Accelerated Profit Growth

Strengthening Deposits

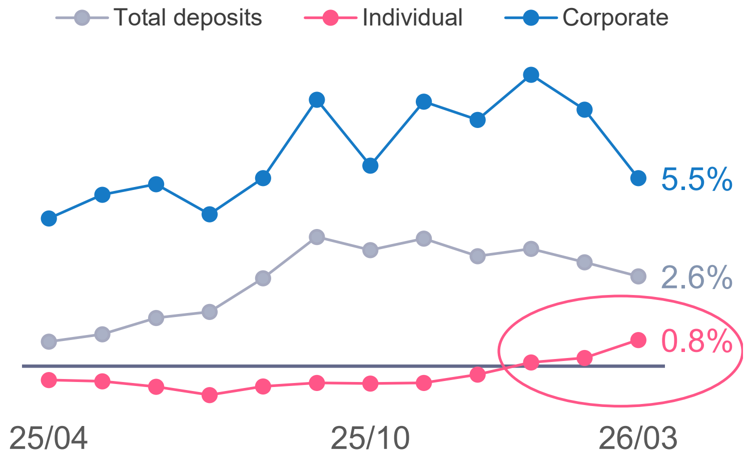
Current situation (End of Mar. 2026)

- ✓ Solid share (Okayama Prefecture 51.7 %)
- ✓ Sticky, stable deposits





Year-on-year change in average deposit balance



Individual deposits turned positive

Future Initiatives

Individual

Introduce new products

Improve convenience of non-face-to-face tools

Corporate

Expand workplace services

Strengthen sales to increase deposit share

Communities

Development of the base areas

Strengthening channel strategy

- ✓ Strengthen Chugin App
  Exceeded 500,000 users
  Achieved Medium-term Management Plan KPI one year ahead of schedule
- ✓ Consider introducing welfare app
  Expand workplace services
  Toward expanding transactions and increasing stable deposits
- ✓ Development of real channels
  Strengthen face-to-face consulting
  New branch opened (Saijo Branch: Hiroshima Prefecture)
  Expansion of Life Plan Centers (Saijo, Konan, Takamatsu Minami)

Strengthen procurement Base by creating customer contact points

Slogan for acquiring deposits

Improving Asset Profitability

Loans

Initiatives to improve asset efficiency

Headquarters Structured finance

Approx. 1.3 trillion yen, RORA 1.73%
(Strategic investment and market investment)

Urban development Corporate syndicated loans

Approx. 0.8 trillion yen, RORA 0.57%
(Tokyo and Osaka)

*RORA is on an SP basis

Control

- ✓ Common perspective for RORA
- ✓ Efforts to raise SP strengthened
- ✓ Reducing low-RORA projects
- ✓ Gradual replacement etc.

Improved asset efficiency

Securities

Steady replacement of low-yield bonds
(Covered by using unrealized gains on stocks (net investment) and investment trusts)

Timing	Sale price	Yield	Remaining life	Gain/loss on sale
FY2024	Approx. 130.0 billion yen	0.16%	5.4 years	-3.5 billion yen
FY2025	Approx. 370.0 billion yen	0.41%	4.9 years	-19 billion yen

Net Interest Income
Approx. **5.0 billion yen** improvement
(Annual)

<End of March 2026>

Unrealized gains/losses (after considering asset swap) 72.1 billion yen

Of which, pure investment in equities and investment trusts Approx. 120.0 billion yen

Further capacity for replacement

RORA and ROA improvement efforts were accelerated.

Human Capital and D&I

① Human resource development aligned with management strategy
- Allocate and develop human resources in focus areas
- Build a foundation of highly specialized human resources, etc.

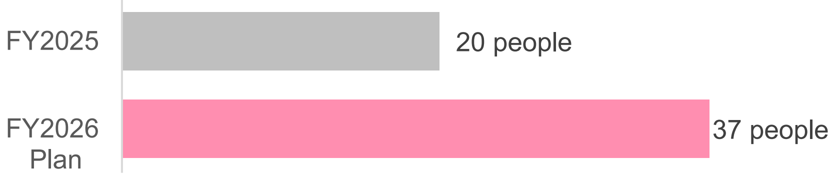
② Improving engagement
- Improve employee well-being
- Promote a sense of unity with management, etc.

③ Achieving D&I Active participation by diverse human resources, organizational culture reform

FY2026 Investment Plan
Approx. 1.4 billion yen
(Approx. 3x the initial Medium-term Management Plan)

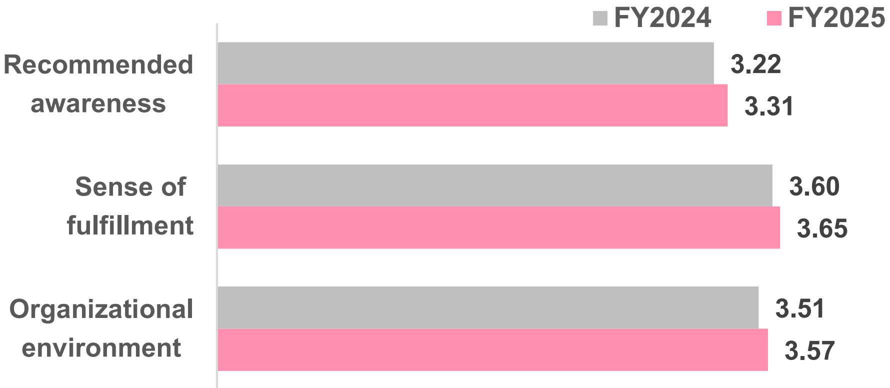
Accelerating

(1) **Number of employees undergoing long-term training at external companies**
(Young and mid-career employees)



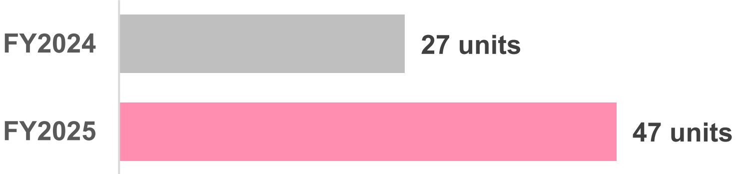
Strengthening development

(2) **Engagement Score**
(5-point rating)



Up from FY2024 Increase

(3) **Mid-career hires**



Diversity Increase

Increase investment in employees

Allocation and Strategic Redeployment of Personnel

operational process reforms

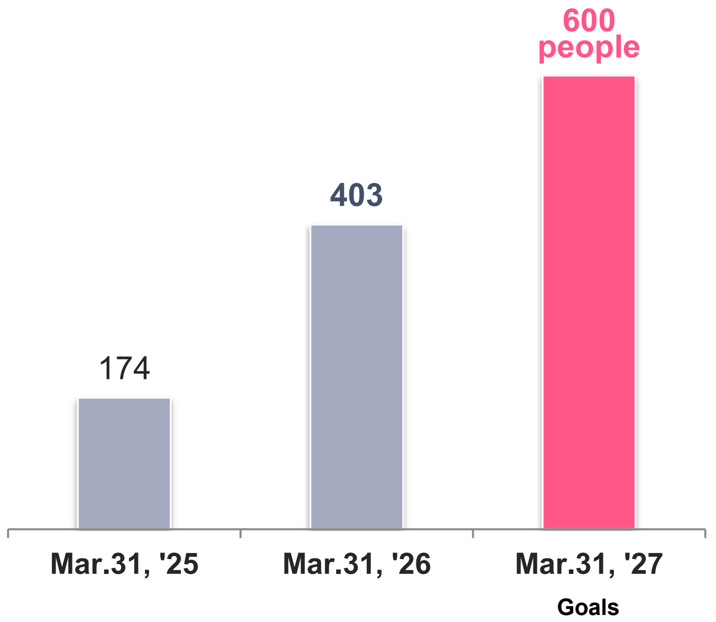
- ✓ Review on an across-the-Group basis
- ✓ Setting projects for each operation
- ✓ In-house production utilizing know-how within the Group

(Example of initiatives)

Operational reforms through AI

- Automation of consultation document creation
- Utilization for interview record entry, etc.

Reduced operation volume (cumulative)



Shift time to sales/planning

Redeploy personnel to focus areas

(Example of redeployment)

- Asset management support desk

⇒ Strengthening sales channels

- Investment strategy unit

⇒ Human resource development (strengthening market investment)

Ensure implementation of operational shift to focus areas and strategic redeployment

Toward the Next Medium-term Management Plan

Toward the Next Medium-term Management Plan (FY2027–FY2030)

Commencement of Review

Outline of the Plan (Draft)

Long-term Vision (FY2040)

and backcasting for the

Medium-term Management Plan (FY2030)

Direction of Review

"How to develop the region"

Sustainable society: Solving environmental and social issues
Strong economy: Industrial creation, urban development, and increasing the related population
Affluent life: Expanding regional income levels, etc.

Examples of Review Items

- ✓ Expansion of investment and lending contributing to regional growth, procurement strategy
- ✓ Next-generation channels, branches, and sales systems
- ✓ Reallocation of management resources, human capital investments, and expansion of innovation
- ✓ Utilization of accumulated capital (inorganic, regional, shareholder returns)

Target Profit Level

Early improvement of ROE

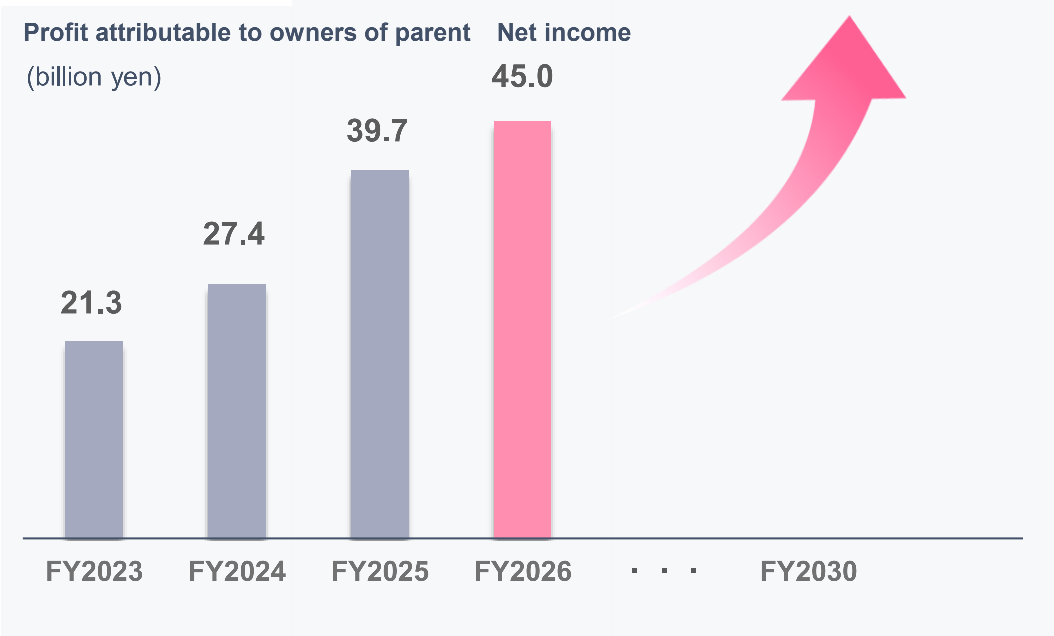
and

continuation of profit growth

ROE of 10% or more

80 billion yen or more

Current review level



Section III

Appendix

(Major Numerical Figures)

Earnings Results —Summary (Consolidated for the FG)—

Top-line revenue expanded significantly, mainly in net interest income and net fee income.

* Forecast published on Nov. 14, 2025

Consolidated for the Chugin Financial Group (billion yen)	FY2023	FY2024	FY2025	YoY	vs. Plan*
Consolidated gross profit	91.7	105.2	111.3	6.1	–
(excluding profits and losses related to bonds)	92.5	108.0	129.5	21.5	–
Net interest income	62.2	75.3	93.6	18.3	–
Fees and commissions income	18.5	20.2	21.7	1.5	–
Net other operating profits	10.9	9.5	-4.0	-13.5	–
Of which, profits and losses related to bonds	-0.7	-2.8	-18.2	-15.4	–
Expenses (-)	57.8	59.5	66.5	7.0	–
Credit cost (-)	8.9	14.0	6.8	-7.2	–
Profits and losses related to equity	5.9	5.3	14.5	9.2	–
Other	0.2	1.3	3.5	2.2	–
Ordinary profit	31.1	38.3	56.0	17.7	6.0
Extraordinary profits and losses	-0.2	-0.0	-0.3	-0.3	–
Profit attributable to owners of parent	21.3	27.4	39.7	12.3	4.7

Summary - Status of Group Companies (Non-consolidated for the Bank) -

Net interest income increased significantly mainly due to strategic asset expansion and rising domestic interest rates.

* Forecast published on Nov. 14, 2025

Non-consolidated for The Chugoku Bank (billion yen)	FY2023	FY2024	FY2025	YoY	vs.Plana*
Core business gross profit	84.3	99.7	120.3	20.6	5.9
Net interest income	62.2	76.3	94.3	18.0	–
Net fee income	20.1	21.6	23.4	1.8	–
Net other operating profits	1.9	1.7	2.4	0.7	–
Expenses(-)	52.8	55.2	61.8	6.6	1.0
OHR	62.7%	55.3%	51.4%	-3.9pt	–
Core business net profit	31.4	44.5	58.4	13.9	5.8
Excl.gains and losses on cancellation of investment trusts	31.4	44.3	58.3	14.0	–
Credit cost(-)	8.5	13.4	6.1	-7.3	-0.9
Profits and losses related to securities	4.8	2.5	-3.5	-6.0	-2.8
Other	-1.0	0.9	2.8	1.9	–
Ordinary profit	26.6	34.5	51.5	17.0	5.7
Net income	18.4	25.2	36.9	11.7	4.7

Profits of Group companies remain strong, driven by Chugin Securities

Group companies (100 million yen)	Ordinary profit	YoY	Net income	YoY
The Chugin Lease	5.5	-1.3	3.7	-0.7
The Chugin Card	3.2	0.1	2.0	-0.0
Chugin Human Innovations (Employment placement)	0.4	0.2	0.2	0.1
Chugin Capital Partners (Fund management and administration)	0.6	0.1	0.4	0.0
C Cube Consulting (DX, SX and other consulting services)	0.6	-1.0	0.6	-0.9
Chugin Energy + Energy No. 1 + Energy Fund (Decarbonization support such as renewable energy power generation)	0.4	1.1	0.2	0.9
Chugin Securities	13.6	4.9	9.4	3.3
Chugin Asset Management	2.4	0.3	1.6	0.1
The Chugin Operation Center	0.5	0.0	0.3	0.0
CBS (Contracted administrative work related to banks)	0.9	-1.0	0.6	-0.6
The Chugin Credit Guarantee	18.0	-0.7	12.0	-0.2
Group companies total	46.5	2.6	31.6	1.9

Net Interest Income –Non-consolidated for the Bank–

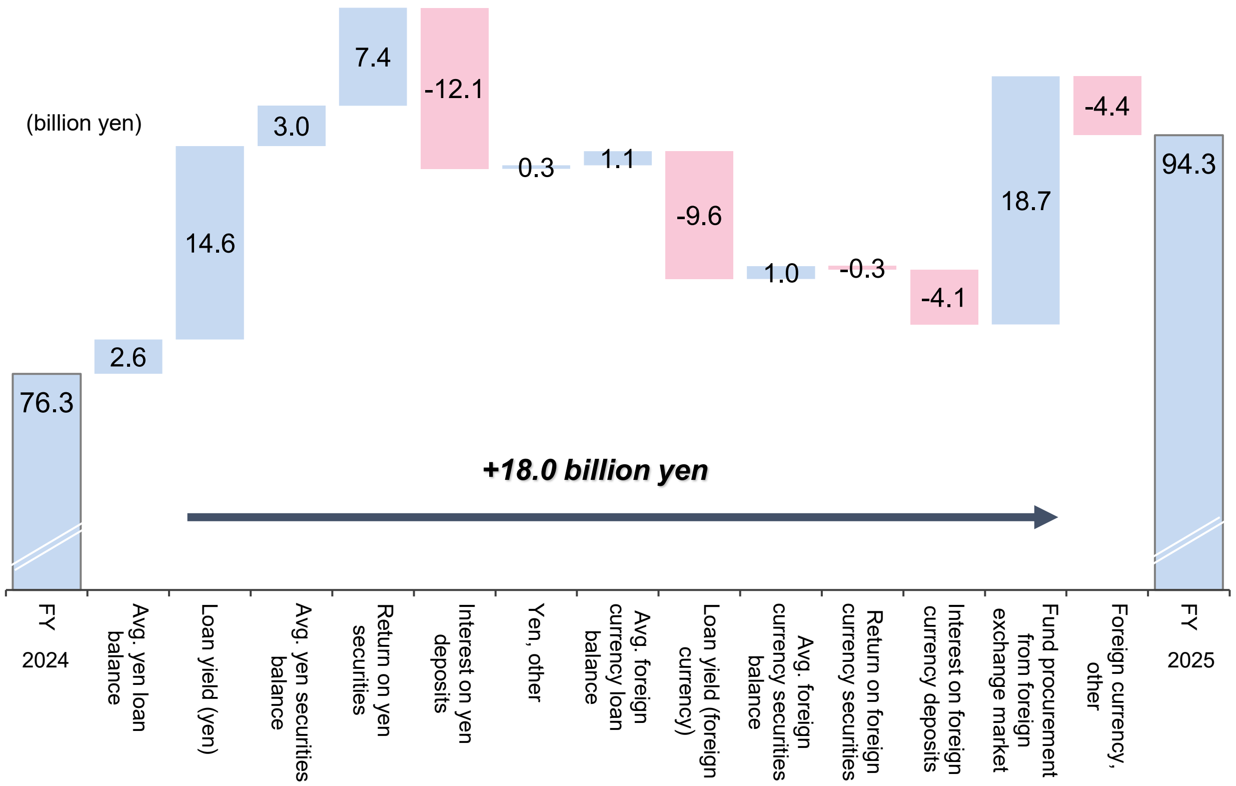
[Factors behind change in net interest income]

■ **Yen-based: ¥80.9 billion (+¥15.7 billion YoY)**

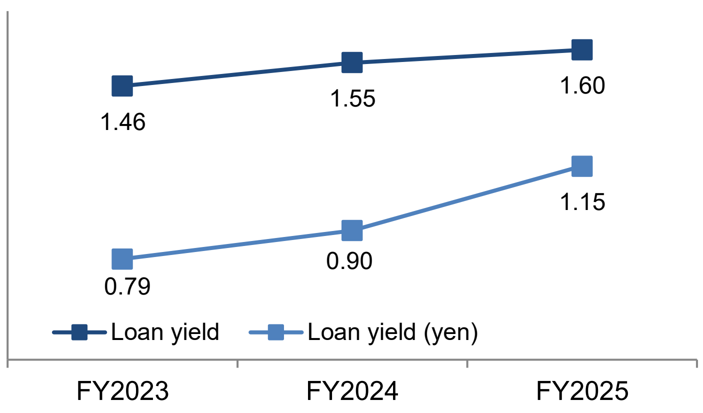
- Interest on loans and discounts: +¥17.1 billion YoY
- Interest on securities: +¥10.4 billion YoY
- Interest on deposits (-): +¥12.2 billion YoY
- Market investment procurement, etc.:+¥0.3 billion YoY

■ **Foreign currency-based: ¥13.4 billion (+¥2.3 billion YoY)**

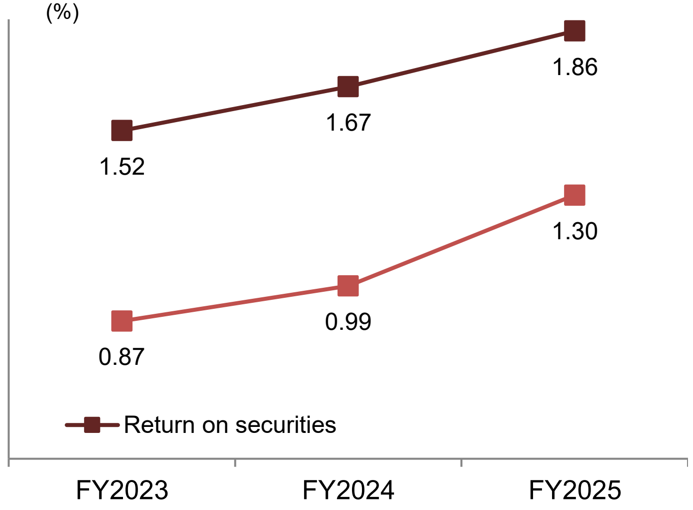
- Interest on loans and discounts: -¥8.5 billion YoY
- Interest on securities: +¥0.7 billion YoY
- Interest on deposits (-): +¥4.1 billion YoY
- Market investment procurement, etc.: +¥14.2 billion YoY



[Loan yield]

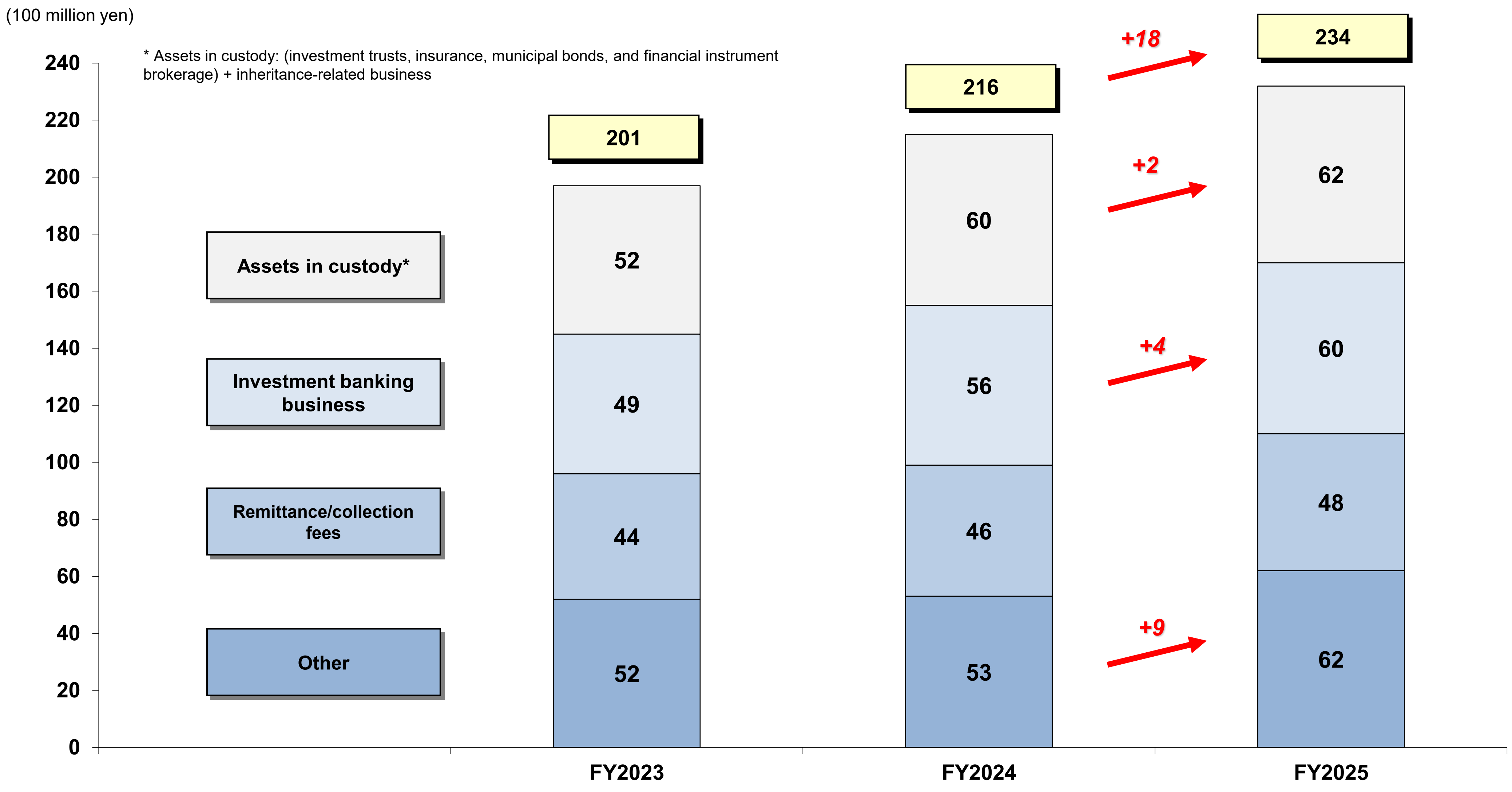


[Return on securities]



Net Fee Income –Non-consolidated for the Bank–

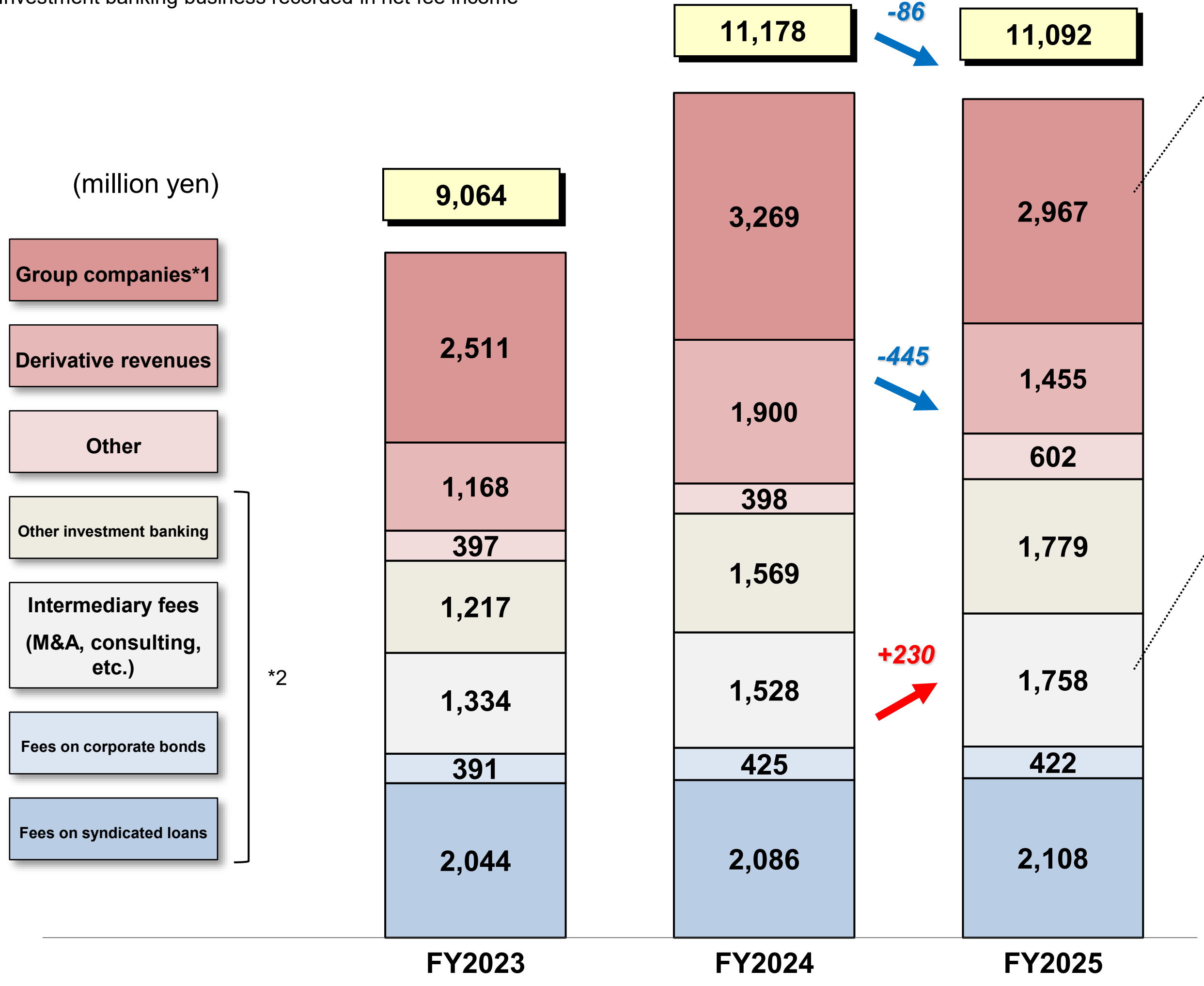
[Net fee income]



Corporate Solution-related Revenues –Consolidated for the FG–

[Corporate solutions-related revenues]

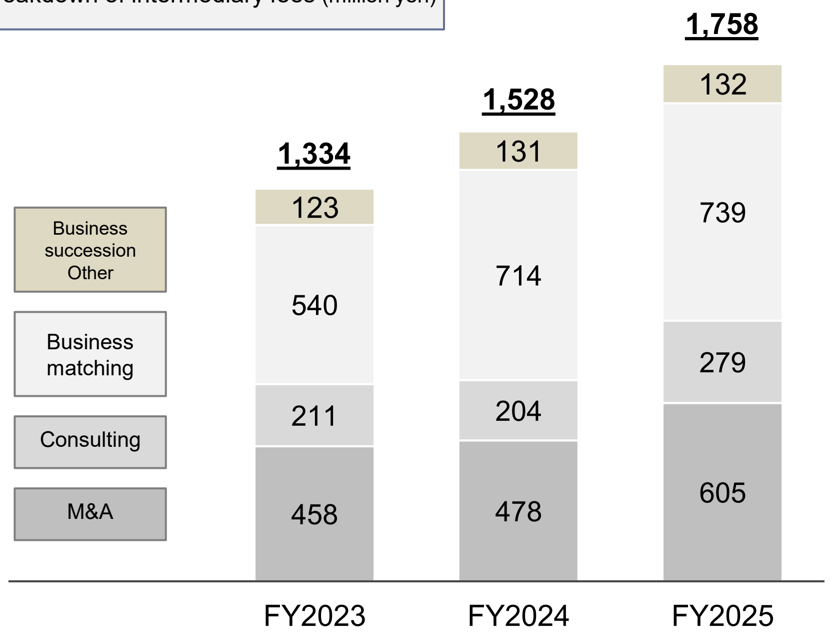
*1 Gross margin for The Chugin Lease, and operating revenues for other Group companies (after deducting internal transactions)
*2 : Investment banking business recorded in net fee income



Breakdown of Group companies (million yen)

The Chugin Lease	1,455
The Chugin Card	1,034
Chugin Human Innovations	147
C Cube Consulting	331

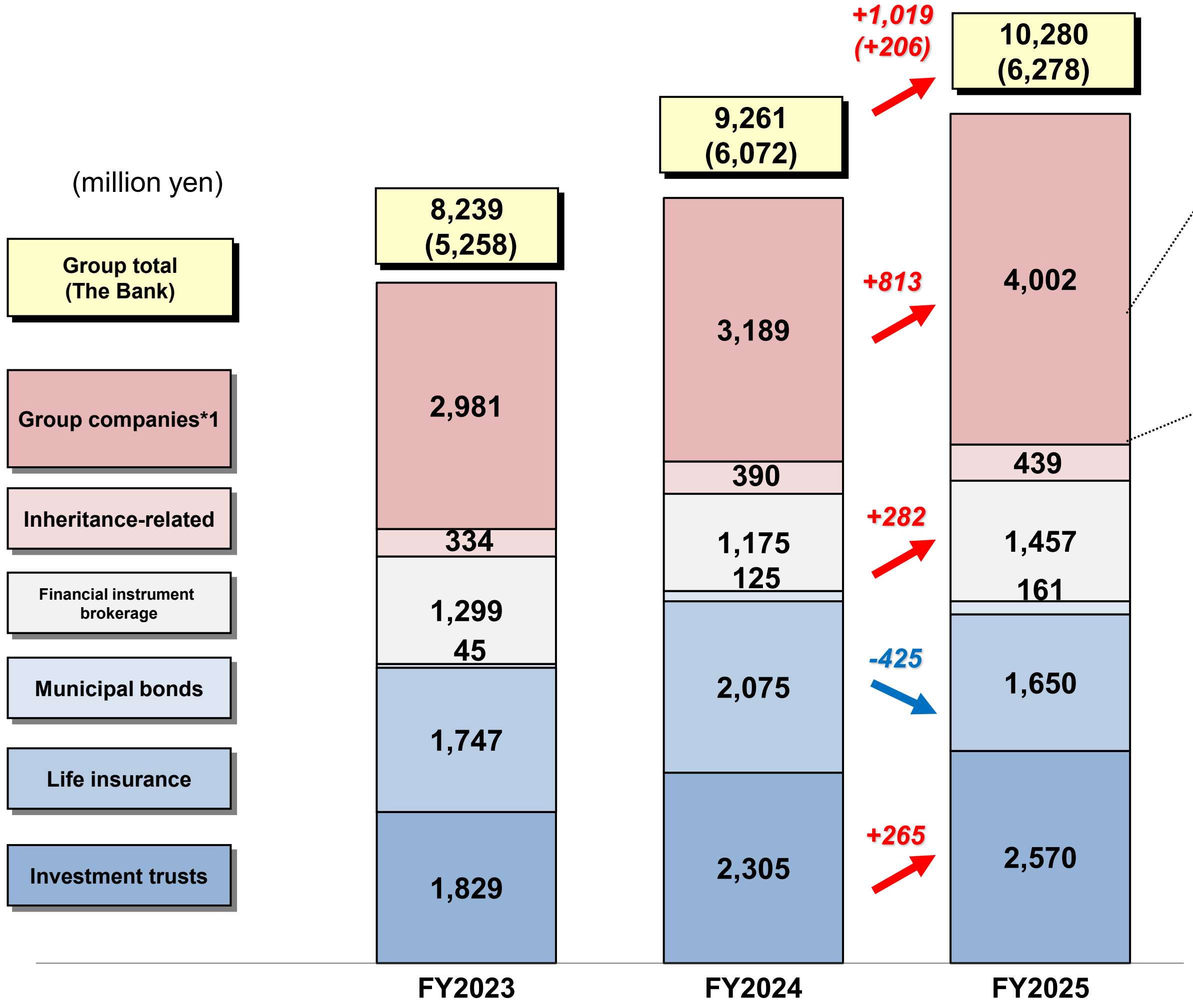
Breakdown of intermediary fees (million yen)



Revenues Related to Assets in Custody –Consolidated for the FG–

[Revenues related to assets in custody]

*1: Total of operating revenues for Chugin Securities and Chugin Asset Management (after deducting internal transactions)

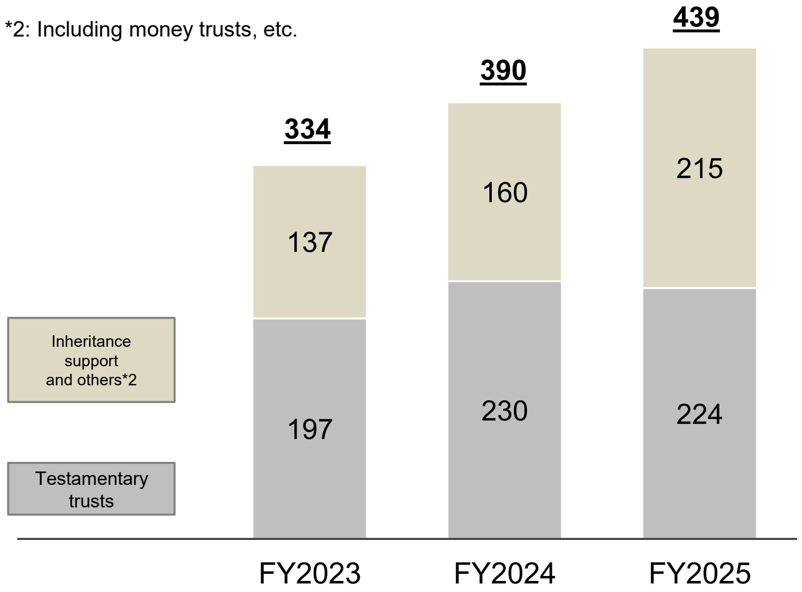


Breakdown of Group companies (million yen)

Chugin Securities	3,372
Chugin Asset Management	630

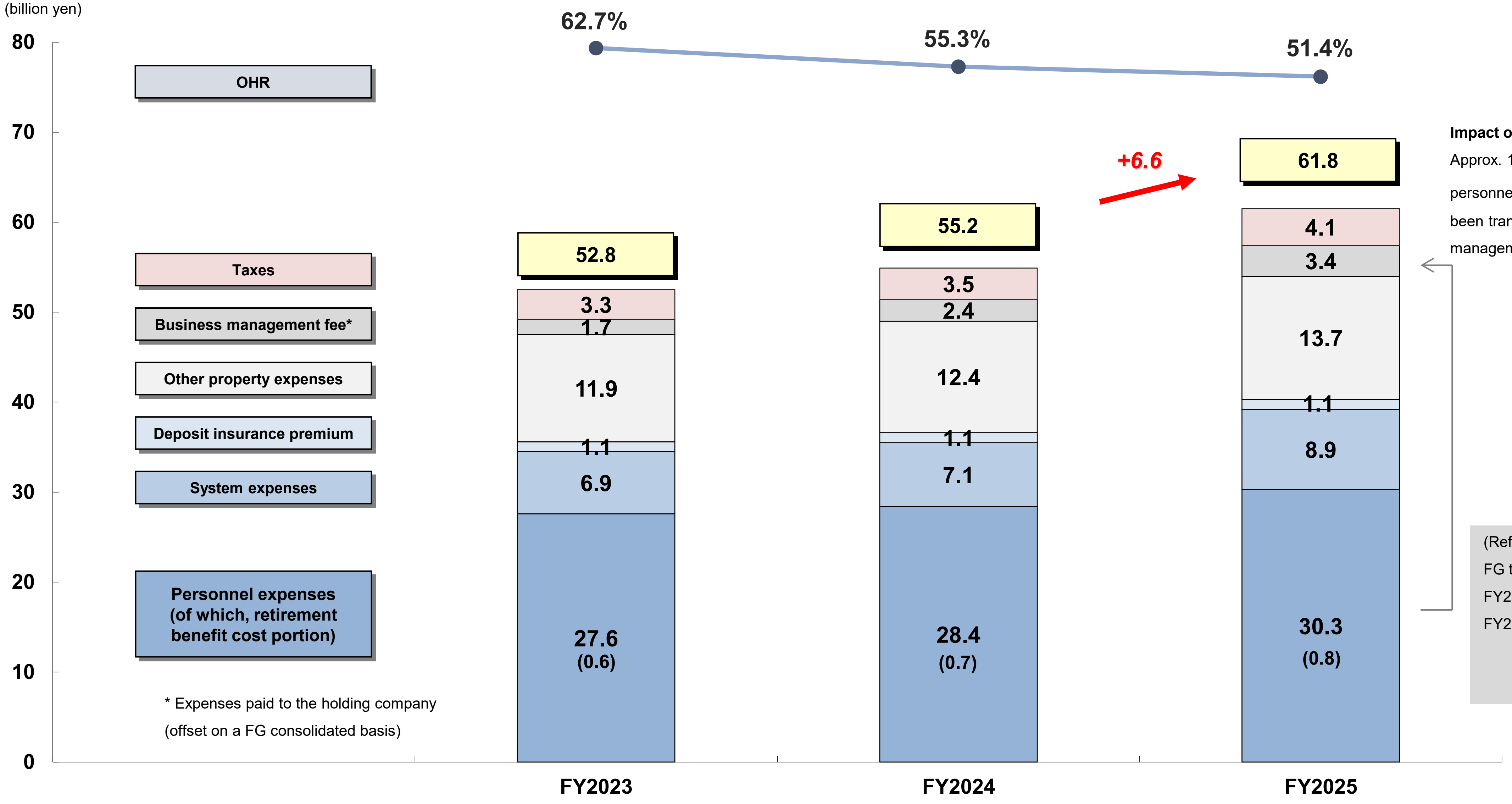
Breakdown of inheritance-related (million yen)

*2: Including money trusts, etc.



Expenses –Non-consolidated for the Bank–

[Expenses]



* Expenses paid to the holding company (offset on a FG consolidated basis)

Impact of the transformation to the FG

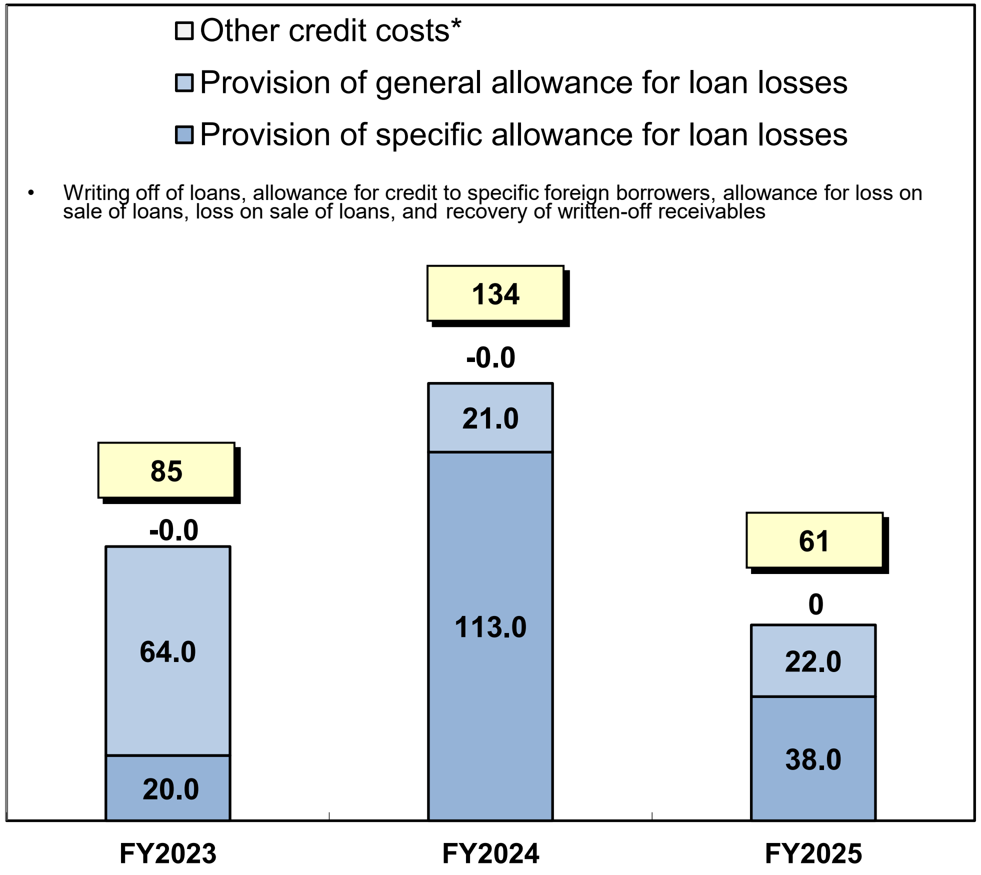
Approx. 1.6 billion yen in expenses for personnel who also work for the FG has been transferred to the "business management fee."

(Reference)
FG total personnel expenses
FY2024 **29.8 billion yen**
FY2025 **32.0 billion yen**
(+2.2 billion yen)

Credit Costs and Non-performing Loans –Non-consolidated for the Bank–

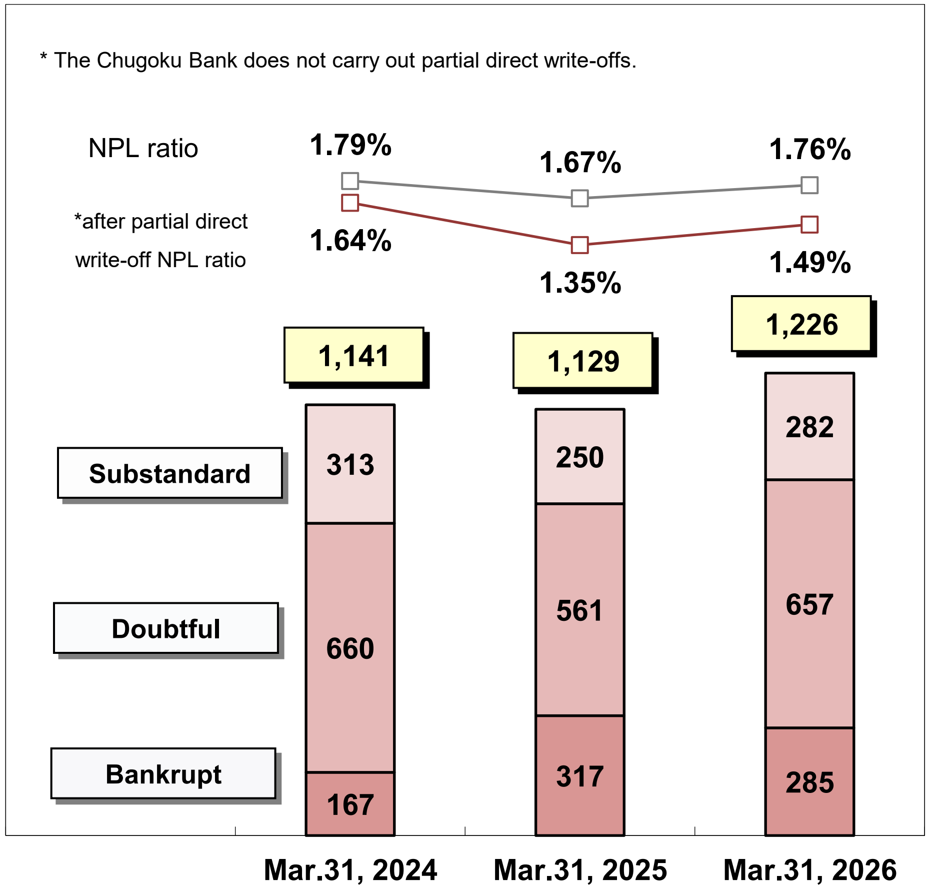
[Credit costs]

(100 million yen)



[Non-performing loans (NPL)
(Loans disclosed under the Financial Revitalization Act)]

(100 million yen)



■ Calculation method of general allowance for loan losses

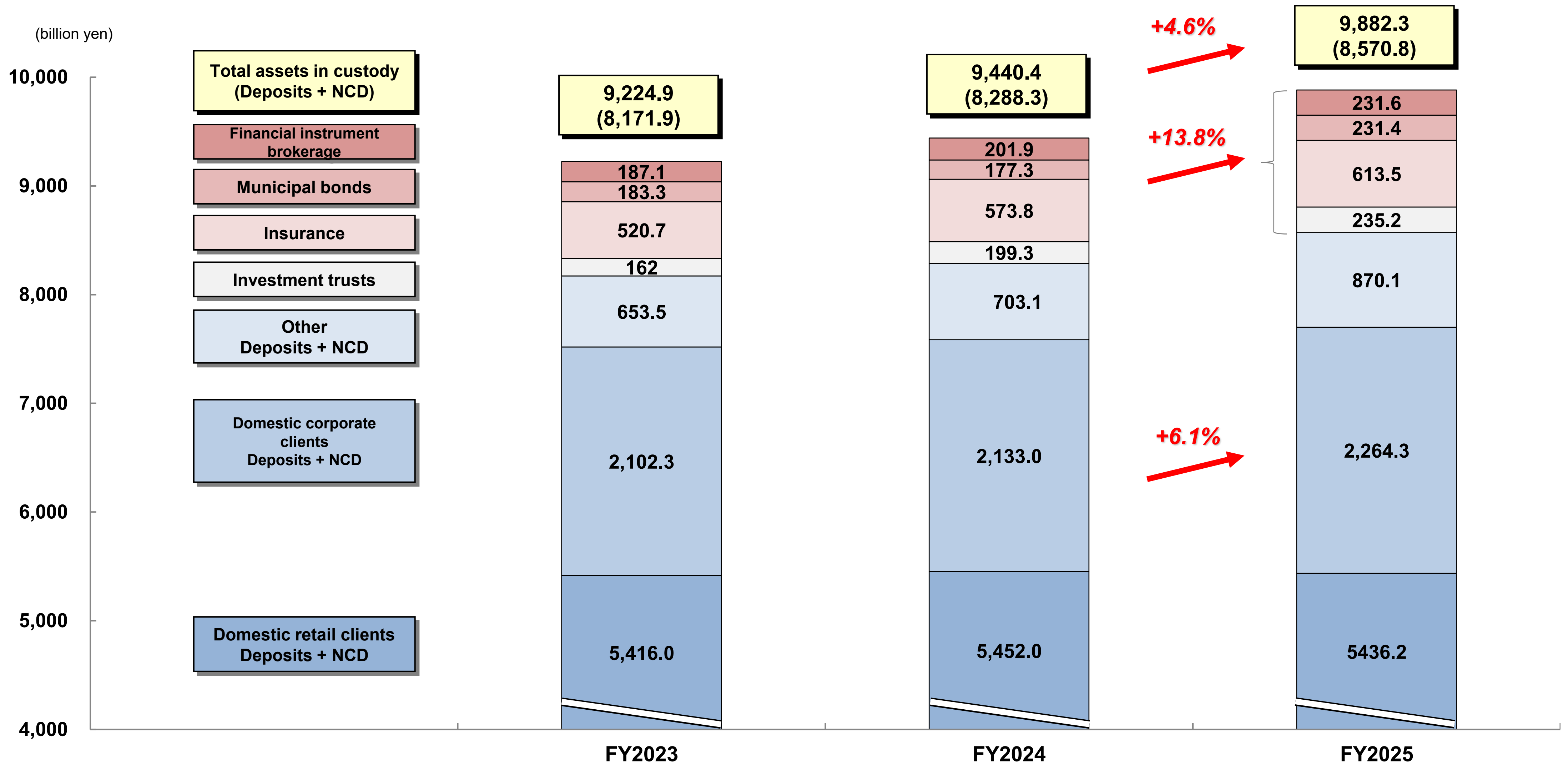
• The expected loss rate is calculated based on the actual loan loss rates, with one period being three years. (Each calculation period is moved half a year forward.)

• The expected loss rate shall be the "most recent three-period average," the "most recent five-period average," or the "long-term average starting from the fiscal period ended in September 2008," whichever is larger (changed from the fiscal period ended September 2022).

• Loans to healthy accounts and accounts requiring caution I are adjusted by taking into consideration the average remaining period of the receivables.

Deposits & Assets in Custody –Non-consolidated for the Bank–

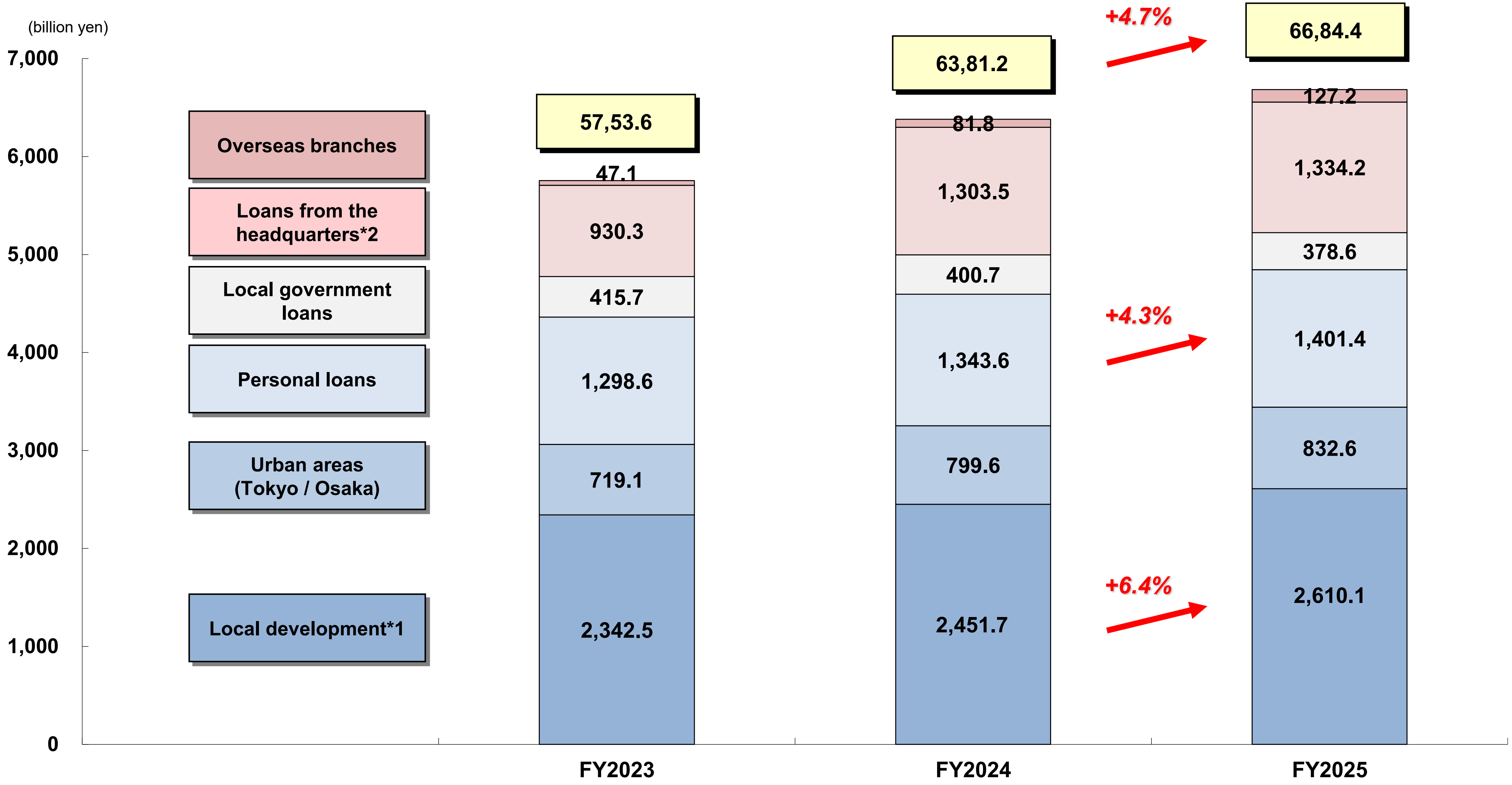
[Average balance of deposits and assets in custody]



* Financial instrument brokerage is based on the acquisition price. Municipal bonds are based on the face value. Insurance takes into account cancellations. Investment trusts are based on net assets (including defined contribution pensions).

Loans –Non-consolidated for the Bank–

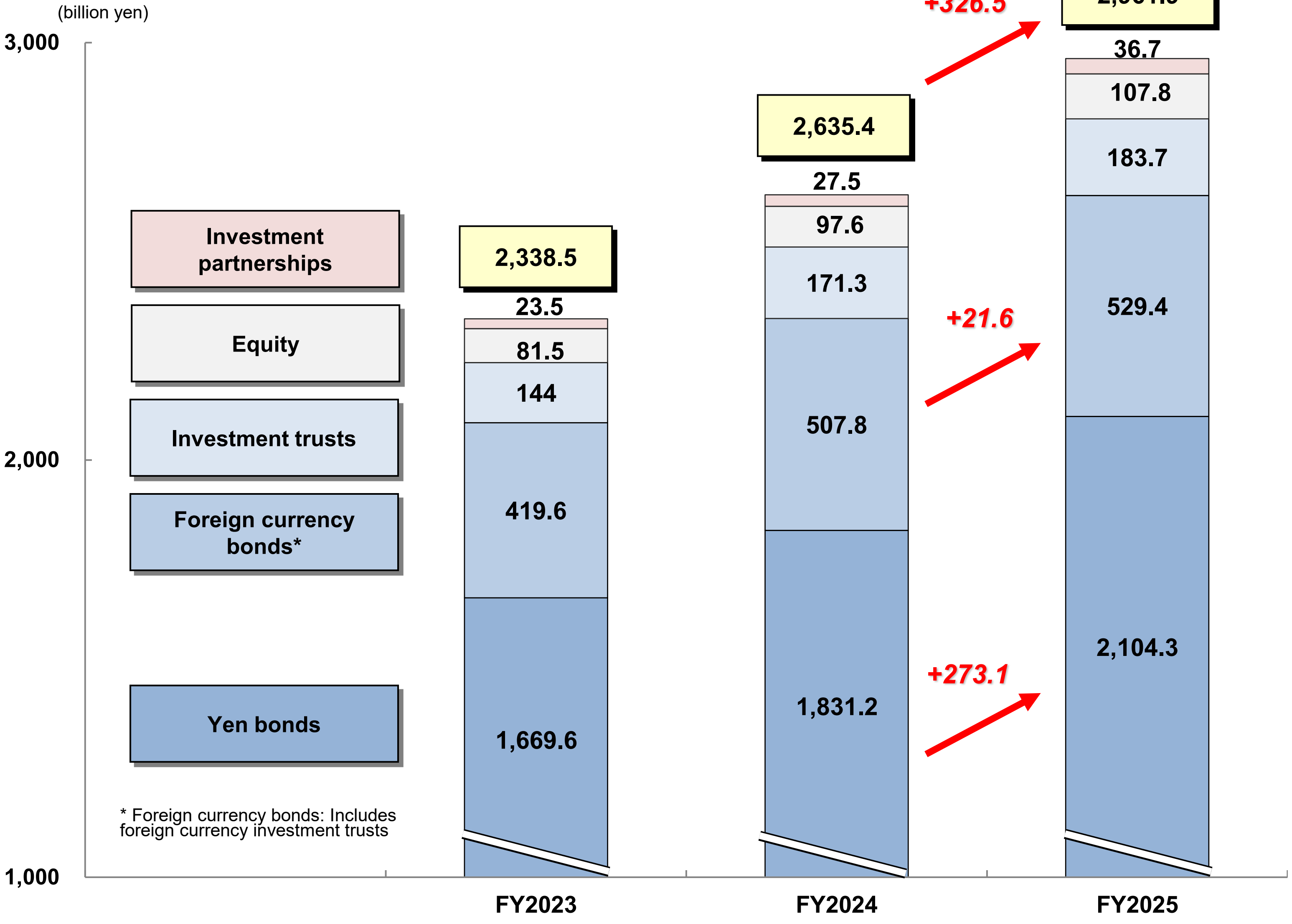
[Average loan balance]



*1 Local: Regions other than Tokyo and Osaka *2 Loans from the headquarters: Structured Finance Dept.

Securities –Non-consolidated for the Bank–

[Average balance of securities]

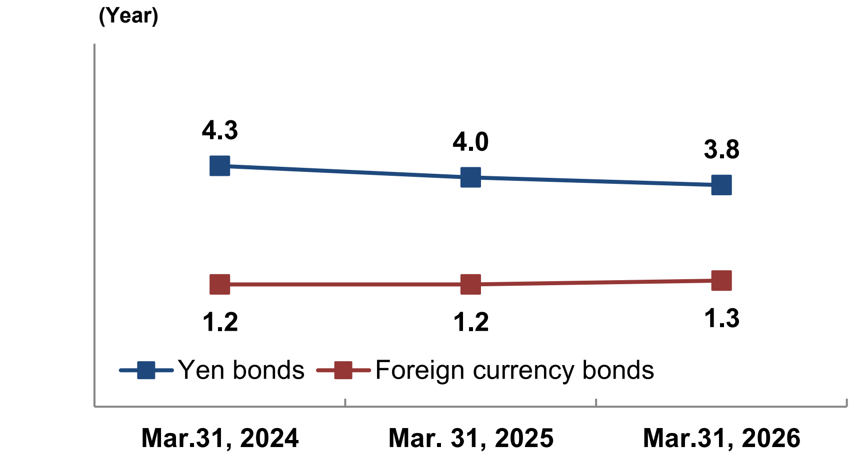


* Foreign currency bonds: Includes foreign currency investment trusts

[Unrealized gains/losses] (Non-consolidated)

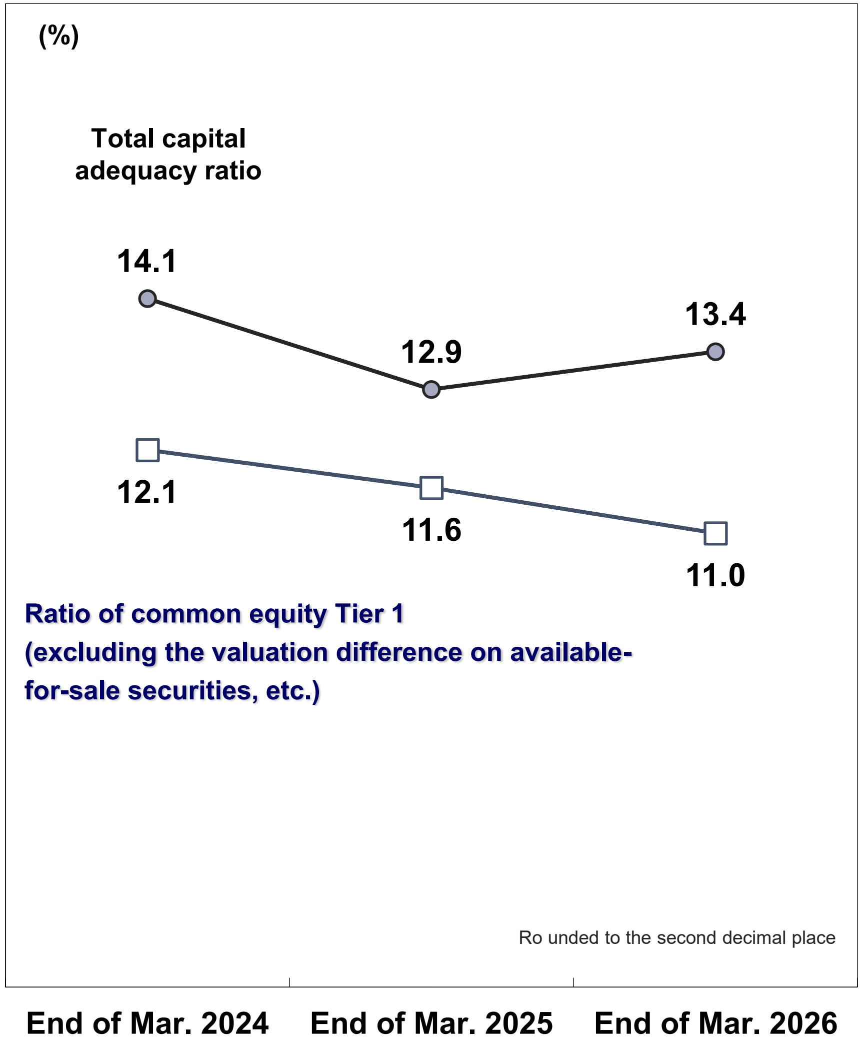
(billion yen)	Mar. 31, 2025	Mar. 31, 2026	Term-end comparison
Total	**12.5**	**72.1**	**59.6**
Securities	-18.1	-13.3	4.8
Held to maturity	-2.3	-5.3	-3.0
Other securities	-15.7	-8.0	7.7
Equity	66.1	122.5	56.4
Investment trusts	36.0	76.9	40.9
Foreign currency bonds	-13.1	-16.0	-2.9
Yen bonds	-104.1	-192.4	-88.3
Asset swap	30.7	85.5	54.8
Foreign currency interest swap	3.2	6.2	3.0
Yen interest swap	27.4	79.2	51.8

[Duration of bonds]



Continue to promote capital utilization while ensuring soundness

[Capital adequacy ratio (consolidated for the FG)]



[Status of capital adequacy (consolidated for the FG)]

(billion yen)	Mar.31, 2025	Mar.31, 2026	Change
Total capital adequacy	564.9	640.6	75.7
Of which, common equity Tier1	519.9	583.9	64.0
Of which, valuation difference on available for sale securities, etc. ※	12.4	56.5	44.1
Risk assets, etc	4,380.1	4,797.5	417.4
Credit risk	4,284.7	4,688.2	403.5
Operational risk	95.4	109.2	13.8

※Valuation difference on available for sale securities and deffered ainsor losses on hedges(on securities)

[Other Basel regulations]

	Mar.31, 2025	Mar.31, 2026	Regulatory level
Consolidated leverage ratio	5.20%	5.57%	3.15% or more
Consolidated liquidity coverage ratio(LCR)	132.6%	145.8%	At least 100%

Medium-term Management Plan
“Future Co-Creation Plan Stage III” Apr. 2023 to Mar. 2027

Demonstrating results and taking on new challenges

1 “Deepening” of regional revitalization SDGs

We will contribute to the “ sustainable development of communities ” by drawing out their appeal and potential.

2 Creation of innovations

We will create “ new value ” toward the next phase of growth.

3 Strengthening of the Group business base

We will build a “ solid foundation ” to implement growth strategies.

Medium-term Management Plan —Progress (KPIs)— (On a consolidated basis for the FG, unless indicated otherwise)

● Financial KPIs

Financial KPIs	FY2026 target	FY2025 result	[Reference] FY2024 results
➢ Profit attributable to owners of parent	45.0 billion yen forecast 40.0 billion yen or more	39.7 billion yen	27.4 billion yen
➢ ROE	7% or more	6.8%	4.8%
➢ Ratio of common equity Tier 1 (excluding valuation difference on available-for-sale securities, etc.)	11 to 12%	11.0%	11.6%

The ROE is based on the TSE standards
(including the valuation difference on available-for-sale securities).

● Non-financial KPIs (sustainability KPIs) status

Growth strategy	Sustainability KPI	FY2026 target	FY2025 result	[Reference] FY2024 results
1 "Deepening" of regional revitalization SDGs	➢ Reduction of CO_2 emissions (compared to FY2013)	-72%	-73%	-65%
	➢ Cumulative amount of sustainable finance executed	1.5 trillion yen	1.4189 trillion yen	1.1525 trillion yen
	➢ Number of contracted consultation cases (annual)	460	444	380
	➢ Number of customers of five products in custody and number of customers of housing loans	260,000 customers	226,000 customers	220,000 customers
	➢ Inheritance-related business cases handled (annual)	800	906	734
2 Creation of innovations	➢ Operational model reforms (operations, channels, and organizations)	Qualitative assessment	-	-
3 Strengthening of the Group business base	➢ Ratio of female managers and supervisors (non-consolidated for the BK)	25%	24.2%	22.9%
	➢ Amount of investment in human capital	Approx. 1.4 billion yen plan 1.0 billion yen	1.05 billion yen	0.5 billion yen

Our challenges build our future.

Chugin Financial Group, Inc.

This material contains forward-looking statements. These statements do not guarantee our future business performance and include risks and uncertainties. It should be noted that future performance may differ from the targets mentioned herein due to changes in the management environment and other factors.

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