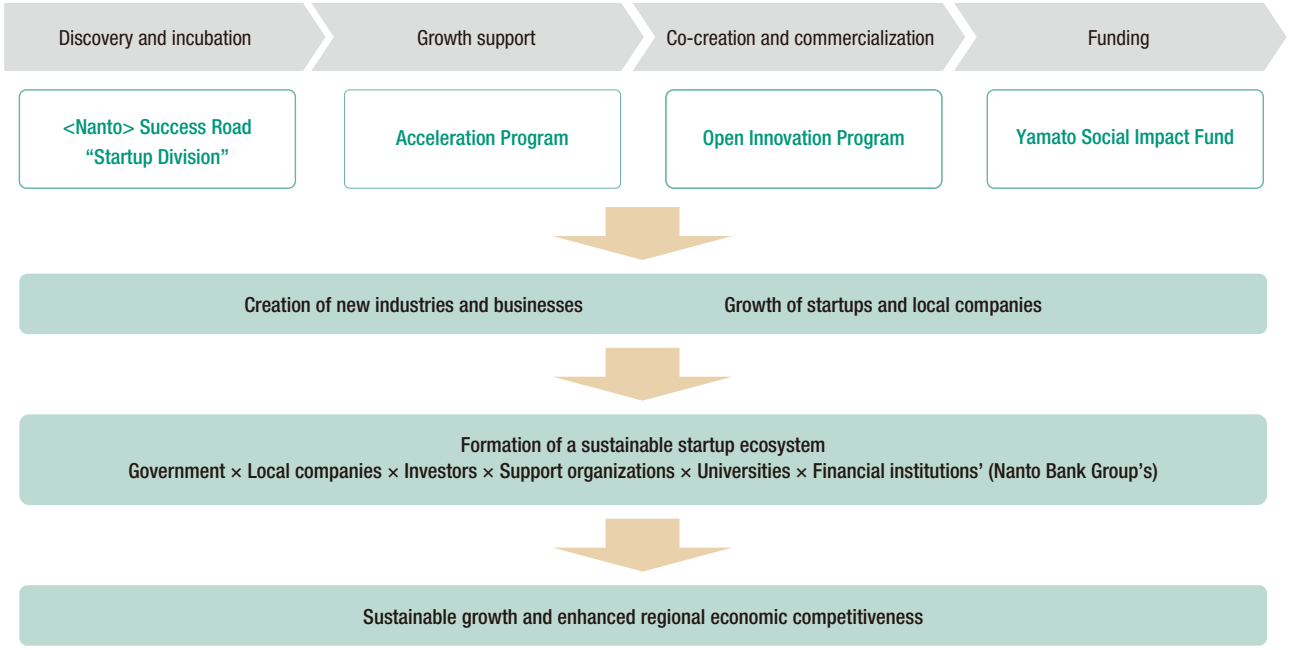
Creating Local Business Opportunities

Creating local business opportunities

Our Group is actively developing new business ventures in the region by identifying startups that are addressing social issues, nurturing entrepreneurs, promoting co-creation with local companies, and providing growth capital.

By supporting startups to encourage the creation of new businesses and innovations, we are seeking to generate a startup ecosystem and contribute to the creation of new value and sustainable development in the region.

[Startup support structure]



<Nanto> Success Road "Startup Division"

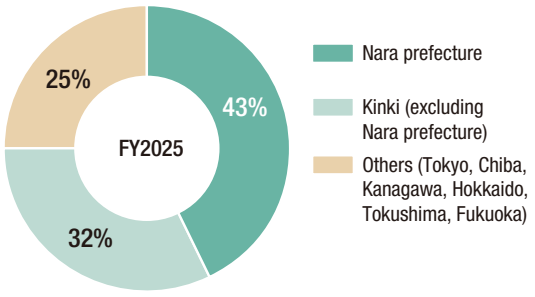
The Group hosts the <Nanto> Success Road Startup Division, a program that invites entrepreneurs across the country to submit business plans for tackling social issues in the Yamato region.*

An Acceleration Program and Field-based Open Innovation Program designed to cultivate impact-oriented entrepreneurs who can contribute to solving regional challenges are open to candidates who pass the second round of screening.

Each year, we receive applications from entrepreneurs nationwide who are motivated to tackle challenges and promote development of the Yamato region. In fiscal 2025, we selected four companies from among 44 applicants as winners.

*Yamato region: Nara Prefecture and surrounding areas

■Applications by region



Fant Co., Ltd. (Hokkaido)	A matching platform that connects farmers struggling with wildlife damage directly with hunters
OhMyFamily Co., Ltd. (Kyoto Prefecture)	Seeking to foster "the strength to rely on others" and build a society in which the anxiety of raising children alone is alleviated and emotional burdens are reduced
WMATCHA & Co. LLC (Kyoto Prefecture)	Providing a platform that connects Japanese tea producers directly with restaurants, retailers, and overseas buyers
Mahoroba Entertainment Co., Ltd. (Nara City)	Transforming local stories into IP that generates enthusiasm and building a business funnel that connects everything from customer acquisition to purchase

Acceleration Program

We offer a six-month Acceleration Program to entrepreneurs selected for the <Nantes> Success Road Startup Division. The program features lectures by impact investors and mentoring from venture capitalists to help participants solve challenges and advance their businesses. Participants engage in fieldwork to acquire a deeper understanding of the challenges facing the Yamato region through on-site research, moreover, which helps them refine their business objectives and the value they provide.



Field-based Open Innovation Program

Since fiscal 2025 we have been cooperating with business partners to provide pilot test sites and other resources through matchmaking with entrepreneurs selected for the <Nanto> Success Road Startup Division. By demonstrating startup services and technologies in the Yamato region, we aim to foster business growth while promoting collaboration and co-creation between startups and local companies.

Yamato Social Impact Fund

This fund focuses on solving regional challenges operated by Nanto Capital Partners Co., Ltd.—our Bank's specialized investment subsidiary—and Capital Medica Ventures Co., Ltd. It was established in 2022 with the aim of addressing social challenges in the Yamato region and cultivating a large number of practitioners dedicated to solving regional challenges through the formation and management of impact funds.

The initiatives of the Yamato Social Impact Fund were selected for inclusion in "Examples of Distinctive Initiatives by Financial Institutions and Others Contributing to Regional Revitalization," a publication of the Cabinet Secretariat and the Cabinet Office in 2026. The fund was recognized for its comprehensive approach, which spans identification of regional challenges to be addressed, selection of potential investment targets, post-investment support, and development of capitalists.



(From left) Mr. Aoki, Representative Director of Capital Medica Ventures Co., Ltd.; Mr. Tsushima, State Minister of the Cabinet Office; and Mr. Sakai, President and CEO of Nanto Capital Partners Co., Ltd.

Three target investment areas

Investment areas aligned with the focus on pursuing prosperity in the Yamato region

1. "Health capital (healthcare)" in the healthcare sector,
2. "Natural capital (nature)" encompassing agriculture, forestry, and fisheries, and
3. "Cultural capital (culture)" encompassing education, crafts, cultural assets, tourism, and sports.

We target startups that address challenges in the Yamato region within these three areas.

Fund overview

Name	Yamato Social Impact Investment Limited Partnership
General Partner	Nanto Capital Partners Co., Ltd., Capital Medica Ventures, Inc.
Limited Partners	Nanto Bank, Ltd., Koyama Corporation, Toyota United Nara Corporation
Committed Capital	¥1.0 billion
Fund term	10 years (5-year investment period)

Yamato Regional Information Exchange Meeting

Nara Prefecture offers only limited opportunities for local businesses, startups, investors, local governments, universities, and other stakeholders to get together and share insights and networks, a situation that creates obstacles to new business creation and co-creation. To help meet this challenge, our Bank, in collaboration with Nanto Capital Partners, hosted the "1st Yamato Regional Information Exchange Meeting: The Reality of the Region (Solving Regional Challenges and Innovation)" aimed at building an ecosystem for addressing regional challenges and promoting sustainable growth of the prefectural economy.

A total of 61 participants representing local businesses, startups, Venture Capital (VCs) and Corporate Venture Capital (CVCs), financial institutions, local governments, universities, and support organizations attended the event. During the sessions, in addition to hearing presentations on startup support measures by Nara Prefecture, Nara City, and financial institutions, participants learned about the initiatives of startups operating in the region. Discussions on the future of the regional economy were deepened by views from diverse perspectives, through events including a panel discussion on "Regional Appeal" featuring VCs and CVCs active nationwide, insights into cutting-edge AI trends based on the latest developments in Silicon Valley, and discussions among business leaders regarding growth strategies.



Local business leaders discuss options for growth



The current state of AI in the U.S. market

Creating Local Business Opportunities

■ Nara Mirai Design's initiatives

Establishing sustainable agriculture and cultivating a new generation of farmers

The aging of the agricultural workforce and a shortage of new farmers are becoming increasingly serious issues in Nara Prefecture, making development of a sustainable agricultural model a critical challenge. Nara Mirai Design Co., Ltd., a member of our Group, aims to realize an agricultural sector that balances profitability and sustainability through demonstrations of organic farming, creation of high added-value through downstream processing and direct sales (Japan's "sixth-industrialization" model), introduction of smart agriculture, and promotion of collaboration between the agriculture and social welfare sectors. By creating new value using local resources and fostering an environment in which a diverse workforce can thrive, we are working to make agriculture an appealing field that attracts increasing numbers of new practitioners.

Demonstration project for establishing organic farming

[Promotional demonstration experiments] We are currently practicing organic farming in collaboration with four neighboring farms, with which we are developing a model case as a means of promoting organic farming.



Labor savings and increased productivity using smart farming equipment

[Aigamo Robo] We are working on organic rice cultivation using Aigamo Robo, a robotic system that helps control weeds in rice paddies.



Adding value through downstream processing and direct sales (Japan's "sixth-industrialization" model)

[Sake brewing] We produce sake using harvested sake rice. Today, our sake is served at luxury hotels and major airlines and sold at more than 40 locations, including department stores.



Securing labor and creating employment opportunities through agriculture-welfare collaboration

[Collaboration with welfare facilities] Agriculture-welfare collaboration is under way involving welfare facilities located near farmers' fields. We outsource tasks such as harvesting white onions and other vegetables to these facilities, thereby addressing the farm labor shortage and supporting the independence of people with disabilities.



Expanding local consumption through a shift from day-trip tourism to overnight tourism

While Nara Prefecture is blessed with World Heritage sites and historical and cultural resources, the fact that a large percentage of tourists limit their visits to day trips means that tourism spending is not reinvested in the local community to a satisfactory degree. To address this challenge, our Group is supporting the development of lodging facilities that employ traditional Japanese houses and historic buildings, while also working to create high-value-added tourism content that capitalizes on the region's unique appeal. By promoting regional collaboration to encourage itineraries that cover multiple destinations, moreover, we are seeking to extend the length of stays within Nara Prefecture and revitalize the local economy through increased tourism spending.

Issues

Most tourists travel around northern Nara prefecture and then leave the prefecture



Initiatives

Develop appealing content

Develop tourism hubs and support placemaking





Diversifying visitor inflow routes through wide-area collaboration

Regional banks on the Kii Peninsula concluded a "Partnership Agreement for Revitalizing the Tourism Industry in the Kii Peninsula Region."

We are considering the formation of a promotional organization to support tourism-related businesses.

Agreement signed Signatories: Kiyo Bank, Sanjusan Bank, Hyakugo Bank, and Nanto Bank

Areas of Cooperation

(1) Establish a promotional organization to support tourism-related businesses.
(2) Develop diverse financing mechanisms to support tourism-related businesses.
(3) Provide other necessary support for tourism-related businesses.

Our Vision

Transform Nara into a wide-area, stay-based destination by enhancing the value of visitors' stays



Expanding sales channels for Nara Prefecture's products and enhancing the strength of the regional brand

Raising awareness of Nara's products and expanding sales channels are essential for the growth of local businesses. Through our e-commerce operations, our Group is working to promote the appeal of Nara's products and create new sales opportunities for local businesses. By expanding exposure to Nara's products through shareholder benefits, participation in various events, and the use of gift cards, we aim to capture demand from outside the region and enhance the value of the regional brand. Through these initiatives, we are stimulating consumption both within and outside the region, thereby revitalizing the local economy.

Raising awareness of Nara's products through shareholder benefits

We offer a catalog of gift options featuring a selection of Nara's products handpicked by Nara Mirai Design as shareholder benefits. By showcasing the appeal of Nara's products among our shareholders, we contribute to raising awareness and revitalizing the local community.





Supporting sales and promoting Nara's products through e-commerce

Making use of the Narawashi e-commerce site and Ee Koto Nara tourism information site, we are working to support sales and raise awareness of products from Nara, while also promoting the prefecture's attractions and local information.

Nara specialty online shop

narawashi

Tourism information site

古都なら

Stimulating demand for souvenirs through gift cards

This initiative employed the Narawashi gift card, a gift certificate redeemable on the Narawashi e-commerce site. By offering gift wrapping and paper bags, the initiative helped expand demand for products from Nara among a variety of occasions in addition to gifts and souvenirs.



Expanding sales channels and strengthening PR through event participation

The Narawashi Marche 2026 @ JR Nara Station event was held with co-hosts JR West and Nara Mirai Design. Six popular merchants from the Narawashi e-commerce site set up booths to expand their sales channels and raise awareness of products from Nara.

