

BNK Financial Group Inc.

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

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Report on review of interim condensed separate financial statements

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Report on review of interim condensed separate 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 separate financial statements of BNK Financial Group Inc. (the “Company”), which comprise the interim condensed separate statement of financial position as of June 30, 2025, and the related interim condensed separate statements of comprehensive income for each of the three-month and six-month periods ended June 30, 2025 and 2024, interim condensed separate statements of changes in equity and interim condensed separate 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 separate financial statements

Management is responsible for the preparation and presentation of these interim condensed separate 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 separate 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 separate financial statements are not prepared, in all material respects, in accordance with KIFRS 1034 *Interim Financial Reporting*.

Other matter

We have audited the separate statement of financial position of the Company as of December 31, 2024, and the related separate statement of comprehensive income, separate statement of changes in equity and separate 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 separate statement of financial position as of December 31, 2024, presented for comparative purposes, is not different, in all material respects, from the above audited separate 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 separate financial statements and may result in modification to this review report.

BNK Financial Group Inc.

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

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

Dae In Bin
Chief Executive Officer
BNK Financial Group Inc.

BNK Financial Group Inc.

Interim condensed separate statements of financial position as of June 30, 2025 (unaudited) and December 31, 2024

<i>(In thousands of Korean won)</i>	Notes		June 30, 2025		December 31, 2024
Assets					
Cash and due from banks	5,6,7	₩	113,786,049	₩	184,693,378
Financial assets at fair value through profit or loss	5,6,8		107,622,900		107,051,600
Investments in subsidiaries	9		6,623,937,231		6,623,937,231
Loans and receivables	4,5,6,10		116,378,742		107,174,231
Property and equipment	11		11,365,438		13,266,668
Intangible assets	12		10,197,787		11,791,135
Net defined benefit assets	15		550,976		1,461,688
Other assets	13		492,714		1,086,120
Total assets		₩	6,984,331,837	₩	7,050,462,051
Liabilities					
Debentures	5,6,14	₩	1,678,493,406	₩	1,648,353,455
Net defined benefit liabilities	15		-		-
Current tax liabilities			94,594,553		85,702,235
Provisions	16		186,397		350,480
Other liabilities	5,6,17		23,754,317		29,817,761
Total liabilities			1,797,028,673		1,764,223,931
Equity					
Share capital	18		1,629,676,230		1,629,676,230
Hybrid equity securities	18		448,619,562		727,703,250
Other paid-in capital	18		2,236,119,579		2,256,391,584
Other components of equity	18		(5,738,478)		(5,490,755)
Retained earnings	19		878,626,271		677,957,811
Total equity			5,187,303,164		5,286,238,120
Total liabilities and equity		₩	6,984,331,837	₩	7,050,462,051

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

BNK Financial Group Inc.
Interim condensed separate 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 thousands of Korean won, except per share amounts)</i>					
Net interest expenses	20				
Interest income	₩	350,256	₩ 753,646	₩ 257,445	₩ 513,538
Interest expenses		(14,189,927)	(28,356,076)	(11,056,608)	(23,366,959)
		<u>(13,839,671)</u>	<u>(27,602,430)</u>	<u>(10,799,163)</u>	<u>(22,853,421)</u>
Net fee and commission income	21				
Commission income		3,778,500	7,557,000	3,623,400	7,246,750
Commission expenses		(872,028)	(1,872,956)	(1,458,300)	(1,983,855)
		<u>2,906,472</u>	<u>5,684,044</u>	<u>2,165,100</u>	<u>5,262,895</u>
Net Gain (loss) on financial assets at FVTPL	22				
Gain on financial assets at FVTPL	₩	1,843,900	4,089,300	3,155,900	5,391,000
Loss on financial assets at FVTPL		-	-	-	-
		<u>1,843,900</u>	<u>4,089,300</u>	<u>3,155,900</u>	<u>5,391,000</u>
Dividend income		230,000,000	459,500,000	165,000,000	325,009,550
Reversal of provision for credit loss		-	-	-	-
General and administrative expense	23	(13,394,465)	(24,339,839)	(12,860,507)	(22,635,375)
Operating profit		<u>207,516,236</u>	<u>417,331,075</u>	<u>146,661,330</u>	<u>290,174,649</u>
Non-operating income (expenses)	24				
Non-operating income		65,439	181,366	25,633	246,718
Non-operating expense		(458,720)	(502,697)	(26,138)	(172,217)
		<u>(393,281)</u>	<u>(321,331)</u>	<u>(505)</u>	<u>74,501</u>
Profit before income tax expense		207,122,955	417,009,744	146,660,825	290,249,150
Income tax expense		-	-	-	-
Profit for the period		<u>₩ 207,122,955</u>	<u>₩ 417,009,744</u>	<u>₩ 146,660,825</u>	<u>₩ 290,249,150</u>
Other comprehensive income (loss), net of tax					
<i>Items that will not be reclassified to profit or loss:</i>					
Remeasurements of net defined benefit liabilities		1,003,955	(247,723)	163,026	(1,065,979)
		<u>1,003,955</u>	<u>(247,723)</u>	<u>163,026</u>	<u>(1,065,979)</u>
Total comprehensive income for the period		<u>₩ 208,126,910</u>	<u>₩ 416,762,021</u>	<u>₩ 146,823,851</u>	<u>₩ 289,183,171</u>
Earnings per share (in Korean won)	25				
Basic and diluted earnings per share	₩	635	₩ 1,270	₩ 430	₩ 854

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

BNK Financial Group Inc.

Interim condensed separate statements of changes in equity for each of the six-month periods ended June 30, 2025 and 2024 (unaudited)

(In thousands of Korean won)

	Share		Hybrid equity		Other paid-in		Other components		Retained		Total	
Balance at January 1, 2024	₩	1,629,676,230	₩	727,635,719	₩	2,276,280,170	₩	(4,485,067)	₩	654,830,042	₩	5,283,937,094
Acquisition of treasury stocks		-		-		(12,998,778)		-		-		(12,998,778)
Issuance of hybrid equity securities		-		199,420,480		-		-		-		199,420,480
Repayment of hybrid equity securities		-		(99,662,480)		(337,520)		-		-		(100,000,000)
Changes in capital adjustments		-		-		755,640		-		(755,640)		-
Dividends on hybrid equity securities		-		-		-		-		(15,912,500)		(15,912,500)
Dividends		-		-		-		-		(132,056,260)		(132,056,260)
Total comprehensive income												-
Profit for the period		-		-		-		-		290,249,151		290,249,151
Other comprehensive income												
Remeasurements of net defined benefit liabilities		-		-		-		(1,065,979)		-		(1,065,979)
Balance at June 30, 2024 (unaudited)	₩	1,629,676,230	₩	827,393,719	₩	2,263,699,512	₩	(5,551,046)	₩	796,354,793	₩	5,511,573,208
Balance at January 1, 2025	₩	1,629,676,230	₩	727,703,250	₩	2,256,391,584	₩	(5,490,755)	₩	677,957,811	₩	5,286,238,120
Acquisition of treasury stocks		-		-		(39,999,919)		-		-		(39,999,919)
Retirement of treasury stocks		-		-		19,997,175		-		(19,997,982)		(807)
Repayment of hybrid equity securities		-		(279,083,688)		(916,313)		-		-		(280,000,001)
Changes in capital adjustments		-		-		647,051		-		(647,051)		-
Dividends on hybrid equity securities		-		-		-		-		(14,606,250)		(14,606,250)
Annual dividends		-		-		-		-		(143,272,584)		(143,272,584)
Interim dividends		-		-		-		-		(37,817,415)		(37,817,415)
Total comprehensive income												-
Profit for the period		-		-		-		-		417,009,743		417,009,743
Other comprehensive income												
Remeasurements of net defined benefit liabilities		-		-		-		(247,723)		-		(247,723)
Balance at June 30, 2025 (unaudited)	₩	1,629,676,230	₩	448,619,562	₩	2,236,119,578	₩	(5,738,478)	₩	878,626,272	₩	5,187,303,164

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

BNK Financial Group Inc.

Interim condensed separate statements of cash flows for each of the six-month periods ended June 30, 2025 and 2024 (unaudited)

(In thousands of Korean won)

	2025	2024
Cash flows from operating activities		
Profit for the period	₩ 417,009,743	₩ 290,249,151
Adjustments to profit for the period:		
Profit or Loss related to financial assets at FVTPL	(571,300)	(1,873,000)
Interest income	(753,646)	(513,538)
Interest expense	28,356,076	23,366,959
Reversal of provision for credit loss	-	-
Depreciation	1,461,045	1,454,154
Amortization	1,877,845	1,837,117
Loss (gain) on disposal of property and equipment	408,595	37,979
Post-employment benefits	662,988	721,486
Dividend income	(463,018,000)	(328,527,550)
Other non-operating expenses (income)	120	-
	<u>(431,576,277)</u>	<u>(303,496,393)</u>
Changes in operating assets and liabilities:		
Decrease (increase) in receivables	(349,867)	43,659
Decrease in other assets	593,407	228,645
Decrease in provisions	(169,400)	-
Decrease in other liabilities	(6,459,071)	(5,170,454)
	<u>(6,384,931)</u>	<u>(4,898,150)</u>
Interest received	593,273	129,391
Interest paid	(26,387,624)	(23,204,994)
Dividend received	463,018,000	328,527,550
Net cash flows provided by operating activities	<u>416,272,184</u>	<u>287,306,555</u>
Cash flows from investing activities		
Payments for property and equipment	(455,452)	(1,251,390)
Payments for intangible assets	(284,787)	(686,802)
Decrease in lease deposits provided	183,168	949,874
Net cash flows used in investing activities	<u>(557,071)</u>	<u>(988,318)</u>
Cash flows from financing activities		
Proceeds from issuance of debentures	249,637,477	99,765,702
Repayment of debentures	(220,000,000)	(320,000,000)
Repayment of lease liabilities	(562,946)	(499,761)
Payment of dividends	(181,089,998)	(132,056,260)
Issuance of hybrid equity securities	-	199,420,480
Repayment of hybrid equity securities	(280,000,000)	(100,000,000)
Dividends paid on hybrid equity securities	(14,606,250)	(15,912,500)
Acquisition of treasury stocks	(39,999,919)	(12,998,778)
Payments for retirement of treasury stocks	(807)	-
Net cash flows used in financing activities	<u>(486,622,443)</u>	<u>(282,281,117)</u>
Net increase (decrease) in cash and cash equivalents	(70,907,330)	4,037,120
Cash and cash equivalents at the beginning of the period	184,693,378	155,238,418
Cash and cash equivalents at the end of the period	<u>₩ 113,786,048</u>	<u>₩ 159,275,538</u>

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

BNK FINANCIAL GROUP INC.

Notes to the interim condensed separate financial statements

June 30, 2025 and 2024 (unaudited)

1. GENERAL INFORMATION:

BNK Financial Group Inc. (the "Company") was established on March 15, 2011, pursuant to a "comprehensive shares transfer" under the Financial Holding Companies Act, whereby holders of ordinary shares of Busan Bank Co., Ltd.; BNK Securities Co., Ltd.; BNK Capital Co., Ltd.; and BNK Credit Information Co., Ltd. transferred shares to the Company, and in return received shares of the Company's ordinary shares in order to control, manage and provide financial support to subsidiaries or financial industry-related subsidiaries.

Meanwhile, the Company established BNK System Co., Ltd. and BNK Savings Bank Co., Ltd. as its subsidiaries with 100% share in 2011 and obtained 56.97% share in Kyongnam Bank Co., Ltd. in October 2014, after which the Company proceeded to take over the rest of Kyongnam Bank Co., Ltd.'s shares through general exchange of shares on June 4, 2015. In July 2015, the Company obtained 51.01% shares of BNK Asset Management Co., Ltd. through acquisition and issue of shares and incorporated it as its subsidiary. In December 2017, the Company took over the rest of BNK Asset Management Co., Ltd.'s shares, and accordingly, it became a wholly owned subsidiary of the Company. In November 2019, the Company also obtained 100% of shares of BNK Venture Capital Co., Ltd. and established it as a wholly owned subsidiary.

The Company's headquarters is located at Busan Nam-gu Munhyeongeumyung-ro, 30.

Meanwhile, the 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.
Notes to the interim condensed separate financial statements
June 30, 2025 and 2024 (unaudited)

2. MATERIAL ACCOUNTING POLICIES:

2.1 Basis of Preparation

The Company prepares its statutory interim condensed separate financial statements in the Korean language in accordance with KIFRS 1034 Interim Financial Reporting, enacted by the Act on External Audit of Stock Companies. The accompanying interim condensed separate financial statements have been translated into English from Korean language. 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 separate financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as of December 31, 2024.

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

The accounting policies applied in the preparation of the interim condensed separate financial statements are consistent with those applied in the preparation of the Company's annual separate financial statements for the year ended December 31, 2024, except for the adoption of new standards and interpretations effective as of January 1, 2025. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. Several other amendments and interpretations apply for the first time in 2025, but do not have an impact on the interim condensed separate financial statements of the Company.

*- 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 a material impact on the interim condensed separate financial statements of the Company.

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

*- 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

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

2. MATERIAL ACCOUNTING POLICIES(cont'd):

settlement date when using an electronic payment system. They also specify how to evaluate contractual cash flows for financial assets with non-recourse features or contractually linked instruments and introduce new disclosure requirements. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

- 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 – Hedge 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 separate financial statements.

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

2. MATERIAL ACCOUNTING POLICIES(cont'd):

2.2. Accounting Policies

Material accounting policies and method of computation used in the preparation of the interim condensed separate financial statements are consistent with those of the separate financial statements as of and for the year ended December 31, 2024, except for the changes due to the application of amendments 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 Company has applied KIFRS 1012 *Income Taxes* to the global minimum tax arising from tax legislation enacted to implement the OECD's International Tax Reform Pillar Two Model Rules. The amendments to KIFRS 1012 introduce a mandatory temporary exemption from deferred tax accounting for the global minimum tax and require disclosure of the effects on current income tax related thereto.

The Company has applied the mandatory exception for the recognition and disclosure of deferred taxes related to the Pillar Two income tax effective for reporting periods beginning on or after January 1, 2024.

3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of interim condensed separate financial statements requires the Company to make estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

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

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

4. FINANCIAL RISK MANAGEMENT:

The financial risks that the Company is exposed to are credit risk, liquidity risk, operation risk and others.

4.1 Credit Risk

The Company's maximum exposure to the credit risk as of June 30, 2025, and December 31, 2024, as follows:

<i>(In thousands of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
On-balance items:		
Loans and receivables	₩ 116,378,742	₩ 107,174,231

Credit risk by impairment of loans and receivables and general loan agreements as of June 30, 2025, and December 31, 2024 is as follows:

*(In thousands of
Korean won)*

	<u>June 30, 2025</u>					
	Twelve months' expected credit losses	Lifetime expected credit losses		Total	Allowance for credit loss	Book amount
		Unrecognized impairment	Recognized impairment			
Loans and receivables						
Non-trade receivables	₩ 94,594,552	₩ -	₩ -	₩ 94,594,552	₩ -	₩ 94,594,552
Guarantee deposits provided	21,566,831	-	-	21,566,831	-	21,566,831
Accrued income	<u>217,359</u>	<u>-</u>	<u>-</u>	<u>217,359</u>	<u>-</u>	<u>217,359</u>
	<u>₩ 116,378,742</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 116,378,742</u>	<u>₩ -</u>	<u>₩ 116,378,742</u>

*(In thousands of
Korean won)*

	<u>December 31, 2024</u>					
	Twelve months' expected credit losses	Lifetime expected credit losses		Total	Allowance for credit loss	Book amount
		Unrecognized impairment	Recognized impairment			
Loans and receivables						
Non-trade receivables	₩ 85,759,321	₩ -	₩ -	₩ 85,759,321	₩ -	₩ 85,759,321
Guarantee deposits provided	21,357,924	-	-	21,357,924	-	21,357,924
Accrued income	<u>56,986</u>	<u>-</u>	<u>-</u>	<u>56,986</u>	<u>-</u>	<u>56,986</u>
	<u>₩ 107,174,231</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 107,174,231</u>	<u>₩ -</u>	<u>₩ 107,174,231</u>

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

4. FINANCIAL RISK MANAGEMENT: (cont'd)

4.2 Capital Management

In accordance with Supervisory Regulations on Financial Holding Companies, for capital risk management, the Company monitors its capital by measuring debt-to-equity ratio (total liabilities divided by total equity) and doubles leverage ratio (total capital investment in subsidiaries divided by total equity).

5. FAIR VALUE OF FINANCIAL INSTRUMENTS:

(a) Fair Value of Financial Instruments by Category

Carrying amount and fair value of financial instruments by category as of June 30, 2025, and December 31, 2024, are as follows:

(In thousands of Korean won)

	June 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortized cost				
Cash and due from banks	₩ 113,786,049	₩ 113,786,049	₩ 184,693,378	₩ 184,693,378
Loans and receivables	116,378,742	116,378,742	107,174,231	107,174,231
Financial assets at FVTPL				
Equity securities	₩ 107,622,900	₩ 107,622,900	₩ 107,051,600	₩ 107,051,600
	₩ 337,787,691	₩ 337,787,691	₩ 398,919,209	₩ 398,919,209
Financial liabilities at amortized cost				
Debentures	₩ 1,678,493,406	₩ 1,701,258,560	₩ 1,648,353,455	₩ 1,661,290,940
Other financial liabilities ¹	19,821,517	19,821,517	24,768,230	24,768,230
	₩ 1,698,314,923	₩ 1,721,080,077	₩ 1,673,121,685	₩ 1,686,059,170

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

BNK FINANCIAL GROUP INC.

Notes to the interim condensed separate financial statements

June 30, 2025 and 2024 (unaudited)

5. FAIR VALUE OF FINANCIAL INSTRUMENTS: (cont'd)

(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 approximation 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 Discounted Cash Flow ("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.
Loans and receivables	For loans and receivables with the residual maturities of less than three months as of the closing date and the ones with reset period of less than three months, the carrying amount is regarded as the fair value. Among receivables, deposits provided are mostly considered as intragroup transactions. So, any new or renewed lease transactions are subject to the approval of the board of directors in pursuant to the Article No. 398 of the Commercial Law and the policy of the board of directors. The carrying amounts of deposits provided are regarded as fair value, since the contracts have been kept considering fluctuation rate of officially assessed individual land price comparisons with local lease cases and others for fair trade.
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 the 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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5. FAIR VALUE OF FINANCIAL INSTRUMENTS: (cont'd)

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

The fair value hierarchy of financial assets and liabilities that are subsequently measured at fair value as of June 30, 2025, and December 31, 2024 is as follows:

(In thousands of Korean won)		June 30, 2025				
		Level 1	Level 2	Level 3	Total	
Financial assets						
Financial assets at FVTPL	₩	-	₩	-	₩ 107,622,900	₩ 107,622,900
(In thousands of Korean won)		December 31, 2024				
		Level 1	Level 2	Level 3	Total	
Financial assets						
Financial assets at FVTPL	₩	-	₩	-	₩ 107,051,600	₩ 107,051,600

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:

(In thousands of Korean won)		June 30, 2025			Relationship between significant unobservable inputs and fair value
		Fair value	Valuation techniques	Range of significant unobservable inputs	
Financial assets					
Financial assets at FVTPL		107,622,900	Hull & White / G2++		Fair value increases (decreases) volatility increases (decreases)
Equity securities	₩	107,622,900	LSMC(Least-Squares Monte Carlo)	Volatility: 0.55%	
(In thousands of Korean won)		December 31, 2024			Relationship between significant unobservable inputs and fair value
		Fair value	Valuation techniques	Range of significant unobservable inputs	
Financial assets					
Financial assets at FVTPL		107,051,600	Hull & White / G2++		Fair value increases (decreases) volatility increases (decreases)
Equity securities	₩	107,051,600	LSMC(Least-Squares Monte Carlo)	Volatility: 0.56%	

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5. FAIR VALUE OF FINANCIAL INSTRUMENTS: (cont'd)

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 for the periods ended June 30, 2025, and December 31, 2024

(In thousands of Korean won)

		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	₩	-	₩	-	₩	-
--	---	---	---	---	---	---

¹ The fair value changes of securities are calculated by increasing or decreasing volatility (-1% - 1%) which are major unobservable input variables.

(In thousands of Korean won)

		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	₩	-	₩	(2,700)	₩	-
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¹ Fair value changes of securities are calculated by increasing or decreasing volatility (-1% - 1%) which are major unobservable input variables.

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5. FAIR VALUE OF FINANCIAL INSTRUMENTS: (cont'd)

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

<i>(In thousands of Korean won)</i>	Financial assets at FVTPL			
		2025		2024
Beginning balance	₩	107,051,600	₩	103,647,600
Total profit or loss:				
Amount recognized in profit or loss ¹		571,300		1,873,000
Amount recognized in other comprehensive income		-		-
Purchases		-		-
Sales		-		-
Other changes:		-		-
Transfer into level 3		-		-
Transfer into other levels		-		-
Reclassification		-		-
Ending balance	₩	<u>107,622,900</u>	₩	<u>105,520,600</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:

<i>(In thousands of Korean won)</i>	Financial assets at FVTPL		
		2025	2024
Profit or loss for the period	₩	571,300	1,873,000
Change in unrealized gain		571,300	1,873,000

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5. FAIR VALUE OF FINANCIAL INSTRUMENTS: (cont'd)

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

The fair value hierarchy of financial assets and liabilities subsequently not measured at fair value as of June 30, 2025, and December 31, 2024 is as follows:

(In thousands of Korean won)

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and due from banks	₩ -	₩ 113,786,049	₩ -	₩ 113,786,049
Loans and receivables ¹	-	-	116,378,742	116,378,742
	₩ -	₩ 113,786,049	₩ 116,378,742	₩ 230,164,791
Financial liabilities				
Debentures	₩ -	₩ 1,701,258,560	₩ -	₩ 1,701,258,560
Other financial liabilities ¹	-	-	19,821,517	19,821,517
	₩ -	₩ 1,701,258,560	₩ 19,821,517	₩ 1,721,080,077

(In thousands of Korean won)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and due from banks	₩ -	₩ 184,693,378	₩ -	₩ 184,693,378
Loans and receivables ¹	-	-	107,174,231	107,174,231
	₩ -	₩ 184,693,378	₩ 107,174,231	₩ 291,867,609
Financial liabilities				
Debentures	₩ -	₩ 1,661,290,940	₩ -	₩ 1,661,290,940
Other financial liabilities ¹	-	-	24,768,230	24,768,230
	₩ -	₩ 1,661,290,940	₩ 24,768,230	₩ 1,686,059,170

¹ The carrying amount of loans and receivables and other financial liabilities at amortized cost, which are classified to Level 3, are disclosed in approximation of fair value.

Valuation techniques and inputs of financial assets and liabilities subsequently not measured at fair value whose fair values are classified as Level 2 as of June 30, 2025, and December 31, 2024, are as follows. However, fair value hierarchy, valuation technique and inputs of items whose carrying amount is a reasonable approximation of fair value are not disclosed.

(In thousands of Korean won)

	June 30, 2025		
	Fair value	Valuation techniques	Input
Financial liabilities			
Debentures	₩ 1,701,258,560	DCF Model	Discount rate

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5. FAIR VALUE OF FINANCIAL INSTRUMENTS: (cont'd)

(In thousands of Korean won)

		December 31, 2024		
		Fair value	Valuation techniques	Input
Financial liabilities				
Debentures	₩	1,661,290,940	DCF Model	Discount rate

6. FINANCIAL INSTRUMENTS BY CATEGORY :

(a) The carrying amounts of financial instruments by category

All financial instruments (financial assets and financial liabilities) are measured at fair value or at amortized cost. 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 thousands of Korean won)

		June 30, 2025			
		Financial assets at FVTPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
Financial assets:					
Due from banks	₩	-	₩ 113,786,049	₩ -	₩ 113,786,049
Financial assets at FVTPL		107,622,900	-	-	107,622,900
Loans and receivables		-	116,378,742	-	116,378,742
		<u>₩ 107,622,900</u>	<u>₩ 230,164,791</u>	<u>₩ -</u>	<u>₩ 337,787,691</u>
Financial liabilities:					
Debentures	₩	-	-	₩ 1,678,493,406	₩ 1,678,493,406
Other financial liabilities ¹		-	-	22,951,101	22,951,101
		<u>₩ -</u>	<u>₩ -</u>	<u>₩ 1,701,444,507</u>	<u>₩ 1,701,444,507</u>

(In thousands of Korean won)

		December 31, 2024			
		Financial assets at FVTPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
Financial assets:					
Due from banks	₩	-	₩ 184,693,378	₩ -	₩ 184,693,378
Financial assets at FVTPL		107,051,600	-	-	107,051,600
Loans and receivables		-	107,174,231	-	107,174,231
		<u>₩ 107,051,600</u>	<u>₩ 291,867,609</u>	<u>₩ -</u>	<u>₩ 398,919,209</u>
Financial liabilities:					
Debentures	₩	-	-	₩ 1,648,353,455	₩ 1,648,353,455
Other financial liabilities ¹		-	-	28,962,970	28,962,970
		<u>₩ -</u>	<u>₩ -</u>	<u>₩ 1,677,316,425</u>	<u>₩ 1,677,316,425</u>

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

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6. FINANCIAL INSTRUMENTS BY CATEGORY : (cont'd)

(b) Net gains or losses by category of financial instruments

The net profit or loss by category of each financial asset and financial liability for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

<i>(In thousands of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Financial assets at amortized cost:				
Interest income	₩ 350,257	₩ 753,646	₩ 257,445	₩ 513,538
Financial assets at FVTPL:				
Dividend income	1,759,000	3,518,000	1,759,000	3,518,000
Gain on valuation	84,900	571,300	1,396,900	1,873,000
Financial liabilities at amortized cost:				
Interest expenses	(14,189,927)	(28,356,076)	(11,056,608)	(23,366,959)

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7. CASH AND DUE FROM BANKS:

(a) Cash and due from banks as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In thousands of Korean won)</i>	Financial institution	Interest rate (%)			June 30, 2025			December 31, 2024
Cash and cash equivalents:								
Checking deposits	Busan Bank Co., Ltd. and Kyongnam Bank Co., Ltd.	0.01	₩	97,995,010	₩	159,164,481		
Corporate saving deposits	Busan Bank Co., Ltd.	0.01~0.50		694		9,853,251		
Corporate savings	BNK Savings Bank Co., Ltd.	1.50		15,790,264		15,672,821		
Deposits	Korea Investment & Securities Co., Ltd.	2.13~2.63		81		2,825		
				₩ 113,786,049		₩ 184,693,378		

The cash and cash equivalents above are the same as the cash and cash equivalents in the separate statements of cash flow.

(b) There is no restricted due from banks as of June 30, 2025 and December 31, 2024.

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 thousands of Korean won)</i>	June 30, 2025		December 31, 2024	
Equity securities	₩	107,622,900	₩	107,051,600

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9. INVESTMENTS IN SUBSIDIARIES:

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

(In thousands of Korean won)

Name of subsidiaries	Location	June 30, 2025	
		Percentage of ownership(%)	Book amount
Busan Bank Co., Ltd.	Korea	100	₩ 2,968,140,154
Kyongnam Bank Co., Ltd.	Korea	100	1,949,160,438
BNK Capital Co., Ltd.	Korea	100	528,488,236
BNK Securities Co., Ltd.	Korea	100	784,166,758
BNK Savings Bank Co., Ltd.	Korea	100	165,000,600
BNK Asset Management Co., Ltd.	Korea	100	156,930,000
BNK Venture Capital Co., Ltd.	Korea	100	50,600,000
BNK Credit Information Co., Ltd.	Korea	100	11,451,045
BNK System Co., Ltd.	Korea	100	10,000,000
			<u>₩ 6,623,937,231</u>

(In thousands of Korean won)

Name of subsidiaries	Location	December 31, 2024	
		Percentage of ownership(%)	Book amount
Busan Bank Co., Ltd.	Korea	100	₩ 2,968,140,154
Kyongnam Bank Co., Ltd.	Korea	100	1,949,160,438
BNK Capital Co., Ltd.	Korea	100	528,488,236
BNK Securities Co., Ltd.	Korea	100	784,166,758
BNK Savings Bank Co., Ltd.	Korea	100	165,000,600
BNK Asset Management Co., Ltd.	Korea	100	156,930,000
BNK Venture Capital Co., Ltd.	Korea	100	50,600,000
BNK Credit Information Co., Ltd.	Korea	100	11,451,045
BNK System Co., Ltd.	Korea	100	10,000,000
			<u>₩ 6,623,937,231</u>

No changes in investments in subsidiaries were recognized during the six-month period ended June 30, 2025 and the year ended December 31, 2024.

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10. LOANS AND RECEIVABLES:

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

<i>(In thousands of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Non-trade receivables	₩ 94,594,552	₩ 85,759,321
Accrued income	217,359	56,986
Guarantee deposits provided	24,019,030	24,202,198
Present-value discounts	(2,452,199)	(2,844,274)
	<u>₩ 116,378,742</u>	<u>₩ 107,174,231</u>

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11. PROPERTY AND EQUIPMENT:

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

<i>(In thousands of Korean won)</i>	2025					
	Beginning balance	Acquisitions	Disposal	Depreciation	Transfers	Ending balance
Tangible Assets						
Land	₩ 1,220,861	₩ -	₩ -	-	₩ -	₩ 1,220,861
Buildings	2,050,265	-	-	(22,572)	-	2,027,693
Leasehold improvement	1,705,897	379,740	(358,116)	(253,664)	191,000	1,664,857
Business movable assets	1,190,459	75,712	(11,917)	(193,659)	-	1,060,595
Construction in Progress	191,000	-	-	-	(191,000)	-
Right-of-use assets	-	-	-	-	-	-
Properties	6,687,392	178,481	(906,076)	(879,440)	-	5,080,357
Vehicles	220,794	204,414	(2,423)	(111,710)	-	311,075
	<u>₩ 13,266,668</u>	<u>₩ 838,347</u>	<u>₩ (1,278,532)</u>	<u>(1,461,045)</u>	<u>₩ -</u>	<u>₩ 11,365,438</u>

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11. PROPERTY AND EQUIPMENT: (cont'd)

<i>(In thousands of Korean won)</i>	2024				
	Beginning balance	Acquisitions	Disposal	Depreciation	Ending balance
Tangible Assets					
Land	₩ 1,220,861	₩ -	₩ -	₩ -	₩ 1,220,861
Buildings	2,095,409	-	-	(22,572)	2,072,837
Leasehold improvement	1,057,036	1,154,748	(41,316)	(225,011)	1,945,457
Business movable assets	1,031,953	96,223	-	(173,131)	955,045
Right-of-use assets					
Properties	6,252,293	1,065,552	(210,575)	(933,162)	6,174,108
Vehicles	250,636	178,079	(3,493)	(100,278)	324,944
	<u>₩ 11,908,188</u>	<u>₩ 2,494,602</u>	<u>₩ (255,384)</u>	<u>₩ (1,454,154)</u>	<u>₩ 12,693,252</u>

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12. INTANGIBLE ASSETS:

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

<i>(In thousands of Korean won)</i>	2025				
	Beginning balance	Acquisitions	Amortization	Transfer	Ending balance
Software	₩ 817,422	₩ -	₩ (163,860)	₩ -	₩ 653,562
Development cost	7,025,984	19,818	(1,713,985)	-	5,331,817
Construction in progress (intangible)	238,519	264,969	-	-	503,488
Right of membership	3,430,447	-	-	-	3,430,447
Trademark	278,763	-	-	(290)	278,473
	<u>₩ 11,791,135</u>	<u>₩ 284,787</u>	<u>₩ (1,877,845)</u>	<u>₩ (290)</u>	<u>₩ 10,197,787</u>

<i>(In thousands of Korean won)</i>	2024				
	Beginning balance	Acquisitions	Amortization	Transfer	Ending balance
Software	₩ 1,049,079	₩ 48,962	₩ (232,938)	₩ -	₩ 865,103
Development cost	8,685,929	-	(1,604,179)	679,331	7,761,081
Construction in progress (intangible)	652,179	637,840	-	(679,331)	610,688
Right of membership	3,430,447	-	-	-	3,430,447
Trademark	277,968	-	-	-	277,968
	<u>₩ 14,095,602</u>	<u>₩ 686,802</u>	<u>₩ (1,837,117)</u>	<u>₩ -</u>	<u>₩ 12,945,287</u>

13. OTHER ASSETS:

Details of other assets as of June 30, 2025, and December 31, 2024, consist of the following:

<i>(In thousands of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Prepaid Expenses and others	₩ 492,714	₩ 1,086,120

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14. DEBENTURES:

Details of debentures as of June 30, 2025, and December 31, 2024, are as follows:

<i>(In thousands of Korean won)</i>	Issuance date	Maturity date	Interest rate (%)		June 30, 2025	December 31, 2024
25-2nd Non-Guaranteed Coupon Bonds	August,23, 2018	August,23, 2028	2.75	₩	30,000,000	₩ 30,000,000
32nd Non-Guaranteed Coupon Bonds	January,12, 2021	January,12, 2026	1.58		100,000,000	100,000,000
34th Non-Guaranteed Coupon Bonds	May,31, 2021	May,31, 2026	1.92		100,000,000	100,000,000
35-1st Non-Guaranteed Coupon Bonds	July,14, 2021	July,14, 2026	2.00		110,000,000	110,000,000
35-2nd Non-Guaranteed Coupon Bonds	July,14, 2021	July,14, 2028	2.09		40,000,000	40,000,000
36-2nd Non-Guaranteed Coupon Bonds	March,24, 2022	March,24, 2025	3.03		-	90,000,000
37-3rd Non-Guaranteed Coupon Bonds	June,29, 2022	June,27, 2025	4.36		-	30,000,000
39th Non-Guaranteed Coupon Bonds	January,17, 2023	January,17, 2025	3.87		-	100,000,000
40th Non-Guaranteed Coupon Bonds	February,23, 2023	February,23, 2026	4.07		150,000,000	150,000,000
41-1st Non-Guaranteed Coupon Bonds	April,28, 2023	April,28, 2026	3.88		60,000,000	60,000,000
41-2nd Non-Guaranteed Coupon Bonds	April,28, 2023	April,28, 2026	4.07		140,000,000	140,000,000
42nd Non-Guaranteed Coupon Bonds	August,29, 2023	August,29, 2026	4.35		100,000,000	100,000,000
43rd Non-Guaranteed Coupon Bonds	November, 24,2023	November, 24,2025	4.19		100,000,000	100,000,000
44th Non-Guaranteed Coupon Bonds	June,26, 2024	June,26, 2027	3.53		100,000,000	100,000,000
45th Non-Guaranteed Coupon Bonds	July,25, 2024	July,25, 2027	3.36		100,000,000	100,000,000
46th Non-Guaranteed Coupon Bonds	August,28, 2024	August,28, 2027	3.28		100,000,000	100,000,000
47th Non-Guaranteed Coupon Bonds	November, 22,2024	May,21, 2027	3.28		200,000,000	200,000,000
48th Non-Guaranteed Coupon Bonds	January,21, 2025	January,21, 2028	2.99		150,000,000	-
49th Non-Guaranteed Coupon Bonds	February,28, 2025	February,26, 2027	2.91		100,000,000	-
					<u>1,680,000,000</u>	<u>1,650,000,000</u>
					<u>(1,506,594)</u>	<u>(1,646,545)</u>
					<u>₩ 1,678,493,406</u>	<u>₩ 1,648,353,455</u>

Less: present value discounts

The above non-guaranteed coupon bonds are fully repaid at maturity.

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14. DEBENTURES : (cont'd)

Details of issuance and repayment of debentures for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In thousands of Korean won)

	2025			
	Beginning balance	Issuance	Repayment	Ending balance
Debentures in Korean won	₩ 1,650,000,000	₩ 250,000,000	₩ (220,000,000)	₩ 1,680,000,000

(In thousands of Korean won)

	2024			
	Beginning balance	Issuance	Repayment	Ending balance
Debentures in Korean won	₩ 1,620,000,000	₩ 100,000,000	₩ (320,000,000)	₩ 1,400,000,000

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15. POST-EMPLOYMENT BENEFITS:

Details of net defined benefit liabilities recognized in the interim condensed separate statements of financial position as of June 30, 2025, and December 31, 2024 are as follows:

<i>(In thousands of Korean won)</i>	June 30, 2025		December 31, 2024	
Present value of funded defined benefit obligations	₩	19,254,029	₩	18,752,120
Fair value of plan assets		(19,805,005)		(20,213,808)
Net defined benefit liabilities	₩	(550,976)	₩	(1,461,688)

Income and expenses related to net defined benefit liabilities for each of the six-month periods ended June 30, 2025 and 2024, are as follows:

<i>(In thousands of Korean won)</i>	2025					
	Present value of defined benefit obligation		Plan assets		Total	
Current service cost	₩	695,372	₩	-	₩	695,372
Interest expenses (income)		408,914		(441,298)		(32,384)
	₩	1,104,286	₩	(441,298)	₩	662,988

<i>(In thousands of Korean won)</i>	2024					
	Present value of defined benefit obligation		Plan assets		Total	
Current service cost	₩	668,900	₩	-	₩	668,900
Interest expenses (income)		429,764		(377,178)		52,586
	₩	1,098,664	₩	(377,178)	₩	721,486

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16. PROVISIONS:

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

<i>(In thousands of Korean won)</i>	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
Provision for restoration costs	₩	186,397	₩	350,480

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

<i>(In thousands of Korean won)</i>	<u>2025</u>					Ending balance
	Beginning balance	Increase	Decrease	Others	Ending balance	
Provision for restoration costs	₩ 350,480	₩ 5,357	₩ (169,440)	₩ -	₩ -	₩ 186,397

<i>(In thousands of Korean won)</i>	<u>2024</u>					Ending balance
	Beginning balance	Increase	Decrease	Others	Ending balance	
Provision for restoration costs	₩ 164,238	₩ 179,985	₩ -	₩ -	₩ -	₩ 344,223

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17. OTHER LIABILITIES:

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

<i>(In thousands of Korean won)</i>	June 30, 2025	December 31, 2024
Accounts payable	₩ 18,359	₩ 198,160
Accrued expenses	19,803,158	24,570,070
Lease liabilities	3,129,585	4,194,740
Others ¹	803,215	854,792
	<u>₩ 23,754,317</u>	<u>₩ 29,817,762</u>

¹ Others consist of suspense payables in Korean won, value-added tax withheld and others.

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

<i>(In thousands of Korean won)</i>	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	₩ 99,021	₩ 168,323	₩ 795,972	₩ 2,274,391	₩ -	₩ 3,337,707

<i>(In thousands of Korean won)</i>	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	₩ 140,967	₩ 268,850	₩ 983,635	₩ 3,118,004	₩ -	₩ 4,511,456

The total cash outflow for leases for the six-month period ended June 30, 2025 is ₩644,698 thousand (₩565,360 thousand for the six-month period ended June 30, 2024).

Expense relating to leases of low-value assets that are not short-term leases for the six-month period ended June 30, 2025 is ₩15,603 thousand (₩20,432 thousand for the six-month period ended June 30, 2024).

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18. SHARE CAPITAL AND OTHER PAID-IN CAPITAL:

(a) Share Capital

As of June 30, 2025, the Company has 700 million ordinary shares authorized with a par value per share of ₩5,000 and 318,383,519 shares have been issued. Share capital is ₩1,629,676 million.

(b) Hybrid Equity Securities

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

<i>(In thousands of Korean won)</i>	<u>Issue date</u>	<u>Maturity</u>	<u>Interest rates (%)</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
	Jun 24, 2015	Jun 24, 2045	5.10	₩ -	₩ 30,000,000
	Feb 19, 2020	-	3.35	-	150,000,000
hybrid equity	Jun 23, 2020	-	3.30	-	100,000,000
securities	Aug 4, 2020	-	3.38	100,000,000	100,000,000
	Sep 22, 2023	-	5.70	150,000,000	150,000,000
	Feb 15, 2024	-	4.97	200,000,000	200,000,000
Issuance cost				<u>(1,380,438)</u>	<u>(2,296,750)</u>
				<u>₩ 448,619,562</u>	<u>₩ 727,703,250</u>

The Company 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 Company to indefinitely extend the maturity date with the same contractual terms. In addition, the Company decides not to pay the dividends of ordinary share at general shareholders' meeting; the Company may not pay interest on the hybrid equity securities.

(c) Other paid-in capital

Other paid-in capital is the amount of difference in the acquisition cost of subsidiaries and par value of the Company's transfer shares, net of treasury shares acquired to eliminate fractional shares arising from the share exchange and those acquired to stabilize share price and increase enterprise value.

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18. SHARE CAPITAL AND OTHER PAID-IN CAPITAL: (cont'd)

(d) *Other components of equity*

Other components of equity for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In thousands of Korean won)

	2025			
	Beginning balance	Decrease	Effect of deferred tax	Ending balance
Remeasurements of net defined benefit liabilities	₩ (5,490,756)	₩ (247,722)	₩ -	₩ (5,738,478)

(In thousands of Korean won)

	2024			
	Beginning balance	Decrease	Effect of deferred tax	Ending balance
Remeasurements of net defined benefit liabilities	₩ (4,485,068)	₩ (1,065,979)	₩ -	₩ (5,551,047)

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19. RETAINED EARNINGS:

(a) *Composition of Retained Earnings*

Retained earnings as of June 30, 2025, and December 31, 2024 consist of:

<i>(In thousands of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Reserves:		
Earned profit reserves ¹	₩ 229,644,407	₩ 203,083,407
Reserve for credit losses	430,000	191,000
Reserve for claims liability	2,000,000	2,000,000
Discretionary reserves	<u>301,963,769</u>	<u>316,743,735</u>
	534,038,176	522,018,142
Retained earnings before appropriation	<u>344,588,095</u>	<u>155,939,668</u>
	<u>₩ 878,626,271</u>	<u>₩ 677,957,810</u>

¹Article 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.

(b) *Regulatory reserve for credit losses*

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 Company 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.

Balances of regulatory reserve for credit losses as of June 30, 2025 and December 31, 2024 are as follows:

<i>(In thousands of Korean won)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Provided regulatory reserve	₩ 430,000	₩ 191,000
Expected provision of reserve for credit losses (reversal)	<u>44,000</u>	<u>239,000</u>
	<u>₩ 474,000</u>	<u>₩ 430,000</u>

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19. RETAINED EARNINGS: (cont'd)

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

<i>(In thousands of Korean won)</i>	2025		2024	
	Three months	Six months	Three months	Six months
Profit for the period	₩ 207,122,955	₩ 417,009,743	₩ 146,660,825	₩ 290,249,151
Reversal of (Contribution to) reserve for credit losses	<u>(165,000)</u>	<u>(44,000)</u>	<u>(81,000)</u>	<u>(220,000)</u>
Adjusted profit after the reversal of (contribution to) regulatory reserve ¹	<u>₩ 206,957,955</u>	<u>₩ 416,965,743</u>	<u>₩ 146,579,825</u>	<u>₩ 290,029,151</u>
Adjusted earnings per share after the reversal of regulatory reserve ¹ <i>(in Korean won)</i>	₩ 635	₩ 1,270	₩ 430	₩ 854

¹ Profit and earnings per share after the expected provision of reserve for credit losses are not in accordance with KIFRS, but are calculated on the assumption that provision or reversal of reserve for credit losses is adjusted to the profit for the period. Earnings per share after the expected provision of reserve for credit losses are presented net of dividends on hybrid equity securities.

(c) Treasury Shares

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

<i>(In thousands of Korean won and in shares)</i>	2025		2024	
	Number of shares	Book value	Number of shares	Book value
Beginning balance	₩ 2,053,208	₩ 19,997,175	₩ -	₩ -
Acquisition ¹	3,958,365	39,999,919	1,651,711	12,998,778
Disposal	-	-	-	-
Retirement ²	<u>(2,053,208)</u>	<u>(19,997,175)</u>	-	-
Ending balance	<u>₩ 3,958,365</u>	<u>₩ 39,999,919</u>	<u>₩ 1,651,711</u>	<u>₩ 12,998,778</u>

¹ The Company acquired treasury shares by an agreement with Korea Investment & Securities Co., Ltd. to enhance shareholder value.

²Pursuant to the resolution of the Board of Directors on July 31, 2024, the Company retired 2,053,208 previously acquired treasury shares on February 6, 2025.

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20. NET INTEREST LOSS:

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

(In thousands of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Interest revenues:				
Cash and due from banks	₩ 145,978	₩ 346,403	₩ 65,534	₩ 129,635
Other interest revenues:				
Present value discounts	204,278	407,243	191,911	383,903
	<u>350,256</u>	<u>753,646</u>	<u>257,445</u>	<u>513,538</u>
Interest expenses:				
Debentures	(14,156,804)	(28,284,570)	(11,030,187)	(23,316,721)
Lease liabilities	(30,973)	(66,149)	(23,334)	(44,748)
Miscellaneous interest:				
Provision for restoration costs	<u>(2,150)</u>	<u>(5,357)</u>	<u>(3,087)</u>	<u>(5,490)</u>
	<u>(14,189,927)</u>	<u>(28,356,076)</u>	<u>(11,056,608)</u>	<u>(23,366,959)</u>
Net interest loss	<u>₩ (13,839,671)</u>	<u>₩ (27,602,430)</u>	<u>₩ (10,799,163)</u>	<u>₩ (22,853,421)</u>

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21. NET COMMISSION INCOME:

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

(In thousands of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Commission revenues:				
Brand revenues	₩ 3,778,250	₩ 7,556,500	₩ 3,623,250	₩ 7,246,500
Other commission revenues	250	500	150	250
	<u>3,778,500</u>	<u>7,557,000</u>	<u>3,623,400</u>	<u>7,246,750</u>
Commission expenses:				
Other commission expenses	<u>(872,028)</u>	<u>(1,872,956)</u>	<u>(1,458,300)</u>	<u>(1,983,855)</u>
Net commission income	<u>₩ 2,906,472</u>	<u>₩ 5,684,044</u>	<u>₩ 2,165,100</u>	<u>₩ 5,262,895</u>

22. GAIN OR LOSS ON FINANCIAL ASSETS AT FVTPL:

The net gains 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 thousands of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Gain on financial assets at FVTPL:				
Dividend Income	₩ 1,759,000	₩ 3,518,000	₩ 1,759,000	₩ 3,518,000
Gain on valuation	84,900	571,300	1,396,900	1,873,000
Net gain on financial assets at FVTPL	<u>₩ 1,843,900</u>	<u>₩ 4,089,300</u>	<u>₩ 3,155,900</u>	<u>₩ 5,391,000</u>

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23. 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 thousands of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Employee benefits:				
Salaries	₩ 7,594,844	₩ 12,254,161	₩ 7,023,970	₩ 11,281,324
Employee benefits	792,820	1,824,662	742,885	1,750,290
Post-employment benefits	376,577	1,025,877	406,288	969,274
	<u>8,764,241</u>	<u>15,104,700</u>	<u>8,173,143</u>	<u>14,000,888</u>
Rent expense	167,122	343,272	189,481	380,224
Business promotion expenses	456,495	958,382	487,111	1,006,846
Depreciation	703,909	1,461,045	751,851	1,454,154
Amortization	939,129	1,877,845	924,826	1,837,117
Taxes and dues	134,897	331,426	85,241	284,278
Service expenses	838,374	1,193,803	718,436	1,219,866
Advertising expenses	834,579	1,934,249	845,381	1,263,918
Other administrative expenses	555,719	1,135,118	685,037	1,188,084
	<u>₩ 13,394,465</u>	<u>₩ 24,339,840</u>	<u>₩ 12,860,507</u>	<u>₩ 22,635,375</u>

(b) *Share-Based Payments*

The Company 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.

Short-term and long-term incentives were a mix of cash rewards and stock price-linked cash rewards until 2019. However, starting from 2020, short-term incentives are paid in full in cash after performance evaluation, while long-term incentives are distributed evenly over three years through stock price-linked cash rewards after performance evaluation.

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23. GENERAL AND ADMINISTRATIVE EXPENSES: (cont'd)

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	93,302	186,593
Granted	-	-
Exercise	(93,302)	(93,291)
Others	-	-
Ending balance	<u>-</u>	<u>93,302</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	1,592,438	1,523,558
Granted	261,855	448,604
Exercise	(327,493)	(249,119)
Others	(131,417)	(130,605)
Ending balance	<u>1,395,383</u>	<u>1,592,438</u>

- Deferred grants

<i>(In shares)</i>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Beginning balance	392,308	186,014
Granted	261,728	456,154
Exercise	(327,493)	(249,119)
Others	-	(741)
Ending balance	<u>326,543</u>	<u>392,308</u>

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23. GENERAL AND ADMINISTRATIVE EXPENSES: (cont'd)

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:

(In thousands of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Linked to short-term performance	₩ -	₩ -	₩ (463,072)	₩ (398,414)
Linked to long-term performance	2,176,841	1,534,314	1,239,860	294,982

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

(In thousands of Korean won)

	June 30, 2025	December 31, 2024
Accrued expenses (short-term performance)	₩ -	₩ 997,305
Accrued expenses (long-term performance)	9,916,061	11,882,319

24. NON-OPERATING INCOME AND EXPENSES:

Net non-operating income (loss) and non-operating revenues and expenses for each of the three-month and six-month periods ended June 30, 2025 and 2024 are as follows:

(In thousands of Korean won)

	2025		2024	
	Three months	Six months	Three months	Six months
Non-operating revenues:				
Miscellaneous income	₩ 65,399	₩ 181,203	₩ 24,998	₩ 242,828
Gain on disposal of property and equipment	-	124	635	3,890
Gain on restoration-related construction	40	39	-	-
	<u>65,439</u>	<u>181,366</u>	<u>25,633</u>	<u>246,718</u>
Non-operating expenses:				
Donations	(50,000)	(90,300)	(18,440)	(119,740)
Loss on disposal of property and equipment	(38,687)	(38,687)	-	(41,867)
Loss on retirement of property and equipment	(370,033)	(370,033)	-	-
Miscellaneous expense	-	(3,677)	(7,698)	(10,609)
	<u>(458,720)</u>	<u>(502,697)</u>	<u>(26,138)</u>	<u>(172,216)</u>
Net non-operating income (loss)	<u>₩ (393,281)</u>	<u>₩ (321,331)</u>	<u>₩ (505)</u>	<u>₩ 74,502</u>

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25. EARNINGS PER SHARE:

The weighted-average number of ordinary shares outstanding 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	2025-01-01 ~ 2025-06-30	320,436,727	57,999,047,587
Treasury shares	2025-01-01 ~ 2025-06-30	(2,053,208)	(371,630,648)
Acquisition of treasury shares	2025-04-06 ~ 2025-06-30	(3,958,365)	(265,276,174)
	Subtotal ⁽¹⁾		57,362,140,765
		Weighted-average number of ordinary shares ^{(2)=(1)/181} ¹	316,917,905

¹ The total number of ordinary shares issued by the Company 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	2024-01-01 ~ 2024-06-30	322,088,438	58,620,095,716
Acquisition of treasury shares	2024-02-29 ~ 2024-06-30	(1,651,711)	(184,026,095)
	Subtotal ⁽¹⁾		58,436,069,621
		Weighted-average number of ordinary shares ^{(2)=(1)/182} ¹	321,077,306

¹ The total number of ordinary shares issued by the Company 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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25. EARNINGS PER SHARE: (cont'd)

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

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

	2025		2024	
	Three months	Six months	Three months	Six months
Net profit for the period	₩ 207,122,955	₩ 417,009,743	₩ 146,660,825	₩ 290,249,151
Dividends from hybrid equity securities	(6,675,000)	(14,606,250)	(8,731,250)	(15,912,500)
Profit attributable to Ordinary equity holders	200,447,955	402,403,493	137,929,575	274,336,651
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)	₩ 635	₩ 1,270	₩ 430	₩ 854

Diluted earnings per share from continuing operations and diluted net earnings per share are computed by dividing the earnings from continuing operations and net earnings by the number of ordinary shares outstanding, plus dilutive securities outstanding during that period. Diluted earnings per share from continuing operations and diluted net earnings per share are not calculated because the Company had no dilutive potential ordinary shares during the period.

26. DIVIDENDS:

A dividend in respect of the year ended December 31, 2024, amounting to ₩143,273 million, was paid on April 9, 2025 (the dividend paid in the previous year-end amounted to ₩132,056 million). In addition, on April 25, 2025, the Board of Directors resolved a quarterly dividend of ₩37,817 million with a record date of May 12, 2025, which was subsequently paid on May 23, 2025.

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27. TRANSACTIONS WITH RELATED-PARTY:

Details of the Company's related parties as of June 30, 2025 are as follows:

Relationship	Name of the related party
Subsidiaries	Busan Bank Co., Ltd.; Kyongnam Bank Co., Ltd.; BNK Capital Co., Ltd.; BNK Securities Co., Ltd.; BNK Savings Bank Co., Ltd.; BNK Asset Management Co., Ltd.; BNK Credit Information Co., Ltd.; BNK System Co., Ltd.; BNK Venture Capital Co., Ltd.; BNKC (Cambodia) MFI PLC; BNK Capital Myanmar Co., Ltd.; BNK Capital Lao Leasing Co., Ltd.; BNK Capital Lao NDTMFI Co., Ltd.; JSC BNK Commercial Bank.; MCC BNK Finance LLC.; Busan Bank Co., Ltd. (unspecified money trust) and 18 others; BNK Luxembourg private equity and 33 others; BNK Jeju Global Co., Ltd. and 35 others
Associates	BNK-K& New Marine Industry No.1 Fund, BNK-Cape ESG Renewable energy Fund No.1, BNK-K& Yeonghonam Special Zone Company Development No.1 Fund, BNK-INTERVALUE Technology Financing Fund, BNK-NAU Busan Local Innovation Fund, BNK BNK Shareholder Yield Active ETF, Shinhan BNPP SGrail Professional Private Special Asset Fund No. 1-2, Igis Ulsan New Port Infrastructure Private Investment Trust, Mirae-Asset ESG Maritime Transportation Infrastructure General Private Investment Trust No.1, iM asset General Private Equity Securities Investment Trust No.32 (Bond), Kioom Busan Green Infrastructure Professional Private Investment Trust, Shinhan Corporation General Private Securities Investment Trust No.19(bond), Kioom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond), GYOB AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond), KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond), Shinhan Public Offering Share Maturity Matching Professional Investment Private Fund No. 3 (Mixed Bond), Daishin Plus Professional Investment Private No. 2401 (bond), NH-Amundi Professional Investment Private No. 29 (bond) and 78 others.

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27. TRANSACTIONS WITH RELATED-PARTY: (cont'd)

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

(In thousands of Korean won)

Type	Name of entity	2025						Acquisition of property and equipment
		Revenues			Expenses			
		Interest revenues	Other revenues	Dividend income	Interest expenses	Other expenses		
Subsidiaries	Busan Bank Co., Ltd.	₩ 406,897	₩ 3,339,500	₩ 352,700,000	₩ -	₩ 13	₩ -	
	Kyongnam Bank Co., Ltd.	1,076	2,091,000	98,100,000	-	143,179	-	
	BNK Capital Co., Ltd.	-	1,000,113	-	3,668	-	134,988	
	BNK Securities Co., Ltd.	2,812	4,089,300	8,700,000	9,030	65,188	-	
	BNK Saving Bank Co., Ltd.	116,841	114,000	-	-	-	-	
	BNK Asset Management Co., Ltd.	-	19,500	-	-	-	-	
	BNK Venture Capital Co., Ltd.	-	6,000	-	-	-	-	
	BNK Credit Information Co., Ltd.	-	9,600	-	-	-	-	
	BNK System Co., Ltd.	-	37,900	-	-	235,299	576,981	
	BNK Gangnam Core Office Real Estate	3,435	-	-	2,371	56,224	-	
	BNK Yeouido Core Office Real Estate	4,054	-	-	23,370	77,208	-	
		<u>₩ 535,115</u>	<u>₩ 10,706,913</u>	<u>₩ 459,500,000</u>	<u>₩ 38,439</u>	<u>₩ 577,111</u>	<u>₩ 711,969</u>	

BNK FINANCIAL GROUP INC.
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27. TRANSACTIONS WITH RELATED-PARTY: (cont'd)

(In thousands of Korean won)

		2024					
Type	Name of entity	Revenues			Expenses		Acquisition of property and equipment
		Interest revenues	Other revenues	Dividend income	Interest expenses	Other expenses	
Subsidiaries	Busan Bank Co., Ltd.	₩ 378,745	₩ 3,547,127	₩ 179,000,000	₩ -	₩ 163,977	₩ 94,593
	Kyongnam Bank Co., Ltd.	1,264	1,941,000	118,000,000	-	48,559	-
	BNK Capital Co., Ltd.	-	897,244	22,009,550	4,797	7,735	178,079
	BNK Securities Co., Ltd.	1,776	6,077,500	6,000,000	6,231	35,979	740,560
	BNK Saving Bank Co., Ltd.	115,741	104,500	-	-	-	-
	BNK Asset Management Co., Ltd.	-	19,500	-	406	-	86,292
	BNK Venture Capital Co., Ltd.	-	7,500	-	-	-	-
	BNK Credit Information Co., Ltd.	-	9,150	-	-	-	-
	BNK System Co., Ltd.	-	36,600	-	-	544,043	818,586
	BNK Gangnam Core Office Real Estate	5,036	-	-	14,228	100,050	2,275,587
		<u>₩ 502,562</u>	<u>₩ 12,640,121</u>	<u>₩ 325,009,550</u>	<u>₩ 25,662</u>	<u>₩ 900,343</u>	<u>₩ 4,193,697</u>

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

(In thousands of Korean won)

		2025			
Type	Name of entity	Loan transactions		Investment	
		Loans	Repayments	Capital increase	Capital reduction
Subsidiaries	Busan Bank Co., Ltd.	₩ 224,453,732	₩ 310,926,634	₩ -	₩ -
	Kyongnam Bank Co., Ltd.	15,450,874	-	-	-
	BNK Saving Bank Co., Ltd.	117,442	-	-	-
		<u>₩ 240,022,048</u>	<u>₩ 310,926,634</u>	<u>₩ -</u>	<u>₩ -</u>

BNK FINANCIAL GROUP INC.
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27. TRANSACTIONS WITH RELATED-PARTY: (cont'd)

(In thousands of Korean won)

		2024			
Type	Name of entity	Loan transactions		Investment	
		Loans	Repayments	Capital increase	Capital reduction
Subsidiaries	Busan Bank Co., Ltd.	₩ 141,280,294	₩ 182,960,822	₩ -	₩ -
	Kyongnam Bank Co., Ltd.	45,600,755	-	-	-
	BNK Saving Bank Co., Ltd.	57,943	-	-	-
		<u>₩ 186,938,992</u>	<u>₩ 182,960,822</u>	<u>₩ -</u>	<u>₩ -</u>

Outstanding receivables from and payables to the company's related parties as of June 30, 2025, and December 31, 2024, are as follows:

(In thousands of Korean won)

		June 30, 2025				
Type	Name of entity	Receivables			Payables	
		Loans/Due from banks	Financial assets at FVTPL	Other assets ¹	Deposit liabilities	Other liabilities
Subsidiaries	Busan Bank Co., Ltd.	₩ 76,730,321	₩ -	₩ 59,995,860	₩ -	₩ 186,613
	Kyongnam Bank Co., Ltd.	21,265,383	-	32,272,625	-	-
	BNK Capital Co., Ltd.	-	-	17,460,140	-	326,530
	BNK Securities Co., Ltd.	-	107,622,900	2,105,906	-	467,437
	BNK Saving Bank Co., Ltd.	15,790,264	-	5,840	-	429,080
	BNK Asset Management Co., Ltd.	-	-	2,588,345	-	-
	BNK Venture Capital Co., Ltd.	-	-	359,739	-	-
	BNK Credit Information Co., Ltd.	-	-	159,693	-	-
	BNK System Co., Ltd.	-	-	469,548	-	-
	BNK Gangnam Core Office Real Estate	-	-	-	-	-
	BNK Yeouido Core Office Real Estate	-	-	242,223	-	1,272,924
		<u>₩ 113,785,968</u>	<u>₩ 107,622,900</u>	<u>₩ 115,659,919</u>	<u>₩ -</u>	<u>₩ 2,682,584</u>

BNK FINANCIAL GROUP INC.
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27. TRANSACTIONS WITH RELATED-PARTY: (cont'd)

(In thousands of Korean won)

		December 31, 2024							
		Receivables			Payables				
Type	Name of entity	Loans/Due from banks	Financial assets at FVTPL	Other assets ¹	Deposit liabilities	Other liabilities			
Subsidiaries	Busan Bank Co., Ltd.	₩ 163,203,223	₩ -	₩ 41,800,084	₩ -	₩ 178,655			
	Kyongnam Bank Co., Ltd.	5,814,509	-	42,697,415	-	-			
	BNK Capital Co., Ltd.	-	-	12,100,574	-	230,346			
	BNK Securities Co., Ltd.	-	107,051,600	7,617,416	-	554,287			
	BNK Saving Bank Co. Ltd.	15,672,822	-	6,441	-	540,194			
	BNK Asset Management Co., Ltd.	-	-	1,419,826	-	-			
	BNK Venture Capital Co., Ltd.	-	-	-	-	217,597			
	BNK Credit Information Co., Ltd.	-	-	357,705	-	-			
	BNK System Co., Ltd.	-	-	464,983	-	-			
	BNK Gangnam Core Office Real Estate	-	-	412,127	-	871,639			
	BNK Yeouido Core Office Real Estate	-	-	238,169	-	1,416,834			
			₩ 184,690,554	₩ 107,051,600	₩ 107,114,740	₩ -	₩ 4,009,552		

¹ As of June 30, 2025 and December 31, 2024, the amount due to consolidated tax payment is ₩94,594,553 thousand and ₩85,702,235 thousand, respectively.

The Company paid ₩551,179 thousand for the lease payments in relation to related parties for the six-month period ended June 30, 2025 (₩364,178 thousand for the six-month period ended June 30, 2024).

Compensation for key executives for each of the six-month periods ended June 30, 2025 and 2024 are as follows:

(In thousands of Korean won)

	2025	2024
Short-term employee benefits	₩ 546,138	₩ 564,676
Performance compensation costs	425,862	243,614
Post-employment benefits	90,000	10,000

BNK FINANCIAL GROUP INC.
Notes to the interim condensed separate financial statements
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27. TRANSACTIONS WITH RELATED-PARTY: (cont'd)

Details of unused loan commitment of the company's related parties as of June 30, 2025 and December 31, 2024 are as follows:

(In thousands of Korean won)

<u>Provider</u>	<u>Provided to</u>	<u>Unused loan commitment</u>		<u>June 30,2025</u>		<u>December 31, 2024</u>
Busan Bank Co., Ltd.	BNK Financial Group Inc.	Credit Card	₩	413,387	₩	421,345

28. COMMITMENTS:

Details of commitments with financial institutions as of June 30, 2025, and December 31, 2024 are as follows:

(In thousands of Korean won)

<u>Commitment</u>	<u>Financial institution</u>	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
		<u>Limit</u>	<u>Balance</u>	<u>Limit</u>	<u>Balance</u>
General loans	Korea Development Bank ¹	₩ 150,000,000	₩ -	₩ 150,000,000	₩ -

¹ The Company has entered into general loan agreement with Korea Development Bank for securing liquidity to cope with potential financial distress in domestic credit market and diversifying the financing channel.