

BNK FINANCIAL GROUP INC.

**CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
AS OF JUNE 30, 2026 AND FOR THE THREE-MONTH AND SIX-MONTH
PERIODS ENDED JUNE 30, 2026**

BNK FINANCIAL GROUP INC.

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Independent Auditors' Review Report
(Based on a report originally issued in Korean)

**To The Shareholders and Board of Directors
BNK Financial Group Inc.:**

Reviewed financial statements

We have reviewed the accompanying condensed separate interim financial statements of BNK Financial Group Inc. (the "Company"), which comprise the condensed separate interim statement of financial position as of June 30, 2026, the condensed separate interim statements of comprehensive income for the three-month and six-month periods ended June 30, 2026, the condensed separate interim statements of changes in equity and cash flows for the six-month period ended June 30, 2026, and notes including material accounting policies.

Management's responsibility

Management is responsible for the preparation and fair presentation of these condensed separate interim financial statements in accordance with Korean International Financial Reporting Standards ("K-IFRS") No. 1034 'Interim Financial Reporting', and for such internal control as management determines is necessary to enable the preparation of the condensed separate interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' review responsibility

Our responsibility is to issue a report on these condensed separate interim 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 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 condensed separate interim financial statements referred to above do not present fairly, in all material respects, in accordance with K-IFRS No. 1034 'Interim Financial Reporting'.

Other matters

The procedures and practices utilized in the Republic of Korea to review such condensed separate interim financial statements may differ from those generally accepted and applied in other countries.

The accompanying condensed separate interim statements of comprehensive income for the three-month and six-month periods ended June 30, 2025, and the condensed separate interim statements of changes in equity and cash flows for the six-month period ended June 30, 2025, were reviewed by another auditor whose report thereon, dated August 14, 2025, states that nothing had come to their attention that caused them to believe that those condensed separate interim financial statements did not present fairly, in all material respects, in accordance with K-IFRS No. 1034 'Interim Financial Reporting'.

The separate statement of financial position of the Company as of December 31, 2025, and the related separate statements of comprehensive income, changes in equity and cash flows for the year then ended, which are not accompanying this report, were audited by another auditor in accordance with Korean Standards on Auditing and their report thereon, dated March 17, 2026, expressed an unmodified opinion. The accompanying separate statement of financial position of the Company as of December 31, 2025, presented for comparative purposes, is not different from that audited by another auditor from which it was derived in all material respects.

KPMG Samjong Accounting Corp.

KPMG Samjong Accounting Corp.

Seoul, Korea

August 14, 2026

This report is effective as of August 14, 2026, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed separate interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

BNK FINANCIAL GROUP INC.

**CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
AS OF JUNE 30, 2026 AND DECEMBER 31, 2025,
AND THE THREE-MONTH AND SIX-MONTH PERIODS ENDED
JUNE 30, 2026 AND 2025**

“The accompanying condensed separate interim 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.

Condensed Separate Interim Statements of Financial Position as of June 30, 2026 (UNAUDITED) and December 31, 2025

(In thousands of Korean won)

	Notes		June 30, 2026		December 31, 2025
Assets					
Cash and due from banks	5,6,23	₩	173,519,583	₩	341,101,234
Financial assets at fair value through profit or loss	5,7,23		103,239,700		105,845,700
Investments in subsidiaries	8		6,623,937,231		6,623,937,231
Loans and receivables	4,5,9,23		59,807,610		173,540,669
Property and equipment	10		9,533,172		10,173,011
Intangible assets	11		7,761,224		9,178,026
Net defined benefit assets	14		2,888,806		2,759,133
Other assets	12		728,920		1,066,462
Total assets		₩	<u>6,981,416,246</u>	₩	<u>7,267,601,466</u>
Liabilities					
Debentures	5,13,23	₩	1,718,398,633	₩	1,828,522,661
Current tax liabilities			36,860,235		151,485,761
Provisions	15		195,287		190,785
Other liabilities	5,17,23		24,613,876		30,063,004
Total liabilities			<u>1,780,068,031</u>		<u>2,010,262,211</u>
Equity					
Share capital	18		1,629,676,230		1,629,676,230
Hybrid equity securities	18		498,381,718		498,381,718
Other paid-in capital	18		2,217,035,820		2,275,830,978
Other components of equity	18		(5,067,326)		(5,867,334)
Retained earnings	19		861,321,773		859,317,663
Total equity			<u>5,201,348,215</u>		<u>5,257,339,255</u>
Total liabilities and equity		₩	<u>6,981,416,246</u>	₩	<u>7,267,601,466</u>

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

BNK FINANCIAL GROUP INC.
**Condensed Separate Interim Statements of Comprehensive Income
for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)**

		Periods ended June 30							
		2026		2025					
	Notes	Three months		Six months		Three months		Six months	
(In thousands of Korean won, except per share amounts)									
Net interest expenses		21							
	Interest income	₩	367,472	₩	705,032	₩	350,256	₩	753,646
	Interest expenses		(13,353,109)		(27,087,989)		(14,189,927)		(28,356,076)
			(12,985,637)		(26,382,957)		(13,839,671)		(27,602,430)
Net fee and commission income		22							
	Commission income		3,808,500		7,616,000		3,778,500		7,557,000
	Commission expenses		(3,087,690)		(3,793,318)		(872,028)		(1,872,956)
			720,810		3,822,682		2,906,472		5,684,044
Gain on financial assets at fair value through profit or loss, net		23							
	Gain on financial assets at fair value through profit or loss	₩	1,759,000		3,518,000		1,843,900		4,089,300
	Loss on financial assets at fair value through profit or loss		(729,900)		(2,606,000)		-		-
			1,029,100		912,000		1,843,900		4,089,300
Dividend income		29	-		227,802,000		230,000,000		459,500,000
General and administrative expense		24	(12,285,597)		(28,228,425)		(13,394,465)		(24,339,840)
Operating profit (loss)			(23,521,324)		177,925,300		207,516,236		417,331,074
Non-operating income (expenses)		26							
	Non-operating income		17,866		46,443		65,439		181,366
	Non-operating expense		(10,300)		(30,300)		(458,720)		(502,697)
			7,566		16,143		(393,281)		(321,331)
Profit (loss) before income tax expense			(23,513,758)		177,941,443		207,122,955		417,009,743
Income tax expense			-		-		-		-
Profit (loss) for the period			₩ (23,513,758)	₩	177,941,443	₩	207,122,955	₩	417,009,743
Other comprehensive income (loss), net of tax									
Items that will not be reclassified to profit or loss:									
	Remeasurements of net defined benefit liabilities	18	2,142,999		800,008		1,003,955		(247,723)
			2,142,999		800,008		1,003,955		(247,723)
Total comprehensive income (expense) for the period			₩ (21,370,759)	₩	178,741,451	₩	208,126,910	₩	416,762,020
Earnings per share (in Korean won)		27							
	Basic and diluted earnings per share		₩ (95)	₩	536	₩	635	₩	1,270

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

BNK FINANCIAL GROUP INC.

Condensed Separate Interim Statements of Changes in Equity for the six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

<i>(In thousands of Korean won)</i>	Share capital	Hybrid equity securities	Other paid-in capital	Other components of equity	Retained earnings	Total
Balance at January 1, 2025	₩ 1,629,676,230	₩ 727,703,250	₩ 2,256,391,584	₩ (5,490,755)	₩ 677,957,810	₩ 5,286,238,119
Acquisition of treasury shares	-	-	(39,999,919)	-	-	(39,999,919)
Retirement of treasury shares	-	-	19,997,175	-	(19,997,982)	(807)
Repayment of hybrid equity securities	-	(279,083,688)	(916,312)	-	-	(280,000,000)
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)
Quarterly dividends	-	-	-	-	(37,817,415)	(37,817,415)
Total comprehensive income	-	-	-	-	417,009,743	417,009,743
Profit for the period	-	-	-	-	-	-
Other comprehensive income	-	-	-	(247,723)	-	(247,723)
Remeasurements of net defined benefit liabilities	-	-	-	-	-	-
Balance at June 30, 2025 (unaudited)	₩ 1,629,676,230	₩ 448,619,562	₩ 2,236,119,579	₩ (5,738,478)	₩ 878,626,271	₩ 5,187,303,164
Balance at January 1, 2026	₩ 1,629,676,230	₩ 498,381,718	₩ 2,275,830,978	₩ (5,867,334)	₩ 859,317,663	₩ 5,257,339,255
Acquisition of treasury shares	-	-	(59,999,991)	-	-	(59,999,991)
Retirement of treasury shares	-	-	-	-	(808)	(808)
Changes in capital adjustments	-	-	1,204,833	-	(1,204,833)	-
Dividends on hybrid equity securities	-	-	-	-	(11,870,000)	(11,870,000)
Annual dividends	-	-	-	-	(116,372,637)	(116,372,637)
Quarterly dividends	-	-	-	-	(46,489,055)	(46,489,055)
Total comprehensive income	-	-	-	-	-	-
Profit for the period	-	-	-	-	177,941,443	177,941,443
Other comprehensive income	-	-	-	-	-	-
Remeasurements of net defined benefit liabilities	-	-	-	800,008	-	800,008
Balance at June 30, 2026 (unaudited)	₩ 1,629,676,230	₩ 498,381,718	₩ 2,217,035,820	₩ (5,067,326)	₩ 861,321,773	₩ 5,201,348,215

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

BNK FINANCIAL GROUP INC.

Condensed Separate Interim Statements of Cash Flows for the six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

(In thousands of Korean won)

	2026	2025
Cash flows from operating activities		
Profit for the period	₩ 177,941,443	₩ 417,009,743
Adjustments to profit for the period:		
Gain on financial assets at fair value through profit or loss, net	(912,000)	(571,300)
Interest income	(705,032)	(753,646)
Interest expense	27,087,989	28,356,076
Depreciation	1,439,748	1,461,045
Amortization	1,811,534	1,877,846
Loss (gain) on disposal of property and equipment	(24)	408,596
Post-employment benefits	670,335	662,988
Dividend income	(227,802,000)	(463,018,000)
Other non-operating expenses	-	121
	<u>(198,409,450)</u>	<u>(431,576,274)</u>
Changes in operating assets and liabilities:		
Increase in receivables	(470,076)	(349,867)
Decrease in other assets	337,542	593,406
Decrease in provisions	-	(169,400)
Decrease in other liabilities	<u>(17,685,779)</u>	<u>(6,459,071)</u>
	<u>(17,818,313)</u>	<u>(6,384,932)</u>
Interest received	653,077	593,273
Interest paid	(14,222,679)	(26,387,624)
Dividend received	231,320,000	463,018,000
Income tax paid	(422)	-
Net cash flows provided by operating activities	<u>179,463,656</u>	<u>416,272,186</u>
Cash flows from investing activities		
Payments for property and equipment	(321,560)	(455,452)
Payments for intangible assets	(394,733)	(284,787)
Decrease (increase) in lease deposits provided	<u>(400,000)</u>	<u>183,168</u>
Net cash flows used in investing activities	<u>(1,116,293)</u>	<u>(557,071)</u>
Cash flows from financing activities		
Issuance of debentures	299,341,682	249,637,477
Repayment of debentures	(410,000,000)	(220,000,000)
Payments of lease liabilities	(538,205)	(562,946)
Dividends paid to shareholders	(162,861,692)	(181,089,999)
Repayment of hybrid equity securities	-	(280,000,000)
Dividends paid on hybrid equity securities	(11,870,000)	(14,606,250)
Acquisition of treasury shares	(59,999,991)	(39,999,919)
Payments for retirement of treasury shares	(808)	(807)
Net cash flows used in financing activities	<u>(345,929,014)</u>	<u>(486,622,444)</u>
Net decrease in cash and cash equivalents	<u>(167,581,651)</u>	<u>(70,907,329)</u>
Cash and cash equivalents at the beginning of the period	<u>341,101,234</u>	<u>184,693,378</u>
Cash and cash equivalents at the end of the period	<u>₩ 173,519,583</u>	<u>₩ 113,786,049</u>

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

BNK FINANCIAL GROUP INC.

Notes to the Condensed Separate Interim Financial Statements

as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (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 engaged in the financial business or subsidiaries closely related to the financial industry.

Meanwhile, the Company established BNK System Co., Ltd. and BNK Savings Bank Co., Ltd. as its subsidiaries with 100% share in 2011. The Company obtained control of Kyongnam Bank by acquiring 56.97% of its shares in October 2014 and ultimately acquired 100% of the shares of Kyongnam Bank Co., Ltd. through a comprehensive share exchange on June 4, 2015. In July 2015, the Company acquired a 51.01% equity interest in BNK Asset Management Co., Ltd. through share acquisition and a paid-in capital increase, thereby making it a subsidiary of the Company. In December 2017, the Company took over the rest of BNK Asset Management Co., Ltd.’s shares; accordingly, it became a wholly owned subsidiary. In November 2019, the Company also obtained 100% of shares in BNK Venture Capital Co., Ltd. and established it as a wholly owned subsidiary.

The headquarters of the Company is located at Busan Nam-gu Munhyeongeumyung-ro, 30.

Meanwhile, the Company's share capital as of June 30, 2026, amounts to ₩1,629,676 million, with 310,327,033 shares issued.

BNK FINANCIAL GROUP INC.

Notes to the Condensed Separate Interim Financial Statements

as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

2. MATERIAL ACCOUNTING POLICIES:

2.1 Basis of Preparation

The Company prepares its statutory condensed separate interim financial statements in the Korean language in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("K-IFRS") 1034 *Interim Financial Reporting*, enacted by the *Act on External Audit of Stock Companies*. The accompanying condensed separate interim 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 condensed separate interim 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, 2025.

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

The accounting policies applied in the preparation of the condensed separate interim financial statements are consistent with those applied in the preparation of the Company's annual separate financial statements for the year ended December 31, 2025, except for the adoption of new standards and interpretations effective as of January 1, 2026. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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

(1) Derecognition of financial liabilities settled using an electronic payment

The amendments permit an entity to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognised) before the settlement date if specified criteria are met. If an entity elects to apply this accounting policy to derecognize the financial liability before settlement date, it must apply this treatment to all financial liabilities settled using the same electronic payment system.

(2) Classification of financial assets

- Contractual terms that are consistent with a basic lending arrangement

The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments are intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics of financial assets with features linked to environmental, social and governance (ESG) concerns.

BNK FINANCIAL GROUP INC.

Notes to the Condensed Separate Interim Financial Statements

as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

2.1 Basis of Preparation (cont'd)

- Assets with non-recourse features

The amendments enhance the description of the term “non-recourse”, in particular to specify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

- Contractually linked instruments

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritisation of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

(3) Disclosures

- Investments in equity instruments designated at fair value through other comprehensive income (“FVOCI”)

The requirements in K-IFRS 1107 are amended to require an entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period.

- Contractual terms that could change the timing or amount of contractual cash flows

The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs. The requirements apply to each class of financial asset measured at amortised cost or FVOCI and each class of financial liability measured at amortised cost.

The amendments do not have a material impact on the condensed separate interim financial statements of the Company.

BNK FINANCIAL GROUP INC.

Notes to the Condensed Separate Interim Financial Statements

as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

2.1 Basis of Preparation (cont'd)

- Amendments to K-IFRS 1109 *Financial Instruments –Derecognition of Lease Liabilities and Definition of Transaction Prices*

The amendments clarify that, when a lease liability has been extinguished, any resulting gain or loss should be recognized in profit or loss. Additionally, the amendments update the language on transaction price in K-IFRS 1109 with that in K-IFRS 1115.

The amendments do not have a material impact on the condensed separate interim financial statements of the Company.

- Amendments to K-IFRS 1110 *Consolidated Financial Statements – Determination of “de facto agent”*

The amendments remove the inconsistency with the requirement in paragraph B73 and B74 for an entity to use judgement to determine whether other parties are acting as de facto agents, and clarify that the relationship described in paragraph B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

The amendments do not have a material impact on the condensed separate interim financial statements of the Company.

- Amendments to K-IFRS 1109 *Financial Instruments* and K-IFRS 1107 *Financial Instruments: Disclosures —Contracts Referencing Nature-dependent Electricity*

(1) Amendments to K-IFRS 1109 *Financial Instruments*

The following requirements of K-IFRS 1109 are affected by the amendments:

- The own-use requirements in K-IFRS 1109 are amended to include the factors an entity is required to consider when applying K-IFRS 1109 paragraph 2.4 to contracts to buy and be delivered renewable electricity for which the source of production of the electricity is nature-dependent; and
- The hedge accounting requirements in K-IFRS 1109 are amended to allow an entity designating a contract referencing nature-dependent electricity as the hedging instrument in a hedge of forecast electricity transactions:
 - to designate a variable amount of forecast electricity transactions as the hedged item if specified criteria are met; and
 - to align the variable amount of nature-dependent electricity expected to be delivered by the generation facility with that referenced in the hedging instrument.

BNK FINANCIAL GROUP INC.

Notes to the Condensed Separate Interim Financial Statements

as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

2.1 Basis of Preparation (cont'd)

(2) Amendments to K-IFRS 1107 Financial Instruments: Disclosures

K-IFRS 1107 was amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments do not have a material impact on the condensed separate interim financial statements of the Company.

(b) Standards and interpretations that have been published but not yet effective and have not been early adopted by the Company

- K-IFRS 1118 Presentation and Disclosure in Financial Statements

K-IFRS No. 1118 'Presentation and Disclosure in Financial Statements' replaces K-IFRS No. 1001 'Presentation of Financial Statements'. K-IFRS No. 1118 is expected to enhance the comparability of financial performance among similar entities by providing users of financial statements with more useful information for analyzing and comparing an entity's performance based on the income statement.

When the Company prepares its financial statements in accordance with K-IFRS No. 1118, the following accounting policies are expected to result in significant differences from the current financial statements. These matters do not represent all potential differences that may arise in the future and may be subject to change based on further analysis.

[Changes in Presentation of Income Statement]

K-IFRS No. 1118 requires all income and expenses included in the statement of profit or loss to be classified into one of five categories: operating, investing, financing, income taxes, and discontinued operations. Under the standard, all income and expenses not classified within the investing, financing, income tax, or discontinued operations categories are classified within the operating category, and operating profit or loss is defined as a residual category.

The Company is required to assess its main business activities in determining the classification of income and expenses. Where the Company's main business activities include investing in a particular type of asset or providing financing to customers, certain income and expenses that would otherwise have been classified in the investing or financing category are classified in the operating category.

Accordingly, operating profit or loss under K-IFRS No. 1118 differs significantly from operating profit or loss under the current K-IFRS No. 1001, which is generally defined as operating revenue less operating expenses. K-IFRS No. 1118 requires disclosure in the notes of operating profit or loss determined under the current K-IFRS No. 1001, together with a reconciliation between operating profit or loss under K-IFRS No. 1118 and that under the current K-IFRS No. 1001.

BNK FINANCIAL GROUP INC.

Notes to the Condensed Separate Interim Financial Statements

as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

2.1 Basis of Preparation (cont'd)

In addition, K-IFRS No. 1118 requires the presentation in the statement of profit or loss of 'operating profit or loss', comprising all income and expenses classified in the operating category; 'profit or loss before financing and income taxes', comprising operating profit or loss and all income and expenses classified in the investing category; and 'profit or loss for the period'. However, where providing financing to customers is one of the Company's main business activities, the presentation of 'profit or loss before financing and income taxes' may not be required to apply depending on the accounting policy applied.

[Introduction of Disclosure Requirements for Management-defined Performance Measures]

K-IFRS No. 1118 introduces new disclosure requirements for management-defined performance measures ("MPMs"). MPMs are defined as subtotals of income and expenses that are not specified in paragraph 118 of K-IFRS No. 1118 and are not explicitly required to be presented or disclosed by K-IFRS Standards, which are used in public communications outside the financial statements to communicate management's view of an aspect of the entity's financial performance to users of financial statements.

Where management-defined performance measures are presented, entities are required to disclose the reasons for using such measures, how the measures are calculated, reconciliations between the measures and the most directly comparable subtotal specified by K-IFRS No. 1118, the income tax effects of each reconciling item, and the effects on non-controlling interests.

[Changes in Classification of Cash Flows]

In connection with the issuance of K-IFRS No. 1118, certain amendments were also made to K-IFRS No. 1007 'Statement of Cash Flows'. Under the amendments, the starting point for determining cash flows from operating activities using the indirect method has been changed from profit or loss for the period to operating profit or loss. In addition, the accounting policy choice for the classification of interest and dividend cash flows has been removed.

K-IFRS No. 1118 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. In accordance with K-IFRS No. 1008 'Accounting Policies, Changes in Accounting Estimates and Errors', the standard is required to be applied retrospectively. Accordingly, comparative information for the annual reporting period ending December 31, 2026 will be restated in accordance with K-IFRS No. 1118. In addition, the amendments to K-IFRS No. 1007 and K-IFRS No. 1033 resulting from the issuance of K-IFRS No. 1118, as well as the amended K-IFRS No. 1008 and K-IFRS No. 1107, will become effective when K-IFRS No. 1118 is applied.

The Company has not yet applied K-IFRS No. 1118, as the mandatory effective date has not yet arrived, and plans to present its first interim financial statements for the period ending March 31, 2027 in accordance with K-IFRS No. 1118.

As of June 30, 2026, the Company is conducting an overall preliminary assessment of the impact of applying K-IFRS No. 1118 based on the information currently available.

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Notes to the Condensed Separate Interim Financial Statements

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2.2. Accounting Policies

Material accounting policies and method of computation used in the preparation of the condensed separate interim financial statements are consistent with those of the separate financial statements as of and for the year ended December 31, 2025, 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 K-IFRS 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 K-IFRS 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. MATERIAL ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of condensed separate interim financial statements requires management to make judgements, excluding those involving estimates, that have a significant effect on the amounts recognized in the condensed separate interim financial statements, and to make estimates and assumptions regarding the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and assumptions are based on historical experience and other relevant factors. Actual results may differ from those estimates.

The significant judgements made in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied and disclosed in the annual separate financial statements for the year ended December 31, 2025.

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4. FINANCIAL RISK MANAGEMENT:

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

4.1 Credit Risk

The Company's maximum exposure to credit risk as of June 30, 2026, and December 31, 2025, is as follows:

<i>(In thousands of Korean won)</i>		June 30, 2026		December 31, 2025
On-balance items:				
Loans and receivables	₩	59,807,610	₩	173,540,669

Details of credit risk by impairment of loans and receivables as of June 30, 2026, and December 31, 2025 are summarized as follows :

<i>(In thousands of Korean won)</i>	June 30, 2026					
	Lifetime expected credit losses					
	12 months' expected credit losses	Not credit impaired	Credit impaired	Total	Allowance for credit loss	Carrying amount
Loans and receivables						
Non-trade receivables	₩36,927,398	₩ -	₩ -	₩36,927,398	₩ -	₩36,927,398
Guarantee deposits provided	22,790,453	-	-	22,790,453	-	22,790,453
Accrued income	89,759	-	-	89,759	-	89,759
Total	₩59,807,610	₩ -	₩ -	₩59,807,610	₩ -	₩59,807,610

<i>(In thousands of Korean won)</i>	December 31, 2025					
	Lifetime expected credit losses					
	12 months' expected credit losses	Not credit impaired	Credit impaired	Total	Allowance for credit loss	Carrying amount
Loans and receivables						
Non-trade receivables	₩151,509,964	₩ -	₩ -	₩151,509,964	₩ -	₩151,509,964
Guarantee deposits provided	21,992,901	-	-	21,992,901	-	21,992,901
Accrued income	37,804	-	-	37,804	-	37,804
Total	₩173,540,669	₩ -	₩ -	₩173,540,669	₩ -	₩173,540,669

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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 double 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

The carrying amount and fair value of financial instruments by category as of June 30, 2026, and December 31, 2025, are as follows:

(In thousands of Korean won)	June 30, 2026		December 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Financial assets at amortized cost				
Cash and due from banks	₩ 173,519,583	₩ 173,519,583	₩ 341,101,234	₩ 341,101,234
Loans and receivables	59,807,610	59,807,610	173,540,669	173,540,669
Financial assets at FVPL				
Equity securities	103,239,700	103,239,700	105,845,700	105,845,700
Subtotal	₩ 336,566,893	₩ 336,566,893	₩ 620,487,603	₩ 620,487,603
Financial liabilities:				
Debentures	₩ 1,718,398,633	₩ 1,712,715,695	₩ 1,828,522,661	₩ 1,838,404,576
Other financial liabilities ¹	21,261,093	21,261,093	26,535,475	26,535,475
Subtotal	₩ 1,739,659,726	₩ 1,733,976,788	₩ 1,855,058,136	₩ 1,864,940,051

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

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

(b) Fair Value Assessment Method and Assumptions

Details of Fair value assessment method and assumptions are as follows:

Classification	Fair value measurement technique
Cash and due from banks	The carrying amount of cash is regarded as the fair value. The carrying amounts of demand deposits and settlement deposits are regarded as their fair values as they do not have maturities and approximate their fair values. The DCF model is used to determine the fair value of general deposits. For those general deposits with residual maturities of less than three months as at the closing date and the ones with a reset period of less than three months, the carrying amount is regarded as 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 residual maturities of less than three months as of the reporting date, or variable-rate instruments with interest rate reset periods of less than three months, the carrying amount is regarded as the fair value. Among receivables, deposits provided are mostly considered as intracompany transactions; so, any new or renewed lease transactions are subject to the approval of the board of directors pursuant to Article 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 of Financial Instruments that are Subsequently Measured at Fair Value

The fair value hierarchy of financial instruments that are subsequently measured at fair value as of June 30, 2026, and December 31, 2025 are as follows:

(In thousands of Korean won)

		June 30, 2026			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets at FVPL	₩	-	₩	- ₩ 103,239,700	₩ 103,239,700

(In thousands of Korean won)

		December 31, 2025			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets at FVPL	₩	-	₩	- ₩ 105,845,700	₩ 105,845,700

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, 2026 and December 31, 2025, are as follows:

June 30, 2026					
(In thousands of Korean won)		Fair value	Valuation techniques	Range of significant unobservable inputs	Relationship between significant unobservable inputs and fair value
Financial assets:					
Financial assets at FVPL	₩	103,239,700			
Equity securities		103,239,700	Hull & White / G2++ LSMC(Least-Squares Monte Carlo)	Volatility: 0.65%	Fair value decreases (remains unchanged) when volatility decreases (increases)
December 31, 2025					
(In thousands of Korean won)		Fair value	Valuation techniques	Range of significant unobservable inputs	Relationship between significant unobservable inputs and fair value
Financial assets:					
Financial assets at FVPL	₩	105,845,700			
Equity securities		105,845,700	Hull & White / G2++ LSMC(Least-Squares Monte Carlo)	Volatility: 0.50%	Fair value decreases (increases) when volatility decreases (increases)

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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 as of June 30, 2026 and December 31, 2025:

(In thousands of Korean won)		June 30, 2026			
		Profit (loss) for the period		Other comprehensive income	
		Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Financial assets:					
Financial assets at FVPL ¹	₩	-	₩ (2,500)	₩	- ₩

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, 2025			
		Profit (loss) for the year		Other comprehensive income	
		Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Financial assets:					
Financial assets at FVPL ¹	₩	3,400	₩ (2,500)	₩	- ₩

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

BNK FINANCIAL GROUP INC.**Notes to the Condensed Separate Interim Financial Statements****as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)****5. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd):**

Changes in Level 3 financial instruments subsequently measured at fair value for the six-month periods ended June 30, 2026 and 2025 are as follows:

<i>(In thousands of Korean won)</i>	Financial assets at FVPL			
	2026		2025	
Beginning balance	₩	105,845,700	₩	107,051,600
Total profit or loss:				
Amount recognized in profit or loss ¹		(2,606,000)		571,300
Amount recognized in other comprehensive income		-		-
Purchases		-		-
Sales		-		-
Other changes:				
Transfer into level 3		-		-
Transfer into other levels		-		-
Reclassification		-		-
Ending balance	₩	103,239,700	₩	107,622,900

¹ The amounts recognized in profit or loss in relation to changes in Level 3 of the fair value hierarchy during the current and prior interim periods, and the amounts of unrealized gains or losses included in profit or loss arising from changes in assets and liabilities held at the end of the reporting period, are presented as the following individual line items in the statement of comprehensive income:

<i>(In thousands of Korean won)</i>	Financial assets at FVPL		
		2026	2025
Profit (loss) for the period	₩	(2,606,000)	571,300
Change in unrealized gain (loss)		(2,606,000)	571,300

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

(d) Fair Value Hierarchy of Financial Instruments 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, 2026, and December 31, 2025 are as follows:

(In thousands of Korean won)	June 30, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and due from banks	₩ -	₩ 173,519,583	₩ -	₩ 173,519,583
Loans and receivables ¹	-	-	59,807,610	59,807,610
Subtotal	₩ -	₩ 173,519,583	₩ 59,807,610	₩ 233,327,193
Financial liabilities:				
Debentures	₩ -	₩ 1,712,715,695	₩ -	₩ 1,712,715,695
Other financial liabilities ¹	-	-	21,261,093	21,261,093
Subtotal	₩ -	₩ 1,712,715,695	₩ 21,261,093	₩ 1,733,976,788

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

(In thousands of Korean won)	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and due from banks	₩ -	₩ 341,101,234	₩ -	₩ 341,101,234
Loans and receivables ¹	-	-	173,540,669	173,540,669
Subtotal	₩ -	₩ 341,101,234	₩ 173,540,669	₩ 514,641,903
Financial liabilities:				
Debentures	₩ -	₩ 1,838,404,576	₩ -	₩ 1,838,404,576
Other financial liabilities ¹	-	-	26,535,475	26,535,475
Subtotal	₩ -	₩ 1,838,404,576	₩ 26,535,475	₩ 1,864,940,051

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

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

The valuation techniques and input variables of Level 2 financial assets and liabilities subsequently not measured at fair value as of June 30, 2026, and December 31, 2025, are as follows; however, fair value hierarchy, valuation techniques and inputs of items whose carrying amount is a reasonable approximation of fair value are not disclosed.

(In thousands of Korean won)

	Fair value		Valuation techniques	Input variables
	June 30, 2026	December 31, 2025		
Financial liabilities:				
Debentures	₩ 1,712,715,695	₩ 1,838,404,576	DCF model	Discount rate

6. CASH AND DUE FROM BANKS:

(a) Details of cash and cash equivalents as of June 30, 2026 and December 31, 2025 are as follows:

(In thousands of Korean won)	Financial institution	Interest rate (%)	June 30, 2026	December 31, 2025
Cash and cash equivalents:				
Checking deposits	Busan Bank Co., Ltd. and Kyongnam Bank Co., Ltd.	0.01	₩ 154,945,903	₩ 297,954,488
Corporate saving deposits	Busan Bank Co., Ltd.	0.01-0.50	2,545,874	7,238,111
Corporate savings	BNK Savings Bank Co., Ltd.	0.01	16,027,797	15,908,587
Time deposits	Korea Development Bank	2.42	-	20,000,000
Subtotal			173,519,574	341,101,186
Deposits	Samsung Securities Co., Ltd.	2.15	9	-
	BNK Securities Co., Ltd.	1.00	-	48
Subtotal			9	48
Total			₩ 173,519,583	₩ 341,101,234

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, 2026 and December 31, 2025.

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

Details of financial assets at FVPL as of June 30, 2026 and December 31, 2025 are as follows:

<i>(In thousands of Korean won)</i>		<u>June 30, 2026</u>		<u>December 31, 2025</u>
Equity securities	₩	103,239,700	₩	105,845,700

8. INVESTMENTS IN SUBSIDIARIES:

Details of investments in subsidiaries as of June 30, 2026, and December 31, 2025, are as follows:

<i>(In thousands of Korean won)</i>		<u>June 30, 2026</u>		
Name of subsidiaries	Location	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
Total			₩	<u>6,623,937,231</u>

<i>(In thousands of Korean won)</i>		<u>December 31, 2025</u>		
Name of subsidiaries	Location	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
Total			₩	<u>6,623,937,231</u>

There are no changes in investments in subsidiaries during the six-month period ended June 30, 2026 and the year ended December 31, 2025.

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Details of loans and receivables as of June 30, 2026 and December 31, 2025 are as follows:

<i>(In thousands of Korean won)</i>	June 30, 2026		December 31, 2025	
Non-trade receivables	₩	36,927,399	₩	151,509,964
Accrued income		89,758		37,804
Guarantee deposits provided		24,431,069		24,031,069
Present-value discounts		(1,640,616)		(2,038,168)
Total	₩	59,807,610	₩	173,540,669

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10. PROPERTY AND EQUIPMENT:

Changes in property and equipment for the six-month periods ended June 30, 2026 and 2025, are as follows:

(In thousands of Korean won)

	2026					
	Beginning balance	Acquisition	Disposal	Depreciation	Transfer	Ending balance
Property and equipment:						
Land for business purpose	₩ 1,220,861	₩ -	₩ -	₩ -	₩ -	₩ 1,220,861
Building for business purpose	2,005,121	-	-	(22,572)	-	1,982,549
Leasehold improvements	1,464,301	-	-	(228,361)	-	1,235,940
Movable properties for business purpose	1,053,941	317,499	-	(224,111)	-	1,147,329
Right-of-use assets:						
Properties for business purpose	4,213,142	146,608	(9,343)	(876,529)	-	3,473,878
Vehicles	215,645	345,145	-	(88,175)	-	472,615
Total	₩ 10,173,011	₩ 809,252	₩ (9,343)	₩ (1,439,748)	₩ -	₩ 9,533,172

(In thousands of Korean won)

	2025					
	Beginning balance	Acquisition	Disposal	Depreciation	Transfer	Ending balance
Property and equipment:						
Land for business purpose	₩ 1,220,861	₩ -	₩ -	₩ -	₩ -	₩ 1,220,861
Building for business purpose	2,050,265	-	-	(22,572)	-	2,027,693
Leasehold improvements	1,705,897	379,740	(358,116)	(253,664)	191,000	1,664,857
Movable properties for business purpose	1,190,459	75,712	(11,917)	(193,659)	-	1,060,595
Construction in progress	191,000	-	-	-	(191,000)	-
Right-of-use assets:						
Properties for business purpose	6,687,392	178,481	(906,076)	(879,440)	-	5,080,357
Vehicles	220,794	204,414	(2,423)	(111,710)	-	311,075
Total	₩ 13,266,668	₩ 838,347	₩ (1,278,532)	₩ (1,461,045)	₩ -	₩ 11,365,438

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11. INTANGIBLE ASSETS:

Changes in intangible assets for the six-month periods ended June 30, 2026 and 2025, are as follows:

(In thousands of Korean won)	2026				
	Beginning balance	Acquisition	Amortization	Transfer	Ending balance
Software	₩ 611,546	₩ 121,149	₩ (157,969)	₩ -	₩ 574,726
Development cost	4,177,243	-	(1,653,565)	226,291	2,749,969
Construction in progress (intangible)	680,026	273,584	-	(228,323)	725,287
Right of membership	3,430,447	-	-	-	3,430,447
Trademark	278,763	-	-	2,032	280,795
Total	₩ 9,178,025	₩ 394,733	₩ (1,811,534)	₩ -	₩ 7,761,224

(In thousands of Korean won)	2025				
	Beginning balance	Acquisition	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
Total	₩ 11,791,135	₩ 284,787	₩ (1,877,845)	₩ (290)	₩ 10,197,787

12. OTHER ASSETS:

Details of other assets as of June 30, 2026, and December 31, 2025, are as follows:

(In thousands of Korean won)	June 30, 2026	December 31, 2025
Prepaid Expenses and others	₩ 728,920	₩ 1,066,462

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13. DEBENTURES:

Details of debentures as of June 30, 2026, and December 31, 2025, are as follows:

<i>(In thousands of Korean won)</i>	Issuance date	Maturity date	Annual interest rate(%)		June 30, 2026	December 31, 2025
25-2nd non-guaranteed coupon bonds	Aug. 23, 2018	Aug. 23, 2028	2.75	₩	30,000,000	₩ 30,000,000
32nd non-guaranteed coupon bonds	Jan. 12, 2021	Jan. 12, 2026	1.58		-	100,000,000
34th non-guaranteed coupon bonds	May 31, 2021	May 31, 2026	1.92		-	100,000,000
35-1st non-guaranteed coupon bonds	Jul. 14, 2021	Jul. 14, 2026	2.00		110,000,000	110,000,000
35-2nd non-guaranteed coupon bonds	Jul. 14, 2021	Jul. 14, 2028	2.09		40,000,000	40,000,000
40th non-guaranteed coupon bonds	Feb. 23, 2023	Feb. 23, 2026	4.07		-	150,000,000
41-1st non-guaranteed coupon bonds	Apr. 28, 2023	Apr. 28, 2026	3.88		-	60,000,000
41-2nd non-guaranteed coupon bonds	Apr. 28, 2023	Apr. 28, 2028	4.07		140,000,000	140,000,000
42nd non-guaranteed coupon bonds	Aug. 29, 2023	Aug. 29, 2026	4.35		100,000,000	100,000,000
44th non-guaranteed coupon bonds	Jun. 26, 2024	Jun. 26, 2027	3.53		100,000,000	100,000,000
45th non-guaranteed coupon bonds	Jul. 25, 2024	Jul. 25, 2027	3.36		100,000,000	100,000,000
46th non-guaranteed coupon bonds	Aug. 28, 2024	Aug. 28, 2027	3.28		100,000,000	100,000,000
47th non-guaranteed coupon bonds	Nov. 22, 2024	May 21, 2027	3.28		200,000,000	200,000,000
48th non-guaranteed coupon bonds	Jan. 21, 2025	Jan. 21, 2028	2.99		150,000,000	150,000,000
49th non-guaranteed coupon bonds	Feb. 28, 2025	Feb. 26, 2027	2.91		100,000,000	100,000,000
50th non-guaranteed coupon bonds	Jul. 24, 2025	Jan 24, 2028	2.66		150,000,000	150,000,000
51st non-guaranteed coupon bonds	Sep. 30, 2025	Sep 30, 2027	2.73		100,000,000	100,000,000
52nd non-guaranteed coupon bonds	Feb. 20, 2026	Feb. 20, 2028	3.41		100,000,000	-
53rd non-guaranteed coupon bonds	May. 28, 2026	May. 26, 2028	3.95		100,000,000	-
54th non-guaranteed coupon bonds	Jun. 26, 2026	Apr. 3, 2029	4.22		100,000,000	-
Subtotal					<u>1,720,000,000</u>	<u>1,830,000,000</u>
					<u>(1,601,367)</u>	<u>(1,477,339)</u>
Total					<u>₩ 1,718,398,633</u>	<u>₩ 1,828,522,661</u>

Less: Present-value discounts

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

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Details of issuance and repayment of debentures for the six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)

	2026			
	Beginning balance	Issuance	Repayment	Ending balance
Debentures in Korean won	₩ 1,830,000,000	₩ 300,000,000	₩ (410,000,000)	₩ 1,720,000,000

(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

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14. POST-EMPLOYMENT BENEFITS:

As of June 30, 2026, and December 31, 2025, the amounts in the condensed separate interim statements of financial position related to post-employment benefits are as follows:

<i>(In thousands of Korean won)</i>	June 30, 2026		December 31, 2025	
Present value of funded defined benefit obligations	₩	18,884,656	₩	19,941,964
Fair value of plan assets		(21,773,462)		(22,701,097)
Net defined benefit assets	₩	(2,888,806)	₩	(2,759,133)

Income and expenses related to net defined benefit liabilities for the six-month periods ended June 30, 2026 and 2025, are as follows:

<i>(In thousands of Korean won)</i>	2026			
	Present value of defined benefit obligation	Plan assets at fair value	Total	
Current service cost	₩ 736,317	₩ -	₩	736,317
Interest expenses (income)	468,638	(534,620)		(65,982)
	₩ 1,204,955	₩ (534,620)	₩	670,335

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

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15. PROVISIONS:

Details of provisions for other liabilities and charges as of June 30, 2026, and December 31, 2025, are as follows:

<i>(In thousands of Korean won)</i>		<u>June 30, 2026</u>		<u>December 31, 2025</u>
Provision for restoration costs	₩	195,287	₩	190,785

Changes in provision for other liabilities and charges for the six-month periods ended June 30, 2026 and 2025 are as follows:

<i>(In thousands of Korean won)</i>		<u>2026</u>						
		Beginning balance		Increase		Decrease		Ending balance
Provision for restoration costs	₩	190,785	₩	4,502	₩	-	₩	195,287

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

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. Such costs are expected to be incurred upon the expiration of the related lease contracts, and such costs are reasonably estimated using the past three-year historical data of average lease term 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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16. LEASE LIABILITIES:

The maturity structure of lease liabilities undiscounted as of June 30, 2026 and December 31, 2025 is as follows:

(In thousands of Korean won)	June 30, 2026					
	Less than 1 month	1 month - 3 months	3 - 12 months	1 year - 5 years	More than 5 years	Total
Lease liabilities	₩ 98,574	₩ 167,564	₩ 828,807	₩ 1,579,860	₩ -	₩ 2,674,805

(In thousands of Korean won)	December 31, 2025					
	Less than 1 month	1 month - 3 months	3 - 12 months	1 year - 5 years	More than 5 years	Total
Lease liabilities	₩ 95,233	₩ 172,776	₩ 693,196	₩ 1,829,752	₩ -	₩ 2,790,957

Cash outflows for lease contract for the six-month period ended June 30, 2026 are ₩608,364 thousand (₩644,698 thousand for the six-month period ended June 30, 2025).

Expense relating to leases of low-value assets that are not short-term leases for the six-month period ended June 30, 2026 is ₩15,693 thousand (₩15,603 thousand for the six-month period ended June 30, 2025).

17. OTHER LIABILITIES:

Details of other liabilities as of June 30, 2026, and December 31, 2025 are as follows:

(In thousands of Korean won)	June 30, 2026	December 31, 2025
Accounts payable	₩ 355	₩ 250,576
Accrued expenses	21,260,738	26,284,899
Lease liabilities	2,547,805	2,637,671
Others ¹	804,978	889,857
Total	₩ 24,613,876	₩ 30,063,003

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

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18. SHARE CAPITAL AND OTHER PAID-IN CAPITAL:

(a) Share Capital

As of June 30, 2026, the Company has 700 million ordinary shares authorized with a par value per share of ₩5,000 and 310,327,033 shares have been issued. The Company's share capital as of June 30, 2026 amounts to ₩1,629,676 million. As a result of the retirement of shares without a reduction in share capital, the amount of share capital differs from the aggregate par value of the shares currently issued.

(b) Hybrid Equity Securities

Details of hybrid equity securities classified as equity as of June 30, 2026, and December 31, 2025 are as follows:

<i>(In thousands of Korean won)</i>	Issue date	Maturity	Annual interest rate (%)		June 30, 2026	December 31, 2025
Hybrid equity securities	Sep. 22, 2023	-	5.70	₩	150,000,000	₩ 150,000,000
	Feb. 15, 2024	-	4.97		200,000,000	200,000,000
	Oct. 28, 2025	-	3.50		150,000,000	150,000,000
Issuance cost					(1,618,282)	(1,618,282)
Total				₩	<u>498,381,718</u>	<u>₩ 498,381,718</u>

The above hybrid equity securities may be redeemed early by the Company, subject to the approval of the Governor of the Financial Supervisory Service, upon the expiration of five years from the issuance date.

(c) Other paid-in capital

Other paid-in capital consists of share premium, which is the difference between the acquisition cost of subsidiaries and the 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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Details of other components of equity for the six-month periods ended June 30, 2026 and 2025 are as follows:

<i>(In thousands of Korean won)</i>	2026			
	Beginning balance	Increase (Decrease)	Effect of deferred tax	Ending balance
Remeasurements of net defined benefit liabilities (assets)	₩ (5,867,334)	₩ 800,008	₩ -	₩ (5,067,326)

<i>(In thousands of Korean won)</i>	2025			
	Beginning balance	Increase (Decrease)	Effect of deferred tax	Ending balance
Remeasurements of net defined benefit liabilities (assets)	₩ (5,490,756)	₩ (247,722)	₩ -	₩ (5,738,478)

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19. RETAINED EARNINGS:

Details of retained earnings as of June 30, 2026, and December 31, 2025 are as follows:

<i>(In thousands of Korean won)</i>	<u>June 30, 2026</u>		<u>December 31, 2025</u>	
Reserves:				
Earned profit reserves ¹	₩	287,921,407	₩	229,644,407
Reserve for credit losses		758,000		430,000
Reserve for claims liability		2,000,000		2,000,000
Discretionary reserves		451,060,786		301,963,768
Subtotal		741,740,193		534,038,175
Retained earnings before appropriation		119,581,580		325,279,487
Total	₩	861,321,773	₩	859,317,662

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.

Treasury Shares

Details for acquisition and retirement of treasury shares for the six-month periods ended June 30, 2026 and 2025, are as follows:

<i>(In thousands of Korean won and in shares)</i>	<u>2026</u>		<u>2025</u>	
	Number of shares	Carrying amount	Number of shares	Carrying amount
Beginning balance	-	₩ -	2,053,208	₩ 19,997,175
Acquisition ¹	3,487,282	59,999,991	3,958,365	39,999,919
Retirement ²	-	-	(2,053,208)	(19,997,175)
Total	3,487,282	₩ 59,999,991	3,958,365	₩ 39,999,919

¹ In order to enhance shareholders' value, the Company entered into a treasury shares trust agreement through which the Company 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 21, 2025. In accordance with the resolution of the Board of Directors dated April 30, 2026, 3,487,282 treasury shares that had been acquired were retired on August 14, 2026.

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20. REGULATORY RESERVE FOR CREDIT LOSS:

In accordance with the Regulations on Supervision of Financial Holding Companies, if provision for loss allowance under K-IFRS for the accounting purpose does 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.

Details of regulatory reserves for credit losses as of June 30, 2026 and December 31, 2025 are as follows:

<i>(In thousands of Korean won)</i>	<u>June 30, 2026</u>	<u>December 31, 2025</u>
Provided regulatory reserve	₩ 758,000	₩ 430,000
Expected provision (reversal) of reserve for credit losses	(572,000)	328,000
Total	<u>₩ 186,000</u>	<u>₩ 758,000</u>

The 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, 2026 and 2025, are as follows:

<i>(In thousands of Korean won)</i>	<u>2026</u>		<u>2025</u>	
	<u>Three months</u>	<u>Six months</u>	<u>Three months</u>	<u>Six months</u>
Profit (loss) for the period before the adjustment for regulatory reserve	₩ (23,513,758)	₩ 177,941,443	₩ 207,122,955	₩ 417,009,743
Expected reversal (provision) of reserve for credit losses	569,000	572,000	(165,000)	(44,000)
Adjusted profit after the reversal (provision) of regulatory reserve ¹	<u>₩ (22,944,758)</u>	<u>₩ 178,513,443</u>	<u>₩ 206,957,955</u>	<u>₩ 416,965,743</u>
Adjusted earnings per share after the provision of regulatory reserve ¹ <i>(in Korean won)</i>	₩ (93)	₩ 538	₩ 635	₩ 1,270

¹ Adjusted profit and earnings per share after the expected provision of reserve for credit losses are not in accordance with K-IFRS, 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.

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Details of interest income and expenses for the three-month and six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)	2026		2025	
	Three months	Six months	Three months	Six months
Interest income:				
Cash and due from banks	₩ 151,472	₩ 277,494	₩ 145,978	₩ 346,403
Other interest income:				
Present value discounts	216,000	427,538	204,278	407,243
Subtotal	367,472	705,032	350,256	753,646
Interest expenses:				
Debentures	(13,326,255)	(27,033,084)	(14,156,804)	(28,284,570)
Lease liabilities	(24,600)	(50,403)	(30,973)	(66,149)
Miscellaneous interest:				
Provision for restoration costs	(2,254)	(4,502)	(2,150)	(5,357)
Subtotal	(13,353,109)	(27,087,989)	(14,189,927)	(28,356,076)
Net interest expenses	₩ (12,985,637)	₩ (26,382,957)	₩ (13,839,671)	₩ (27,602,430)

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22. NET COMMISSION INCOME:

Net commission income and commission income and expenses for the three-month and six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)	2026		2025	
	Three months	Six months	Three months	Six months
Commission income:				
Brand income	₩ 3,807,500	₩ 7,615,000	₩ 3,778,250	₩ 7,556,500
Other commission income	1,000	1,000	250	500
Subtotal	3,808,500	7,616,000	3,778,500	7,557,000
Commission expenses:				
Other commission expenses	(3,087,690)	(3,793,318)	(872,028)	(1,872,956)
Net commission income	₩ 720,810	₩ 3,822,682	₩ 2,906,472	₩ 5,684,044

23. FINANCIAL INSTRUMENTS BY CATEGORY:

(a) *The carrying amounts of financial instruments by category*

The carrying amounts of financial assets and financial liabilities by each category as of June 30, 2026 and December 31, 2025 are as follows:

(In thousands of Korean won)	June 30, 2026			
	Financial assets at FVPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
Financial assets:				
Cash and due from banks	₩ -	₩ 173,519,583	₩ -	₩ 173,519,583
Financial assets at FVPL	103,239,700	-	-	103,239,700
Loans and receivables	-	59,807,610	-	59,807,610
Subtotal	₩ 103,239,700	₩ 233,327,193	₩ -	₩ 336,566,893
Financial liabilities:				
Debentures	₩ -	₩ -	₩ 1,718,398,633	₩ 1,718,398,633
Other financial liabilities ¹	-	-	23,808,898	23,808,898
Subtotal	₩ -	₩ -	₩ 1,742,207,531	₩ 1,742,207,531

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

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

(In thousands of Korean won)

	December 31, 2025			
	Financial assets at FVPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Total
Financial assets:				
Cash and due from banks	₩ -	₩ 341,101,234	₩ -	₩ 341,101,234
Financial assets at FVPL	105,845,700	-	-	105,845,700
Loans and receivables	-	173,540,669	-	173,540,669
Subtotal	₩ 105,845,700	₩ 514,641,903	₩ -	₩ 620,487,603
Financial liabilities:				
Debentures	₩ -	₩ -	₩ 1,828,522,661	₩ 1,828,522,661
Other financial liabilities ¹	-	-	29,173,147	29,173,147
Subtotal	₩ -	₩ -	₩ 1,857,695,808	₩ 1,857,695,808

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

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

Details of net gains or losses on financial assets and financial liabilities for the three-month and six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)	2026		2025	
	Three months	Six months	Three months	Six months
Financial assets at amortized cost:				
Interest income	₩ 367,472	₩ 705,032	₩ 350,257	₩ 753,646
Financial assets at FVPL:				
Dividend income	1,759,000	3,518,000	1,759,000	3,518,000
Gain (loss) on valuation	(729,900)	(2,606,000)	84,900	571,300
Financial liabilities at amortized cost:				
Interest expenses	(13,350,855)	(27,083,487)	(14,187,776)	(28,350,719)

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24. GENERAL AND ADMINISTRATIVE EXPENSES:

Details of general and administrative expenses for the three-month and six-month periods ended June 30, 2026 and 2025, are as follows:

(In thousands of Korean won)

	2026		2025	
	Three months	Six months	Three months	Six months
Employee benefits:				
Salaries	₩ 5,723,973	₩ 13,863,264	₩ 7,594,844	₩ 12,254,161
Employee benefits	1,212,248	2,518,914	792,820	1,824,662
Post-employment benefits	392,014	1,103,163	376,577	1,025,877
Subtotal	7,328,235	17,485,341	8,764,241	15,104,700
Rent	177,262	359,561	167,122	343,272
Business promotion expenses	389,794	783,202	456,495	958,382
Depreciation	715,806	1,439,748	703,909	1,461,045
Amortization	892,855	1,811,534	939,129	1,877,845
Taxes and dues	116,929	366,686	134,897	331,426
Service fees	594,052	1,104,184	838,374	1,193,803
Advertisement expenses	1,346,023	3,743,591	834,579	1,934,249
Other administrative expenses	724,641	1,134,578	555,719	1,135,118
Total	₩ 12,285,597	₩ 28,228,425	₩ 13,394,465	₩ 24,339,840

25. SHARE-BASED PAYMENTS:

The Company has granted share-based payments to its executives and employees, and measured the cost of the share-linked awards 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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25. SHARE-BASED PAYMENTS (cont'd):

Details of granted number of share-linked awards for the six-month period ended June 30, 2026 and the year ended December 31, 2025 are as follows:

i) Linked to short-term performance

- *Initially granted*

<i>(In shares)</i>	<u>June 30, 2026</u>	<u>December 31, 2025</u>
Beginning balance	-	93,302
Awarded	-	-
Settled	-	(93,302)
Ending balance	<u>-</u>	<u>-</u>

ii) Linked to long-term performance

- *Initially granted*

<i>(In shares)</i>	<u>June 30, 2026</u>	<u>December 31, 2025</u>
Beginning balance	1,388,425	1,592,438
Awarded	169,397	255,409
Settled	(307,500)	(327,493)
Others	(154,290)	(131,929)
Ending balance	<u>1,096,032</u>	<u>1,388,425</u>

- *Deferred grants*

<i>(In shares)</i>	<u>June 30, 2026</u>	<u>December 31, 2025</u>
Beginning balance	326,543	392,308
Awarded	204,636	261,728
Settled	(307,500)	(327,493)
Others	-	-
Ending balance	<u>223,679</u>	<u>326,543</u>

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25. SHARE-BASED PAYMENTS (cont'd):

Details of expenses recognized related to the share-linked awards granted for the three-month and six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)

	2026		2025	
	Three months	Six months	Three months	Six months
Linked to short-term performance	₩ -	₩ -	₩ -	₩ -
Linked to long-term performance	1,479	1,834,107	2,176,841	1,534,314

Details of liabilities recognized related to the share-linked awards granted as of June 30, 2026 and December 31, 2025 are as follows:

(In thousands of Korean won)

	June 30, 2026	December 31, 2025
Accrued expenses (short-term performance)	₩ -	₩ -
Accrued expenses (long-term performance)	11,232,980	14,231,543

26. NON-OPERATING INCOME AND EXPENSES:

Details of non-operating income and expenses for the three-month and six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)

	2026		2025	
	Three months	Six months	Three months	Six months
Non-operating income:				
Miscellaneous income	₩ 17,842	₩ 46,419	₩ 65,399	₩ 181,203
Gain on disposal of property and equipment	24	24	-	124
Gain from restoration work	-	-	40	39
Subtotal	17,866	46,443	65,439	181,366
Non-operating expenses:				
Donations	(10,300)	(30,300)	(50,000)	(90,300)
Loss on disposal of property and equipment	-	-	(38,687)	(38,687)
Loss on retirement of property and equipment	-	-	(370,033)	(370,033)
Miscellaneous expense	-	-	-	(3,677)
Subtotal	(10,300)	(30,300)	(458,720)	(502,697)
Total	₩ 7,566	₩ 16,143	₩ (393,281)	₩ (321,331)

BNK FINANCIAL GROUP INC.**Notes to the Condensed Separate Interim Financial Statements**

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27. EARNINGS PER SHARE:

The weighted-average number of ordinary shares for the six-month periods ended June 30, 2026 and 2025 are as follows:

<i>(In shares)</i>	2026		
	Period	Number of shares	Accumulation of days
Beginning number of ordinary shares	Jan. 1, 2026 – Jun. 30, 2026	310,327,033	56,169,192,973
Acquisition of treasury shares	May. 12, 2026 – Jun. 30, 2026	(3,487,282)	(121,042,651)
	Subtotal(①)		56,048,150,322
	Weighted-average number of ordinary shares(②)=(①/181)) ¹		309,658,289

¹ The total number of ordinary shares issued by the Company is 310,327,033 shares as of the end of the current interim period, and the weighted average number of outstanding shares is calculated by taking into account 3,487,282 treasury shares acquired during the current period.

<i>(In shares)</i>	2025		
	Period	Number of shares	Accumulation of days
Beginning number of ordinary shares	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)		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 the end of the prior interim period, and the weighted-average number of outstanding shares was calculated by taking into account 2,053,208 treasury shares acquired before the prior year and 3,958,365 treasury shares acquired during the prior year.

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as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

27. EARNINGS PER SHARE (cont'd):

Basic earnings per share for the three-month and six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won
and in shares)

	2026		2025	
	Three months	Six months	Three months	Six months
Profit (loss) attributable to ordinary shares	₩ (23,513,758)	₩ 177,941,443	₩ 207,122,955	₩ 417,009,743
Dividends from hybrid equity securities	(5,935,000)	(11,870,000)	(6,675,000)	(14,606,250)
Profit (loss) attributable to ordinary equity holders	(29,448,758)	166,071,443	200,447,955	402,403,493
Weighted-average number of ordinary shares outstanding	309,011,352	309,658,289	315,468,396	316,917,905
Basic earnings per share (in won)	₩ (95)	₩ 536	₩ 635	₩ 1,270

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.

28. DIVIDENDS:

The annual dividend for the year ended December 31, 2025, amounting to ₩116,372,637 thousand, was paid on April 9, 2026 (the dividend paid in the previous year-end amounted to ₩143,272,584 thousand).

In addition, the Board of Directors held a meeting on April 30, 2026 resulting in a resolution to pay a quarterly dividend of ₩46,489,055 thousand to shareholders as of May 15, 2026, and the quarterly dividend was paid on May 29, 2026.

Meanwhile, the Board of Directors held a meeting on July 28, 2026 resulting in a resolution to pay a quarterly dividend of ₩46,025,963 thousand to shareholders as of August 12, 2026, and the quarterly dividend is scheduled to be paid on August 27, 2026.

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29. TRANSACTIONS WITH RELATED-PARTIES:

Details of the Company's related parties as of June 30, 2026 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.; JSC BNK Commercial Bank; BNK Capital Lao NDTMFI Co., Ltd.; MCC BNK Finance LLC; BNK FINANCE LEASING LLC FE; Busan Bank Co., Ltd. (unspecified money trust) and 18 others; BNK Luxembourg private equity and 43 others; BNK Jeju Global Co., Ltd. and 30 others
Associates	BSK No. 9 Youth Startup Investment Association, BNK-K& New Marine Industry No.1 Fund, BNK-Cape ESG Renewable Energy Fund No.1, BNK T 2021 Korea Facilitator Venture Fund, BNK-K& Yeonghonam Special Zone Company Development No.1 Fund, For Human Life CDMO New Technology Business Investment Fund, BNK-INTERVALUE Technology Financing Fund No.1, BNK-NAU Busan Local Innovation Fund, 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, Kium Busan Green Infrastructure Private Investment Trust, Kiwoom Frontier Professional Investment-Type Private Equity Securities Investment Trust No. 29 (Bond), GYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-19 (Bond), KB Leaders Professional Investment Private Security Investment Trust No. 33 (Bond), Vogo Build-Up Private Investment Trust No. 1 C-S, Rhinos Mezzanine Private Securities Investment Trust No. 20, KYOBO AXA ALPHA PLUS Professional Investment Private Security Investment J-14 (Bond) and 122 others.

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29. TRANSACTIONS WITH RELATED-PARTIES (cont'd):

Details of transactions with the related parties for the six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)

(In thousands of Korean won)

		2026							
Type	Name of entity	Revenues			Expenses			Acquisition of property and equipment	
		Interest revenues	Other revenues ¹	Dividend income	Interest expenses	Other expenses			
Subsidiaries	Busan Bank Co., Ltd.	₩ 418,934	₩ 3,032,596	₩ 121,400,000	₩ -	₩ 1,360,990	₩ -		
	Kyongnam Bank Co., Ltd.	5,832	1,914,500	74,200,000	-	139,925	-		
	BNK Capital Co., Ltd.	-	1,090,000	22,200,000	6,929	10,584	330,468		
	BNK Securities Co., Ltd.	2,980	4,914,500	-	5,780	2,670,594	-		
	BNK Savings Bank Co., Ltd.	118,605	103,000	-	-	-	-		
	BNK Asset Management Co., Ltd.	-	24,500	10,002,000	-	-	-		
	BNK Venture Capital Co., Ltd.	-	10,000	-	-	-	-		
	BNK Credit Information Co., Ltd.	-	9,000	-	-	-	-		
	BNK System Co., Ltd.	-	36,500	-	-	604,476	481,826		
	BNK Yeouido Core Office Real Estate	4,299	-	-	18,760	79,524	-		
		₩ 550,650	₩ 11,134,596	₩ 227,802,000	₩ 31,469	₩ 4,866,093	₩ 812,294		

¹Other revenues from BNK Securities Co., Ltd. include dividend income and valuation gains or losses on hybrid capital securities issued by BNK Securities Co., Ltd.

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as of June 30, 2026 (UNAUDITED) and December 31, 2025 and for the three-month and six-month periods ended June 30, 2026 and 2025 (UNAUDITED)

29. TRANSACTIONS WITH RELATED-PARTIES (cont'd):

(In thousands of Korean won)

(In thousands of Korean won)

		2025						
		Revenues			Expenses			Acquisition of property and equipment
Type	Name of entity	Interest revenues	Other revenues ¹	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 Savings 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	-	
		₩ 535,115	₩ 10,706,913	₩ 459,500,000	₩ 38,439	₩ 577,111	₩ 711,969	

¹Other revenues from BNK Securities Co., Ltd. includes dividend income and valuation gains or losses on hybrid capital securities issued by BNK Securities Co., Ltd.

Details of fund transactions with the related parties for the six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)

(In thousands of Korean won)		2026					
		Deposit transactions				Investment	
Type	Name of entity	Deposits		Withdrawals		Capital increase	Capital reduction
Subsidiaries	Busan Bank Co., Ltd.	₩	237,489,190	₩	258,406,896	₩	- ₩
	Kyongnam Bank Co., Ltd.		74,205,940		200,989,056		-
	BNK Savings Bank Co., Ltd.		119,210		-		-
		₩	311,814,340	₩	459,395,952	₩	- ₩

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29. TRANSACTIONS WITH RELATED-PARTIES (cont'd):

(In thousands of Korean won)

Type	Name of entity	2025			
		Loan transactions		Investment	
		Loans	Repayments	Capital increase	Capital reduction
Subsidiaries	Busan Bank Co., Ltd.	₩ 224,453,732	₩ 310,926,634	₩ -	₩ -
	Kyongnam Bank Co., Ltd.	98,100,874	82,650,000	-	-
	BNK Savings Bank Co., Ltd.	117,442	-	-	-
		₩ 322,672,048	₩ 393,576,634	₩ -	₩ -

Details of outstanding receivables from and payables to the company's related parties as of June 30, 2026, and December 31, 2025, are as follows:

(In thousands of Korean won)

Type	Name of entity	June 30, 2026					
		Receivables			Payables		
		Due from banks	Financial assets at FVPL	Other assets ¹	Deposit liabilities	Other liabilities	
Subsidiaries	Busan Bank Co., Ltd.	₩ 124,208,961	₩ -	₩ 29,317,700	₩ -	₩ 193,764	
	Kyongnam Bank Co., Ltd.	33,282,816	-	24,864,658	-	-	
	BNK Capital Co., Ltd.	-	-	23,822,412	-	476,403	
	BNK Securities Co., Ltd.	-	103,239,700	154,721	-	22,226,997	
	BNK Savings Bank Co. Ltd.	16,027,797	-	6,587	-	291,941	
	BNK Asset Management Co., Ltd.	-	-	1,387,957	-	-	
	BNK Venture Capital Co., Ltd.	-	-	217,092	-	-	
	BNK Credit Information Co., Ltd.	-	-	174,015	-	-	
	BNK System Co., Ltd.	-	-	330,469	-	354,996	
	BNK Yeouido Core Office Real Estate	-	-	259,078	-	999,424	
		₩ 173,519,574	₩ 103,239,700	₩ 80,534,689	₩ -	₩ 24,543,525	

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29. TRANSACTIONS WITH RELATED-PARTIES (cont'd):

(In thousands of Korean won)

		December 31, 2025					
Type	Name of entity	Receivables			Payables		
		Loans/Due from banks	Financial assets at FVPL	Other assets ¹	Deposit liabilities	Other liabilities	
Subsidiaries	Busan Bank Co., Ltd.	₩ 145,126,667	₩ -	₩ 84,925,308	₩ -	₩ 221,215	
	Kyongnam Bank Co., Ltd.	160,065,933	-	35,620,631	-	-	
	BNK Capital Co., Ltd.	-	-	24,412,751	-	228,048	
	BNK Securities Co., Ltd.	48	105,845,700	23,333,247	-	394,873	
	BNK Savings Bank Co., Ltd.	15,908,587	-	459,911	-	-	
	BNK Asset Management Co., Ltd.	-	-	3,266,088	-	-	
	BNK Venture Capital Co., Ltd.	-	-	225,730	-	-	
	BNK Credit Information Co., Ltd.	-	-	-	-	52,276	
	BNK System Co., Ltd.	-	-	90,028	-	378,997	
	BNK Yeouido Core Office Real Estate	-	-	254,779	-	1,152,966	
		₩ 321,101,235	₩ 105,845,700	₩ 172,588,473	₩ -	₩ 2,428,375	

¹ As of June 30, 2026 and December 31, 2025, the amount due to consolidated tax payment is ₩36,860,235 thousand and ₩151,485,761 thousand, respectively.

The Company paid ₩360,228 thousand for the lease payments in relation to related parties for the six-month period ended June 30, 2026 (₩551,179 thousand for the six-month period ended June 30, 2025).

Compensation for key executives for the six-month periods ended June 30, 2026 and 2025 are as follows:

(In thousands of Korean won)

	2026	2025
Short-term employee benefits	₩ 1,061,276	₩ 546,138
Performance compensation costs	344,946	425,862
Post-employment benefits	20,000	90,000

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29. TRANSACTIONS WITH RELATED-PARTIES (cont'd):

Details of unused loan commitment of the company's related parties as of June 30, 2026 and December 31, 2025 are as follows:

(In thousands of Korean won)

<u>Provider</u>	<u>Provided to</u>	<u>Unused loan commitment</u>		<u>June 30, 2026</u>		<u>December 31, 2025</u>
Busan Bank Co., Ltd.	BNK Financial Group Inc.	Credit Card	₩	606,236	₩	578,785

30. COMMITMENTS:

Details of commitments with financial institutions as of June 30, 2026, and December 31, 2025 are as follows:

(In thousands of Korean won)

<u>Commitment</u>	<u>Financial institution</u>	<u>June 30, 2026</u>		<u>December 31, 2025</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 a general loan facility agreement with Korea Development Bank to secure liquidity in response to potential tightening in the domestic bond market and to diversify its funding sources.