

BNK Financial Group Inc. and its subsidiaries

Interim condensed consolidated financial statements
for each of the six-month periods ended June 30, 2025 and 2024
with the independent auditor's review report

**BNK Financial Group Inc. and
its subsidiaries**

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Report on review of interim condensed consolidated financial statements

(English translation of a report originally issued in Korean)

The Shareholders and Board of Directors BNK Financial Group Inc.

We have reviewed the accompanying interim condensed consolidated financial statements of BNK Financial Group Inc. (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the interim condensed consolidated statement of financial position as of June 30, 2025, and the related interim condensed consolidated statements of comprehensive income for each of the three-month and six-month periods ended June 30, 2025 and 2024, interim condensed consolidated statements of changes in equity and interim condensed consolidated statements of cash flows for each of the six-month periods ended June 30, 2025 and 2024 and a summary of material accounting policy information and other explanatory information.

Management’s responsibility for the interim condensed consolidated financial statements

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (“KIFRS”) 1034 *Interim Financial Reporting*, and for such internal control as management determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

We conducted our review in accordance with the Review Standards for Quarterly and Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Korean Standards on Auditing (“KSA”) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with KIFRS 1034 *Interim Financial Reporting*.

Other matter

We have audited the consolidated statement of financial position of the Group as of December 31, 2024, and the related consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended (not presented herein) in accordance with KSA, and our report dated March 17, 2025 expressed an unqualified opinion thereon. The accompanying consolidated statement of financial position as of December 31, 2024, presented for comparative purposes, is not different, in all material respects, from the above audited consolidated statement of financial position.



August 14, 2025

This review report is effective as of August 14, 2025, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim condensed consolidated financial statements and may result in modification to this review report.

BNK Financial Group Inc. and its subsidiaries

Interim condensed consolidated financial statements
for each of the six-month periods ended June 30, 2025 and 2024

“The accompanying interim condensed consolidated financial statements, including all footnotes and disclosures, have been prepared by, and are the responsibility of, the Group.”

Dae In Bin
Chief Executive Officer
BNK Financial Group Inc.

BNK Financial Group Inc. and its subsidiaries
Interim condensed consolidated statements of financial position
as of June 30, 2025 (unaudited) and December 31, 2024

<i>(In millions of Korean won)</i>	Notes	June 30, 2025	December 31, 2024
Assets			
Cash and due from banks	4,6,7	₩ 5,698,829	₩ 5,818,382
Financial assets at fair value through profit or loss	4,6,8,11	10,386,613	8,455,341
Financial assets at fair value through other comprehensive income	4,6,9,11,13	8,670,881	9,062,986
Financial assets at amortized cost	4,6,10,11,13	8,380,906	8,425,326
Loans and receivables	4,6,12,13	115,936,129	113,945,592
Derivative assets	4,6,14	198,576	412,202
Investments in associates and joint venture	15	1,986,364	1,863,498
Property and equipment	16	1,219,393	1,264,468
Intangible assets	17	308,075	269,086
Investment properties	18	314,735	629,309
Net defined benefit assets	22	91,948	109,728
Other assets		2,342,155	2,214,572
Total assets		₩ 155,534,604	₩ 152,470,490
Liabilities			
Deposit liabilities	6	₩ 109,518,685	₩ 107,855,430
Financial liabilities at fair value through profit or loss	6,19	2,274,263	2,125,900
Borrowings	6,20	11,510,657	11,301,497
Debentures	6,21	14,740,273	14,121,865
Derivative liabilities	6,14	160,162	351,030
Net defined benefit liabilities	22	9,339	4,286
Provisions	23	104,045	106,676
Current tax liabilities	35	96,555	85,702
Deferred tax liabilities	35	110,636	80,436
Other liabilities	6,24	5,951,349	5,290,093
Total liabilities		144,475,964	141,322,915
Equity			
Equity attributable to owners of the Parent Company			
Share capital	25	1,629,676	1,629,676
Hybrid equity securities	25	448,620	727,703
Other paid-in capital	25	750,689	770,629
Other components of equity	25	(81,867)	(33,940)
Retained earnings	25	7,862,768	7,604,753
		10,609,886	10,698,821
Non-controlling interest		448,754	448,754
Total equity		11,058,640	11,147,575
Total liabilities and equity		₩ 155,534,604	₩ 152,470,490

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

BNK Financial Group Inc. and its subsidiaries

Interim condensed consolidated statements of comprehensive income

for each of the three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

		Period ended June 30			
		2025		2024	
(In millions of Korean won, except per share amounts)	Notes	Three months	Six months	Three months	Six months
Net interest income	26				
Interest income					
Financial assets at fair value through profit or loss		W 66,555	W 125,018	W 52,945	W 99,755
Financial asset at fair value through other comprehensive income		53,986	110,654	52,573	98,770
Financial assets at amortized cost		1,508,963	3,057,725	1,641,758	3,305,152
		<u>1,629,504</u>	<u>3,293,397</u>	<u>1,747,276</u>	<u>3,503,677</u>
Interest expenses		<u>(921,034)</u>	<u>(1,849,476)</u>	<u>(1,008,232)</u>	<u>(2,024,599)</u>
		<u>708,470</u>	<u>1,443,921</u>	<u>739,044</u>	<u>1,479,078</u>
Net fee and commission income	27				
Commission income		87,447	178,028	91,324	203,350
Commission expenses		<u>(49,428)</u>	<u>(89,633)</u>	<u>(40,810)</u>	<u>(84,500)</u>
		<u>38,019</u>	<u>88,395</u>	<u>50,514</u>	<u>118,850</u>
Gain on financial assets at fair value through profit or loss, net	28	112,470	190,616	97,900	193,636
Gain on financial assets at fair value through other comprehensive income, net	29	33,184	91,975	12,164	49,851
Gain on financial assets at amortized cost, net	30	302	419	211	1,338
Contribution to provision for credit loss and others	31	(143,439)	(405,394)	(142,125)	(291,526)
General and administrative expenses	32	(398,834)	(775,349)	(384,272)	(764,458)
Other operating income					
Gain on foreign currency transaction, net		26,596	45,529	5,835	4,140
Gain (loss) from derivatives, net		60,480	46,475	(32,753)	2,298
Other operating income		169,660	390,267	200,805	389,944
Other operating expenses		<u>(351,051)</u>	<u>(655,156)</u>	<u>(253,015)</u>	<u>(577,366)</u>
Operating profit		<u>255,857</u>	<u>461,698</u>	<u>294,308</u>	<u>605,785</u>
Non-operating income	34				
Share of profit of associates		24,874	41,549	23,084	45,049
Other income		126,329	146,045	11,861	30,157
Other expenses		<u>(9,364)</u>	<u>(23,918)</u>	<u>(8,798)</u>	<u>(18,428)</u>
		<u>141,839</u>	<u>163,676</u>	<u>26,147</u>	<u>56,778</u>
Profit before income tax expense		397,696	625,374	320,455	662,563
Income tax expense	35	<u>(83,212)</u>	<u>(139,058)</u>	<u>(72,224)</u>	<u>(159,697)</u>
Profit for the period		<u>W 314,484</u>	<u>W 486,316</u>	<u>W 248,231</u>	<u>W 502,866</u>
Profit for the period attributable to:					
Owners of the Parent Company		W 309,194	W 475,770	W 242,790	W 492,313
Non-controlling interest		5,289	10,545	5,443	10,555
<i>(continued)</i>					

BNK Financial Group Inc. and its subsidiaries
Interim condensed consolidated statements of comprehensive income
for each of the three-month and six-month periods ended June 30, 2025 and 2024 (unaudited)

	Notes	Period ended June 30			
		2025		2024	
		Three months	Six months	Three months	Six months
<i>(In millions of Korean won, except per share amounts)</i>					
Other comprehensive loss, net of tax					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of net defined benefit liabilities	W	19,385	W (14,594)	W (7,501)	W (10,413)
Gain (loss) on valuation of equity instruments at fair value through other comprehensive income		6,165	5,222	(5,393)	(19,323)
Changes in the own credit risk of financial liabilities at fair value through profit or loss		(211)	(860)	(36)	(979)
<i>Items that may be subsequently reclassified to profit or loss</i>					
Gain (loss) on valuation of debt instruments at fair value through other comprehensive income		(5,912)	(20,885)	23,427	(422)
Exchange differences on translation of foreign operations		(26,764)	(38,924)	10,069	25,789
Gain (loss) on valuation of hedges of net investments in foreign operations		22,326	36,420	(9,763)	(23,417)
Share of other comprehensive income of associates		(9,481)	(15,356)	2,326	5,897
(Reversal of) impairment loss of debt instruments at fair value through other comprehensive income		235	(31)	(96)	(876)
Other comprehensive gain (loss) for the period, net of tax		5,743	(49,008)	13,033	(23,744)
Total comprehensive income for the period	W	320,227	W 437,308	W 261,264	W 479,122
Total comprehensive income for the period attributable to:					
Owners of the Parent Company	W	314,938	W 426,762	W 255,824	W 468,570
Non-controlling interests		5,289	10,545	5,443	10,555
Earnings per share (in Korean won)					
Basic and diluted earnings per share	36	W 959	W 1,455	W 730	W 1,484

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

BNK Financial Group Inc. and its subsidiaries
Interim condensed consolidated statements of changes in equity
for each of the six-month periods ended June 30, 2025 and 2024 (unaudited)

	Attributable to owners of the Parent Company										Non-controlling interests	Total equity				
	Share capital	Hybrid equity securities	Other paid-in capital	Other components of equity	Retained earnings	Total										
<i>(In millions of Korean won)</i>																
Balance at January 1, 2024	W	1,629,676	W	727,636	W	785,126	W	(39,099)	W	7,121,661	W	10,225,000	W	448,702	W	10,673,702
Annual dividends		-		-		-		-		(132,056)		(132,056)		-		(132,056)
Issuance of hybrid equity securities		-		199,420		-		-		-		199,420		99,719		299,139
Repayment of hybrid equity securities		-		(99,662)		(670)		-		-		(100,332)		(99,667)		(199,999)
Dividends on hybrid equity securities		-		-		-		-		(15,913)		(15,913)		(10,555)		(26,468)
Acquisition of treasury shares		-		-		(12,999)		-		-		(12,999)		-		(12,999)
Changes in capital adjustments		-		-		1,871		-		(1,871)		-		-		-
Other changes		-		-		4,608		-		(4,608)		-		-		-
Total comprehensive income																
Profit for the period		-		-		-		-		492,313		492,313		10,555		502,868
Other comprehensive income																
Remeasurements of net defined benefit liabilities		-		-		-		(10,413)		-		(10,413)		-		(10,413)
Loss on valuation of financial assets at fair value through other comprehensive income		-		-		-		(19,745)		-		(19,745)		-		(19,745)
Gain on disposal of equity instruments at fair value through other comprehensive income		-		-		-		-		-		-		-		-
Gain on overseas operations translation		-		-		-		25,789		-		25,789		-		25,789
Loss on valuation of hedges of net investments in foreign operations		-		-		-		(23,417)		-		(23,417)		-		(23,417)
Share of other comprehensive income of associates		-		-		-		5,897		-		5,897		-		5,897
Reversal of impairment loss of debt instruments at fair value through other comprehensive income		-		-		-		(876)		-		(876)		-		(876)
Changes in the own credit risk of financial liabilities designated at fair value through profit or loss		-		-		-		(979)		-		(979)		-		(979)
Balance at June 30, 2024	W	1,629,676	W	827,394	W	777,936	W	(62,843)	W	7,459,526	W	10,631,689	W	448,754	W	11,080,443
Balance at January 1, 2025	W	1,629,676	W	727,703	W	770,629	W	(33,940)	W	7,604,753	W	10,698,821	W	448,754	W	11,147,575
Annual dividends		-		-		-		-		(143,273)		(143,273)		-		(143,273)
Interim dividends		-		-		-		-		(37,817)		(37,817)		-		(37,817)
Repayment of hybrid equity securities		-		(279,084)		(916)		-		-		(280,000)		-		(280,000)
Dividends on hybrid equity securities		-		-		-		-		(14,606)		(14,606)		(10,545)		(25,151)
Acquisition of treasury shares		-		-		(40,000)		-		-		(40,000)		-		(40,000)
Retirement of treasury stocks		-		-		19,997		-		(19,998)		(1)		-		(1)
Changes in capital adjustments		-		-		980		-		(980)		-		-		-
Total comprehensive income																
Profit for the period		-		-		-		-		475,770		475,770		10,545		486,315
Other comprehensive income																
Remeasurements of net defined benefit liabilities		-		-		-		(14,594)		-		(14,594)		-		(14,594)
Loss on valuation of financial assets at fair value through other comprehensive income		-		-		-		(15,663)		-		(15,663)		-		(15,663)
Gain (loss) on disposal of equity instruments at fair value through other comprehensive income		-		-		-		1,081		(1,081)		-		-		-
Gain (loss) on overseas operations translation		-		-		-		(38,924)		-		(38,924)		-		(38,924)
Gain on valuation of hedges of net investments in foreign operations		-		-		-		36,420		-		36,420		-		36,420
Share of other comprehensive income of associates		-		-		-		(15,356)		-		(15,356)		-		(15,356)
Reversal of impairment loss of debt instruments at fair value through other comprehensive income		-		-		-		(31)		-		(31)		-		(31)
Changes in the own credit risk of financial liabilities designated at fair value through profit or loss		-		-		-		(860)		-		(860)		-		(860)
Balance at June 30, 2025	W	1,629,676	W	448,619	W	750,690	W	(81,867)	W	7,862,768	W	10,609,886	W	448,754	W	11,058,640

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

BNK Financial Group Inc. and its subsidiaries
Interim condensed consolidated statements of cash flows
for each of the six-month periods ended June 30, 2025 and 2024 (unaudited)

<i>(In millions of Korean won)</i>	2025		2024	
Cash flows from operating activities				
Profit for the period	W	486,315	W	502,868
Adjustments to profit for the period:				
Interest income		(3,293,396)		(3,503,677)
Interest expense		1,849,476		2,024,599
Gain on financial assets at fair value through profit or loss, net		(283,788)		(168,674)
Gain on financial assets at fair value through other comprehensive income, net		(91,975)		(49,851)
Gain on financial assets at amortized cost, net		(419)		(1,338)
Loss on financial liabilities at fair value through profit or loss, net		119,028		55,990
Contribution to provision for credit loss		432,479		368,227
Loss (gain) on foreign currency translation		(24,058)		5,454
Loss (gain) on valuation of derivatives, net		6,655		(2,735)
Depreciation		60,447		60,018
Amortization		42,289		48,248
Post-employment benefits		26,143		23,073
Other operating expenses, net		194,168		170,034
Share of profit of associates		(41,549)		(45,049)
Loss (gain) on property and equipment, and intangible assets		(5,346)		808
Gain on investment property		(96,345)		-
Other non-operating expenses, net		(11,169)		33
Income tax expense		139,058		159,697
		<u>(978,302)</u>		<u>(855,143)</u>
Changes in operating assets and liabilities:				
Decrease (Increase) in due from banks		(47,845)		30,023
Increase in financial assets at fair value through profit or loss		(1,285,256)		(1,387,748)
Increase in loans and receivables		(2,454,504)		(1,376,065)
Decrease in derivative assets and liabilities		17,428		4,102
Increase in other assets		(310,365)		(345,027)
Increase in deposit received		1,697,112		174,303
Increase in financial liabilities designated at fair value through profit or loss		28,187		878,569
Decrease in provisions		(1,883)		(79,147)
Increase in other liabilities		1,020,011		544,559
Decrease in defined benefit obligation		(19,980)		(9,545)
Increase in plan assets		(2,309)		(1,211)
		<u>(1,359,404)</u>		<u>(1,567,187)</u>
Interest received		3,244,377		3,414,707
Dividend received		67,347		45,407
Interest paid		(1,812,931)		(1,878,470)
Income tax paid		(97,185)		(68,332)
Net cash flows used in operating activities		<u>(449,783)</u>		<u>(406,150)</u>
<i>(continued)</i>				

BNK Financial Group Inc. and its subsidiaries
Interim condensed consolidated statements of cash flows
for each of the six-month periods ended June 30, 2025 and 2024 (unaudited)

<i>(In millions of Korean won)</i>	2025	2024
Cash flows from investing activities		
Proceeds from disposal of financial assets at fair value through profit or loss	₩ 5,023,767	₩ 2,255,804
Payments for financial assets at fair value through profit or loss	(5,415,952)	(2,420,326)
Proceeds from disposal of financial assets at fair value through other comprehensive income	7,474,949	2,793,913
Payments for financial assets at fair value through other comprehensive income	(7,021,474)	(3,867,186)
Proceeds from disposal of financial assets at amortized cost	995,345	761,139
Payments for financial assets at amortized cost	(942,704)	(666,938)
Proceeds from disposal of investments in associates	629,304	491,429
Payments for investments in associates	(740,046)	(768,904)
Proceeds from disposal of property and equipment	26,554	226
Payments for property and equipment	(40,078)	(38,232)
Proceeds from disposal of intangible assets	-	73
Payments for intangible assets	(31,034)	(30,704)
Proceeds from disposal of investment properties	437,199	-
Decrease (increase) in leasehold deposits provided	11,247	(8,392)
Net cash flows provided by (used in) investing activities	407,077	(1,498,098)
Cash flows from financing activities		
Increase in borrowings	15,297,363	47,262,050
Decrease in borrowings	(15,054,534)	(45,236,576)
Issuance of debentures	4,431,312	4,459,607
Repayment of debentures	(3,797,950)	(4,280,557)
Payments of lease liabilities	(16,199)	(14,503)
Dividends paid to shareholders	(181,090)	(132,056)
Issuance of hybrid equity securities	-	199,420
Repayment of hybrid equity securities	(280,000)	(100,333)
Dividends paid on hybrid equity securities	(14,606)	(15,913)
Payments for treasury shares	(40,000)	(12,999)
Payments for retirement of treasury stocks	(1)	-
Increase in non-controlling interests	-	52
Dividends paid to non-controlling interests	(10,545)	(10,555)
Decrease in other liabilities	(445,346)	(318,855)
Net cash flows provided by (used in) financing activities	(111,596)	1,798,782
Net decrease in cash and cash equivalents	(154,302)	(105,466)
Cash and cash equivalents at the beginning of the period	5,449,153	4,970,460
Effects of exchange rate changes on cash and cash equivalents	(13,279)	10,969
Cash and cash equivalents at the end of the period	₩ 5,281,572	₩ 4,875,963

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

BNK FINANCIAL GROUP INC. and its subsidiaries

Notes to the interim condensed consolidated financial statements

June 30, 2025 and 2024 (unaudited)

1. GENERAL INFORMATION:

General information of BNK Financial Group Inc. (“BNK Financial Group” or the “Parent Company”), which is a controlling entity in accordance with KIFRS 1110 *Consolidated Financial Statements* and its subsidiaries (collectively, the “Group”), is as follows:

(a) BNK Financial Group

BNK Financial Group was incorporated on March 15, 2011, in accordance with the provisions of the Financial Holding Company Act, whereby holders of the ordinary share of Busan Bank; BNK Securities Co., Ltd.; BNK Capital Co., Ltd.; and BNK Credit Information Co., Ltd. transferred all of their shares to the Parent Company, and in return received shares of the Parent Company’s ordinary share in order to control, manage and provide financial support to subsidiaries engaged in financial business or financial industry-related subsidiaries. Meanwhile, BNK Financial Group established BNK Information System Co., Ltd. and BNK Savings Bank Co., Ltd. as its subsidiaries with 100% investment in 2011. The Parent Company obtained control of Kyongnam Bank by acquiring 56.97% of its shares in October 2014 and ultimately acquired 100% of shares of Kyongnam Bank through the comprehensive exchange of shares on June 4, 2015. In July 2015, the Parent Company also obtained 51.01% of shares in BNK Asset Management Co., Ltd. and established it as its subsidiary through a paid-in capital increase and acquisition of ownership. In December 2017, the Parent Company took over the rest of BNK Asset Management Co., Ltd.’s shares; accordingly, it became a wholly owned subsidiary. In November 2019, the Parent Company also obtained 100% of shares in BNK Venture Capital Co., Ltd. and established it as a wholly owned subsidiary. The headquarters of BNK Financial Group is located at Busan Nam-gu Munhyeongeumyu-ro, 30. Meanwhile, the Parent Company’s share capital as of June 30, 2025, amounts to ₩1,629,676 million with 318,383,519 shares outstanding.

BNK FINANCIAL GROUP INC. and its subsidiaries
Notes to the interim condensed consolidated financial statements
June 30, 2025 and 2024 (unaudited)

(b) Consolidated Subsidiaries

Details of the consolidated subsidiaries as of June 30, 2025 and December 31, 2024 are as follows:

Name of subsidiary	Industry	Location	Closing month	Ownership interests (%)	
				June 30, 2025	December 31, 2024
BNK Financial Group:					
Busan Bank Co., Ltd.	Banking	Korea	December 31	100.00	100.00
Kyongnam Bank Co., Ltd.	Banking	Korea	December 31	100.00	100.00
BNK Capital Co., Ltd.	Specialized credit financial business	Korea	December 31	100.00	100.00
BNK Securities Co., Ltd.	Investment brokerage and trading	Korea	December 31	100.00	100.00
BNK Savings Bank Co., Ltd.	Saving bank services	Korea	December 31	100.00	100.00
BNK Asset Management Co., Ltd.	Financial advisory and collective investment	Korea	December 31	100.00	100.00
BNK Credit Information Co., Ltd.	Credit investigation and collection agency	Korea	December 31	100.00	100.00
BNK System Co., Ltd.	System software developing and supply	Korea	December 31	100.00	100.00
BNK Venture Capital Co., Ltd.	Start-up venture capital advisory	Korea	December 31	100.00	100.00
BNK Capital Co., Ltd.					
BNKC (Cambodia) MFI PLC	Specialized credit financial business	Cambodia	December 31	100.00	100.00
BNK Capital Myanmar Co., Ltd. ¹	Specialized credit financial business	Myanmar	March 31	99.99	99.99
BNK Capital Lao Leasing Co., Ltd. ¹	Leases	Laos	December 31	96.71	96.71
JSC BNK Commercial Bank	Banking	Kazakhstan	December 31	100.00	100.00
BNK Capital Lao NDTMFI Co., Ltd. ¹	Specialized credit financial business	Laos	December 31	99.99	99.99
MCC BNK Finance LLC	Specialized credit financial business	Kyrgyzstan	December 31	100.00	100.00

¹ The remaining shares of the subsidiary are also held by the Group.

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(c) Consolidated structured entities

Consolidated structured entities are as follows:

Category	Consolidated structured entities	Description
Trust	Busan Bank (unspecified money trust) and 18 others	As a money trust in accordance with the Financial Investment Services and Capital Markets Act, the Group owns less than 50% ownership of the trust. However, the Group is considered to have control over the trust because the Group is exposed to variable returns from its involvement with the trust and has the ability to affect those returns through its power to direct the activities of the trust.
Investment Fund	BNK Luxembourg private equity and 33 others	As a structured company for the purpose of marketable securities investment, the Group is considered to have control over the entity because the Group has a substantive power and is exposed to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.
Asset-Backed Securitization	BNK Jeju Global Co., Ltd. and 35 others	As a structured company for asset securitization, the Group does not have ownership of the company. However, the Group is considered to have control over the entity because the Group has substantive power and is exposed to variable returns from involvement and has the ability to affect those returns through its power.

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(d) Summarized Financial Information

The summarized financial information on consolidated subsidiaries as of June 30, 2025 and December 31, 2024 and for each of the six-month periods ended June 30, 2025 and 2024 is as follows :

(In millions of Korean won)

Name of subsidiary	June 30, 2025			Six months ended June 30, 2025			
	Assets	Liabilities	Equity	Operating income	Operating profit	Profit for the period	Total comprehensive income
Busan Bank Co., Ltd. and its subsidiaries	₩80,549,468	₩74,795,841	₩5,753,627	₩2,141,609	₩262,261	₩251,719	₩232,111
Kyongnam Bank Co., Ltd. and its subsidiaries	52,768,658	49,080,837	3,687,821	1,344,111	182,697	158,531	142,109
BNK Capital Co., Ltd. and its subsidiaries	9,978,680	8,543,679	1,435,001	748,927	92,226	69,633	59,744
BNK Securities Co., Ltd. and its subsidiaries	9,601,668	8,415,757	1,185,911	932,140	35,178	22,537	24,106
BNK Savings Bank Co., Ltd.	1,877,978	1,629,667	248,311	69,501	5,112	4,813	4,813
BNK Asset Management Co., Ltd. and its subsidiaries	227,865	42,278	185,587	33,374	12,758	11,571	11,571
BNK Venture Capital Co., Ltd.	58,962	3,559	55,403	3,676	144	(1,084)	(1,084)
BNK Credit Information Co., Ltd.	31,605	2,083	29,522	6,606	708	551	551
BNK System Co., Ltd.	52,291	20,334	31,957	37,393	962	775	775

(In millions of Korean won)

Name of subsidiary	December 31, 2024			Six months ended June 30, 2024			
	Assets	Liabilities	Equity	Operating income	Operating profit	Profit for the period	Total comprehensive income
Busan Bank Co., Ltd. and its subsidiaries	₩79,338,342	₩73,458,781	₩5,879,561	₩2,320,425	₩294,125	₩251,449	₩240,836
Kyongnam Bank Co., Ltd. and its subsidiaries	52,392,006	48,742,994	3,649,012	1,431,674	251,077	204,293	199,900
BNK Capital Co., Ltd. and its subsidiaries	10,012,943	8,637,686	1,375,257	699,306	103,688	76,885	78,871
BNK Securities Co., Ltd. and its subsidiaries	8,128,729	6,954,707	1,174,022	571,734	9,332	7,156	(4,444)
BNK Savings Bank Co., Ltd.	1,972,542	1,729,045	243,497	74,305	3,251	1,534	1,534
BNK Asset Management Co., Ltd. and its subsidiaries	218,122	44,105	174,017	24,167	6,345	5,496	5,496
BNK Venture Capital Co., Ltd.	57,440	953	56,487	3,575	522	1,618	1,618
BNK Credit Information Co., Ltd.	31,622	2,651	28,971	6,806	1,980	1,501	1,501
BNK System Co., Ltd.	51,765	20,583	31,182	40,102	2,264	1,887	1,887

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(e) Changes in Scope for Consolidation

There is no newly consolidated major subsidiary included in the consolidated financial statements for each of the six-month periods ended June 30, 2025 and 2024. However, it excludes subsidiaries that do not perform business activities, such as trusts, beneficiary certificates, securitization companies, unions, and private equity investment companies.

(f) Risks and Financial Support for Consolidated Structured Entities

Consolidated structured entities are established for asset securitization such as non-performing loans (NPL) or investment in beneficiary securities in real estate. The Group engages with consolidated structured entities by acquiring subordinated bonds issued by them or providing agreements to acquire ABCP or bonds issued by them, thereby being exposed to the risk of not being able to recover the investment amount based on investment performance.

Meanwhile, the nature and intention of contractual agreements through which the Group provides financial support to major consolidated structured entities are as follows.

Company Name	Contractual Agreement for Financial Support	Intent of Support
BEM Securitization Specialty First Co., Ltd.	The Group provided an agreement to acquire bonds issued by BEM Securitization First Co., Ltd. for 100 billion Korean Won.	Granting of credit
Busan Bank Trust accounts guaranteeing a fixed rate of return and the repayment of principal	The Group provided an agreement for principal and interest protection to the consolidated trust. This principal protection agreement requires the Group to cover any shortfall if the agreed principal or interest in the trust product's operation results is insufficient.	Credit enhancement for cash management of trust accounts
Busan Bank Trust accounts guaranteeing the repayment of principal ²	The Group provided an agreement for principal and interest protection to the consolidated trust. This principal protection agreement requires the Group to cover any shortfall if the agreed principal or interest in the trust product's operation results is insufficient.	Credit enhancement for cash management of trust accounts
Busan Bank Mixed trust accounts	The Group provided an agreement for principal and interest protection to the consolidated trust. This principal protection agreement requires the Group to cover any shortfall if the agreed principal or interest in the trust product's operation results is insufficient.	Credit enhancement for cash management of trust accounts
BNK Hangdong Co., Ltd.	The Group provided an agreement to acquire bonds issued by BNK Hangdong Co., Ltd. for 5.1 billion Korean Won.	Granting of credit
HK Yangdong 1st Co., Ltd.	The Group provided an agreement to acquire bonds issued by HK Yangdong 1 st Co., Ltd. For 15 billion Korean Won.	Granting of credit
BNK Geumnam B Co., Ltd.	The Group provided an agreement to acquire bonds issued by BNK Geumnam B for 15 billion Korean Won.	Granting of credit
BNK Geumnam C Co., Ltd.	The Group provided an agreement to acquire bonds issued by BNK Geumnam C for 20	Granting of credit

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Company Name	Contractual Agreement for Financial Support	Intent of Support
	billion Korean Won.	
Summer Rally First Co., Ltd.	The Group provided an agreement to acquire bonds issued by Summer Rally First Co., Ltd. for 30 billion Korean Won.	Granting of credit
SS DONGIN 2ND Co., Ltd.	The Group provided an agreement to acquire bonds issued by SS DONGIN 2ND Co., Ltd. for 14 billion Korean Won.	Granting of credit
BKW first Co., Ltd.	The Group provided an agreement to acquire bonds issued by BKW first Co., Ltd. for 10 billion Korean Won.	Credit lending
KW Blue No. 1 Co., Ltd.	The Group provided an agreement to acquire bonds issued by KW Blue No. 1 Co., Ltd. for 14 billion Korean Won.	Granting of credit
LAKSHMICHUNCHEON	The Group provided an agreement to acquire bonds issued by LAKSHMICHUNCHEON for 20 billion Korean Won.	Granting of credit
Silver Star No. 2 Co., Ltd.	The Group provided an agreement to acquire bonds issued by Silver Star No. 2 Co., Ltd. for 5 billion Korean Won.	Granting of credit
Silver Star No. 3 Co., Ltd.	The Group provided an agreement to acquire bonds issued by Silver Star No. 3 Co., Ltd. for 3 billion Korean Won.	Granting of credit
PT Gold No. 1 Co., Ltd.	The Group provided an agreement to acquire bonds issued by PT Gold No. 1 Co., Ltd. for 30 billion Korean Won.	Granting of credit
Imachi Brothers No. 4 Co., Ltd.	The Group provided an agreement to acquire bonds issued by Imachi Brothers No. 4 Co., Ltd. for 9.83 billion Korean Won.	Granting of credit
Roy K Bundang Co., Ltd.	The Group provided an agreement to acquire bonds issued by Roy K Bundang Co., Ltd. for 2.7 billion Korean Won.	Granting of credit
Portra 1st Co., Ltd.	The Group provided an agreement to acquire bonds issued by Portra 1st Co., Ltd. for 5 billion Korean Won.	Granting of credit
Silver Star 2ND Co., Ltd.	The Group provided an agreement to acquire bonds issued by Silver Star 2ND Co., Ltd. for 5 billion Korean Won.	Granting of credit
Silver Star 3RD Co., Ltd.	The Group provided an agreement to acquire bonds issued by Silver Star 3RD Co., Ltd. for 3 billion Korean Won.	Granting of credit
PT Gold 1st Co., Ltd.	The Group provided an agreement to acquire bonds issued by PT Gold 1st Co., Ltd. for 30 billion Korean Won.	Granting of credit
Highend House First Co., Ltd.	The Group provided an agreement to acquire bonds issued by High End House No. 1 Co., Ltd. for 22 billion Korean Won.	Granting of credit
Roy K Bundang Co., Ltd.	The Group provided an agreement to acquire bonds issued by Roy K Bundang Co., Ltd. for 2.7 billion Korean Won.	Granting of credit
Springvalley	The Group provided an agreement to acquire bonds issued by Springvalley for 10.2 billion Korean Won.	Granting of credit
Hyacinthyeyang	The Group provided an agreement to acquire bonds issued by Hyacinthyeyang for 15.2 billion Korean Won.	Granting of credit
BNKJ Number One 1st Co., Ltd.	The Group provided an agreement to acquire bonds issued by BNKJ Number One 1st Co.,	Granting of credit

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Company Name	Contractual Agreement for Financial Support	Intent of Support
Peony Namdaemun Co., Ltd.	Contractual Agreement for Financial Support Ltd. for 50.5 billion Korean Won. The Group provided an agreement to acquire bonds issued by Peony Namdaemun Co., Ltd. for 30 billion Korean Won.	Granting of credit
BNK Kyongnam Bank Principal and Interest reservation Trust	The Group provided an agreement for principal and interest protection to the consolidated trust. This principal protection agreement requires the Group to cover any shortfall if the agreed principal or interest in the trust product's operation results is insufficient.	Credit enhancement for cash management of trust accounts
BNK Kyongnam Bank original reservation Trust	The Group provided an agreement for principal and interest protection to the consolidated trust. This principal protection agreement requires the Group to cover any shortfall if the agreed principal or interest in the trust product's operation results is insufficient.	Credit enhancement for cash management of trust accounts
Sandcastle Co., Ltd. 1st	The Group provided an agreement to acquire bonds issued by Sandcastle Co., Ltd. 1st for 11.057 billion Korean Won.	Granting of credit
West Wood Co., Ltd. 1st	The Group provided an agreement to acquire bonds issued by West wood Co., Ltd. 1st for 25.011 billion Korean Won.	Granting of credit
SL Co., Ltd. 7th	The Group provided an agreement to acquire bonds issued by SL Co. Ltd. 7th for 15 billion Korean Won.	Granting of credit
BNK Ujeong First Co., Ltd.	The Group provided an agreement to acquire bonds issued by BNK Ujeong First Co., Ltd. for 20.3 billion Korean Won.	Granting of credit

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2. MATERIAL ACCOUNTING POLICIES:

2.1 Basis of Consolidation

The Group prepares its statutory interim condensed consolidated financial statements in the Korean language in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS") 1034 *Interim Financial Reporting*, enacted by the *Act on External Audit of Stock Companies*. The accompanying interim condensed consolidated financial statements have been translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's review report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as of December 31, 2024.

(a) New and amended standards and interpretations adopted by the Group

- Amendments to KIFRS 1021, *The Effects of Changes in Foreign Exchange Rates*, and KIFRS 1101, *First-time Adoption of KIFRS – Lack of Exchangeability*

The amendments define a situation where a currency is exchangeable for accounting purpose and specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When a currency is not exchangeable into another currency, the spot exchange rate is estimated at the measurement date, and an observable exchange rate without adjustment or another estimation technique shall be used.

The amendments do not have material impact on the interim condensed consolidated financial statements of the Group.

(b) The KIFRS that have been published that are not yet effective and have not been early adopted by the Group.

- Amendments to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

The amendments clarify the conditions related to the discharge of a financial liability before the settlement date when settling such financial liabilities using an electronic payment system. They further specify an interest feature, a contingent feature, financial assets with non-recourse features and contractually linked instruments which should be considered in assessing whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. Furthermore, the amendments include additional disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income and contractual terms that could change the timing or amount of contractual cash flows. The amendments are applied retrospectively for annual reporting periods beginning on or after January 1, 2026 with earlier application permitted.

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- Amendments to KIFRS 1109 *Financial Instruments – Accounting for derecognition of lease liabilities and definition of transaction prices*

The amendments clarify that any gain or loss arising from the derecognition of a lease liability should be recognized in profit or loss. Additionally, the definition of transaction price has been revised to align with KIFRS 1115.

The amendments apply to annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

- Amendments to KIFRS 1110 *Consolidated Financial Statements – Determination of “de facto Agent”*

The amendments revise the wording in KIFRS 1110 regarding the judgment of agents to resolve inconsistencies between different sections of the standard.

The amendments apply to annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

- Amendments to KIFRS 1101 *First-time adoption of KIFRS – Hedging Accounting by a First-Time Adopter*

The amendments specify that the conditions for applying hedge accounting should refer to specific paragraphs of KIFRS 1109 *Financial Instruments* and align the related terminology accordingly.

The amendments apply to annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

- Amendments to KIFRS 1107 *Financial Instruments: Disclosures – Gain or Loss on Derecognition*

The amendments specify that fair value measurement should refer to KIFRS 1113 Fair Values and align the related terminology accordingly.

The amendments apply to annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

- Amendments to KIFRS 1007 *Statement of Cash Flows: Cost method*

This amendment removes the term "cost method" and replaces it with "cost."

The amendments apply to annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

The amendments above are not expected to have material impact on the interim condensed consolidated financial statements.

2.2 Accounting Policies

Material accounting policies and method of computation used in the preparation of the interim condensed consolidated financial statements are consistent with those of the consolidated financial statements as of and for the year ended December 31, 2024, except for the changes due to the

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application of amendment and enactments of standards described in Note 2.1.(a) and the one described below.

2.2.1 Income Tax Expense

Income tax expense for the interim period is recognized based on management's best estimate of the weighted-average annual income tax rate expected for the full financial year. The estimated average annual tax rate is applied to the pre-tax income. The Group has applied KIFRS 1012 *Income Taxes* to the income taxes (i.e., global minimum tax) arising from the tax legislation enacted to implement the OECD's International Tax Reform Pillar Two Model Rules. The amendment to KIFRS 1012 includes a mandatory temporary exemption from deferred tax accounting for the global minimum tax and requires disclosure of the effects on current income tax related thereto. The Group has been applying the mandatory exception to recognize and disclose deferred taxes related to the Pillar Two income tax effective for the reporting periods beginning on or after January 1, 2024.

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3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of interim condensed consolidated financial statements requires the management to make estimates and assumptions concerning the amount recognized in the interim condensed consolidated financial statements (except for estimates) and an executive requires judgement about book amount of assets and liabilities that are not identified easily from other sources. Estimates and assumptions are based on historical experience and other factors. In addition, actual results can differ from those estimates based on such definitions.

Material accounting estimates and assumptions applied in the preparation of these interim condensed consolidated financial statements are the same as those applied to the consolidated financial statements as of and for the year ended December 31, 2024, except for the following:

(a) Fair value of financial instruments

As described in Note 6, the Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 6 provides detailed information about key assumptions used in the determination of the fair value of financial instruments as well as the detailed sensitivity analysis for these assumptions. The directors believe that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of financial instruments.

(b) Expected credit losses for financial instruments

The Group measures expected credit losses for debt securities at fair value through other comprehensive income, financial assets at amortized cost, acceptances and guarantees and loan commitments and other comprehensive income and debt securities measured at fair value. For debt securities at fair value through other comprehensive income are recognized as accumulated other comprehensive income, financial assets at amortized cost are recognized for allowance for losses, and provisions are recognized for confirmed acceptances and guarantees and loan commitments. The accuracy of allowance for losses on credit is determined by assumptions and variables, used in the model to estimate expected cash flows by individual borrowers for individual assessment and estimation of allowance for losses on credit by collective method and guarantees/unused credit limit liabilities.

The Group measures the expected credit losses using forward-looking information. The Group assumes that the risk component is correlated with changes in market conditions and uses statistical methods to estimate the relationship between modeling macroeconomic variables, expected credit loss and risk components.

The Group derived correlations between the long-term data over the past 10 years, major macroeconomic variables and then reflected future forecast information through regression estimation. The major macroeconomic variables identified by the Group are GDP growth rate, interest rate spread (National Treasury Bond-CD, Distribution Yield), producer price index, Busan and Kyungnam default rate of bills, composite stock price index, unemployment rate, consumer price index, Busan apartment sales index, etc.

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Forward looking information used to measure expected credit losses is calculated by comprehensively reviewing the possibility of occurrence of each scenario of the economic outlook based on forecasts from the government and public institutions such as the Bank of Korea and the Korea Development Institute.

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4. FINANCIAL RISK MANAGEMENT:

(a) *General*

The Group is exposed to various financial risks, such as credit, liquidity, market and operational, associated with financial instruments. There has not been a significant change in the Group's purpose of financial risk management and risk management policy since December 31, 2024.

(b) *Credit Risk*

1) Maximum exposure to credit risk

The maximum exposure of the Group's financial instruments, except for equity securities, to credit risk that does not consider value of collateral as of June 30, 2025, and December 31, 2024, is as follows:

<i>(In millions of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
On balance:		
Cash and due from banks	₩ 462,079	₩ 366,229
Financial assets at FVTPL	9,928,538	8,098,194
Financial assets at fair value through other comprehensive income	8,512,416	8,911,593
Financial assets at amortized cost	8,380,906	8,425,326
Loans	113,609,448	112,273,540
Receivables	2,326,681	1,672,052
Derivative assets	198,576	412,202
	<u>143,418,644</u>	<u>140,159,136</u>
Off balance:		
Guarantees and acceptances	1,471,648	1,428,940
Loan commitments	23,337,794	24,289,082
	<u>24,809,442</u>	<u>25,718,022</u>
	<u>₩ 168,228,086</u>	<u>₩ 165,877,158</u>

2) Analysis of credit quality of financial assets

Credit quality is classified based on internal credit grades as follows:

	<u>Household</u>	<u>Corporates, public sector and other</u>
Grade 1	1-5	AAA, AA, AA-, A
Grade 2	6	A-, BBB+, BBB
Grade 3	7-8	BBB-, BB, BB-
Grade 4	9-10	B, B-, C, D

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The gross carrying amount of loans, receivables and debt securities by credit risk grade as of June 30, 2025 is as follows:

		June 30, 2025										
		Loans and receivables						Debt securities				
		Loans			Receivables			Fair value through other comprehensive income		Amortized cost		
		Lifetime expected credit losses			Lifetime expected credit losses			Twelve months expected credit losses		Twelve months expected credit losses		
		Twelve months expected credit losses	Unrecognized impairment	Recognized impairment	Twelve months expected credit losses	Unrecognized impairment	Recognized impairment	Subtotal	Twelve months expected credit losses	Twelve months expected credit losses	Subtotal	
Grade 1	₩	49,987,107	₩ 1,803,802	₩ -	₩ 660,623	₩ 2,559	₩ -	₩ 52,454,091	₩ 8,512,416	₩ 8,382,676	₩ 16,895,092	
Grade 2		30,199,287	8,116,334	-	124,817	17,367	-	38,457,805	-	-	-	
Grade 3		7,681,177	9,328,268	-	50,484	28,809	-	17,088,738	-	-	-	
Grade 4		249,573	3,401,795	1,525,648	1,704	27,835	27,489	5,234,044	-	-	-	
Non-graded		2,502,335	194,130	238,543	1,400,773	7,051	50,344	4,393,176	-	-	-	
	₩	90,619,479	₩ 22,844,329	₩ 1,764,191	₩ 2,238,400	₩ 83,621	₩ 77,833	₩ 117,627,854	₩ 8,512,416	₩ 8,382,676	₩ 16,895,092	

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The exposure to credit risk for loan commitments and guarantees and acceptances by credit risk grade as of June 30, 2025 is as follows:

(In millions of
Korean won)

		June 30, 2025													
		Loan commitments				Guarantees and acceptances									
		Twelve months expected credit losses		Lifetime expected credit losses		twelve months expected credit losses		Lifetime expected credit losses							
		Unrecognized impairment	Recognized impairment	Subtotal	Unrecognized impairment	Recognized impairment	Subtotal								
Grade 1	₩	15,963,783	₩	210,098	₩	-	₩ 16,173,881	₩	242,365	₩	3,739	₩	-	₩	246,104
Grade 2		4,110,364		617,872		-	4,728,236		905,048		141,806		-		1,046,854
Grade 3		729,768		602,097		-	1,331,865		82,481		81,612		-		164,093
Grade 4		12,846		93,332		68	106,246		-		13,924		674		14,598
Non-graded		203,027		650		-	203,677		-		-		-		-
	₩	21,019,788	₩	1,524,049	₩	68	₩ 22,543,905	₩	1,229,894	₩	241,081	₩	674	₩	1,471,649

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The gross carrying amount of loans, receivables and debt securities by credit risk grade as of December 31, 2024 is as follows:

(In millions of Korean won)

		December 31, 2024										
		Loans and receivables						Debt securities				
		Loans			Receivables			Fair value through other comprehensive income				
		Lifetime expected credit losses			Lifetime expected credit losses			Twelve months expected credit losses		Twelve months expected credit losses		
		Twelve months expected credit losses	Unrecognized impairment	Recognized impairment	Twelve months expected credit losses	Unrecognized impairment	Recognized impairment	Subtotal	Twelve months expected credit losses	Twelve months expected credit losses	Subtotal	
Grade 1	₩	49,442,327	₩ 2,119,312	₩ -	₩ 312,542	₩ 3,123	₩ -	₩ 51,877,304	₩ 8,911,593	₩ 8,417,519	₩ 17,329,112	
Grade 2		28,688,018	7,760,749	-	133,453	15,936	-	36,598,156	-	9,996	9,996	
Grade 3		8,101,493	10,006,156	19,796	43,315	29,646	-	18,200,406	-	-	-	
Grade 4		221,082	3,485,134	1,148,808	2,023	22,260	20,629	4,899,936	-	-	-	
Non-graded		2,374,506	243,360	263,740	1,078,081	9,210	69,560	4,038,457	-	-	-	
	₩	88,827,426	₩ 23,614,711	₩ 1,432,344	₩ 1,569,414	₩ 80,175	₩ 90,189	₩ 115,614,259	₩ 8,911,593	₩ 8,427,515	₩ 17,339,108	

The exposure to credit risk for loan commitments and guarantees and acceptances by credit risk grade as of December 31, 2024 is as follows:

(In millions of Korean won)

		December 31, 2024								
		Loan commitments				Guarantees and acceptances				
		Twelve months expected credit losses	Lifetime expected credit losses		Subtotal	twelve months expected credit losses	Lifetime expected credit losses		Subtotal	
		Twelve months expected credit losses	Unrecognized impairment	Recognized impairment	Subtotal	twelve months expected credit losses	Unrecognized impairment	Recognized impairment	Subtotal	
Grade 1	₩	16,598,199	₩ 174,202	₩ -	₩ 16,772,401	₩ 248,353	₩ 647	₩ -	₩ 249,000	
Grade 2		4,284,991	673,960	-	4,958,951	504,914	478,049	-	982,963	
Grade 3		963,836	527,037	-	1,490,873	122,593	49,972	-	172,565	
Grade 4		13,212	105,340	166	118,718	-	23,527	885	24,412	
Non-graded		155,174	3,098	-	158,272	-	-	-	-	
	₩	22,015,412	₩ 1,483,637	₩ 166	₩ 23,499,215	₩ 875,860	₩ 552,195	₩ 885	₩ 1,428,940	

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5. OPERATING SEGMENT INFORMATION:

(a) Segment report and division information

Segment information indicates details of the Group's divisions. Main divisions of business are based on the Group's internal report. The Group consists of six business divisions: two divisions of bank, securities, capital, savings bank and other. Such business divisions are divided by products, characteristics of services, customers and organization of the Group. Based on these categories, the main information by divisions is disclosed as follows:

The classifications of operations by divisions for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025							Total	Adjustment	Consolidated financial statements
	Busan Bank	Kyongnam Bank	BNK Capital Co., Ltd.	BNK Securities Co., Ltd.	BNK Savings Bank	Others				
Net interest income (expenses)	₩ 772,133	₩ 509,483	₩ 154,409	₩ 56,896	₩ 32,144	₩ (22,336)	₩ 1,502,729	₩ (58,808)	₩ 1,443,921	
Net commission income	10,776	16,288	12,997	33,965	1,705	14,196	89,927	(1,532)	88,395	
Net gain on financial assets at FVTPL	40,039	38,692	18,859	90,194	3,763	29,650	221,197	(30,581)	190,616	
Net gain on financial assets at fair value through other comprehensive income	52,658	37,514	-	1,803	-	-	91,975	-	91,975	
Net gain on financial assets at amortized cost	339	80	-	-	-	-	419	-	419	
Contribution to provision for credit loss and others	(183,262)	(101,528)	(70,443)	(30,228)	(14,774)	(4,577)	(404,812)	(582)	(405,394)	
General and administrative expenses	(354,704)	(255,605)	(60,078)	(57,575)	(12,181)	(60,169)	(800,312)	24,963	(775,349)	
Other operating income (expenses), net	(75,718)	(62,227)	36,483	(59,876)	(5,545)	470,962	304,079	(476,964)	(172,885)	
Operating profit	262,261	182,697	92,227	35,179	5,112	427,726	1,005,202	(543,504)	461,698	
Non-operating income (expenses), net	56,233	18,838	(2,724)	(3,913)	364	119,626	188,424	(24,748)	163,676	
Profit before income tax	318,494	201,535	89,503	31,266	5,476	547,352	1,193,626	(568,252)	625,374	
Income tax expense	(66,775)	(43,004)	(19,870)	(8,729)	(663)	(3,511)	(142,552)	3,493	(139,059)	
Profit for the period	₩ 251,719	₩ 158,531	₩ 69,633	₩ 22,537	₩ 4,813	₩ 543,841	₩ 1,051,074	₩ (564,759)	₩ 486,315	
Total assets	₩ 80,549,468	₩ 52,768,658	₩ 9,978,680	₩ 9,601,668	₩ 1,877,978	₩ 8,866,526	₩ 163,642,978	₩ (8,108,375)	₩ 155,534,603	
Total liabilities	₩ 74,795,841	₩ 49,080,837	₩ 8,543,679	₩ 8,415,757	₩ 1,629,667	₩ 2,471,966	₩ 144,937,747	₩ (461,784)	₩ 144,475,963	

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(In millions of Korean won)	2024							Total	Adjustment	Consolidated financial statements
	Busan Bank	Kyongnam Bank	BNK Capital Co., Ltd.	BNK Securities Co., Ltd.	BNK Savings Bank	Others				
Net interest income (expenses)	₩ 766,682	₩ 514,760	₩ 153,234	₩ 39,493	₩ 33,098	₩ (14,384)	₩ 1,492,883	₩ (13,804)	₩ 1,479,079	
Net commission income	22,301	26,099	17,870	34,593	4,386	14,820	120,069	(1,219)	118,850	
Net gain on financial assets at FVTPL	28,473	46,479	5,869	111,717	898	12,340	205,776	(12,140)	193,636	
Net gain on financial assets at fair value through other comprehensive income	20,326	15,970	-	13,555	-	-	49,851	-	49,851	
Net gain on financial assets at amortized cost	103	1,235	-	-	-	-	1,338	-	1,338	
Contribution(reversal) to provision for credit loss and others	(106,328)	(48,809)	(50,740)	(72,518)	(17,481)	4,382	(291,494)	(32)	(291,526)	
General and administrative expenses	(363,521)	(248,226)	(53,598)	(44,118)	(12,553)	(55,599)	(777,615)	13,157	(764,458)	
Other operating income (expenses), net	(73,911)	(56,431)	31,053	(73,389)	(5,097)	336,715	158,940	(339,924)	(180,984)	
Operating profit	294,125	251,077	103,688	9,333	3,251	298,274	959,748	(353,962)	605,786	
Non-operating income (expenses), net	28,965	12,530	(2,072)	(75)	390	20,041	59,779	(3,000)	56,779	
Profit before income tax	323,090	263,607	101,616	9,258	3,641	318,315	1,019,527	(356,962)	662,565	
Income tax expense	(71,641)	(59,314)	(24,731)	(2,102)	(2,107)	(2,412)	(162,307)	2,610	(159,697)	
Profit for the period	₩ 251,449	₩ 204,293	₩ 76,885	₩ 7,156	₩ 1,534	₩ 315,903	₩ 857,220	₩ (354,352)	₩ 502,868	
Total assets	₩ 77,983,102	₩ 51,547,149	₩ 9,353,132	₩ 8,351,533	₩ 1,903,739	₩ 9,013,014	₩ 158,151,669	₩ (8,062,783)	₩ 150,088,886	
Total liabilities	₩ 72,278,301	₩ 48,008,318	₩ 7,987,122	₩ 7,178,601	₩ 1,663,335	₩ 2,182,587	₩ 139,298,264	₩ (289,823)	₩ 139,008,441	

(b) Information on financial services and geographical areas

As the financial products of the Group are categorized as interest bearing, non-interest bearing and others, and the categorization is already reflected in the composition of the reportable segments above, revenue from external customers is not separately disclosed. Revenue by geographical areas is not separately disclosed as the Group operates its business domestically.

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(c) Information on main customers

The information regarding the revenue and non-current assets of the Group by geographical areas as of June 30, 2025 and December 31, 2024, and for each of the six-month periods ended June 30, 2025 and 2024 is as follows.

<i>(In millions of Korean won)</i>	<u>Revenue</u>		<u>Non-current assets</u>	
	2025	2024	June 30, 2025	December 31, 2024
Domestic portion	₩ 5,193,204	₩ 5,092,566	₩ 1,825,428	₩ 2,152,034
Foreign portion	<u>53,942</u>	<u>42,050</u>	<u>16,774</u>	<u>10,829</u>
	<u>₩ 5,247,146</u>	<u>₩ 5,134,616</u>	<u>₩ 1,842,202</u>	<u>₩ 2,162,863</u>

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6. FAIR VALUE:

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

(a) Fair value of financial instruments by category

The carrying amounts and fair value of financial assets and financial liabilities by each category as of June 30, 2025, and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Cash and due from bank	₩ 5,698,829₩	5,698,829₩	5,818,382₩	5,818,382
Financial assets at FVTPL	10,386,613	10,386,613	8,455,341	8,455,341
Financial assets at FVOCI	8,670,881	8,670,881	9,062,986	9,062,986
Financial assets at amortized cost	8,380,906	8,428,748	8,425,326	8,414,798
Loans and receivables	115,936,129	117,995,674	113,945,592	115,804,533
Derivative assets	198,576	198,576	412,202	412,202
	<u>₩ 149,271,934₩</u>	<u>151,379,321₩</u>	<u>146,119,829₩</u>	<u>147,968,242</u>
Financial liabilities:				
Deposit liabilities	₩ 109,518,685₩	109,646,770₩	107,855,430₩	107,929,326
Financial liabilities at FVTPL	2,274,263	2,274,263	2,125,900	2,125,900
Borrowings	11,510,657	11,522,601	11,301,497	11,283,443
Debentures	14,740,273	14,875,454	14,121,865	14,233,197
Derivative liabilities	160,162	160,162	351,030	351,030
Other financial liabilities ¹	5,713,981	5,713,979	5,067,549	5,070,603
	<u>₩ 143,918,021₩</u>	<u>144,193,229₩</u>	<u>140,823,271₩</u>	<u>140,993,499</u>

¹ Other financial liabilities consist of accounts payables, accrued expenses and others.

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(b) Fair value measurement method and assumptions by financial instruments

The fair value assessment method and assumptions are as follows:

Classification	Fair value measurement technique
Cash and due from banks	The carrying amounts of cash are assumed to be, and demand due from banks and payment due from banks are reasonable approximations of fair values. These financial instruments do not have a fixed maturity and are receivable on demand. Fair value of ordinary due from banks is measured using DCF Model. However, if the contractual maturity and the interest resetting period from the settlement date are within three months, the carrying amounts are assumed to be the fair value.
Securities	The fair value of financial instruments that are quoted in active markets is determined using the quoted prices. Fair value is determined by independent third-party pricing services when quoted prices are not available. Pricing services use one or more of the valuation techniques, including DCF Model, Imputed Market Value Model, Free Cash Flow to Equity Model, Dividend Discount Model, Risk-Adjusted Discount Rate Method and Net Asset Value Method.
Derivatives	For exchange-traded derivatives, a quoted price in an active market is used to determine fair value, and for over-the-counter (“OTC”) derivatives, fair value is determined using valuation techniques. The consolidated entity uses internally developed valuation models that are widely used by market participants to determine the fair value of plain OTC derivatives, including options, IRSs and currency swaps, based on observable market parameters. However, some complex financial instruments are valued using an advanced internal valuation model or the results of independent pricing services, where part or all of the inputs are not observable in the market. OTC derivatives with closed-form solutions in its valuation are valued using the appropriate model. Complex derivative instruments whose valuation method cannot be defined by closed-form solution are valued using techniques, including Finite Difference Method and Monte Carlo Simulation.
Loans and receivables	DCF is used to determine the fair value of loans and receivables. When DCF Model is applied, the expected cash flow is calculated by applying the early redemption risk rate to the contractual cash flow calculated according to the contract terms and discounted at an appropriate discount rate to calculate fair value. For those loans and receivables with residual maturities of less than three months as of the closing date and the ones with a reset period of less than three months, the carrying amount is regarded as fair value.
Deposit liabilities	The carrying amount of demand deposit is regarded as fair value as it does not have the maturity and the amount approximates the fair value. Fair value of time deposit is determined using DCF. Fair value is determined using appropriate discount rate and the expected cash flows by contractual cash flows with the prepayment rate taken into account. For those deposits with residual maturities of less than three months as of the closing date and the ones with a reset period of less than three months, the carrying amount is regarded as fair value.
Borrowings	Fair value is determined using DCF discounting contractual future cash flows by an appropriate discount rate. However, for those borrowings with residual maturities of less than three months as of the closing date and the ones with a reset period of less than three months, the carrying amount is regarded as fair value.
Debentures	Fair value is determined by using the valuation of independent third-party pricing services in accordance with the market prices that are quoted in active markets.
Other financial liabilities	Other financial liabilities mainly consist of financial liabilities with residual maturities of less than three months as of the closing date, and the carrying amount of those is regarded as fair value.

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(c) Fair Value Hierarchy Classifications of the Financial Instruments that are Subsequently Measured at Fair Value

The fair value hierarchy classifications of the financial instruments that are subsequently measured at fair value as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL	₩ 1,913,326	₩ 6,696,612	₩ 1,776,675	₩ 10,386,613
Financial assets at FVOCI	3,383,391	5,137,602	149,888	8,670,881
Loans receivables at FVTPL	-	-	18,867	18,867
Derivative assets	120	166,018	32,438	198,576
	<u>₩ 5,296,837</u>	<u>₩ 12,000,232</u>	<u>₩ 1,977,868</u>	<u>₩ 19,274,937</u>
Financial liabilities:				
Financial liabilities at FVTPL	₩ 867,020	₩ -	₩ 1,407,243	₩ 2,274,263
Derivative liabilities	126	142,026	18,010	160,162
	<u>₩ 867,146</u>	<u>₩ 142,026</u>	<u>₩ 1,425,253</u>	<u>₩ 2,434,425</u>

(In millions of Korean won)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL	₩ 1,255,100	₩ 5,546,586	₩ 1,653,655	₩ 8,455,341
Financial assets at FVOCI	3,348,652	5,573,937	140,397	9,062,986
Loans receivables at FVTPL	-	-	36,589	36,589
Derivative assets	502	379,708	31,992	412,202
	<u>₩ 4,604,254</u>	<u>₩ 11,500,231</u>	<u>₩ 1,862,633</u>	<u>₩ 17,967,118</u>
Financial liabilities:				
Financial liabilities at FVTPL	₩ 878,297	₩ -	₩ 1,247,603	₩ 2,125,900
Derivative liabilities	216	325,496	25,318	351,030
	<u>₩ 878,513</u>	<u>₩ 325,496</u>	<u>₩ 1,272,921</u>	<u>₩ 2,476,930</u>

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The valuation techniques and input variables of Level 2 financial instruments, subsequently measured at fair value, as of June 30, 2025, and December 31, 2024, are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025		
	Fair value	Valuation techniques	Input variables
Financial assets:			
Financial assets at FVTPL			
Debt securities	₩ 5,598,616	DCF Model	Discount rate
Other securities	1,097,996	DCF Model, Net Asset Value Method	Discount rate, value of underlying assets, volatility
Financial assets at FVOCI			
Debt securities	5,137,602	DCF Model	Discount rate
Derivative assets	166,018	DCF Model and 1-factor Gaussian Copular model	Interest rate, discount rate, exchange rate, credit spread of reference entity, etc.
Financial liabilities:			
Derivative liabilities	₩ 142,026	DCF Model and 1-factor Gaussian Copular model	Interest rate, discount rate, exchange rate, credit spread of reference entity, etc.

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<i>(In millions of Korean won)</i>	December 31, 2024		
	Fair value	Valuation techniques	Input variables
Financial assets:			
Financial assets at FVTPL			
Debt securities	₩ 4,791,579	DCF Model	Discount rate
Other securities	755,007	DCF Model, Net Asset Value Method and Monte Carlo Simulation	Discount rate, value of underlying assets, volatility
Financial assets at FVOCI			
Debt securities	5,573,937	DCF Model	Discount rate
Derivative assets	379,708	DCF Model, Binomial Trees and 1-factor Gaussian Copular model	Interest rate, discount rate, volatility, exchange rate, credit spread of reference entity, etc.
Financial liabilities:			
Derivative liabilities	₩ 325,496	DCF Model and 1-factor Gaussian Copular model	Interest rate, discount rate, exchange rate, credit spread of reference entity, etc.

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The valuation techniques, input variables and range of significant unobservable input variables of Level 3 financial instruments, which are subsequently measured at fair value, as of June 30, 2025 and December 31, 2024, are as follows:

<i>(In millions of Korean won)</i>	<u>Fair value</u>	Valuation techniques	Range of significant unobservable inputs	Relationship between significant unobservable inputs and fair value
	<u>June 30, 2025</u>			
Financial assets:				
Financial assets at FVTPL	₩ 1,776,675			
Equity securities	336,336	Net Asset Value Method, DCF Model, Binomial Trees, Hull & White / G2+ , and Comparable Company Analysis	Value of underlying assets Discount rate: 8.92%-9.97% Volatility: 0.48%-37.98%	Fair value increases (decreases) when value of underlying assets increases (decreases), discount rate decreases (increases) or volatility increases (decreases)
Debt securities	27,465	Monte Carlo Simulation	Volatility: 17.58%-74.38%	Fair value increases (decreases) when value of underlying assets increases (decreases) or volatility increases (decreases)
Other securities	1,412,874	Net Asset Value Method, Binomial Trees, Monte Carlo Simulation, DCF Model, Dividend Discount Model and Market Value Approach	Value of underlying assets Discount rate: 2.62%-138.94% Volatility: 10.80%-39.51% Growth rate: 1.00% Liquidation value: -1.00%-1.00%	Fair value increases (decreases) when value of underlying assets increases (decreases), discount rate decreases (increases), volatility increases (decreases), growth rate increases (decreases) or liquidation value increases (decreases)
Financial assets at FVOCI	149,888			
Equity securities	149,888	Net Asset Value Method, Free Cash Flow Equity Model, DCF Model and Comparable Company Analysis	Value of underlying assets Discount rate: 5.91%-15.72% Growth rate: 0.00%-1.00% Liquidation value: 0.00%	Fair value increases (decreases) when value of underlying assets increases (decreases), discount rate decreases (increases), growth rate increases (decreases) or liquidation value increases (decreases)
Loans receivables at FVTPL	18,867			
Hybrid (combined) instruments	18,867	Binomial Trees	Volatility: 41.89%-55.25% Discount rate: 3.83%-9.93%	Fair value increases (decreases) when value of underlying assets increases (decreases), volatility increases (decreases) or

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<i>(In millions of Korean won)</i>	<u>Fair value</u>	Valuation techniques	Range of significant unobservable inputs	Relationship between significant unobservable inputs and fair value
	<u>June 30, 2025</u>			
Derivative assets	32,438	Binomial Trees, Monte Carlo Simulation and 1-factor Gaussian Copular model	Volatility: 0.00%-99.00% Discount rate : 2.62%-2.65% Credit Spread: 0.00%-5.00% Correlation coefficient: -0.99-0.99	discount rate decreases (increases) Fair value increases (decreases) when volatility increases (decreases), discount rate decreases (increases). Possibility of increase in fair value increases when credit spread narrows or correlation coefficient increases.
Financial liabilities:				
Financial liabilities designated at FVTPL	1,407,243	Hull & White Model and Monte Carlo Simulation	Volatility: 0.00%-99.00% Correlation coefficient: -0.99-0.99	Fair value increases (decreases) when volatility increases (decreases). Possibility of increase in fair value increases when correlation coefficient increases.
Derivative liabilities	18,010	Binomial Trees and Monte Carlo Simulation	Volatility: 0.00%-99.00% Discount rate: 2.62%-2.65% Credit Spread: 0.00%-5.00% Correlation coefficient: -0.99-0.99	Fair value increases (decreases) when volatility increases (decreases), discount rate decreases (increases). Possibility of increase in fair value increases when credit spread narrows, correlation coefficient increases.
<i>(In millions of Korean won)</i>	<u>Fair value</u>	Valuation techniques	Range of significant unobservable inputs	Relationship between significant unobservable inputs and fair value
	<u>December 31, 2024</u>			
Financial assets				
Financial assets at FVTPL	₩ 1,653,655			
Equity securities	313,992	Net Asset Value Method, DCF Model, Binomial Trees, Hull & White / G2++, Least Square Monte Carlo Simulation ("LSMC") and	Value of underlying assets Discount rate: 8.40%-9.76% Volatility: 0.48%-36.37% Growth rate: 0.00%	Fair value increases (decreases) when value of underlying assets increases (decreases), discount rate decreases (increases), growth rate increases (decreases) or volatility increases (decreases)

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<i>(In millions of Korean won)</i>	<u>Fair value</u>	Valuation techniques	Range of significant unobservable inputs	Relationship between significant unobservable inputs and fair value
	December 31, 2024			
		Comparable Company Analysis		
Debt securities	41,050	LSMC	Volatility: 23.86%-43.55%	Fair value increases (decreases) when volatility increases (decreases)
Other securities	1,298,613	Net Asset Value Method, Dividend Discount Model, Free Cash Flow Equity Model, Binomial Trees, Market Value Approach, LSMC and Comparable Company Analysis	Value of underlying assets Discount rate: 2.66%-125.11% Growth rate: 1.00% Liquidation value: 0.00%	Fair value increases (decreases) when value of underlying assets increases (decreases), discount rate decreases (increases), volatility increases (decreases), growth rate increases (decreases) or liquidation value increases (decreases)
Financial assets at FVOCI				
Equity securities	140,397	Net Asset Value Method, Free Cash Flow Equity Model, Dividend Discount Model, Comparable Company Analysis and DCF Model	Value of underlying assets Discount rate: 6.01%-15.72% Growth rate: 0.00%-1.00% Liquidation value: 0.00%	Fair value increases (decreases) when value of underlying assets increases (decreases), discount rate decreases (increases), growth rate increases (decreases) or liquidation value increases (decreases)
Loans receivables at FVTPL	36,589			
Hybrid (combined) instruments	36,589	Binomial Trees	Volatility: 0.65%-66.99% Discount rate: 3.37%-8.84%	Fair value increases (decreases) when volatility increases (decreases) or discount rate decreases (increases)
Derivative assets	31,992	Binomial Trees, LSMC and 1-factor Gaussian Copular model	Volatility: 0.49%-25.85% Discount rate : 2.70%-2.80% Credit spread: 5.00%	Fair value increases (decreases) when volatility increases (decreases), discount rate decreases (increases). Possibility of increase in fair value increases when credit spread widens.
Financial liability				

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<i>(In millions of Korean won)</i>	Fair value	Valuation techniques	Range of significant unobservable inputs	Relationship between significant unobservable inputs and fair value
	December 31, 2024			
Financial liabilities at FVTPL	1,247,603	Hull & White Model and LSMC	Volatility: 0.00%-99.00% Correlation coefficient: -0.99-0.99	Fair value increases (decreases) when volatility increases (decreases). Possibility of increase in fair value increases when correlation coefficient increases.
Derivative liabilities	25,318	Binomial Trees and LSMC	Volatility: 0.49%-99.00% Discount rate: 2.70%-2.80%	Fair value increases (decreases) when volatility increases (decreases) or discount rate decreases (increases)

The following table shows the sensitivity analysis to disclose the effect of reasonably possible alternative assumptions on the fair value of Level 3 financial instruments as of June 30, 2025, and December 31, 2024:

<i>(In millions of Korean won)</i>	June 30, 2025			
	Profit (loss) for the year		Other comprehensive income	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Financial assets:				
Financial assets at FVTPL ^{1,5}	₩ 5,933	₩ (4,862)	₩ -	₩ -
Financial assets at FVOCI	-	-	4,664	(2,417)
Loans receivables at FVTPL ²	297	(297)	-	-
Derivative assets ³	91	(90)	-	-
Financial liabilities:				
Financial liabilities designated at FVTPL ⁴	-	(7)	-	-
Derivative liabilities ³	6,116	(6,116)	-	-
	<u>₩ 12,437</u>	<u>₩ (11,372)</u>	<u>₩ 4,664</u>	<u>₩ (2,417)</u>

¹ Fair value changes of securities are calculated by increasing or decreasing growth rate (0% - 1%) and discount rate (-1% - 1%) or liquidation value (-1% - 1%) and discount rate (-1% - 1%). The growth rate, discount rate and liquidation value are major unobservable inputs.

² For convertible private bonds, changes in their fair value are calculated by decreasing the stock price (-20% - 20%), product price and others (-20% - 20%), and increasing or decreasing the interest rate (-2%p - 2%p), value of Korean won (-10% - 10%) and credit premium (additional interest rate) (-5%p - 5%p).

³ Changes in the fair value are calculated by increasing or decreasing 10% of KRW Swaption volatility that is a significant unobservable input variable related to Callable IRS.

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⁴ Fair value changes of financial liabilities designated as at FVTPL are calculated by increasing or decreasing volatility (-10% - 10%) and discount rate (-1% - 1%), which are unobservable input variables.

⁵ Beneficiary certificates and some contributions were excluded because it was practically impossible to calculate sensitivity due to changes in input variables.

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	December 31, 2024			
	Profit (loss) for the year		Other comprehensive income	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Financial assets:				
Financial assets at FVTPL ^{1, 5}	₩ 6,318	₩ (4,855)	₩ -	₩ -
Financial assets at FVOCI ¹	-	-	5,018	(2,487)
Loans receivables at FVTPL ²	415	(417)	-	-
Derivative assets ³	86	(86)	-	-
Financial liabilities:				
Financial liabilities at FVTPL ⁴	-	-	-	-
Derivative liabilities ³	6,515	(6,515)	-	-
	<u>₩ 13,334</u>	<u>₩ (11,873)</u>	<u>₩ 5,018</u>	<u>₩ (2,487)</u>

¹ The fair value changes of securities are calculated by increasing or decreasing growth rate (0% - 1%) and discount rate (-1% - 1%) or liquidation value (-1% - 1%) and discount rate (-1% - 1%). The growth rate, discount rate and liquidation value are major unobservable inputs.

² For convertible private bonds, changes in their fair value are calculated by decreasing the stock price (-20% - 20%), product price and others (-20% - 20%), and increasing or decreasing the interest rate (-2%p - 2%p), value of Korean won (-10% - 10%) and credit premium (additional interest rate) (-5%p - 5%p).

³ Changes in the fair value are calculated by increasing or decreasing 10% of KRW Swaption volatility that is a significant unobservable input variable related to Callable IRS.

⁴ Fair value changes of financial liabilities designated as at FVTPL are calculated by increasing or decreasing volatility (-10% - 10%) and discount rate (-1% - 1%), which are unobservable input variables.

⁵ Beneficiary certificates and some contributions were excluded because it was practically impossible to calculate sensitivity due to changes in input variables.

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Changes in Level 3 financial instruments subsequently measured at fair value for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025					
	Financial assets at FVTPL	Financial assets at FVOCI	Loans receivables at FVTPL	Derivative assets	Derivative liabilities	Financial liabilities designated at FVTPL
Beginning balance	₩ 1,653,655	₩ 140,397	₩ 36,589	₩ 31,992	₩ 25,318	₩ 1,247,603
Total profit or loss:						
Amount recognized in profit or loss ¹	115,150	-	1,798	(146)	(7,326)	14,631
Amount recognized in other comprehensive income	-	9,194	-	-	-	913
Purchases	199,953	299	-	669	18	1,327,908
Sales	(111,758)	(2)	(19,520)	(77)	-	(1,183,812)
Settlements	(80,375)	-	-	-	-	-
Reclassification	50	-	-	-	-	-
Ending balance	<u>₩ 1,776,675</u>	<u>₩ 149,888</u>	<u>₩ 18,867</u>	<u>₩ 32,438</u>	<u>₩ 18,010</u>	<u>₩ 1,407,243</u>

¹ For the changes in Level 3 of the fair value hierarchy during the current period, the amounts recognized as profit or loss for the period and the unrealized gains or losses on assets and liabilities held at the end of the reporting period are presented in the statement of comprehensive income as the following individual items:

(In millions of Korean won)

	Financial assets at FVTPL	Loans receivables at FVTPL	Derivatives	Financial liabilities designated at FVTPL	Total
Profit(loss) for the period	₩ 115,150	₩ 1,798	₩ 7,180	₩ (14,631)	₩ 109,497
Change in unrealized gain(loss)	55,952	738	7,145	(15,310)	48,525

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(In millions of Korean won)

2024

	Financial assets at FVTPL	Financial assets at FVOCI	Loans receivables at FVTPL	Derivative assets	Derivative liabilities	Financial liabilities designated at FVTPL
Beginning balance	₩ 1,443,477	₩ 148,455	₩ 51,250	₩ 9,846	₩ 38,334	₩ 930,713
Total profit or loss:						
Amount recognized in profit or loss ¹	18,093	-	4,496	1,354	3,236	18,723
Amount recognized in other comprehensive income	-	(9,961)	-	-	-	1,575
Purchases	364,571	-	-	-	-	863,204
Sales	(161,544)	-	(23,246)	(9,867)	(5,771)	(681,632)
Reclassification	159,301	-	-	-	-	-
Ending balance	<u>₩ 1,823,898</u>	<u>₩ 138,494</u>	<u>₩ 32,500</u>	<u>₩ 1,333</u>	<u>₩ 35,799</u>	<u>₩ 1,132,583</u>

¹ For the changes in Level 3 of the fair value hierarchy during the current period, the amounts recognized as profit or loss for the period and the unrealized gains or losses on assets and liabilities held at the end of the reporting period are presented in the statement of comprehensive income as the following individual items:

(In millions of Korean won)	Financial assets at FVTPL	Loans receivables at FVTPL	Derivatives	Financial liabilities designated at FVTPL	Total
Profit(loss) for the period	₩ 18,093	₩ 4,496	₩ (1,882)	₩ (18,723)	₩ 1,984
Change in unrealized gain(loss)	30,303	1,068	(8,361)	(18,415)	4,595

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(d) Fair Value Hierarchy Classifications of the Financial Instruments that are not Subsequently Measured at Fair Value

The fair value hierarchy classifications of the financial instruments that are subsequently not measured at fair value as of June 30, 2025, and December 31, 2024 are as follows:

(In millions of Korean won)

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and deposits	₩ 558,924	₩ 5,139,905	₩ -	₩ 5,698,829
Loans and receivables	-	35,651	117,941,156	117,976,807
Financial assets at amortized cost	534,931	7,893,817	-	8,428,748
	<u>₩ 1,093,855</u>	<u>₩ 13,069,373</u>	<u>₩ 117,941,156</u>	<u>₩ 132,104,384</u>
Financial liabilities:				
Deposit liabilities	₩ -	₩ 18,246,852	₩ 91,399,918	₩ 109,646,770
Borrowings	-	5,667,415	5,855,186	11,522,601
Debentures	-	14,875,454	-	14,875,454
Other financial liabilities	-	-	5,713,979	5,713,979
	<u>₩ -</u>	<u>₩ 38,789,721</u>	<u>₩ 102,969,083</u>	<u>₩ 141,758,804</u>

(In millions of Korean won)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and deposits	₩ 514,543	₩ 5,303,839	₩ -	₩ 5,818,382
Loans and receivables	-	59,929	115,708,015	115,767,944
Financial assets at amortized cost	413,432	7,985,369	15,997	8,414,798
	<u>₩ 927,975</u>	<u>₩ 13,349,137</u>	<u>₩ 115,724,012</u>	<u>₩ 130,001,124</u>
Financial liabilities:				
Deposit liabilities	₩ -	₩ 16,983,461	₩ 90,945,865	₩ 107,929,326
Borrowings	-	4,938,245	6,345,198	11,283,443
Debentures	-	14,233,197	-	14,233,197
Other financial liabilities	-	-	5,070,603	5,070,603
	<u>₩ -</u>	<u>₩ 36,154,903</u>	<u>₩ 102,361,666</u>	<u>₩ 138,516,569</u>

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The valuation techniques and input variables of Level 2 financial instruments, subsequently not measured at fair value, as of June 30, 2025, and December 31, 2024, are as follows. The valuation techniques and inputs variables are not disclosed for the items that the carrying amounts are disclosed at fair value as the carrying amounts are considered to be the reasonable approximation of the fair value.

(In millions of Korean won)

	Fair value		Valuation techniques	Input variables
	June 30, 2025	December 31, 2024		
Financial assets:				
Debt securities	₩ 7,893,817	₩ 7,985,369	DCF Model	Discount rate
Financial liabilities:				
Deposit liabilities	₩ 18,246,852	₩ 16,983,461	DCF Model	Discount rate
Borrowings	5,667,415	4,938,245	DCF Model	Discount rate
Debentures	14,875,454	14,233,197	DCF Model	Discount rate

The valuation techniques and input variables of Level 3 financial instruments, subsequently not measured at fair value, as of June 30, 2025, and December 31, 2024, are as follows:

(In millions of Korean won)

	Fair value		Valuation techniques	Input variables
	June 30, 2025	December 31, 2024		
Financial assets:				
Loans and receivables	₩ 117,941,156	₩ 115,708,015	DCF Model	Discount rate and early repayment rate
Financial assets at amortized cost	-	15,997	DCF Model	Discount rate and early repayment rate
Financial liabilities:				
Deposit liabilities	₩ 91,399,918	₩ 90,945,865	DCF Model	Discount rate
Borrowings	5,855,186	6,345,198	DCF Model	Discount rate
Other financial liabilities	5,713,979	5,070,603	DCF Model	Discount rate

(e) Transfer of Financial Assets

The Group holds securities sold under repurchase and securities lending arrangements, and such transactions have resulted in transfer of financial assets. However, they have been recorded in the consolidated statement of financial position since the assets did not meet the derecognition criteria. In case of securities sold under repurchase agreements, the Group sells the assets to another party with a commitment to buy the assets back at a specified price. Loaned securities will be returned at the end of security lending agreement. Hence, the Group retains substantially all the risks and rewards of ownership of the financial assets.

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Details of the book amounts of transferred assets and relevant liabilities as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

	June 30, 2025		December 31, 2024	
	Book amount of transferred assets	Book amount of related liabilities	Book amount of transferred assets	Book amount of related liabilities
Securities sold under repurchase agreement	₩ 4,624,924	₩ 4,849,702	₩ 3,504,685	₩ 3,832,895
Loaned securities	386,234	-	660,279	-
Liquidated financial assets	415,022	454,053	472,543	506,999
	<u>₩ 5,426,180</u>	<u>₩ 5,303,755</u>	<u>₩ 4,637,507</u>	<u>₩ 4,339,894</u>

(f) *Financial instruments by category*

The carrying amounts of financial assets and financial liabilities by each category as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

	June 30, 2025				
	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Risk hedging derivative assets	Net amount
Financial Assets:					
Cash and deposits	₩ -	₩ -	₩ 5,698,829	₩ -	₩ 5,698,829
Financial assets at FVTPL	10,386,613	-	-	-	10,386,613
Derivatives assets	-	-	-	198,576	198,576
Loans receivables at FVTPL	18,867	-	-	-	18,867
Loans receivables at amortized cost	-	-	115,917,262	-	115,917,262
Financial assets at FVOCI	-	8,670,881	-	-	8,670,881
Financial assets at amortized cost	-	-	8,380,906	-	8,380,906
	<u>₩ 10,405,480</u>	<u>₩ 8,670,881</u>	<u>₩ 129,996,997</u>	<u>₩ 198,576</u>	<u>₩ 149,271,934</u>

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(In millions of Korean won)

	June 30, 2025				
	Financial liabilities at FVTPL	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Risk hedging derivative liabilities	Net amount
Financial Liabilities:					
Deposit liabilities	₩ -	₩ -	₩ 109,518,685	₩ -	₩109,518,685
Financial liabilities at FVTPL	867,020	1,407,243	-	-	2,274,263
Borrowings	-	-	11,510,657	-	11,510,657
Debentures	-	-	14,740,273	-	14,740,273
Derivative liabilities	-	-	-	160,162	160,162
Others ¹	-	-	5,747,677	-	5,747,677
	<u>₩ 867,020</u>	<u>₩ 1,407,243</u>	<u>₩ 141,517,292</u>	<u>₩ 160,162</u>	<u>₩143,951,717</u>

¹ Other financial liabilities consist of accounts payables, accrued expenses and others.

(In millions of Korean won)

	December 31, 2024				
	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Risk hedging derivative assets	Net amount
Financial Assets:					
Cash and deposits	₩ -	₩ -	₩ 5,818,382	₩ -	₩ 5,818,382
Securities at FVTPL	8,455,341	-	-	-	8,455,341
Derivatives assets	-	-	-	412,202	412,202
Loans receivables at FVTPL	36,589	-	-	-	36,589
Loans receivables at amortized cost	-	-	113,909,003	-	113,909,003
Securities at FVOCI	-	9,062,986	-	-	9,062,986
Securities at amortized cost	-	-	8,425,326	-	8,425,326
	<u>₩ 8,491,930</u>	<u>₩ 9,062,986</u>	<u>₩ 128,152,711</u>	<u>₩ 412,202</u>	<u>₩146,119,829</u>

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	December 31, 2024				
	Financial liabilities at FVTPL	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Risk hedging derivative liabilities	Net amount
Financial Liabilities:					
Deposit liabilities	₩ -	₩ -	₩ 107,855,430	₩ -	₩107,855,430
Financial liabilities at FVTPL	878,297	1,247,603	-	-	2,125,900
Borrowings	-	-	11,301,497	-	11,301,497
Debentures	-	-	14,121,865	-	14,121,865
Derivative liabilities	-	-	-	351,030	351,030
Others ¹	-	-	5,095,920	-	5,095,920
	<u>₩ 878,297</u>	<u>₩ 1,247,603</u>	<u>₩ 138,374,712</u>	<u>₩ 351,030</u>	<u>₩140,851,642</u>

¹ Other financial liabilities consist of accounts payables and accrued expenses.

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7. CASH AND DUE FROM BANKS:

Details of cash and due from banks restricted in use as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	Financial institution	June 30, 2025	December 31, 2024	Reason for restriction
Cash and cash equivalents:				
Reserve deposits in Korean won	The BOK	₩ 3,589,967	₩ 3,481,460	Article 55 of the Bank of Korea Act
Reserve deposits in foreign currencies	The BOK	75,600	33,489	Article 55 of the Bank of Korea Act
Demand deposits in foreign currencies	The State Bank of Vietnam	900	1,833	Payment reserves
Other deposits in Foreign Currencies	The State Bank of Vietnam	<u>592</u>	<u>998</u>	Payment reserves
		<u>3,667,059</u>	<u>3,517,780</u>	
Due from banks:				
Due from banks in Korean won	The Korea Securities Finance Corporation	166,638	150,754	Deposits from investors and others
	Korea Federation of Savings Banks	60,512	61,798	Reserve deposits and others
	Korea Securities Depository and others	135	135	Deposits to performance guarantees and others
	KRX and others	<u>87,322</u>	<u>46,648</u>	Collective fund for default losses and others
		<u>314,607</u>	<u>259,335</u>	
Due from banks in foreign currencies	KRX	12,820	16,696	Reserve deposits and others
	The People's Bank of China and others	9,090	24,117	Reserve deposits for overseas affiliates and others
	China Bohai Bank	<u>14,920</u>	<u>-</u>	Article 85 of the Enforcement Rules of the Foreign Currency Bank Management Ordinance
		<u>36,830</u>	<u>40,813</u>	
		<u>₩ 4,018,496</u>	<u>₩ 3,817,928</u>	

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8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS:

Financial assets at fair value through profit or loss as of June 30, 2025 and December 31, 2024 consist of the following:

<i>(In millions of Korean won)</i>	June 30, 2025		December 31, 2024	
Equity securities	₩	458,075	₩	357,147
Government and public bonds		964,311		738,413
Finance bonds		1,236,247		931,980
Corporate bonds		3,209,095		2,987,958
Other debt securities		916,344		677,586
Beneficiary certificates		2,758,734		1,975,602
Others		843,807		786,655
	₩	<u>10,386,613</u>	₩	<u>8,455,341</u>

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9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME:

Financial assets at fair value through other comprehensive income as of June 30, 2025 and December 31, 2024 consist of the following:

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024
Equity securities ¹:		
Stock	₩ 157,485	₩ 150,413
Investment and others	980	980
	<u>158,465</u>	<u>151,393</u>
Debt securities:		
Government and public bonds	3,666,304	3,412,314
Finance bonds	2,265,382	2,053,718
Corporate bonds	2,204,537	2,815,303
Loans in securities	376,193	630,258
	<u>8,512,416</u>	<u>8,911,593</u>
	<u>₩ 8,670,881</u>	<u>₩ 9,062,986</u>

¹ The equity securities held for strategic purposes rather than short-term trading, are designated as financial assets at fair value through other comprehensive income.

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10. FINANCIAL ASSETS AT AMORTIZED COST:

Financial assets at amortized cost as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024
Debt securities:		
Government and public bonds	₩ 4,741,515	₩ 4,413,054
Finance bonds	539,783	660,141
Corporate bonds	3,091,337	3,324,298
Loans in securities	10,041	30,021
Provision for impairment	(1,770)	(2,188)
	<u>₩ 8,380,906</u>	<u>₩ 8,425,326</u>

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11. ASSETS PROVIDED AS COLLATERAL:

The investments in financial assets provided as collateral as of June 30, 2025 and December 31, 2024 consist of the following:

(In millions of Korean won)

		Face value		Reason
			June 30, 2025	
Financial assets at FVTPL	Korea Securities Depository and others	₩	4,001,251	Sold under repurchase agreements
	Korea Securities Finance Corp and others		1,349,730	Lending transaction
	Korea Securities Finance Corp		592	Margin loans
	Korea Investment & Securities and others		97,685	OTC derivatives transaction
Financial assets at FVOCI	Korea Securities Depository		534,705	Sold under repurchase agreements
	KRX		6,866	Substitute securities
	Nomura Finance Investment and others		28,968	Sold under repurchase agreements
	Bank of Korea		1,560,281	Borrowing collateral and overdraft and settlement
	Standard Chartered Bank and others		38,642	Collateral for OTC derivatives
Financial assets at amortized cost	Bank of America and others		65,897	Collateral for Credit Support Annex
	Korea Securities Depository		60,000	Sold under repurchase agreements
	Bank of Korea		2,410,588	Borrowing collateral and overdraft and settlement
	Korea Securities Depository		100	Collective fund for default losses
	Sumitomo Mitsui Banking Corporation and others		49,350	Foreign borrowings, Collateral for Credit Support Annex and others
	Shinhan Securities Co., Ltd. and others		21,454	Margin for futures and others
		₩	10,226,109	

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<i>(In millions of Korean won)</i>		Face value		
	Provided to	December 31, 2024		Reason
Financial assets at FVTPL	Korea Securities Depository	₩	3,108,760	Sold under repurchase agreements
	Korea Securities Finance Corp and others		1,003,523	Lending transaction
	Korea Investment & Securities and others		73,764	OTC derivatives transaction
Financial assets at FVOCI	Korea Securities Depository		369,912	Sold under repurchase agreements
	KRX		14,839	Substitute securities
	Nomura Finance Investment and others		28,496	Sold under repurchase agreements
	Bank of Korea		1,255,874	
	Standard Chartered Bank and others		70,439	Collateral for OTC derivatives
	BOA and others		77,910	Collateral for Credit Support Annex
Financial assets at amortized cost	Korea Securities Depository		90,118	Sold under repurchase agreements
	Bank of Korea		2,538,979	Borrowing collateral and overdraft and settlement
	Korea Securities Depository		100	Collective fund for default losses
	Standard Chartered Bank and others		65,109	Foreign borrowings, Collateral for Credit Support Annex and others
	KB Securities and others		19,492	Margin for futures and others
			₩	8,717,315

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Details of the land and building provided by the Group as collateral for the leasehold deposits as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

		June 30, 2025		
	Secured assets	Carrying amount		Maximum amount
Property and equipment	Land	₩	14,785	
	Building		10,340	
		₩	<u>25,125</u>	
Investment properties	Land	₩	25,578	₩ 1,240
	Building		3,760	
		₩	<u>29,338</u>	

(In millions of Korean won)

		December 31, 2024		
	Secured assets	Carrying amount		Maximum amount
Property and equipment	Land	₩	15,293	
	Building		10,522	
		₩	<u>25,815</u>	
Investment properties	Land	₩	25,069	₩ 1,460
	Building		3,778	
		₩	<u>28,847</u>	

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Details of the land and building provided by the Group as collateral for the loans as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

		June 30, 2025		
	Secured assets	Carrying amount		Maximum amount
Property and equipment	Land	₩	91,295	
	Building		107,172	
		₩	<u>198,467</u>	
Investment properties	Land	₩	34,488	₩ 209,760
	Building		40,484	
		₩	<u>74,972</u>	

(In millions of Korean won)

		December 31, 2024		
	Secured assets	Carrying amount		Maximum amount
Property and equipment	Land	₩	116,723	
	Building		43,266	
		₩	<u>159,989</u>	
Investment properties	Land	₩	353,729	₩ 482,760
	Building		119,765	
		₩	<u>473,494</u>	

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12. LOANS AND RECEIVABLES:

Loans and receivables as of June 30, 2025 and December 31, 2024 consist of the following:

(In millions of Korean won)

	June 30, 2025			December 31, 2024		
	Amortized cost	Fair value	Total	Amortized cost	Fair value	Total
Loans receivable:						
Loans in Korean won:						
Corporates	₩ 70,452,050	₩ -	₩ 70,452,050	₩ 69,823,053	₩ -	₩ 69,823,053
Household	37,093,736	-	37,093,736	36,547,881	-	36,547,881
Public sector and others	2,141,179	-	2,141,179	2,047,104	-	2,047,104
Interbank loans	74,662	-	74,662	90,187	-	90,187
	<u>109,761,627</u>	<u>-</u>	<u>109,761,627</u>	<u>108,508,225</u>	<u>-</u>	<u>108,508,225</u>
Loans in foreign currencies	1,859,418	-	1,859,418	1,765,909	-	1,765,909
Call loans	495,302	-	495,302	418,896	-	418,896
Bills bought in local currency	20,000	-	20,000	19,690	-	19,690
Bills bought in foreign currencies	185,088	-	185,088	188,292	-	188,292
Advances for customers	6,304	-	6,304	2,765	-	2,765
Credit card receivables	799,212	-	799,212	857,422	-	857,422
Bonds purchased under repurchase agreement	360,000	-	360,000	420,600	-	420,600
Privately placed bonds	524,254	18,867	543,121	516,338	36,589	552,927
Finance lease receivables	488,357	-	488,357	478,787	-	478,787
Installment financing receivables	528,964	-	528,964	505,496	-	505,496
	<u>115,028,526</u>	<u>18,867</u>	<u>115,047,393</u>	<u>113,682,420</u>	<u>36,589</u>	<u>113,719,009</u>
Provision for impairment of loans receivable ¹	-1,637,419	-	-1,637,419	-1,637,531	-	-1,637,531
Deferred loan origination fees	-13,929	-	-13,929	-12,720	-	-12,720
Deferred loan origination costs	213,403	-	213,403	204,782	-	204,782
	<u>113,590,581</u>	<u>18,867</u>	<u>113,609,448</u>	<u>112,236,951</u>	<u>36,589</u>	<u>112,273,540</u>
Receivables:						
Suspense payments	4,159	-	4,159	3,506	-	3,506
Non-trade receivable ²	1,244,111	-	1,244,111	594,985	-	594,985
Domestic exchange settlement debits	294,579	-	294,579	278,139	-	278,139
Guarantee deposits provided	248,159	-	248,159	248,520	-	248,520
Accrued income	613,044	-	613,044	621,051	-	621,051
Deposits under regulation	4,137	-	4,137	4,024	-	4,024

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Bills unsettled	27	-	27	18	-	18
Other	1,054	-	1,054	232	-	232
	<u>2,409,270</u>	<u>-</u>	<u>2,409,270</u>	<u>1,750,475</u>	<u>-</u>	<u>1,750,475</u>
Provision for impairment of receivables ²	(73,174)	-	(73,174)	(67,725)	-	(67,725)
Present value discounts (leasehold deposits provided)	(9,415)	-	(9,415)	(10,698)	-	(10,698)
	<u>2,326,681</u>	<u>-</u>	<u>2,326,681</u>	<u>1,672,052</u>	<u>-</u>	<u>1,672,052</u>
Loans and receivables	<u>₩ 115,917,262</u>	<u>₩ 18,867</u>	<u>₩ 115,936,129</u>	<u>₩ 113,909,003</u>	<u>₩ 36,589</u>	<u>₩ 113,945,592</u>

¹ Present value discounts of ₩3 million and ₩586 million are included as of June 30, 2025, and present value discounts of ₩6 million and ₩784 million are included as of December 31, 2024.

² Due to an employee embezzlement incident that occurred prior to the current year, the Group recognized illegal act receivables of ₩46,932 million as of June 30, 2025 and ₩65,651 million as of December 31, 2024. Additionally, the Group established provisions for bad debts of ₩46,932 million as of June 30, 2025 and ₩48,889 million as of December 31, 2024.

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13. PROVISION FOR IMPAIRMENT:

Changes in provision for impairment of loans and receivables for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025			
	Twelve months' expected credit losses	Lifetime expected credit losses		Total
	Unrecognized impairment	Recognized impairment		
Beginning balance	₩ 370,959	₩ 471,509	₩ 862,788	₩ 1,705,256
Transfer to 12 months' expected credit losses of financial assets	70,725	(69,698)	(1,027)	-
Transfer to lifetime expected credit losses	(48,086)	88,893	(40,807)	-
Transfer to credit-impaired financial assets	(24,183)	(119,306)	143,489	-
Written off during the year as uncollectible	-	-	(343,980)	(343,980)
Decrease in provision due to sales of loans	-	-	(105,727)	(105,727)
Financial assets issued or acquired	-	-	37,465	37,465
Changes from adjustments to receivables and payables	-	-	(45)	(45)
Exchange differences	(537)	(94)	(59)	(690)
Other	(3)	-	(13,692)	(13,695)
	<u>368,875</u>	<u>371,304</u>	<u>538,405</u>	<u>1,278,584</u>
Additional provision for impaired receivables during the period	11,064	38,730	382,215	432,009
Ending balance	<u>₩ 379,939</u>	<u>₩ 410,034</u>	<u>₩ 920,620</u>	<u>₩ 1,710,593</u>

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	2024			
	Twelve months' expected credit losses	Lifetime expected credit losses		Total
	Unrecognized impairment	Recognized impairment		
Beginning balance	₩ 447,950	₩ 679,960	₩ 409,118	₩ 1,537,028
Transfer to 12 months' expected credit losses of financial assets	60,297	(59,329)	(968)	-
Transfer to lifetime expected credit losses	(48,337)	60,281	(11,944)	-
Transfer to credit-impaired financial assets	(25,076)	(124,619)	149,695	-
Written off during the year as uncollectible	-	-	(179,481)	(179,481)
Decrease in provision due to sales of loans	-	-	(112,597)	(112,597)
Financial assets issued or acquired	-	-	19,904	19,904
Changes from adjustments to receivables and payables	-	-	(982)	(982)
Exchange differences	406	112	1,090	1,608
Other	(347)	-	(8,841)	(9,188)
	<u>434,893</u>	<u>556,405</u>	<u>264,994</u>	<u>1,256,292</u>
Additional provision for impaired receivables during the period	20,830	32,383	319,262	372,475
Ending balance	<u>₩ 455,723</u>	<u>₩ 588,788</u>	<u>₩ 584,256</u>	<u>₩ 1,628,767</u>

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Changes in provision for impairment for financial assets at fair value through other comprehensive income for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025					
	Twelve months' expected credit losses	Lifetime expected credit losses		Total		
		Unrecognized impairment	Recognized impairment			
Beginning balance	₩ 1,921	₩ -	₩ -	₩ -	₩ -	₩ 1,921
Decrease in provision from sales	(1,041)	-	-	-	-	(1,041)
Provision for impairment	995	-	-	-	-	995
Ending balance	<u>₩ 1,875</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 1,875</u>

(In millions of Korean won)

	2024					
	Twelve months' expected credit losses	Lifetime expected credit losses		Total		
		Unrecognized impairment	Recognized impairment			
Beginning balance	₩ 2,679	₩ -	₩ -	₩ -	₩ -	₩ 2,679
Decrease in provision from sales	(797)	-	-	-	-	(797)
Reversal of provision for impairment	(375)	-	-	-	-	(375)
Ending balance	<u>₩ 1,507</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 1,507</u>

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Changes in provision for impairment for securities at amortized cost for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025			
	Twelve months' expected credit losses	Lifetime expected credit losses		Total
		Unrecognized impairment	Recognized impairment	
Beginning balance	₩ 2,188	₩ -	₩ -	₩ 2,188
Reversal of provision for impairment	(419)	-	-	(419)
Ending balance	<u>₩ 1,769</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 1,769</u>

(In millions of Korean won)

	2024			
	Twelve months' expected credit losses	Lifetime expected credit losses		Total
		Unrecognized impairment	Recognized impairment	
Beginning balance	₩ 3,288	₩ -	₩ -	₩ 3,288
Reversal of provision for impairment	(1,338)	-	-	(1,338)
Ending balance	<u>₩ 1,950</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 1,950</u>

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14. DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING:

(a) The valuation of derivatives for trading as of June 30, 2025 and December 31, 2024 is as follows:

(In millions of Korean won)

	June 30, 2025			
	Valuation gain	Valuation loss	Assets	Liabilities
Currency:				
Currency forwards	₩ 205,967	₩ 213,514	₩ 86,894	₩ 86,739
Currency swaps	51,119	56,230	34,351	33,116
Currency options	28,354	25,603	8,355	8,200
	<u>285,440</u>	<u>295,347</u>	<u>129,600</u>	<u>128,055</u>
Interest rate:				
Interest rate forwards	120	126	120	126
Interest rate swaps	524	572	4,161	2,352
Interest rate futures	1,597	2,407	7,576	11,084
	<u>2,241</u>	<u>3,105</u>	<u>11,857</u>	<u>13,562</u>
Stock:				
Stock options	2,082	563	32,512	541
Stock swaps	-	-	926	-
	<u>2,082</u>	<u>563</u>	<u>33,438</u>	<u>541</u>
Credit:				
Credit swaps	7,813	11,207	23,532	-
	<u>7,813</u>	<u>11,207</u>	<u>23,532</u>	<u>-</u>
Other derivative assets:				
Other derivative instrument options	-	-	149	-
	<u>-</u>	<u>-</u>	<u>149</u>	<u>-</u>
	<u>₩ 297,576</u>	<u>₩ 310,222</u>	<u>₩ 198,576</u>	<u>₩ 142,158</u>

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(In millions of Korean won)

	December 31, 2024			
	Valuation gain	Valuation loss	Assets	Liabilities
Currency:				
Currency forwards	₩ 313,573	₩ 296,967	₩ 293,584	₩ 265,646
Currency swaps	24,677	17,919	21,007	15,141
Currency options	32,108	26,556	27,671	27,000
	<u>370,358</u>	<u>341,442</u>	<u>342,262</u>	<u>307,787</u>
Interest rate:				
Interest rate forwards	686	12,917	3,620	11,390
Interest rate swaps	6,684	4,033	4,365	2,451
Interest rate futures	502	216	502	216
	<u>7,872</u>	<u>17,166</u>	<u>8,487</u>	<u>14,057</u>
Stock:				
Stock options	1,153	1,203	30,536	1,015
Stock swaps	37	-	989	-
	<u>1,190</u>	<u>1,203</u>	<u>31,525</u>	<u>1,015</u>
Credit:				
Credit swaps	3,337	5,430	29,779	2,853
	<u>3,337</u>	<u>5,430</u>	<u>29,779</u>	<u>2,853</u>
Other derivative assets:				
Other derivative instrument options	-	-	149	-
	<u>-</u>	<u>-</u>	<u>149</u>	<u>-</u>
	<u>₩ 382,757</u>	<u>₩ 365,241</u>	<u>₩ 412,202</u>	<u>₩ 325,712</u>

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(b) Hedge

In order to hedge fluctuation risks of fair value due to changes in interest rate of structured deposits and issued financial bonds, a hedge accounting of fair value risk is applied that interest rate swaps are designated as a hedging instrument. In order to hedge currency fluctuation risks of net investments in foreign operations, a hedge accounting of net investments in foreign operations is applied that non-derivative financial instruments are designated as a hedging instrument.

The valuation of derivatives designated as a hedging instrument as of June 30, 2025 and December 31, 2024 is as follows:

<i>(In millions of Korean won)</i>	June 30, 2025			
	Valuation gain	Valuation loss	Assets	Liabilities
Interest rate:				
Interest rate swaps	₩ 5,990	₩ -	₩ -	₩ 18,003

<i>(In millions of Korean won)</i>	December 31, 2024			
	Valuation gain	Valuation loss	Assets	Liabilities
Interest rate:				
Interest rate swaps	₩ 10,352	₩ -	₩ -	₩ 25,318

Gains (losses) on the valuation of hedged items and hedging instrument for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025	2024
Loss on valuation of hedging instrument	₩ 5,990	(1,512)
Gain on valuation of hedged items	(6,259)	999
	₩ <u>(269)</u>	₩ <u>(513)</u>

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(c) The amount, timing and uncertainty of future cash flows as of June 30, 2025 and December 31, 2024 are as follows:

		June 30, 2025						
(In millions of Korean won)		Less than 1 year	Between 1 year – 2 years	Between 2 – 3 years	Between 3 – 4 years	Between 4 – 5 year	More than 5 years	Total
Fair value risk hedges								
Nominal amount of risk hedge instrument	₩	-	₩ 339,100	₩ -	₩ -	₩ -	₩ 70,000	₩ 409,100
Average hedge ratio (%)		-	100%	-	-	-	100%	100%
Risk hedges for net investments in foreign operation								
Nominal amount of risk hedge instrument	₩	₩ 72,567	₩ -	₩ 291,626	₩ -	₩ -	₩ -	₩ 364,193
Average hedge ratio (%)		100%	-	100%	-	-	-	100%
		December 31, 2024						
(In millions of Korean won)		Less than 1 year	Between 1 year – 2 years	Between 2 – 3 years	Between 3 – 4 years	Between 4 – 5 year	More than 5 years	Total
Fair value risk hedges								
Nominal amount of risk hedge instrument	₩	₩ -	₩ 367,500	₩ -	₩ -	₩ -	₩ 70,000	₩ 437,500
Average hedge ratio (%)		-	100%	-	-	-	100%	100%
Risk hedges for net investments in foreign operation								
Nominal amount of risk hedge instrument	₩	₩ 115,395	₩ -	₩ 323,400	₩ -	₩ -	₩ -	₩ 438,795
Average hedge ratio (%)		100%	-	100%	-	-	-	100%

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The current interest rates of hedging instruments as of June 30, 2025 and December 31, 2024 are as follows.

	June 30, 2025	December 31, 2024
Fair value risk hedges		
Interest rate:		
Foreign currency interest rate swap	Fixed 1.38% Receive /SOFR AVG 3M+0.26% Pay	Fixed 1.38% Receive /SOFR AVG 3M+0.26% Pay
	Fixed 1.367% Receive /SOFR AVG 3M+0.26% Pay	Fixed 1.367% Receive /SOFR AVG 3M+0.26% Pay
KRW interest rate swap	Fixed 2.41% Receive /CD(91D)+0.15% Pay	Fixed 2.41% Receive /CD(91D)+0.15% Pay
	Fixed 1.91% Receive /CD(91D)+0.15% Pay	Fixed 1.91% Receive /CD(91D)+0.15% Pay

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(d) The impacts of hedge accountings on the consolidated statements of financial position, the consolidated statements of comprehensive income and the consolidated statements of changes in equity.

The impacts of risk hedge instruments on the consolidated statements of financial position, the consolidated statements of comprehensive income and the consolidated statements of changes in equity as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)	June 30, 2025							
	Statement of financial position					Statement of comprehensive income and statements of changes in equity		
	Nominal amount	Changes in fair value	Derivative assets	Derivative liabilities	Borrowings	Profit or loss	Other comprehensive income ¹	
Fair value risk hedges:								
Interest rate risk hedge	₩ 409,100	₩ 5,990	₩ -	₩ 18,003	₩ -	₩ 5,990	₩ -	
Hedges for net investments in foreign operations:								
Currency risk hedge	364,193	48,670	-	-	364,193	(3,888)	36,420	
	<u>₩ 773,293</u>	<u>₩ 54,660</u>	<u>₩ -</u>	<u>₩ 18,003</u>	<u>₩ 364,193</u>	<u>₩ 2,102</u>	<u>₩ 36,420</u>	

¹ The amount recognized in other comprehensive income is net of income tax effect.

(In millions of Korean won)	December 31, 2024							
	Statement of financial position					Statement of comprehensive income and statements of changes in equity		
	Nominal amount	Changes in fair value	Derivative assets	Derivative liabilities	Borrowings	Profit or loss	Other comprehensive income ¹	
Fair value risk hedges:								
Interest rate risk hedge	₩ 437,500	₩ 10,352	₩ -	₩ 25,318	₩ -	₩ 10,352	₩ -	
Hedges for net investments in foreign operations:								
Currency risk hedge	438,795	(44,842)	-	-	438,795	-	(33,496)	
	<u>₩ 876,295</u>	<u>₩ (34,490)</u>	<u>₩ -</u>	<u>₩ 25,318</u>	<u>₩ 438,795</u>	<u>₩ 10,352</u>	<u>₩ (33,496)</u>	

¹ The amount recognized in other comprehensive income is net of income tax effect.

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The impacts of the hedged items on the consolidated statements of financial position, the consolidated statements of comprehensive income and the consolidated statements of changes in equity as of June 30, 2025 and December 31, 2024 are as follows:

		June 30, 2025						
(In millions of Korean won)		Statement of financial position				Statement of comprehensive income and statements of changes in equity		Reserve for foreign currency translation
		Nominal amount	Changes in fair value	Deposits received	Debentures	Profit or loss	Other comprehensive income ¹	
Fair value risk hedges:								
Interest rate risk hedge		₩ 409,100	₩ (6,259)	₩ 61,909	₩ 370,968	₩ (6,259)	₩ -	₩ -
Hedges for net investments in foreign operations:								
Currency risk hedge		364,193	(54,846)	-	-	3,888	(40,915)	20,753
		₩ 773,293	₩ (61,105)	₩ 61,909	₩ 370,968	₩ (2,371)	₩ (40,915)	₩ 20,753

¹ The amount recognized in other comprehensive income is net of income tax effect.

		December 31, 2024						
(In millions of Korean won)		Statement of financial position				Statement of comprehensive income and statements of changes in equity		Reserve for foreign currency translation
		Nominal amount	Changes in fair value	Investments in Associates	Deposits received	Debentures	Profit or loss	
Fair value risk hedges:								
Interest rate risk hedge		₩ 437,500	₩ (9,788)	₩ -	₩ 60,802	₩ 366,953	₩ (9,788)	₩ -
Hedges for net investments in foreign operations:								
Currency risk hedge		438,795	52,998	22,050	-	-	39,589	54,267
		₩ 876,295	₩ 43,210	₩ 22,050	₩ 60,802	₩ 366,953	₩ (9,788)	₩ 39,589
								₩ 54,267

¹ The amount recognized in other comprehensive income is net of income tax effect.

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The amounts and items recognized as profit or loss due to ineffective portion in fair value risk hedges for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	Ineffective portion of risk hedges recognized as profit or loss		Items
	2025	2024	
Fair value risk hedges:			
Interest rate risk hedge	₩ (269)	₩ (513)	Gain(Loss) on valuation of derivatives

There is no amount recognized in profit or loss and other comprehensive income as an ineffective portion of cash flow hedges and hedges for net investments in foreign operations for each of the six-month periods ended June 30, 2025 and 2024.

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15. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE:

Details of investments in associates and joint venture as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

	June 30, 2025					
	Main business	Location	Closing month	Percentage of ownership	Acquisition cost	Carrying amount
Investments in associates:						
Samsung Lapael Professional Private Securities Investment Trust No.10(Bond)	Financial investment	The Republic of Korea	December	50%	₩50,000	₩51,263
Koreainvestment Basic Private Securities Investment Trust No. 129 (USD, Bond)	Financial investment	The Republic of Korea	December	50%	29,426	27,663
Hana Private Investment Trust No.22(USD,bond)	Financial investment	The Republic of Korea	December	50%	14,530	13,889
Hanwha Private Investment Trust No.22(USD,bond)	Financial investment	The Republic of Korea	December	20%	28,822	27,585
BNK Private Investment Trust 10H(USD,bond)	Financial investment	The Republic of Korea	December	25%	14,523	13,698
Hana Private Investment Trust No.23(bond)	Financial investment	The Republic of Korea	December	50%	50,000	50,345
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 49 (USD, Bond)	Financial investment	The Republic of Korea	December	29%	14,004	13,615
IM Asset Private Placement Securities Investment Trust No.48(Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,263
NH-Amundi Private Placement Securities Investment Trust No.41(Bond)	Investment association	The Republic of Korea	December	50%	30,000	30,548
KYOBO Axa Alpha Plus General Private Investment Trust J -26	Investment association	The Republic of Korea	December	22%	50,000	51,154
Mirae Asset Signature Private Placement Investment Trust No.4	Financial investment	The Republic of Korea	December	50%	50,000	51,087
Hyundai Investment Platinum Private Placement Securities Trust No.20(Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,122
KB Leaders General Private Investment Trust No. 45 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	50,123
Shinhan Repo Private Securities Investment Trust. No.3	Financial investment	The Republic of Korea	December	50%	50,000	50,016
BNK Intervalue Technology Finance Investment Association No.1	Financial investment	The Republic of Korea	December	34%	12,700	10,920
iM asset General Private Equity Securities Investment Trust No.32 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,526
Shinhan Corporation General Private Securities Investment Trust No.19(bond)	Financial investment	The Republic of Korea	December	50%	30,000	31,305
Kioom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	31,461
GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,987
KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond)	Financial investment	The Republic of Korea	December	30%	30,000	30,841

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		June 30, 2025				
	Main business	Location	Closing month	Percentage of ownership	Acquisition cost	Carrying amount
Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1(*)	Financial investment	The Republic of Korea	December	92%	2,138	101
Shinhan BNPPS Grail Professional Private Special Asset Fund No.1-2	Financial investment	The Republic of Korea	December	46%	26,030	26,366
Igis Ulsan New Port Infrastructure Private Investment Trust	Financial investment	The Republic of Korea	December	32%	12,897	13,206
Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,145
Daishin Plus Professional Investment Private No. 2401 (bond)	Financial investment	The Republic of Korea	December	25%	100,000	102,258
NH-Amundi Professional Investment Private No. 29 (bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,600
Vogo Build-Up Private Investment Trust No. 1 C-S	Financial investment	The Republic of Korea	December	39%	10,000	11,102
Eugene Champion Matching Bond Private Securities Investment Trust No. 1 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,622
KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	50,095
NH-Amundi High-Quality Mid-term Note General Private Equity Securities Investment Trust No. 1 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	31,648
Shinhan Curve Focus General Private Equity Securities Investment Trust No. 1 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,984
IBK General Private Securities Investment Trust RP No.13(Bond)	Financial investment	The Republic of Korea	December	50%	30,000	31,456
Hanwha A General Private Securities Investment Trust RP No.6(Bond)	Financial investment	The Republic of Korea	December	36%	50,000	51,224
Midas Chagog Chagog Repo Private Securities Investment Trust No. 15 (Bond)	Financial investment	The Republic of Korea	December	31%	80,000	81,945
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 48 (USD, Bond)	Financial investment	The Republic of Korea	December	50%	26,790	28,111
Samsung Dollar S&B General Private Equity Securities Investment Trust No. 10 (USD, Bond)	Financial investment	The Republic of Korea	December	50%	28,664	27,883
Samsung Lapael Professional Private Securities Investment Trust 1st	Financial investment	The Republic of Korea	December	50%	50,000	51,077
KB Leaders ESG Professional Private Securities Investment Trust No.1	Financial investment	The Republic of Korea	December	49%	20,434	20,426
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	Financial investment	The Republic of Korea	December	28%	11,562	11,649
VI Repo General Private Securities Investment Trust No.8	Trust and collective investment business	The Republic of Korea	December	50%	50,000	51,531
KYOBO Axa Alpha Plus General Private Investment Trust J -13	Trust and collective investment	The Republic of Korea	December	50%	50,000	51,059

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	June 30, 2025					
	Main business	Location	Closing month	Percentage of ownership	Acquisition cost	Carrying amount
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	Trust and collective investment business	The Republic of Korea	December	49%	32,535	32,661
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,399
Kyobo Axa ESG Alpha Plus General Private Securities Investment Trust J-20 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,339
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	Financial investment	The Republic of Korea	December	50%	30,000	30,685
iM asset General Private Equity Securities Investment Trust No.41 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	52,272
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	53,313
Igis housing platform no.1 professional investors' private real estate fund	Financial investment	The Republic of Korea	December	20%	12,060	11,044
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	Financial investment	The Republic of Korea	December	23%	18,305	18,301
United Partners Real Estate Investment Trust No.14 (*)	Financial investment	The Republic of Korea	December	67%	20,120	20,001
Hana Balance Professional Investment Private No. 1 (Mixed Bond)	Financial investment	The Republic of Korea	December	0%	-	-
Shinhan Corporation General Private Securities Investment Trust 14th [bond]	Financial investment	The Republic of Korea	January	0%	-	-
Samsung Rafael General Private Investment Trust No.8	Financial investment	The Republic of Korea	February	0%	-	-
Korea Investment Basic Private Securities Investment Trust No. 122 (USD, Bond)	Financial investment	The Republic of Korea	March	0%	-	-
Hanwha Private Securities Investment Trust No. 127 (USD, Bond)	Financial investment	The Republic of Korea	December	0%	-	-
BNK Professional Investment Private No. 5H (USD, Bond)	Financial investment	The Republic of Korea	December	0%	-	-
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 47 (USD, Bond)	Financial investment	The Republic of Korea	December	0%	-	-
SHBNPP Corporate Private Security Investment Trust 8th	Financial investment	The Republic of Korea	December	0%	-	-
Shinhan Corporate General Private Equity Securities Investment Trust No. 7 (Bond)	Financial investment	The Republic of Korea	December	0%	-	-
KB Leaders General Private Investment Trust No. 29 (Bond)	Financial investment	The Republic of Korea	December	0%	-	-
SOL Treasury Bond 10 years	Financial investment	The Republic of Korea	December	0%	-	-
Others	Financial investment and others	The Republic of Korea	December	0.23 ~ 54.55%	156,098	139,450
					<u>₩1,971,638</u>	<u>₩1,986,364</u>

¹ The entity has been classified as an investment in associates, as the Group does not exercise control over the decision-making body of the entity.

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		December 31, 2024				
	Main business	Location	Closing month	Percentage of ownership	Acquisition cost	Carrying amount
Investments in associates:						
Samsung Lapael Professional Private Securities Investment Trust No.10(Bond)	Financial investment	The Republic of Korea	December	0%	₩-	₩-
Koreainvestment Basic Private Securities Investment Trust No. 129 (USD, Bond)	Financial investment	The Republic of Korea	December	0%	-	-
Hana Private Investment Trust No.22(USD,bond)	Financial investment	The Republic of Korea	December	0%	-	-
Hanwha Private Investment Trust No.22(USD,bond)	Financial investment	The Republic of Korea	December	0%	-	-
BNK Private Investment Trust 10H(USD,bond)	Financial investment	The Republic of Korea	December	0%	-	-
Hana Private Investment Trust No.23(bond)	Financial investment	The Republic of Korea	December	0%	-	-
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 49 (USD, Bond)	Financial investment	The Republic of Korea	December	0%	-	-
IM Asset Private Placement Securities Investment Trust No.48(Bond)	Financial investment	The Republic of Korea	December	0%	-	-
NH-Amundi Private Placement Securities Investment Trust No.41(Bond)	Investment association	The Republic of Korea	December	0%	-	-
KYOBO Axa Alpha Plus General Private Investment Trust J -26	Investment association	The Republic of Korea	December	0%	-	-
Mirae Asset Signature Private Placement Investment Trust No.4	Financial investment	The Republic of Korea	December	0%	-	-
Hyundai Investment Platinum Private Placement Securities Trust No.20(Bond)	Financial investment	The Republic of Korea	December	0%	-	-
KB Leaders General Private Investment Trust No. 45 (Bond)	Financial investment	The Republic of Korea	December	0%	-	-
Shinhan Repo Private Securities Investment Trust. No.3	Financial investment	The Republic of Korea	December	0%	-	-
BNK Intervalue Technology Finance Investment Association No.1	Financial investment	The Republic of Korea	December	34%	12,700	11,553
iM asset General Private Equity Securities Investment Trust No.32 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	52,170
Shinhan Corporation General Private Securities Investment Trust No.19(bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,431
Kioom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,473
GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,014
KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond)	Financial investment	The Republic of Korea	December	30%	30,000	30,012
Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1(*)	Financial investment	The Republic of Korea	December	92%	49,350	49,627
Shinhan BNPPS Grail Professional Private Special Asset Fund No.1-2	Financial investment	The Republic of Korea	December	46%	22,726	23,045
Igis Ulsan New Port Infrastructure Private	Financial investment	The Republic	December	32%	15,930	16,295

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	December 31, 2024					
	Main business	Location of Korea	Closing month	Percentage of ownership	Acquisition cost	Carrying amount
Investment Trust						
Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond)	Financial investment	The Republic of Korea	December	50%	50,000	52,013
Daishin Plus Professional Investment Private No. 2401 (bond)	Financial investment	The Republic of Korea	December	50%	50,000	50,317
NH-Amundi Professional Investment Private No. 29 (bond)	Financial investment	The Republic of Korea	December	50%	30,000	31,363
Vogo Build-Up Private Investment Trust No. 1 C-S	Financial investment	The Republic of Korea	December	40%	10,000	10,005
Eugene Champion Matching Bond Private Securities Investment Trust No. 1 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	52,321
KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,847
NH-Amundi High-Quality Mid-term Note General Private Equity Securities Investment Trust No. 1 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,732
Shinhan Curve Focus General Private Equity Securities Investment Trust No. 1 (Bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,369
IBK General Private Securities Investment Trust RP No.13(Bond)	Financial investment	The Republic of Korea	December	50%	30,000	30,443
Hanwha A General Private Securities Investment Trust RP No.6(Bond)	Financial investment	The Republic of Korea	December	36%	50,000	50,187
Midas Chagog Chagog Repo Private Securities Investment Trust No. 15 (Bond)	Financial investment	The Republic of Korea	December	50%	80,000	80,258
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 48 (USD, Bond)	Financial investment	The Republic of Korea	December	50%	26,790	29,893
Samsung Dollar S&B General Private Equity Securities Investment Trust No. 10 (USD, Bond)	Financial investment	The Republic of Korea	December	50%	28,664	29,510
Samsung Lapael Professional Private Securities Investment Trust 1st	Financial investment	The Republic of Korea	December	50%	50,000	52,233
KB Leaders ESG Professional Private Securities Investment Trust No.1	Financial investment	The Republic of Korea	December	49%	20,434	20,757
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	Financial investment	The Republic of Korea	December	28%	11,812	11,624
VI Repo General Private Securities Investment Trust No.8	Trust and collective investment business	The Republic of Korea	December	50%	50,000	52,238
KYOBO Axa Alpha Plus General Private Investment Trust J -13	Trust and collective investment business	The Republic of Korea	December	50%	50,000	52,211
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	Trust and collective investment business	The Republic of Korea	December	49%	32,535	32,786
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	50,163

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	December 31, 2024					
	Main business	Location	Closing month	Percentage of ownership	Acquisition cost	Carrying amount
Kyobo Axa ESG Alpha Plus General Private Securities Investment Trust J-20 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	50,092
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	Financial investment	The Republic of Korea	December	50%	30,000	31,220
iM asset General Private Equity Securities Investment Trust No.41 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	52,101
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	52,177
Igis housing platform no.1 professional investors' private real estate fund	Financial investment	The Republic of Korea	December	20%	12,060	10,859
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	Financial investment	The Republic of Korea	December	23%	18,305	18,300
United Partners Real Estate Investment Trust No.14 (*)	Financial investment	The Republic of Korea	December	67%	20,120	19,996
Hana Balance Professional Investment Private No. 1 (Mixed Bond)	Financial investment	The Republic of Korea	December	50%	10,000	11,177
Shinhan Corporation General Private Securities Investment Trust 14th [bond]	Financial investment	The Republic of Korea	January	50%	50,000	52,024
Samsung Rafael General Private Investment Trust No.8	Financial investment	The Republic of Korea	February	50%	50,000	52,234
Korea Investment Basic Private Securities Investment Trust No. 122 (USD, Bond)	Financial investment	The Republic of Korea	March	20%	13,360	15,597
Hanwha Private Securities Investment Trust No. 127 (USD, Bond)	Financial investment	The Republic of Korea	December	20%	26,544	30,863
BNK Professional Investment Private No. 5H (USD, Bond)	Financial investment	The Republic of Korea	December	25%	13,387	15,403
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 47 (USD, Bond)	Financial investment	The Republic of Korea	December	33%	13,679	15,306
SHBNPP Corporate Private Security Investment Trust 8th	Financial investment	The Republic of Korea	December	50%	40,050	41,912
Shinhan Corporate General Private Equity Securities Investment Trust No. 7 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	52,181
KB Leaders General Private Investment Trust No. 29 (Bond)	Financial investment	The Republic of Korea	December	50%	50,000	51,211
SOL Treasury Bond 10 years	Financial investment	The Republic of Korea	December	26%	29,527	31,678
Others	Financial investment and others	The Republic of Korea	December	0.23 ~ 54.55%	190,778	184,277
					<u>₩1,818,751</u>	<u>₩1,863,498</u>

¹ The entity has been classified as an investment in associates, as the Group does not exercise control over the decision-making body of the entity.

Changes in investments in associates and joint venture for the six-month period ended June 30, 2025 and the year ended December 31, 2024 are as follows:

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(In millions of Korean won)

	2025					
	Beginning balance	Acquisition/ disposal	Share of profit or loss of associates and joint venture	Dividends received	Others	Ending balance
Investments in associates:						
Samsung Lapael Professional Private Securities Investment Trust No.10(Bond)	₩-	₩50,000	₩1,263	₩-	₩-	₩51,263
Koreainvestment Basic Private Securities Investment Trust No. 129 (USD, Bond)	-	29,426	563	-	(2,326)	27,663
Hana Private Investment Trust No.22(USD,bond)	-	14,530	337	-	(978)	13,889
Hanwha Private Investment Trust No.22(USD,bond)	-	28,822	478	-	(1,715)	27,585
BNK Private Investment Trust 10H(USD,bond)	-	14,523	140	-	(965)	13,698
Hana Private Investment Trust No.23(bond)	-	50,000	345	-	-	50,345
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 49 (USD, Bond)	-	14,004	51	-	(440)	13,615
IM Asset Private Placement Securities Investment Trust No.48(Bond)	-	50,000	1,263	-	-	51,263
NH-Amundi Private Placement Securities Investment Trust No.41(Bond)	-	30,000	548	-	-	30,548
KYOBO Axa Alpha Plus General Private Investment Trust J -26	-	50,000	1,154	-	-	51,154
Mirae Asset Signature Private Placement Investment Trust No.4	-	50,000	1,087	-	-	51,087
Hyundai Investment Platinum Private Placement Securities Trust No.20(Bond)	-	50,000	1,122	-	-	51,122
KB Leaders General Private Investment Trust No. 45 (Bond)	-	50,000	123	-	-	50,123
Shinhan Repo Private Securities Investment Trust. No.3	-	50,000	16	-	-	50,016
BNK Interservice Technology Finance Investment Association No.1	11,553	-	(633)	-	-	10,920
iM asset General Private Equity Securities Investment Trust No.32 (Bond)	52,170	-	1,278	(1,922)	-	51,526
Shinhan Corporation General Private Securities Investment Trust No.19(bond)	30,431	-	874	-	-	31,305
Kioom Frontier Professional Investment-Type Private Equity	30,473	-	988	-	-	31,461

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(In millions of Korean won)

	2025					Ending balance
	Beginning balance	Acquisition/disposal	Share of profit or loss of associates and joint venture	Dividends received	Others	
Securities Investment Trust No. 29 (Bond)						
GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond)	30,014	-	973	-	-	30,987
KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond)	30,012	-	829	-	-	30,841
Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1	49,627	(47,646)	1,411	-	(3,291)	101
Shinhan BNPPS Grail Professional Private Special Asset Fund No.1-2	23,045	3,304	650	(633)	-	26,366
Igis Ulsan New Port Infrastructure Private Investment Trust	16,295	(3,124)	702	(608)	(59)	13,206
Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond)	52,013	-	1,168	(2,036)	-	51,145
Daishin Plus Professional Investment Private No. 2401 (bond)	50,317	50,000	1,941	-	-	102,258
NH-Amundi Professional Investment Private No. 29 (bond)	31,363	-	897	(1,660)	-	30,600
Vogo Build-Up Private Investment Trust No. 1 C-S	10,005	-	1,584	(487)	-	11,102
Eugene Champion Matching Bond Private Securities Investment Trust No. 1 (Bond)	52,321	-	1,265	(1,964)	-	51,622
KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond)	51,847	-	1,149	(2,901)	-	50,095
NH-Amundi High-Quality Mid-term Note General Private Equity Securities Investment Trust No. 1 (Bond)	30,732	-	916	-	-	31,648
Shinhan Curve Focus General Private Equity Securities Investment Trust No. 1 (Bond)	30,369	-	615	-	-	30,984
IBK General Private Securities Investment Trust RP No.13(Bond)	30,443	-	1,013	-	-	31,456
Hanwha A General Private Securities Investment Trust RP No.6(Bond)	50,187	-	1,037	-	-	51,224
Midas Chagog Chagog Repo Private Securities Investment Trust No. 15 (Bond)	80,258	-	1,687	-	-	81,945
KB Korea Short-Term Bond Professional Investment	29,893	-	556	-	(2,338)	28,111

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	2025					
	Beginning balance	Acquisition/disposal	Share of profit or loss of associates and joint venture	Dividends received	Others	Ending balance
Private Security Investment Trust No. 48 (USD, Bond)						
Samsung Dollar S&B General Private Equity Securities Investment Trust No. 10 (USD, Bond)	29,510	-	684	-	(2,311)	27,883
Samsung Lapael Professional Private Securities Investment Trust 1st	52,233	-	1,155	(2,311)	-	51,077
KB Leaders ESG Professional Private Securities Investment Trust No.1	20,757	-	489	(820)	-	20,426
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	11,624	(250)	546	(271)	-	11,649
VI Repo General Private Securities Investment Trust No.8	52,238	-	1,703	(2,410)	-	51,531
KYOBO Axa Alpha Plus General Private Investment Trust J -13	52,211	-	1,117	(2,269)	-	51,059
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	32,786	-	436	(561)	-	32,661
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)	50,163	-	1,236	-	-	51,399
Kyobo Axa ESG Alpha Plus General Private Securities Investment Trust J-20 (Bond)	50,092	-	1,247	-	-	51,339
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	31,220	-	749	(1,284)	-	30,685
iM asset General Private Equity Securities Investment Trust No.41 (Bond)	52,101	-	1,394	(1,223)	-	52,272
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	52,177	-	1,238	(102)	-	53,313
Igis housing platform no.1 professional investors' private real estate fund	10,859	-	185	-	-	11,044
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	18,300	-	503	(502)	-	18,301
United Partners Real Estate Investment Trust No.14	19,996	-	5	-	-	20,001
Hana Balance Professional Investment Private No. 1 (Mixed Bond)	11,177	(11,260)	-	-	83	-
Shinhan Corporation General Private Securities Investment Trust 14th [bond]	52,024	(52,643)	-	-	619	-

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	2025					
	Beginning balance	Acquisition/ disposal	Share of profit or loss of associates and joint venture	Dividends received	Others	Ending balance
Samsung Rafael General Private Investment Trust No.8	52,234	(52,441)	-	-	207	-
Koreainvestment Basic Private Securities Investment Trust No. 122 (USD, Bond)	15,597	(15,282)	-	-	(315)	-
Hanwha Private Securities Investment Trust No. 127 (USD, Bond)	30,863	(30,670)	185	-	(378)	-
BNK Professional Investment Private No. 5H (USD, Bond)	15,403	(15,370)	117	-	(150)	-
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 47 (USD, Bond)	15,306	(14,769)	250	-	(787)	-
SHBNPP Corporate Private Security Investment Trust 8th	41,912	(41,912)	-	-	-	-
Shinhan Corporate General Private Equity Securities Investment Trust No. 7 (Bond)	52,181	(49,542)	-	(2,639)	-	-
KB Leaders General Private Investment Trust No. 29 (Bond)	51,211	(51,211)	-	-	-	-
SOL Treasury Bond 10 years	31,678	(30,670)	-	(1,008)	-	-
Others	184,277	(48,478)	5,281	(2,665)	1,035	139,450
	<u>₩ 1,863,498</u>	<u>₩ 119,341</u>	<u>₩ 47,910</u>	<u>₩ (30,276)</u>	<u>₩ (14,109)</u>	<u>₩ 1,986,364</u>

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	2024						
	Beginning balance	Acquisition/ disposal	Share of profit or loss of associates and joint venture	Dividends received	Others	Ending balance	
Investments in associates:							
Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond)	₩	-	₩ 50,000	₩ 2,013	₩ -	₩ -	₩ 52,013
Daishin Plus Professional Investment Private No. 2401 (bond)		-	50,000	2,403	(2,086)	-	50,317
NH-Amundi Professional Investment Private No. 29 (bond)		-	30,000	1,363	-	-	31,363
Vogo Build-Up Private Investment Trust No. 1 C- S		-	10,000	5	-	-	10,005
Eugene Champion Matching Bond Private Securities Investment Trust No. 1 (Bond)		-	50,000	2,321	-	-	52,321
KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond)		-	30,000	2,202	(941)	20,586	51,847
NH-Amundi High-Quality Mid-term Note General Private Equity Securities Investment Trust No. 1 (Bond)		-	30,000	732	-	-	30,732
Shinhan Curve Focus General Private Equity Securities Investment Trust No. 1 (Bond)		-	30,000	574	(205)	-	30,369
IBK General Private Securities Investment Trust RP No.13(Bond)		-	30,000	443	-	-	30,443
Hanwha A General Private Securities Investment Trust RP No.6(Bond)		-	50,000	187	-	-	50,187
Midas Chagog Chagog Repo Private Securities Investment Trust No. 15 (Bond)		-	80,000	258	-	-	80,258
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 47 (USD, Bond)		-	13,679	570	-	1,057	15,306
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 48 (USD, Bond)		-	26,790	470	-	2,633	29,893
Samsung Dollar S&B General Private Equity Securities Investment Trust No. 10 (USD, Bond)		-	28,664	110	-	736	29,510
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)		-	50,000	2,187	(2,024)	-	50,163
Kyobo Axa ESG Alpha Plus General Private Securities		-	50,000	2,113	(2,021)	-	50,092

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(In millions of Korean won)

	2024					
	Beginning balance	Acquisition/ disposal	Share of profit or loss of associates and joint venture	Dividends received	Others	Ending balance
Investment Trust J-20 (Bond)						
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	-	30,000	1,220	-	-	31,220
iM asset General Private Equity Securities Investment Trust No.41 (Bond)	-	50,000	2,101	-	-	52,101
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	-	50,000	2,177	-	-	52,177
SOL Treasury Bond 10 years	-	29,527	2,151	-	-	31,678
United Partners Real Estate Investment Trust No.14	-	20,120	(124)	-	-	19,996
Koreainvestment Basic Private Securities Investment Trust No. 122 (USD, Bond)	-	13,360	837	-	1,400	15,597
Hanwha Private Securities Investment Trust No. 127 (USD, Bond)	-	26,544	1,364	-	2,955	30,863
BNK Professional Investment Private No. 5H (USD, Bond)	-	13,387	659	-	1,357	15,403
BNK Intervalue Technology Finance Investment Association No.1	11,526	-	27	-	-	11,553
iM asset General Private Equity Securities Investment Trust No.32 (Bond)	51,340	-	2,223	(1,393)	-	52,170
Shinhan Corporation General Private Securities Investment Trust No.19(bond)	30,890	-	1,538	(1,997)	-	30,431
Kioom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond)	30,855	-	1,571	(1,953)	-	30,473
GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond)	30,058	-	1,311	(1,355)	-	30,014
KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond)	30,013	-	1,276	(1,277)	-	30,012
Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1	52,309	(2,683)	3,022	(2,978)	(43)	49,627
Shinhan BNPPS Grail Professional Private Special Asset Fund No.1- 2	16,971	5,999	1,109	(1,034)	-	23,045
Igis Ulsan New Port Infrastructure Private Investment Trust	21,535	(5,303)	2,007	(1,837)	(107)	16,295

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(In millions of Korean won)

	2024					
	Beginning balance	Acquisition/ disposal	Share of profit or loss of associates and joint venture	Dividends received	Others	Ending balance
Samsung Lapael Professional Private Securities Investment Trust 1st	51,849	-	2,542	(2,158)	-	52,233
KB Leaders ESG Professional Private Securities Investment Trust No.1	20,677	-	824	(744)	-	20,757
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	11,155	475	408	(414)	-	11,624
VI Repo General Private Securities Investment Trust No.8	52,216	-	2,388	(2,366)	-	52,238
Shinhan Corporate General Private Equity Securities Investment Trust No. 7 (Bond)	51,902	-	2,591	(2,312)	-	52,181
KYOBO Axa Alpha Plus General Private Investment Trust J -13	52,388	-	2,229	(2,406)	-	52,211
KB Leaders General Private Investment Trust No. 29 (Bond)	51,577	-	2,125	(2,491)	-	51,211
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	28,665	4,092	2,069	(2,040)	-	32,786
Igis housing platform no.1 professional investors' private real estate fund	13,401	-	(2,542)	-	-	10,859
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	18,301	-	1,002	(1,003)	-	18,300
Hana Balance Professional Investment Private No. 1 (Mixed Bond)	11,122	-	55	-	-	11,177
Shinhan Corporation General Private Securities Investment Trust 14th [bond]	52,350	-	2,556	(2,882)	-	52,024
Samsung Rafael General Private Investment Trust No.8	51,780	-	2,330	(1,876)	-	52,234
SHBNPP Corporate Private Security Investment Trust 8th	41,517	-	2,221	(1,826)	-	41,912
Others	<u>773,618</u>	<u>(584,289)</u>	<u>10,031</u>	<u>(11,397)</u>	<u>(3,686)</u>	<u>184,277</u>
	<u>₩ 1,558,015</u>	<u>₩ 260,362</u>	<u>₩ 73,249</u>	<u>₩ (55,016)</u>	<u>₩ 26,888</u>	<u>₩ 1,863,498</u>

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The financial information on associates and joint venture as of June 30, 2025 and December 31, 2024 is as follows:

(In millions of Korean won)

	June 30, 2025					
	Current assets	Current liabilities	Equity	Operating income	Operating profit (loss) from continuing operations	Total comprehensive income (loss)
Investments in associates:						
Samsung Lapael Professional Private Securities Investment Trust No.10(Bond)	₩ 282,765	₩ 180,239	₩ 102,526	₩ 5,059	₩ 2,525	₩ 2,525
Koreainvestment Basic Private Securities Investment Trust No. 129 (USD, Bond)	55,339	12	55,327	1,129	1,126	(1,200)
Hana Private Investment Trust No.22(USD,bond)	41,682	13,905	27,777	1,073	675	(304)
Hanwha Private Investment Trust No.22(USD,bond)	178,440	40,514	137,926	3,929	2,392	677
BNK Private Investment Trust 10H(USD,bond)	54,801	8	54,793	591	560	(404)
Hana Private Investment Trust No.23(bond)	136,201	35,511	100,690	2,634	690	690
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 49 (USD, Bond)	87,059	39,408	47,651	349	179	179
iM Asset Private Placement Securities Investment Trust No.48(Bond)	293,561	191,035	102,526	4,914	2,526	2,526
NH-Amundi Private Placement Securities Investment Trust No.41(Bond)	175,710	114,615	61,095	2,185	1,095	1,095
KYOBO Axa Alpha Plus General Private Investment Trust J -26	683,698	448,391	235,307	12,000	5,307	5,307
Mirae Asset Signature Private Placement Investment Trust No.4	293,607	191,432	102,175	4,432	2,175	2,175
Hyundai Investment Platinum Private Placement Securities Trust No.20(Bond)	295,778	193,534	102,244	4,582	2,244	2,244
KB Leaders General Private Investment Trust No. 45 (Bond)	134,357	34,111	100,246	303	246	246
Shinhan Repo Private Securities Investment Trust. No.3	100,035	2	100,033	35	33	33
BNK Intervalue Technology Finance Investment Association No.1	32,168	354	31,814	570	(1,844)	(1,844)
iM asset General Private Equity Securities Investment Trust No.32 (Bond)	203,868	100,815	103,053	4,660	2,558	2,558
Shinhan Corporation General Private Securities Investment Trust No.19(bond)	175,531	112,921	62,610	4,196	1,747	1,747
Kioom Frontier Professional Investment-Type Private	177,442	114,520	62,922	3,645	1,976	1,976

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Equity Securities							
Investment Trust No. 29							
(Bond)							
GYOBO AXA ALPHA PLUS							
Professional Investment							
Private Security							
Investment J-19 (Bond)	121,583	59,608	61,975	3,152	1,947	1,947	
KB Leaders Professional							
Investment Private							
Security Investment Trust							
No. 33 (Bond)	258,023	155,218	102,805	5,117	2,766	2,766	
Mirae-Asset ESG Maritime							
Transportation							
Infrastructure General							
Private Investment Trust							
No.1	113	2	111	1,652	1,532	1,532	
Shinhan BNPPS Grail							
Professional Private							
Special Asset Fund No. 1-							
2	57,625	499	57,126	1,475	1,408	1,408	
Igis Ulsan New Port							
Infrastructure Private							
Investment Trust	41,865	553	41,312	2,272	2,197	2,197	
Shinhan Public Offering							
Share Maturity Matching							
Professional Investment							
Private Fund No. 3 (Mixed							
Bond)	297,048	194,758	102,290	5,421	2,338	2,338	
Daishin Plus Professional							
Investment Private No.							
2401 (bond)	823,761	416,386	407,375	9,069	7,734	7,734	
NH-Amundi Professional							
Investment Private No. 29							
(bond)	165,324	104,022	61,302	3,337	1,798	1,798	
Vogo Build-Up Private							
Investment Trust No. 1 C-							
S	28,355	79	28,276	7,826	4,035	4,035	
Eugene Champion							
Matching Bond Private							
Securities Investment							
Trust No. 1 (Bond)	294,346	191,102	103,244	4,454	2,529	2,529	
KYOBO AXA ALPHA PLUS							
Professional Investment							
Private Security							
Investment J-14 (Bond)	184,109	83,919	100,190	3,878	2,298	2,298	
NH-Amundi High-Quality							
Mid-term Note General							
Private Equity Securities							
Investment Trust No. 1							
(Bond)	182,422	119,126	63,296	5,510	1,833	1,833	
Shinhan Curve Focus							
General Private Equity							
Securities Investment							
Trust No. 1 (Bond)	95,977	34,008	61,969	9,528	1,230	1,230	
IBK General Private							
Securities Investment							
Trust RP No.13(Bond)	167,730	104,818	62,912	3,817	2,026	2,026	
Hanwha A General Private							
Securities Investment							
Trust RP No.6(Bond)	168,645	25,219	143,426	31,844	2,901	2,901	
Midas Chagog Chagog							
Repo Private Securities							
Investment Trust No. 15							
(Bond)	537,602	272,470	265,132	21,370	5,458	5,458	
KB Korea Short-Term Bond							
Professional Investment							
Private Security							
Investment Trust No. 48							
(USD, Bond)	56,224	2	56,222	1,383	1,113	(1,225)	
Samsung Dollar S&B							
General Private Equity	55,768	2	55,766	3,900	1,366	(944)	

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Securities Investment Trust No. 10 (USD, Bond)							
Samsung Lapael Professional Private Securities Investment Trust 1st	284,382	182,229	102,153	4,212	2,310	2,310	
KB Leaders ESG Professional Private Securities Investment Trust No.1	79,009	37,511	41,498	1,452	993	993	
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	41,469	310	41,159	1,065	1,931	1,931	
VI Repo General Private Securities Investment Trust No.8	399,415	296,175	103,240	6,823	3,411	3,411	
KYOBO Axa Alpha Plus General Private Investment Trust J -13	242,955	140,838	102,117	4,853	2,232	2,232	
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	66,278	23	66,255	313	884	884	
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)	171,021	68,223	102,798	4,369	2,472	2,472	
Kyobo Axa ESG Alpha Plus General Private Securities Investment Trust J-20 (Bond)	245,213	142,536	102,677	5,093	2,494	2,494	
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	180,504	119,134	61,370	3,181	1,497	1,497	
IM asset General Private Equity Securities Investment Trust No.41 (Bond)	291,690	186,834	104,856	5,200	2,797	2,797	
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	276,665	170,039	106,626	4,779	2,476	2,476	
Igis housing platform no.1 professional investors' private real estate fund	55,246	28	55,218	963	924	924	
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	81,351	45	81,306	2,453	2,408	2,408	
United Partners Real Estate Investment Trust No.14	30,254	253	30,001	254	202	202	
Others	953,980	404,835	549,145	33,662	(1,679)	(1,679)	
	<u>₩ 10,337,994</u>	<u>₩ 5,322,131</u>	<u>₩ 5,015,863</u>	<u>₩ 259,963</u>	<u>₩ 98,071</u>	<u>₩ 87,439</u>	

(In millions of Korean won)

December 31, 2024

	Current assets	Current liabilities	Equity	Operating income	Operating profit (loss) from continuing operations	Total comprehensive income (loss)
Investments in associates:						
Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond)	₩ 234,282	₩ 130,257	₩ 104,025	₩ 9,957	₩ 4,025	₩ 4,025

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(In millions of Korean won)

	December 31, 2024					
	Current assets	Current liabilities	Equity	Operating income	Operating profit (loss) from continuing operations	Total comprehensive income (loss)
Daishin Plus Professional Investment Private No. 2401 (bond)	225,692	125,059	100,633	5,460	4,807	4,807
NH-Amundi Professional Investment Private No. 29 (bond)	164,555	101,725	62,830	6,593	2,881	2,881
Vogo Build-Up Private Investment Trust No. 1 C-S	25,167	1	25,166	3,893	23	23
Eugene Champion Matching Bond Private Securities Investment Trust No. 1 (Bond)	284,078	179,437	104,641	11,922	7,736	7,736
KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond)	198,918	95,225	103,693	4,404	4,404	4,404
NH-Amundi High-Quality Mid-term Note General Private Equity Securities Investment Trust No. 1 (Bond)	181,592	120,128	61,464	3,869	2,048	2,048
Shinhan Curve Focus General Private Equity Securities Investment Trust No. 1 (Bond)	120,296	59,557	60,739	3,087	1,149	1,149
IBK General Private Securities Investment Trust RP No.13(Bond)	176,612	115,726	60,886	1,954	1,491	1,491
Hanwha A General Private Securities Investment Trust RP No.6(Bond)	385,252	244,727	140,525	7,070	375	375
Midas Chagog Chagog Repo Private Securities Investment Trust No. 15 (Bond)	450,350	289,834	160,516	3,595	516	516
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 47 (USD, Bond)	45,889	3	45,886	1,276	1,141	2,198
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 48 (USD, Bond)	59,787	2	59,785	1,585	1,410	4,042
Samsung Dollar S&B General Private Equity Securities Investment Trust No. 10 (USD, Bond)	59,023	2	59,021	892	442	1,178
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)	169,551	69,225	100,326	619	4,373	4,373
Kyobo Axa ESG Alpha Plus General Private Securities Investment Trust J-20 (Bond)	236,821	136,637	100,184	598	4,225	4,225
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	176,277	113,836	62,441	6,235	2,440	2,440
iM asset General Private Equity Securities	195,642	91,130	104,512	10,181	4,214	4,214

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	December 31, 2024					
	Current assets	Current liabilities	Equity	Operating income	Operating profit (loss) from continuing operations	Total comprehensive income (loss)
Investment Trust No.41 (Bond)						
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	291,400	187,045	104,355	11,214	4,354	4,354
SOL Treasury Bond 10 years	120,574	21	120,553	8,709	8,186	8,186
United Partners Real Estate Investment Trust No.14	30,026	32	29,994	26	(186)	(186)
Koreainvestment Basic Private Securities Investment Trust No. 122 (USD, Bond)	78,016	33	77,983	4,364	3,924	5,323
Hanwha Private Securities Investment Trust No. 127 (USD, Bond)	157,431	3,114	154,317	7,262	6,820	9,776
BNK Professional Investment Private No. 5H (USD, Bond)	63,629	2,019	61,610	4,366	3,297	4,654
BNK Interservice Technology Finance Investment Association No.1	34,416	757	33,659	913	143	143
iM asset General Private Equity Securities Investment Trust No.32 (Bond)	200,960	96,620	104,340	6,362	4,446	4,446
Shinhan Corporation General Private Securities Investment Trust No.19(bond)	180,988	120,125	60,863	3,764	3,076	3,076
Kioom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond)	176,268	115,322	60,946	8,211	7,593	7,593
GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond)	145,141	85,114	60,027	4,057	3,933	3,933
KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond)	100,041	3	100,038	6,351	6,350	6,350
Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1	53,915	12	53,903	10,588	10,577	10,577
Shinhan BNPPS Grail Professional Private Special Asset Fund No.1-2	50,429	497	49,932	3,709	3,697	3,697
Igis Ulsan New Port Infrastructure Private Investment Trust	51,705	671	51,034	6,018	6,018	6,018
Samsung Lapael Professional Private Securities Investment Trust 1st	261,499	157,033	104,466	6,965	5,084	5,084
KB Leaders ESG Professional Private Securities Investment Trust No.1	42,153	8	42,145	1,691	1,674	1,674

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	December 31, 2024					
	Current assets	Current liabilities	Equity	Operating income	Operating profit (loss) from continuing operations	Total comprehensive income (loss)
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	42,399	1,329	41,070	-	1,443	1,443
VI Repo General Private Securities Investment Trust No.8	171,310	66,833	104,477	8,341	4,775	4,775
Shinhan Corporate General Private Equity Securities Investment Trust No. 7 (Bond)	192,865	88,324	104,541	10,534	5,190	5,190
KYOBO Axa Alpha Plus General Private Investment Trust J -13	208,287	103,864	104,423	17,603	4,458	4,458
KB Leaders General Private Investment Trust No. 29 (Bond)	151,440	49,017	102,423	3,884	4,251	4,251
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	66,531	22	66,509	516	4,197	4,197
Igis housing platform no.1 professional investors' private real estate fund	54,352	58	54,294	3,057	(12,709)	(12,709)
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	81,348	46	81,302	4,886	4,795	4,795
Hana Balance Professional Investment Private No. 1 (Mixed Bond)	22,358	4	22,354	2,246	154	154
Shinhan Corporation General Private Securities Investment Trust 14th [bond]	252,875	148,827	104,048	12,278	6,883	6,883
Samsung Rafael General Private Investment Trust No.8	192,100	87,633	104,467	7,523	4,659	4,659
SHBNPP Corporate Private Security Investment Trust 8th	237,650	153,825	83,825	8,392	4,443	4,443
Others	1,030,214	402,476	627,738	53,107	(4,738)	(4,110)
	₩ 8,132,104	₩ 3,743,195	₩ 4,388,909	₩ 310,127	₩ 154,487	₩ 165,252

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The reconciliations from the net assets of associates and joint venture based on the ownership ratio of the Group to its corresponding book amounts of investments in associates and joint ventures as of June 30, 2025 and December 31, 2024 are as follows:

	June 30, 2025						
	Net assets of associates and joint venture (A)		The Group's ownership (B) (%)	Net assets owned (AxB) Book amount			
Investments in associates:							
Samsung Lapael Professional Private Securities Investment Trust No.10(Bond)	₩	102,525	50%	₩	51,263	₩	51,263
Korea investment Basic Private Securities Investment Trust No. 129 (USD, Bond)		55,327	50%		27,663		27,663
Hana Private Investment Trust No.22(USD,bond)		27,777	50%		13,889		13,889
Hanwha Private Investment Trust No.22(USD,bond)		137,926	20%		27,585		27,585
BNK Private Investment Trust 10H(USD,bond)		54,794	25%		13,698		13,698
Hana Private Investment Trust No.23(bond)		100,690	50%		50,345		50,345
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 49 (USD, Bond)		47,652	29%		13,615		13,615
IM Asset Private Placement Securities Investment Trust No.48(Bond)		102,526	50%		51,263		51,263
NH-Amundi Private Placement Securities Investment Trust No.41(Bond)		61,095	50%		30,548		30,548
KYOBO Axa Alpha Plus General Private Investment Trust J -26		235,307	22%		51,154		51,154
Mirae Asset Signature Private Placement Investment Trust No.4		102,175	50%		51,087		51,087
Hyundai Investment Platinum Private Placement Securities Trust No.20(Bond)		102,244	50%		51,122		51,122
KB Leaders General Private Investment Trust No. 45 (Bond)		100,246	50%		50,123		50,123
Shinhan Repo Private Securities Investment Trust. No.3		100,033	50%		50,016		50,016
BNK Interservice Technology Finance Investment Association No.1		31,814	34%		10,920		10,920
iM asset General Private Equity Securities Investment Trust No.32 (Bond)		103,053	50%		51,526		51,526
Shinhan Corporation General Private Securities Investment Trust No.19(bond)		62,610	50%		31,305		31,305

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<i>(In millions of Korean won)</i>	June 30, 2025			
	Net assets of associates and joint venture (A)	The Group's ownership (B) (%)	Net assets owned (AxB)	Book amount
Kioom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond)	62,922	50%	31,461	31,461
GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond)	61,975	50%	30,987	30,987
KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond)	102,805	30%	30,841	30,841
Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1	110	92%	101	101
Shinhan BNPPS Grail Professional Private Special Asset Fund No.1-2	57,125	46%	26,366	26,366
Igis Ulsan New Port Infrastructure Private Investment Trust	41,312	32%	13,206	13,206
Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond)	102,290	50%	51,145	51,145
Daishin Plus Professional Investment Private No. 2401 (bond)	407,376	25%	102,258	102,258
NH-Amundi Professional Investment Private No. 29 (bond)	61,302	50%	30,600	30,600
Vogo Build-Up Private Investment Trust No. 1 C-S	28,276	39%	11,102	11,102
Eugene Champion Matching Bond Private Securities Investment Trust No. 1 (Bond)	103,244	50%	51,622	51,622
KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond)	100,190	50%	50,095	50,095
NH-Amundi High-Quality Mid-term Note General Private Equity Securities Investment Trust No. 1 (Bond)	63,296	50%	31,648	31,648
Shinhan Curve Focus General Private Equity Securities Investment Trust No. 1 (Bond)	61,969	50%	30,984	30,984
IBK General Private Securities Investment Trust RP No.13(Bond)	62,912	50%	31,456	31,456
Hanwha A General Private Securities Investment Trust RP No.6(Bond)	143,426	36%	51,224	51,224
Midas Chagog Chagog Repo Private Securities Investment Trust No. 15 (Bond)	265,132	31%	81,945	81,945

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(In millions of Korean won)

	June 30, 2025			
	Net assets of associates and joint venture (A)	The Group's ownership (B) (%)	Net assets owned (AxB)	Book amount
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 48 (USD, Bond)	56,222	50%	28,111	28,111
Samsung Dollar S&B General Private Equity Securities Investment Trust No. 10 (USD, Bond)	55,766	50%	27,883	27,883
Samsung Lapael Professional Private Securities Investment Trust 1st	102,153	50%	51,077	51,077
KB Leaders ESG Professional Private Securities Investment Trust No.1	41,498	49%	20,426	20,426
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	41,160	28%	11,649	11,649
VI Repo General Private Securities Investment Trust No.8	103,240	50%	51,531	51,531
KYOBO Axa Alpha Plus General Private Investment Trust J -13	102,117	50%	51,059	51,059
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	66,255	49%	32,661	32,661
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)	102,798	50%	51,399	51,399
Kyobo Axa ESG Alpha Plus General Private Securities Investment Trust J-20 (Bond)	102,678	50%	51,339	51,339
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	61,370	50%	30,685	30,685
iM asset General Private Equity Securities Investment Trust No.41 (Bond)	104,855	50%	52,272	52,272
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	106,627	50%	53,313	53,313
Igis housing platform no.1 professional investors' private real estate fund	55,218	20%	11,044	11,044
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	81,306	23%	18,301	18,301
United Partners Real Estate Investment Trust No.14	30,001	67%	20,001	20,001
Others	549,145		139,457	139,450

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(In millions of Korean won)

	December 31, 2024			
	Net assets of associates and joint venture (A)	The Group's ownership (B) (%)	Net assets owned (AXB)	Book amount
Investments in associates:				
Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond)	₩ 104,025	50%	52,013	52,013
Daishin Plus Professional Investment Private No. 2401 (bond)	100,633	50%	50,317	50,317
NH-Amundi Professional Investment Private No. 29 (bond)	62,830	50%	31,363	31,363
Vogo Build-Up Private Investment Trust No. 1 C-S	25,166	40%	10,005	10,005
Eugene Champion Matching Bond Private Securities Investment Trust No. 1 (Bond)	104,642	50%	52,321	52,321
KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond)	103,693	50%	51,847	51,847
NH-Amundi High-Quality Mid-term Note General Private Equity Securities Investment Trust No. 1 (Bond)	61,463	50%	30,732	30,732
Shinhan Curve Focus General Private Equity Securities Investment Trust No. 1 (Bond)	60,739	50%	30,369	30,369
IBK General Private Securities Investment Trust RP No.13(Bond)	60,886	50%	30,443	30,443
Hanwha A General Private Securities Investment Trust RP No.6(Bond)	140,525	36%	50,187	50,187
Midas Chagog Chagog Repo Private Securities Investment Trust No. 15 (Bond)	160,516	50%	80,258	80,258
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 47 (USD, Bond)	45,886	33%	15,306	15,306
KB Korea Short-Term Bond Professional Investment Private Security Investment Trust No. 48 (USD, Bond)	59,785	50%	29,893	29,893
Samsung Dollar S&B General Private Equity Securities Investment Trust No. 10 (USD, Bond)	59,021	50%	29,510	29,510
VI REPO General Private Equity Securities Investment Trust No. 15 (Bond)	100,326	50%	50,163	50,163

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	December 31, 2024			
	Net assets of associates and joint venture (A)	The Group's ownership (B) (%)	Net assets owned (AXB)	Book amount
Kyobo Axa ESG Alpha Plus General Private Securities Investment Trust J-20 (Bond)	100,184	50%	50,092	50,092
Shinhan Long Short Maturity Matching General Private Securities Investment Trust No.1	62,440	50%	31,220	31,220
iM asset General Private Equity Securities Investment Trust No.41 (Bond)	104,512	50%	52,101	52,101
KOREA Investment BASIC General Private Equity Securities Investment Trust No.123 (Bond)	104,354	50%	52,177	52,177
SOL Treasury Bond 10 years	120,552	26%	31,678	31,678
United Partners Real Estate Investment Trust No.14	29,994	67%	19,996	19,996
Koreainvestment Basic Private Securities Investment Trust No. 122 (USD, Bond)	77,983	20%	15,597	15,597
Hanwha Private Securities Investment Trust No. 127 (USD, Bond)	154,317	20%	30,863	30,863
BNK Professional Investment Private No. 5H (USD, Bond)	61,611	25%	15,403	15,403
BNK Intevalue Technology Finance Investment Association No.1	33,658	34%	11,553	11,553
iM asset General Private Equity Securities Investment Trust No.32 (Bond)	104,339	50%	52,170	52,170
Shinhan Corporation General Private Securities Investment Trust No.19(bond)	60,863	50%	30,431	30,431
Kioom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond)	60,946	50%	30,473	30,473
GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond)	60,027	50%	30,014	30,014
KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond)	100,039	30%	30,012	30,012
Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1	53,904	92%	49,627	49,627
Shinhan BNPPS Grail Professional Private Special Asset Fund No.1-2	49,932	46%	23,045	23,045
Igis Ulsan New Port Infrastructure Private Investment Trust	51,034	32%	16,295	16,295

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	December 31, 2024			
	Net assets of associates and joint venture (A)	The Group's ownership (B) (%)	Net assets owned (AXB)	Book amount
Samsung Lapael Professional Private Securities Investment Trust 1st	104,465	50%	52,233	52,233
KB Leaders ESG Professional Private Securities Investment Trust No.1	42,146	49%	20,757	20,757
Kyobo Axa clean energy center Professional Private Special Asset Investment Fund-1	41,070	28%	11,624	11,624
VI Repo General Private Securities Investment Trust No.8	104,477	50%	52,238	52,238
Shinhan Corporate General Private Equity Securities Investment Trust No. 7 (Bond)	104,541	50%	52,181	52,181
KYOBO Axa Alpha Plus General Private Investment Trust J -13	104,422	50%	52,211	52,211
KB Leaders General Private Investment Trust No. 29 (Bond)	102,423	50%	51,211	51,211
Mirae-Asset Hydrogen Infrastructure Professional Investment Private No. 1	66,509	49%	32,786	32,786
Igis housing platform no.1 professional investors' private real estate fund	54,294	20%	10,859	10,859
Hyundai Investment Professional Investment Private Real Estate Investment Trust No.44	81,302	23%	18,300	18,300
Hana Balance Professional Investment Private No. 1 (Mixed Bond)	22,353	50%	11,177	11,177
Shinhan Corporation General Private Securities Investment Trust 14th [bond]	104,048	50%	52,024	52,024
Samsung Rafael General Private Investment Trust No.8	104,467	50%	52,234	52,234
SHBNPP Corporate Private Security Investment Trust 8th	83,824	50%	41,912	41,912
Others ¹	627,738		185,447	184,277

¹ The Group recognized impairment losses of ₩1,170 million, which were reflected in loss from investments in associates.

16. PROPERTY AND EQUIPMENT:

(a) *Changes in property and equipment for each of the six-month periods ended June 30, 2025 and 2024 are as follows:*

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(In millions or Korean won)

	2025						
	Beginning balance	Acquisition	Disposal	Reclassifi- cation	Depreciation	Others	Ending balance
Property and equipment							
Land	₩ 436,016	₩ -	₩ (14,426)	₩ (19,283)	₩ -	₩ -	₩ 402,307
Building	584,137	634	(4,457)	(3,414)	(8,851)	(119)	567,930
Leasehold improvements	25,744	3,581	(698)	1,044	(5,105)	(766)	23,800
Equipment and vehicles	123,972	12,916	(779)	2,604	(20,051)	(3,019)	115,643
Construction in progress	56,037	22,947	-	(10,802)	-	-	68,182
Right-of-use assets							
Properties	37,016	27,301	(3,317)	-	(20,848)	(78)	40,074
Vehicles	681	1,670	(1,343)	-	(535)	8	481
Others	865	2,581	(139)	-	(2,330)	(1)	976
	₩1,264,468	₩ 71,630	₩ (25,159)	₩ (29,851)	₩ (57,720)	₩ (3,975)	₩ 1,219,393

(In millions or Korean won)

	2024						
	Beginning balance	Acquisition	Disposal	Reclassifi- cation	Depreciation	Others	Ending balance
Property and equipment							
Land	₩ 433,835	₩ -	₩ -	₩ 1,014	₩ -	₩ -	₩ 434,849
Building	585,198	514	-	21,476	(8,184)	151	599,155
Leasehold improvements	23,847	2,254	(440)	5,285	(5,088)	62	25,920
Equipment and vehicles	130,430	8,281	(495)	4,852	(20,409)	(325)	122,334
Construction in progress	67,989	27,183	-	(55,138)	-	-	40,034
Right-of-use assets							
Properties	48,265	18,394	(2,243)	21	(20,619)	(460)	43,358
Vehicles	984	2,055	(1,657)	-	(511)	2	873
Others	821	3,097	(141)	-	(2,062)	1	1,716
	₩1,291,369	₩ 61,778	₩ (4,976)	₩ (22,490)	₩ (56,873)	₩ (569)	₩ 1,268,239

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(b) Right-of-use asset

Details of right-to-use assets as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

	June 30, 2025			
	Properties	Vehicles	Others	Total
Cost of right-of-use asset	₩ 176,616	₩ 1,685	₩ 9,858	₩ 188,159
Accumulated depreciation	<u>(136,542)</u>	<u>(1,204)</u>	<u>(8,882)</u>	<u>(146,628)</u>
Book amount of right-of-use asset	<u>₩ 40,074</u>	<u>₩ 481</u>	<u>₩ 976</u>	<u>₩ 41,531</u>

(In millions of Korean won)

	December 31, 2024			
	Properties	Vehicles	Others	Total
Cost of right-of-use asset	₩ 169,637	₩ 1,558	₩ 8,570	₩ 179,765
Accumulated depreciation	<u>(132,622)</u>	<u>(876)</u>	<u>(7,705)</u>	<u>(141,203)</u>
Book amount of right-of-use asset	<u>₩ 37,015</u>	<u>₩ 682</u>	<u>₩ 865</u>	<u>₩ 38,562</u>

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17. INTANGIBLE ASSETS:

Changes in intangible assets for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions or Korean won)

	2025						
	Beginning balance	Acquisition	Disposal	Reclassification ¹	Amortization	Others	Ending balance
Software	₩ 33,650	₩ 8,034	₩ -	₩ 155	₩ (6,208)	₩ 1,085	₩ 36,716
Goodwill	28,341	0	-	-	-	-	28,341
Development costs	125,766	954	-	17,301	(24,366)	-	119,655
Others	81,329	71,219	-	(17,456)	(11,715)	(14)	123,363
	₩ 269,086	₩ 80,207	₩ -	₩ -	₩ (42,289)	₩ 1,071	₩ 308,075

¹ Transferred from construction in progress.

(In millions or Korean won)

	2024						
	Beginning balance	Acquisition	Disposal	Reclassification ¹	Amortization	Others	Ending balance
Software	₩ 33,528	₩ 3,002	₩ -	₩ 249	₩ (7,002)	₩ (91)	₩ 29,686
Goodwill	28,341	-	-	-	-	-	28,341
Core deposits	12,547	-	-	-	(8,365)	-	4,182
Development costs	122,321	1,798	-	14,494	(22,013)	(3)	116,597
Others	71,042	36,631	(170)	(7,046)	(10,868)	13	89,602
	₩ 267,779	₩ 41,431	₩ (170)	₩ 7,697	₩ (48,248)	₩ (81)	₩ 268,408

¹ Transferred from construction in progress.

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18. INVESTMENT PROPERTIES:

The fair value and assessment method of investment properties as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024	Valuation techniques	Input variables
Land	₩ 310,833	₩ 542,814	- The evaluation method of using officially assessed land pricing - Sales comparison approach	- Officially assessed land pricing - Transaction price - Discount rate - Rent increase rate, etc.
Building	176,346	242,691	- Evaluation by the prime cost - Evaluation by the standard land cost - Sales comparison approach	- Repurchase cost - Durable years - Transaction price - Rent increase rate, etc.
	<u>₩ 487,179</u>	<u>₩ 785,505</u>		

Investment properties are classified as Level 3 and measured by independent professionals who have specialty and similar experience in the area of investment properties located recently.

Changes in investment properties for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>		2025						
		Beginning balance	Acquisition	Disposal	Reclassifi- cation	Deprecia tion	Others	Ending balance
Land	₩	441,608	₩ -	₩ (259,747)	₩ 19,283	₩ -	₩ -	₩ 201,144
Building		<u>187,701</u>	<u>-</u>	<u>(81,107)</u>	<u>9,825</u>	<u>(2,727)</u>	<u>(101)</u>	<u>113,591</u>
	₩	<u>629,309</u>	<u>₩ -</u>	<u>₩ (340,854)</u>	<u>₩ 29,108</u>	<u>₩ (2,727)</u>	<u>₩ (101)</u>	<u>₩ 314,735</u>

<i>(In millions of Korean won)</i>		2024						
		Beginning balance	Acquisition	Disposal	Reclassifi- cation	Deprecia tion	Others	Ending balance
Land	₩	447,364	₩ -	₩ -	₩ (1,014)	₩ -	₩ -	₩ 446,350
Building		<u>169,675</u>	<u>-</u>	<u>-</u>	<u>14,224</u>	<u>(3,145)</u>	<u>74</u>	<u>180,828</u>
	₩	<u>617,039</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 13,210</u>	<u>₩ (3,145)</u>	<u>₩ 74</u>	<u>₩ 627,178</u>

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19. FINANCIAL LIABILITIES AT FVTPL:

Financial liabilities at FVTPL as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	Reason for designation
Financial liabilities at FVTPL:			
Securities sold	₩ 867,020	₩ 878,297	
	<u>867,020</u>	<u>878,297</u>	
Financial liabilities designated at FVTPL ¹ :			
Equity-linked securities sold	635,871	658,612	Hybrid(combined)
Securities sold with embedded derivatives	769,103	588,456	financial instrument
Credit risk assessment adjustment	1,503	357	
Adjustment of gain and losses on valuation at transaction date	766	178	
	<u>1,407,243</u>	<u>1,247,603</u>	
	<u>₩ 2,274,263</u>	<u>₩ 2,125,900</u>	

¹ In accordance with KIFRS 1109, paragraph 6.7.1, the Group designated the financial liabilities at initial recognition (or subsequently) as FVTPL.

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20. BORROWINGS:

Borrowings at amortized cost as of June 30, 2025 and December 31, 2024 consist of:

<i>(In millions of Korean won)</i>	<u>Annual interest rate (%)</u>		June 30,	December 31,
	Minimum	Maximum	2025	2024
Borrowings in Korean won:				
The BOK	1.00	1.00	₩ 1,168,747	₩ 1,081,627
Others	-	5.25	<u>3,761,607</u>	<u>3,885,579</u>
			<u>4,930,354</u>	<u>4,967,206</u>
Borrowings in foreign currencies:				
Overdraft on our account	-	-	36,225	3,414
Banks	1.27	16.50	1,172,294	1,583,798
Others	0.94	5.93	<u>273,666</u>	<u>272,202</u>
			<u>1,482,185</u>	<u>1,859,414</u>
Call money	2.65	12.00	241,931	629,261
Bonds sold under repurchase agreement:				
Korean won	0.55	3.81	4,830,922	3,814,166
Foreign currencies	1.42	1.42	<u>18,780</u>	<u>18,729</u>
			<u>4,849,702</u>	<u>3,832,895</u>
Bills sold	1.50	2.73	8,248	14,956
Deferred expenses from borrowings			<u>(1,763)</u>	<u>(2,235)</u>
			<u>₩ 11,510,657</u>	<u>₩ 11,301,497</u>

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21. DEBENTURES:

Debentures issued by the Group as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	Annual interest rate (%)		June 30,	December 31,
	Minimum	Maximum	2025	2024
Debentures in Korean won:				
Unsecured coupon bond	1.58	7.34	₩ 14,130,853	₩ 13,386,399
Subordinated bond	3.47	3.85	250,000	350,000
Present value discounts			(10,935)	(10,088)
			<u>14,369,918</u>	<u>13,726,311</u>
Debentures in foreign currencies:				
Senior bond	5.50	5.51	40,692	44,100
Subordinated bond	3.63	3.63	339,100	367,500
Loss on fair value hedge			(8,824)	(15,146)
Present value discounts			(613)	(900)
			<u>370,355</u>	<u>395,554</u>
			<u>₩ 14,740,273</u>	<u>₩ 14,121,865</u>

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22. NET DEFINED BENEFIT LIABILITIES (ASSETS):

As of June 30, 2025, and December 31, 2024, the amounts recognized in the consolidated statements of financial position related to post-employment benefits are as follows:

<i>(In millions of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Present value of funded defined benefit obligations	₩ 764,170	₩ 730,305
Fair value of plan assets	<u>(846,779)</u>	<u>(835,747)</u>
Net defined benefit liabilities (assets) ¹	<u>₩ (82,609)</u>	<u>₩ (105,442)</u>

¹ As of June 30, 2025, the amounts recognized under the defined benefit plan of ₩82,609 million represent the net defined benefit assets of ₩91,948 million less net defined benefit liabilities of ₩9,339 million.

Movements in the net defined benefit liabilities for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<u>2025</u>		
	Present value of defined benefit obligation	Plan assets	Total
Current service cost	₩ 28,741	₩ -	₩ 28,741
Interest expenses (interest revenues)	<u>14,887</u>	<u>(17,485)</u>	<u>(2,598)</u>
	<u>₩ 43,628</u>	<u>₩ (17,485)</u>	<u>₩ 26,143</u>

<i>(In millions of Korean won)</i>	<u>2024</u>		
	Present value of defined benefit obligation	Plan assets	Total
Current service cost	₩ 26,689	₩ -	₩ 26,689
Interest expenses (interest revenues)	<u>15,192</u>	<u>(18,808)</u>	<u>(3,616)</u>
	<u>₩ 41,881</u>	<u>₩ (18,808)</u>	<u>₩ 23,073</u>

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23. PROVISIONS:

Details of provisions for other liabilities and charges as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
Provision for acceptances and guarantees	₩	3,927	₩	3,573
Provision for unused credit limit		40,043		45,825
Financial guarantee contract liabilities		1,551		1,607
Provision for restoration costs		14,624		14,939
Provision for credit card point		237		301
Provision for litigation		2,900		-
Others		40,763		40,431
	₩	<u>104,045</u>	₩	<u>106,676</u>

Changes in provision for acceptances and guarantees and provision for unused credit limit for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025							
	Twelve months expected credit losses		Lifetime expected credit losses			Total		
			Unrecognized impairment	Recognized impairment				
Beginning balance	₩	35,013	₩	15,961	₩	31	₩	51,005
Transfer to 12 months expected credit loss		3,369		(3,369)		-		-
Transfer to lifetime expected credit losses		(1,451)		1,451		-		-
Transfer to credit-impaired financial liabilities		(20)		(4,551)		4,571		-
Foreign currency translation and others		(52)		(28)		(1)		(81)
Others		238		152		(4,500)		(4,110)
		<u>37,097</u>		<u>9,616</u>		<u>101</u>		<u>46,814</u>
Provision (reversal)		(2,396)		1,168		(65)		(1,293)
Ending balance	₩	<u>34,701</u>	₩	<u>10,784</u>	₩	<u>36</u>	₩	<u>45,521</u>

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	2024							
	Twelve months expected credit losses		Lifetime expected credit losses			Total		
			Unrecognized impairment	Recognized impairment				
Beginning balance	₩	34,523	₩	15,828	₩	1,714	₩	52,065
Transfer to 12 months expected credit loss		3,252		(3,252)		-		-
Transfer to lifetime expected credit losses		(1,285)		1,285		-		-
Transfer to credit-impaired financial liabilities		(25)		(51)		76		-
Foreign currency translation and others		41		53		1		95
Others		(59)		(4)		-		(63)
		36,447		13,859		1,791		52,097
Provision (reversal)		(697)		(1,005)		(1,364)		(3,066)
Ending balance	₩	35,750	₩	12,854	₩	427	₩	49,031

Changes in other provisions for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025				
	Beginning balance	Increase	Decrease	Others	Ending balance
Provision for restoration costs	₩ 14,939	₩ 540	₩ (576)	₩ (279)	₩ 14,624
Provision for credit card point	301	-	(65)	-	236
Provision for litigation	0	2,900	0		2,900
Others ¹	40,431	968	(1,805)	1,170	40,764
	₩ 55,671	₩ 4,408	₩ (2,446)	₩ 891	₩ 58,524

¹ As of June 30, 2025, the Group's Lime Asset Management's redemption deferral fund sales amount to ₩62,236 million and related provisions amount to ₩25,360 million.

(In millions of Korean won)

	2024				
	Beginning balance	Increase	Decrease	Others	Ending balance
Provision for restoration costs	₩ 13,669	₩ 1,161	₩ (45)	₩ -	₩ 14,785
Provision for credit card point	433	-	(78)	-	355
Others ¹	125,578	1,758	(81,172)	-	46,164
	₩ 139,680	₩ 2,919	₩ (81,295)	₩ -	₩ 61,304

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¹ As of June 30, 2024, the Group's Lime Asset Management's redemption deferral fund sales amount to ₩62,236 million and related provisions amount to ₩27,477 million.

Provision for restoration costs represent the estimated cost to restore the existing leased properties, which is discounted to the present value using the appropriate discount rate at the end of the reporting period. Disbursements of such costs are expected to incur at the end of lease contract, and such costs are reasonably estimated using the past three-year historical data of average lease year of expired leases. In addition, the expected restoration expense is calculated based on the average of actual costs incurred in the past and the prior year's inflation rate..

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24. OTHER LIABILITIES:

Other liabilities as of June 30, 2025 and December 31, 2024 consist of the followings:

<i>(In millions of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Other financial liabilities:		
Due to trust accounts	₩ 732,577	₩ 1,164,956
Due to fund accounts	1,949	1,560
Foreign exchange remittances pending	51,674	25,737
Prepaid card liabilities	16,709	13,042
Debit card liabilities	21,527	19,118
Deposits for letter of guarantees and others	680,386	668,609
Present value discounts	(68,192)	(71,221)
Accounts payable	1,224,999	672,988
Accrued expenses	1,478,783	1,614,430
Agency business accounts	284,608	256,797
Unsettled domestic exchange liabilities	718,329	168,727
Deposits held by agency relationship	148,194	101,390
Guarantee deposits for securities subscription	1,325	619
Lease liabilities	33,696	28,371
Securities payable	258	-
Remittance pending	278	21
Others	420,577	430,776
	<u>5,747,677</u>	<u>5,095,920</u>
Other non-financial liabilities:		
Withholding taxes	63,634	50,747
Unearned revenues	104,813	112,437
Others	35,224	30,990
	<u>203,671</u>	<u>194,174</u>
	₩ <u>5,951,348</u> ₩	<u>5,290,094</u>

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The classifications of lease liabilities by maturity as of June 30, 2025 and December 31, 2024 are as follows:

(In millions of Korean won)

	June 30, 2025					
	Less than 1 month	1 month – 3 months	3 – 12 months	1 year – 5 years	More than 5 years	Total
Lease liabilities	₩ 2,895	₩ 5,452	₩ 13,634	₩ 11,756	₩ 788	₩ 34,525

(In millions of Korean won)

	December 31, 2024					
	Less than 1 month	1 month – 3 months	3 – 12 months	1 year – 5 years	More than 5 years	Total
Lease liabilities	₩ 1,828	₩ 3,171	₩ 10,718	₩ 12,262	₩ 1,045	₩ 29,024

Cash outflows from lease contract were ₩20,365 million (including leases of low-value asset of ₩2,083 million) for the six-month period ended June 30, 2025 and ₩16,518 million (including leases of low-value asset of ₩2,015 million included) for the six-month period ended June 30, 2024.

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25. EQUITY:

(a) Share capital

As of June 30, 2025, the Group has 700 million shares authorized with a par value of ₩5,000 and 318,383,519 shares have been issued. The Parent Company's share capital as of June 30, 2025, amounts to ₩1,629,676 million. Due to the retirement of stocks, the capital stock differs from the total par value of the issued shares.

(b) Other paid-in capital

Details of other paid-in capital as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
Share premium	₩	678,953	₩	678,953
Other reserves		102,340		102,340
Treasury shares		(40,000)		(19,997)
Gain on disposal of treasury share		5,826		5,826
Loss on disposal of treasury share		(122)		(122)
Capital adjustment-other		3,692		3,629
	₩	<u>750,689</u>	₩	<u>770,629</u>

(c) Hybrid equity securities

Details of hybrid equity securities issued by the Parent Company as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<u>Issue date</u>	<u>Maturity</u>	<u>Interest rate (%)</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Hybrid equity securities					
in Korean won	Jun. 24, 2015	Jun. 24, 2045	5.10	₩ -	₩ 30,000
	Feb. 19, 2020	-	3.35	-	150,000
	Jun. 23, 2020	-	3.30	-	100,000
	Aug. 4, 2020	-	3.38	100,000	100,000
	Sep. 22, 2023	-	5.70	150,000	150,000
	Feb. 15, 2024	-	4.97	200,000	200,000
Issuance cost				(1,380)	(2,297)
				₩ 448,620	₩ 727,703

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Hybrid equity securities classified as non-controlling equity as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	Issue date	Maturity	Interest rate (%)		June 30, 2025		December 31, 2024
Hybrid equity securities							
in Korean won	Apr. 7, 2022	-	4.30	₩	150,000	₩	150,000
	May 10, 2022	-	5.20		200,000		200,000
	Apr. 29, 2024	-	4.37		100,000		100,000
Issuance cost					(1,246)		(1,246)
				₩	<u>448,754</u>	₩	<u>448,754</u>

The Group can exercise its right to early repayment after 5 or 10 years after issuing hybrid equity securities, and at the date of maturity, the contractual agreements allow the Group to indefinitely extend the maturity date with the same contractual terms. In addition, if the Group decides not to pay the dividends of ordinary share at general shareholders' meeting, the Group may not pay interest on the hybrid equity securities.

(d) Other components of equity

Other components of equity as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>		June 30, 2025		December 31, 2024
Gain on valuation of financial instruments at FVOCI	₩	74,373	₩	93,894
Exchange differences on translation of foreign operations		12,915		65,021
Remeasurements of net defined benefit liabilities		(161,580)		(142,044)
Loss on valuation of hedges of net investments in foreign operations		(27,782)		(76,537)
Share of other comprehensive income of associates		(7,892)		12,665
Others		371		1,565
Tax effects		27,728		11,495
	₩	<u>(81,867)</u>	₩	<u>(33,941)</u>

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(e) *Retained earnings*

1) Retained earnings as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024
Reserve:		
Earned profit reserves ¹	₩ 1,078,154	₩ 1,009,647
Regulatory reserve for credit loss	468,320	368,839
Discretionary reserves	4,073,417	3,840,217
	<u>5,619,891</u>	<u>5,218,703</u>
Retained earnings before appropriation	2,242,877	2,386,050
	<u>₩ 7,862,768</u>	<u>₩ 7,604,753</u>

¹ Article 53 of the *Financial Holding Companies Act* requires the Company to appropriate at least 10% of profit for the period to legal reserve, until such reserve equals 100% of its paid-up capital. This reserve is not available for payment of cash dividends; however, it can be used to reduce deficit or be transferred to capital.

2) Regulatory reserve for credit loss

In accordance with the *Supervisory Regulations on Financial Holding Companies*, if provision for impairment under KIFRS for the accounting purpose do not exceed those for the regulatory purpose, the Group is required to appropriate such shortfall amount as regulatory reserve for credit loss. As the regulatory reserve for credit loss is a voluntary reserve, the amount of existing reserve for credit loss exceeding the amount of reserve for credit loss required to be accumulated at the end of the reporting period may be reversed in profit. If accumulated deficit remains undisposed, the reserve for credit loss shall be accumulated after such accumulated deficit is disposed.

Regulatory reserves for credit losses as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024
Provided reserve for credit loss ¹	₩ 468,320	₩ 368,839
Expected provision of reserve for credit loss	82,995	99,481
Regulatory reserve for credit loss:	<u>₩ 551,315</u>	<u>₩ 468,320</u>
Owners of the Parent Company	₩ 551,315	₩ 468,320
Non-controlling interests	-	-

¹ Provided reserve for credit loss as of June 30, 2025, and December 31, 2024, is the amount after appropriations of retained earnings.

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The expected provision of reserve for credit losses, adjusted profit after the provision of regulatory reserve and adjusted earnings per share after the provision of regulatory reserve for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Profit for the period attributable to of the Parent Company	₩ 309,194	₩ 475,770	₩ 242,790	₩ 492,313
Expected reversal (provision) of reserve for credit losses	15,405	(82,995)	(73,132)	(86,564)
Adjusted profit after the reversal of regulatory reserve ¹	₩ 324,599	₩ 392,775	₩ 169,658	₩ 405,749
Adjusted earnings per share after the provision of regulatory reserve ¹ <i>(in Korean won)</i>	₩ 1,004	₩ 1,193	₩ 497	₩ 1,214

¹ Adjusted profit and earnings per share after provision of reserve for credit loss are not in accordance with KIFRS, but are calculated on the assumption that provision or reversal of reserve for credit loss is adjusted to the profit for the year attributable to owners of the Parent Company. Earnings per share after provision of reserve for credit loss are presented net of dividends on hybrid equity securities.

(f) Treasury shares

The acquisition of treasury shares for each of the six-month periods ended June 30, 2025 and 2024 are as follows.

<i>(In millions of Korean won and in shares)</i>	2025		2024	
	Number of shares	Carrying amount	Number of shares	Carrying amount
Beginning balance	2,053,208	₩ 19,997	-	₩ -
Acquisition ¹	3,958,365	40,000	1,651,711	12,999
Retirement ²	(2,053,208)	(19,997)	-	-
Ending balance	3,958,365	₩ 40,000	1,651,711	₩ 12,999

¹ In order to enhance shareholders' value, the Group entered into a treasury shares trust agreement with Korea Investment & Securities Co., Ltd., through which the Group acquired treasury shares.

² In accordance with the resolution of the Board of Directors dated July 31, 2024, 2,053,208 treasury shares that had been acquired were retired on February 6, 2025.

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26. NET INTEREST INCOME:

Net interest income, interest income and expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Interest income:				
Due from banks	₩ 8,162	₩ 19,401	₩ 8,649	₩ 17,449
Financial instruments at FVTPL	66,555	125,018	52,945	99,755
Financial instruments at FVOCI	53,986	110,654	52,573	98,770
Financial assets at amortized cost	59,083	117,010	62,358	123,768
Loans receivable	1,441,718	2,921,314	1,570,751	3,163,935
	<u>1,629,504</u>	<u>3,293,397</u>	<u>1,747,276</u>	<u>3,503,677</u>
Interest expense:				
Deposit liabilities	(693,623)	(1,383,976)	(760,618)	(1,545,112)
Borrowings	(80,178)	(164,785)	(89,247)	(165,270)
Debentures	(129,959)	(265,802)	(133,133)	(263,064)
Others	(17,273)	(34,913)	(25,234)	(51,152)
	<u>(921,033)</u>	<u>(1,849,476)</u>	<u>(1,008,232)</u>	<u>(2,024,598)</u>
Net interest income	<u>₩ 708,471</u>	<u>₩ 1,443,921</u>	<u>₩ 739,044</u>	<u>₩ 1,479,079</u>

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27. NET COMMISSION INCOME:

Net commission income, commission income and expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Commission income:				
Commission received	₩ 82,044	₩ 168,036	₩ 85,169	₩ 191,360
Guarantees	2,631	5,163	3,161	6,545
Credit card	2,448	4,293	2,647	4,855
Others	324	536	346	590
	<u>87,447</u>	<u>178,028</u>	<u>91,323</u>	<u>203,350</u>
Commission expenses:				
Commission paid	(31,556)	(53,890)	(24,734)	(48,135)
Credit card	(17,872)	(35,743)	(16,076)	(36,365)
	<u>(49,428)</u>	<u>(89,633)</u>	<u>(40,810)</u>	<u>(84,500)</u>
Net commission income	<u>₩ 38,019</u>	<u>₩ 88,395</u>	<u>₩ 50,513</u>	<u>₩ 118,850</u>

28. GAIN OR LOSS ON FINANCIAL ASSETS AT FVTPL:

Gains or losses on financial assets at FVTPL for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Gain on financial assets at FVTPL:				
Gain on disposal of financial assets at FVTPL	₩ 342	₩ 2,140	₩ 1,764	₩ 2,464
Gain on sale of financial assets at FVTPL	114,689	157,152	69,446	119,223
Gain on valuation of financial assets at FVTPL	123,645	209,945	53,535	153,014
Dividend income and others	21,922	38,438	28,711	44,950
	<u>260,598</u>	<u>407,675</u>	<u>153,456</u>	<u>319,651</u>
Loss on financial assets at FVTPL:				
Loss on disposal of financial assets at FVTPL	(3,005)	(5,219)	(1,844)	(2,849)
Loss on sale of financial assets at FVTPL	(125,435)	(166,337)	(48,551)	(87,860)
Loss on valuation of financial assets at FVTPL	(19,679)	(45,451)	(5,161)	(35,306)
Purchase expenses of financial assets at FVTPL	(9)	(52)	-	-
	<u>(148,128)</u>	<u>(217,059)</u>	<u>(55,556)</u>	<u>(126,015)</u>
Net gain on financial assets at FVTPL	<u>₩ 112,470</u>	<u>₩ 190,616</u>	<u>₩ 97,900</u>	<u>₩ 193,636</u>

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29. GAIN OR LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME:

Gains or losses on financial assets at fair value through other comprehensive income for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Gain on financial assets at FVOCI:				
Gain on sale of financial assets at FVOCI	₩ 33,795	₩ 90,357	₩ 11,578	₩ 46,185
Reversal of impairment loss	(9)	30	(48)	382
Dividend income and others	131	2,770	587	3,373
	<u>33,917</u>	<u>93,157</u>	<u>12,117</u>	<u>49,940</u>
Loss on financial assets at FVOCI:				
Loss on sale of financial assets at FVOCI	(43)	(158)	(3)	(82)
Impairment loss on financial assets at FVOCI	(690)	(1,024)	50	(7)
	<u>(733)</u>	<u>(1,182)</u>	<u>47</u>	<u>(89)</u>
Net gain on financial assets at FVOCI	<u>₩ 33,184</u>	<u>₩ 91,975</u>	<u>₩ 12,164</u>	<u>₩ 49,851</u>

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30. GAIN OR LOSS ON FINANCIAL ASSETS AT AMORTIZED COST:

Gains or losses on financial assets at amortized cost for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Gain on financial assets at amortized cost:				
Reversal of impairment loss on financial assets at amortized cost	₩ 473	₩ 633	₩ 280	₩ 1,456
	<u>473</u>	<u>633</u>	<u>280</u>	<u>1,456</u>
Loss on financial assets at amortized cost:				
Impairment loss on financial assets at amortized cost	(171)	(214)	(69)	(118)
	<u>(171)</u>	<u>(214)</u>	<u>(69)</u>	<u>(118)</u>
Net gain on financial assets at amortized cost	₩ 302	₩ 419	₩ 211	₩ 1,338

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31. PROVISION FOR CREDIT LOSS:

Provisions for credit losses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Reversal of provision for credit loss and others				
Reversal of provisions:				
Reversal of provision for impairment	₩ -	₩ -	₩ 1,737	₩ 1,755
Reversal of provision for credit loss on acceptances and guarantees	(522)	133	1,354	1,829
Reversal of provision for credit loss on unused credit limits	1,198	3,162	(2,724)	994
Reversal of provision for credit loss on financial guarantee contract	75	75	(702)	382
	751	3,370	(335)	4,960
Gain on disposal of loans receivable	42,224	65,539	71,326	94,838
Gain on loans receivable at FVTPL	831	1,891	1,631	4,749
	43,806	70,800	72,622	104,547
Contribution to provision for credit loss and others				
Contribution to provisions:				
Impairment loss	(161,993)	(434,510)	(201,787)	(374,230)
Contribution to provision for credit loss on acceptances and guarantees	(500)	(569)	-	-
Contribution to provision for credit loss on unused credit limits	(509)	(1,508)	(112)	(112)
Contribution to provision for credit loss on financial guarantee contract	41	-	(27)	(27)
	(162,961)	(436,587)	(201,926)	(374,369)
Loss on disposal of loans receivable	(25,317)	(39,514)	(12,569)	(21,451)
Loss on loans receivable at FVTPL	1,032	(93)	(253)	(253)
	(187,246)	(476,194)	(214,748)	(396,073)
Contribution to provision for credit loss	₩ (143,440)	₩ (405,394)	₩ (142,126)	₩ (291,526)

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32. GENERAL AND ADMINISTRATIVE EXPENSES:

(a) *General and administrative expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:*

(In millions of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Employee benefits:				
Salaries	₩ 192,166	₩ 352,459	₩ 177,868	₩ 346,806
Employee benefit expenses	44,296	99,704	43,495	96,393
Postemployment benefits	14,732	32,227	13,451	28,174
Termination benefits	6	(235)	-	-
	<u>251,200</u>	<u>484,155</u>	<u>234,814</u>	<u>471,373</u>
Rent	3,146	6,527	3,434	6,883
Business promotion expenses	6,025	11,911	6,419	12,562
Depreciation	28,082	60,447	29,992	60,018
Amortization	21,032	42,289	24,163	48,248
Taxes and dues	20,121	39,218	20,422	38,921
Other administrative expenses	69,228	130,802	65,028	126,453
	<u>₩ 398,834</u>	<u>₩ 775,349</u>	<u>₩ 384,272</u>	<u>₩ 764,458</u>

(b) *Share-based payments*

The Group has granted share-based payments to its executives and employees, and measured the cost of the share options by a fair value approach. The share-based payments is an incentive plan that sets, on grant date, the maximum number of shares that can be awarded. Actual shares to be granted are determined and paid in cash, in accordance with achievement of performance targets over the vesting period.

The performance compensation linked to short-term performance and long-term performance for the chairman, the bank president and the other executives shall be paid in cash in the following year of evaluation period, and the remaining compensations shall be deferred in connection with the share price.

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1) Changes in granted number of share options for the six-month period ended June 30, 2025 and the year ended December 31, 2024 are as follows:

i) Linked to short-term performance

- Initially granted

<i>(In shares)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Beginning balance	365,512	554,431
Granted	12,147	85,298
Exercised	<u>(292,727)</u>	<u>(274,217)</u>
Ending balance	<u>84,932</u>	<u>365,512</u>

ii) Linked to long-term performance

- Initially granted

<i>(In shares)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Beginning balance	6,780,360	6,296,560
Granted	1,121,604	2,108,690
Exercised	(1,246,918)	(921,152)
Others	<u>(278,617)</u>	<u>(703,738)</u>
Ending balance	<u>6,376,429</u>	<u>6,780,360</u>

- Deferred grants

<i>(In shares)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Beginning balance	3,030,071	2,453,001
Granted	806,200	2,740,052
Exercised	(1,246,918)	(927,836)
Others	<u>(226,304)</u>	<u>(1,235,146)</u>
Ending balance	<u>2,363,049</u>	<u>3,030,071</u>

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2) Impact on business performance and financial position

Expenses recognized related to the share option granted for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Linked to short-term performance	₩ 189	₩ 12	₩ 811	₩ 218
Linked to long-term performance	8,046	7,566	4,824	3,353

Liabilities recognized related to the share-option granted as of June 30, 2025, and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024
Accrued expenses (short-term performance)	₩ 992	₩ 3,920
Accrued expenses (long-term performance)	45,615	51,308

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33. OTHER OPERATING INCOME AND EXPENSES:

Gains and losses on foreign currency transactions for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Gains on foreign currency transactions:				
Gain on foreign currency transactions	₩ 25,537	₩ 78,723	₩ 15,248	₩ 56,096
Gain on foreign currency translation	(70,434)	126,532	39,518	166,795
	<u>(44,897)</u>	<u>205,255</u>	<u>54,766</u>	<u>222,891</u>
Losses on foreign currency transactions:				
Loss on foreign currency transactions	(17,928)	(57,251)	(9,692)	(46,502)
Loss on foreign currency translation	89,421	(102,475)	(39,239)	(172,249)
	<u>71,493</u>	<u>(159,726)</u>	<u>(48,931)</u>	<u>(218,751)</u>
	<u>₩ 26,596</u>	<u>₩ 45,529</u>	<u>₩ 5,835</u>	<u>₩ 4,140</u>

Net income and loss related to derivatives for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Gains on financial derivatives:				
Gains on derivative transactions	₩ 179,225	₩ 305,696	₩ 105,484	₩ 211,004
Gains on valuation of derivatives	241,569	303,566	46,014	128,161
	<u>420,794</u>	<u>609,262</u>	<u>151,498</u>	<u>339,165</u>
Losses on financial derivatives:				
Losses on derivative transactions	(109,988)	(252,566)	(147,549)	(211,441)
Losses on valuation of derivatives	(250,326)	(310,221)	(36,701)	(125,426)
	<u>(360,314)</u>	<u>(562,787)</u>	<u>(184,250)</u>	<u>(336,867)</u>
	<u>₩ 60,480</u>	<u>₩ 46,475</u>	<u>₩ (32,752)</u>	<u>₩ 2,298</u>

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Other operating revenues and expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Other operating revenue:				
Gain on fair value hedged items	₩ -	₩ -	₩ (2,420)	₩ 999
Trust fees and commissions received from trust account	7,553	14,329	6,812	13,361
Reversal of other provisions	-	390	84	436
Operating lease income	174,757	341,090	161,416	317,930
Gain on financial liabilities at FVTPL	(22,886)	23,135	34,777	56,464
Gain on financial liabilities designated as at FVTPL	7,265	7,276	(25)	-
Others	2,970	4,047	161	754
	<u>169,659</u>	<u>390,267</u>	<u>200,805</u>	<u>389,944</u>
Other operating expenses:				
Loss on fair value risk hedged items	(1,692)	(6,259)	-	-
Trust management fees	(19)	(39)	(20)	(40)
Credit card charges	(3)	(8)	(3)	(13)
Contribution to credit guarantee fund	(37,976)	(75,221)	(33,107)	(63,803)
Contribution to housing credit guarantee fund	(9,406)	(19,995)	(12,040)	(24,305)
Insurance fees on deposits	(32,744)	(65,358)	(32,517)	(63,891)
Other provisions	(21)	(1,174)	(25)	(482)
Operating lease expense	(155,185)	(299,812)	(141,096)	(278,800)
Loss on financial liabilities at FVTPL	(81,178)	(131,777)	(9,642)	(103,015)
Loss on financial liabilities designated as at FVTPL	(9,299)	(21,296)	(12,178)	(21,618)
Others	(23,528)	(34,217)	(12,386)	(21,399)
	<u>(351,051)</u>	<u>(655,156)</u>	<u>(253,014)</u>	<u>(577,366)</u>
	<u>₩ (181,392)</u>	<u>₩ (264,889)</u>	<u>₩ (52,209)</u>	<u>₩ (187,422)</u>

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34. NON-OPERATING INCOME AND EXPENSES:

Non-operating income and expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Income from investments in associates:				
Share of profit of associates	₩ 36,344	₩ 57,195	₩ 26,327	₩ 49,477
Gain on disposal of investments in associates	3,204	5,407	1,096	1,784
Share of loss of associates	(3,305)	(9,285)	(2,573)	(4,695)
Loss on disposal of investments in associates	(11,369)	(11,768)	(1,766)	(1,664)
Reversal of impairment loss on investments in associates	-	-	-	147
	<u>24,874</u>	<u>41,549</u>	<u>23,084</u>	<u>45,049</u>
Non-operating income:				
Gain on disposal of property and equipment	7,252	7,702	527	593
Gain on disposal of investment property	96,345	96,345	-	-
Rental income	8,421	16,857	8,356	16,431
Restoration income	-	41	24	109
Gain on collection of charge-offs	85	142	99	256
Gain on changes in leases	181	363	135	440
Other non-operating income	14,044	24,595	2,721	12,329
	<u>126,328</u>	<u>146,045</u>	<u>11,862</u>	<u>30,158</u>
Non-operating expenses:				
Expenses on collection of charge-offs	(85)	(195)	155	(209)
Loss on disposal of property and equipment	(319)	(914)	(295)	(370)
Loss on retirement of property and equipment	(400)	(410)	(238)	(252)
Loss on disposal of intangible assets	-	-	-	(97)
Donations	(3,501)	(4,910)	(6,990)	(9,045)
Loss on changes in leases	(28)	(48)	(5)	(27)
Restoration loss	(159)	(254)	(22)	(31)
Other non-operating expenses	(4,872)	(17,187)	(1,403)	(8,397)
	<u>(9,364)</u>	<u>(23,918)</u>	<u>(8,798)</u>	<u>(18,428)</u>
	<u>₩ 141,838</u>	<u>₩ 163,676</u>	<u>₩ 26,148</u>	<u>₩ 56,779</u>

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35. INCOME TAX EXPENSE:

Reconciliations between profit before income tax and income tax expense for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
Profit before income tax	₩	625,374	₩	662,565
Taxes payable ¹		159,917		169,736
Tax effect of:				
Non-taxable income				
(₩30,711 million in 2025 and				
₩31,778 million in 2024)		(7,853)		(8,141)
Non-deductible expenses				
(₩15,530 million in 2024 and				
₩12,570 million in 2023)		3,971		3,220
Consolidated tax		(4,737)		(5,961)
Others		(12,239)		843
Income tax expense	₩	139,059	₩	159,697
Effective tax rate (income tax expense/profit before income tax)		22.24%		24.10%

¹ Taxes payable in 2025 and 2024 are calculated by applying income tax rate (9.9% for income less than ₩200 million, 20.9% for income exceeding ₩200 million but less than ₩20 billion, 23.1% for income exceeding ₩20 billion but less than ₩300 billion and 26.4% for income exceeding ₩300 billion) to profit before income tax.

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36. EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing profit attributable to owners of Parent Company by weighted-average number of ordinary shares outstanding for each of the six-month periods ended June 30, 2025 and 2024.

The weighted-average number of ordinary shares for each of the six-month periods ended June 30, 2025 and 2024, are as follows:

<i>(In shares)</i>		2025	
	Period	Number of shares	Total number of shares outstanding
Number of ordinary shares outstanding	Jan. 1, 2025 ~ Jun. 30, 2025	320,436,727	57,999,047,587
Treasury shares	Jan. 1, 2025 ~ Jun. 30, 2025	(2,053,208)	(371,630,648)
Acquisition of treasury shares	Apr. 6, 2025 ~ Jun. 30, 2025	(3,958,365)	(265,276,174)
	Subtotal (①)		<u>57,362,140,765</u>
	Weighted-average number of ordinary shares (②)=(①/181) ¹		<u>316,917,905</u>

¹ The total number of ordinary shares issued by the Group was 318,383,519 shares as of June 30, 2025, and the weighted-average number of outstanding shares was calculated by taking into account 2,053,208 treasury shares acquired in the prior year and 3,958,365 treasury shares acquired during the period from April 6, 2025 to May 20, 2025.

<i>(In shares)</i>		2024	
	Period	Number of shares	Total number of shares outstanding
Number of ordinary shares outstanding	Jan 1, 2024 ~ Jun 30, 2024	322,088,438	58,620,095,716
Acquisition of treasury shares	Feb 29, 2024 ~ Jun 30, 2024	(1,651,711)	(184,026,095)
	Subtotal (①)		<u>58,436,069,621</u>
	Weighted-average number of ordinary shares (②)=(①/182) ¹		<u>321,077,306</u>

¹ The total number of ordinary shares issued by the Group is 322,088,438 shares, and the weighted average number of outstanding shares is calculated by taking into account the treasury shares acquired during the period from February 29, 2024 to April 1, 2024, totaling 1,651,711 shares.

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Basic earnings per share attributable to owners of the Parent Company for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

*(In millions of Korean won
and in shares)*

	2025		2024	
	Three months	Six months	Three months	Six months
Profit for the period attributable to owners of the Parent Company	₩ 309,194	₩ 475,770	₩ 242,790	₩ 492,313
Dividends on hybrid equity securities	(6,675)	(14,606)	(8,731)	(15,912)
Profit attributable to the ordinary equity holders	302,519	461,164	234,059	476,401
Weighted-average number of ordinary shares outstanding	315,468,396	316,917,905	320,436,727	321,077,306
Basic earnings per share (in Korean won)	₩ 959	₩ 1,455	₩ 730	₩ 1,484

Diluted earnings per share for each of the six-month periods ended June 30, 2025 and 2024 are equal to the basic earnings per share because the Group did not have any potentially dilutive ordinary shares during the year.

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37. CONTINGENCIES AND COMMITMENTS:

(a) *Payment guarantees as of June 30, 2025 and December 31, 2024 are as follows:*

<i>(In millions of Korean won)</i>	Type	June 30, 2025	December 31, 2024
Confirmed acceptances and guarantees:			
Confirmed acceptances and guarantees in Korean won	Payment guarantee for loans	₩ 52,507	₩ 52,870
	Others	441,717	427,849
		<u>494,224</u>	<u>480,719</u>
Confirmed acceptances and guarantees in foreign currencies	Acceptances on letters of credit	8,310	21,515
	Acceptances on letters of guarantee for importers	17,764	17,249
	Others	698,382	682,025
		<u>724,456</u>	<u>720,789</u>
		<u>1,218,680</u>	<u>1,201,508</u>
Unconfirmed acceptances and guarantees:	Letters of credit	248,853	221,609
	Others	4,093	5,798
		<u>252,946</u>	<u>227,407</u>
Others	Endorsed bill	23	25
		<u>₩ 1,471,649</u>	<u>₩ 1,428,940</u>

(b) *Unused commitments as of June 30, 2025 and December 31, 2024 are as follows:*

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024
Corporates	₩ 8,684,083	₩ 9,252,238
Households	8,694,435	8,965,538
Credit card	5,165,388	5,281,439
Securities purchase agreement	793,889	789,867
	<u>₩ 23,337,795</u>	<u>₩ 24,289,082</u>

(c) The Group has entered into a Korean currency borrowing agreement with KDB Development Bank and others for ₩1,195,058 million and foreign currency borrowing agreements with Sumitomo Mitsui Trust Bank, and others for CNY 500,000,000, JPY 2,000,000,000 and USD 169,745,000 for the purpose of securing liquidity in preparation for the crisis in the Korean currency fund market and diversifying financing channels.

(d) *Lawsuits*

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As of June 30, 2025 and December 31, 2024, the Group's major lawsuits are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025		December 31, 2024	
	As a plaintiff	As a defendant	As a plaintiff	As a defendant
Number of cases	65 cases	135 cases	54 cases	120 cases
Amount	₩ 107,293	₩ 137,398	₩ 129,557	₩ 110,706
Provisions related to these lawsuits		₩ 2,900		₩ -

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38. TRANSACTIONS WITH RELATED PARTIES:

(a) All intercompany transactions, including intercompany receivables and payables, are eliminated while preparing the interim condensed consolidated financial statements.

(b) Receivables and payables between related parties

Outstanding balances arising from sales/purchases of goods and services as of June 30, 2025, and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	June 30, 2025	December 31, 2024
Associate/Associate of entities under common control:		
BNK BNK Shareholder Yield Active ETF	₩ 19	₩ -
Other assets		
BNK Winning Securities Investment Trust 1(Equity)	4	5
Other assets		
BNK IPO High Yield Securities Investment Trust 1	1	1
Other assets		
BNK Strong Korea Securities Investment Trust 1(Equity)	-	8
Other assets		
BNK-Cape ESG Renewable energy Fund No.1	62	31
Other assets		
BNK-K& New Marine Industry No.1 Fund	105	210
Other assets		
BNK T 2021 Korea Facilitator Venture Fund	140	85
Other assets		
BNKK& Yeonghonam Special Zone Company Development No.1 Fund	97	49
Other assets		
BNK-Hyundai Defense Industry Innovation Fund	115	115
Other assets		
2019 UQIP Innovative Growth Follow-on Investment Fund	-	102
Other assets		
BNK Fisheries Venture Fund No.1	362	237
Other assets		
BNK-INTERVALUE Technology Financing Fund	212	452
Other assets		
BNK Agrifood Venture Fund No.3	74	69
Other assets		
Clobe Private Debt Fund I	11	10
Other assets		
BNK storage Investment Fund	36	36
Other assets		
BNK Global Medical Device New Technology 1st Investment Fund	52	-
Other assets		
BNK-NAU BUSAN LOCAL	-	5
Other assets		

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<i>(In millions of Korean won)</i>		June 30, 2025	December 31, 2024
INNOVATION FUND			
Key management ¹ :	Loans receivable	233	1,050
	Credit card receivable	1	4
	Deposit liabilities	1,117	936

¹ Key management includes the main management of the Group and major subsidiaries, including Busan Bank, Kyongnam Bank, BNK Capital and BNK Securities.

(c) Revenue and expenses between related parties

Transactions with the related parties for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>		2025	2024
Associate:			
BNK Shareholder Value Active Securities Exchange Traded Fund	Commission revenues	₩ 36	₩ -
BNK Winning Securities Investment Trust 1	Commission revenues	17	19
BNK Teunteun Korea Securities Investment Trust No. 1	Commission revenues	9	-
UQIP Energy Fusion Investment Fund Partnership	Commission revenues	-	77
2019 UQIP Innovative Growth Follow-on Fund Partnership	Commission revenues	101	227
BNK Fisheries Investment Association	Commission revenues	-	71
BNK Fisheries Investment Association	Commission revenues	31	31
BNK Intervalue Technology Finance Investment Association	Commission revenues	156	216
BNK Agricultural Food Investment Association No. 3	Commission revenues	112	143
Orion KOSDAQ venture fund #52	Commission revenues	-	30
BNKKN Eastsouthern Digital New Deal 1st New Technology Business Investment Fund	Commission revenues	224	230
BNK Cape ESG New Renewable Energy No. 1 New Technology Association	Commission revenues	7	4

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<i>(In millions of Korean won)</i>		2025	2024
BNK-T2021 Korea Support Venture Investment Association No. 1	Commission revenues	61	46
BNKKN Younghonam Special Zone Venture Investment Associate No. 1	Commission revenues	150	125
BNK-Kiwoom New Technology Investment Fund 1st	Commission revenues	-	171
BNK-K& New Marine Industry No.1 Fund	Commission revenues	407	93
UQIP Future Generation Investment Fund Partnership	Commission revenues	-	150
BNK-Hyundai Defense Innovation Fund	Commission revenues	125	110
BNK-KakaoPay Securities- Mosaic Big Data Association	Commission revenues	218	233
ForHumanLife CDMO New Technology Business Investment Association	Commission revenues	64	169
BNK-K& New Marine Industry No.2 Fund	Commission revenues	24	14
BNK safety Investment Fund	Commission revenues	78	-
Invictus BNK Fund 1	Commission revenues	36	19
BNK storage Investment Fund	Commission revenues	124	-
BNK-MOSAIC-LEADINGACE IT Innovation Equipment Fund No.1	Commission revenues	18	-
BNK-Mosaic Super-Gap AI Security Fund No.1	Commission revenues	27	-
Clobe Private Debt Fund I	Commission revenues	21	-
BNK-Gyeongnam Smart Innovation Fund	Commission revenues	100	-
BNK-NAU BUSAN LOCAL INNOVATION FUND	Commission revenues	106	-
BNK Global Medical Device New Technology 1st Investment Fund	Commission revenues	52	-
HanwhaBNK PreIPO New Medicine Fund	Commission revenues	16	-
Key management ¹	Commission revenues	2	4
	Interest expenses	8	6
	Interest income	28	37
	Other income	5	5
	Other expenses	1	-

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¹ Key management includes the main management of the Group and major subsidiaries, including Busan Bank, Kyongnam Bank, BNK Capital and BNK Securities.

(d) Financial transactions with related parties

Fund transactions with the related parties for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025				
	Loan transactions		Deposit transactions		
	Loans	Repayments	Increase	Decrease	
Key management	₩	-	₩ 36	₩ 3,731	₩ 2,995

(In millions of Korean won)

	2024				
	Loan transactions		Deposit transactions		
	Loans	Repayments	Increase	Decrease	
Key management	₩	230	₩ 187	₩ 3,488	₩ 3,809

(e) Unused commitments for the related parties for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025		2024	
	Loan limit	Credit card	Loan limit	Credit card
Key management	₩ 40	₩ 104	₩ 40	₩ 141

(f) Compensations for key management for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In millions of Korean won)

	2025		2024	
	Short-term employee benefits	₩	3,253	₩
Share-based payment		2,508		1,935
Postemployment benefits		411		363
	₩	6,172	₩	5,364