

JB Financial Group Co., Ltd. and Subsidiaries

**Consolidated Financial Statements
December 31, 2025 and 2024**

JB Financial Group Co., Ltd. and Subsidiaries

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December 31, 2025 and 2024

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Independent Auditor's Report

(English Translation of a Report Originally Issued in Korean)

To the Board of Directors and Shareholders of
JB Financial Group Co., Ltd.

Opinion

We have audited the consolidated financial statements of JB Financial Group Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS).

In accordance with Korean Standards on Auditing, we also have audited the Group's Internal Control over Financial Reporting for consolidation purposes as of December 31, 2025, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*, and expressed an unqualified opinion in our report dated March 13, 2026.

Basis for Opinion

We conducted our audits in accordance with Korean Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Expected Credit Losses on Loans Measured at Amortized Cost (collective assessment)

Why it is determined to be a Key Audit Matter

Korean IFRS 1109 *Financial Instruments* requires determination of significant increases in credit risk and measurement of expected credit losses using forward-looking information. This standard requires considerably high degree of management's interpretation and judgment because the Group uses various types of information including probability of defaults, loss given default and forward-looking information to measure expected credit losses.

The Group measures expected credit losses on loans measured at amortized cost. In measuring expected losses on a collective basis, a wide range of complex inputs and assumptions are used. Given the extent of management's estimates and judgments involved, we considered expected credit losses to be a key audit matter.

Of the entire amount of loans measured at amortized cost amounting to ₩ 57,191,359 million (allowance for loan losses: ₩ 732,730 million (Note 15)), the balances of loans measured at amortized cost subject to collective assessment and its allowance for loan losses are ₩ 56,454,396 million and ₩ 672,169 million, respectively.

How our audit addressed the Key Audit Matter

We obtained an understanding and evaluated the processes and controls relating to the assessment of expected credit losses on a collective basis in accordance with impairment requirements under Korean IFRS 1109 *Financial Instruments*. Management assessed credit rating to recognize lifetime expected credit losses on loans with significant increase in credit risk and impaired loans. Other than these cases, management recognized 12 month expected credit losses. To calculate expected credit losses, management has applied forward-looking information, probability of default, and loss given default estimated through predetermined internal procedures and controls implemented for various assumptions.

We assessed the design and operating effectiveness of controls relating to credit ratings that appropriately reflect both qualitative and quantitative information. Our substantive test over accuracy and reliability of information includes agreeing qualitative and quantitative information with relevant evidence.

We assessed the appropriateness of management policies and procedures to determine significant increases in credit risk, and tested reasonableness of expected credit loss model applied by each of the three stages (Stage 1, 2 and 3) depending on how significantly credit risk was increased.

We involved our own risk specialist to statistically analyze correlation between forward-looking information, probability of defaults and loss given default. We assessed appropriateness of methodologies for adjusting probability of defaults and loss given default to reflect forward-looking

information on estimation of expected credit losses. We further tested reasonableness and mathematical accuracy of information through recalculation and inspection of supporting data.

We assessed on methodologies used by management to verify that probability of default and loss given default were estimated by using sufficient and reasonable historical data. We determined that the default and loss data used were appropriately collected and used in accordance with internal control procedures. In addition, we assessed reasonableness and accuracy of probability of defaults and loss given default through procedures including recalculation, and evaluated management's default and loss data and mathematical accuracy through agreeing them with relevant evidences.

Other Matter

Auditing standards and their application in practice vary among countries. The procedures and practices used in the Republic of Korea to audit such financial statements may differ from those generally accepted and applied in other countries.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Korean IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Korean Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Yeob Yu, Certified Public Accountant.

Seoul, Korea
March 13, 2026

This report is effective as of March 13, 2026, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

JB Financial Group Co., Ltd. and Subsidiaries
Consolidated Statements of Financial Position
December 31, 2025 and 2024

(in millions of Korean won)

	Notes	2025	2024
Assets			
Cash and due from banks	6,7,8,10	₩ 2,473,120	₩ 1,621,550
Financial assets at fair value through profit or loss ("FVTPL")	6,7,8,11,44	3,918,901	2,568,555
Financial assets at fair value through other comprehensive income ("FVOCI")	6,7,8,12	4,475,747	4,294,742
Derivative assets used for hedging	6,7,8,9,11,44	861	376
Securities at amortized cost	6,7,8,13	2,725,799	3,206,470
Investments in subsidiaries, associates and joint ventures	14	342,232	193,421
Loans at amortized cost	6,7,8,15	56,458,629	52,123,350
Lease assets	6,7,8,16	477,969	646,651
Property and equipment	17	805,581	789,101
Right-of-use assets	17	40,353	39,535
Intangible assets	18	225,085	206,710
Investment properties	19	44,528	45,260
Net defined benefit assets	27	78,532	69,467
Deferred tax assets	42	58,119	33,125
Other assets	6,7,8,20,27,50	998,388	883,601
Total assets		<u>₩ 73,123,844</u>	<u>₩ 66,721,914</u>
Liabilities			
Deposits	6,7,8,22,50	₩ 47,779,704	₩ 44,140,636
Financial liabilities at fair value through profit or loss ("FVTPL")	6,7,8,23,44	16,570	17,769
Derivative liabilities used for hedging	7,8,44	205	1,817
Borrowings	6,7,8,24	2,870,134	2,654,649
Debentures	6,7,8,25	14,183,144	12,212,687
Provisions	26	36,492	38,535
Current tax liabilities	42	107,061	100,241
Deferred tax liabilities	42	43,030	-
Other liabilities	6,7,8,28	1,912,332	1,830,775
Total liabilities		<u>66,948,672</u>	<u>60,997,109</u>
Equity			
Capital stock	29	984,914	984,914
Hybrid securities	30	520,000	520,000
Capital surplus	29	708,911	703,361
Capital adjustments		(68,224)	(56,041)
Accumulated other comprehensive income (loss)	31	(40,459)	3,801
Retained earnings	32	3,809,473	3,424,543
Equity attributable to owners of the Parent Company		<u>5,914,615</u>	<u>5,580,578</u>
Non-controlling interests		<u>260,557</u>	<u>144,227</u>
Total equity		<u>6,175,172</u>	<u>5,724,805</u>
Total liabilities and equity		<u>₩ 73,123,844</u>	<u>₩ 66,721,914</u>

The above consolidated statements of financial position should be read in conjunction with the accompanying notes.

JB Financial Group Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
Years Ended December 31, 2025 and 2024

<i>(in millions of Korean won)</i>	Notes	2025	2024
Net interest income	8,33		
Interest income	50		
Interest income applying the effective interest rate		₩ 3,569,108	₩ 3,522,802
Other interest income		2,742	112,979
Interest expense		<u>(1,526,918)</u>	<u>(1,659,809)</u>
		<u>2,044,932</u>	<u>1,975,972</u>
Net fees and commission income	8,34		
Fees and commission income		192,022	197,540
Fees and commission expense		<u>(137,629)</u>	<u>(118,079)</u>
		<u>54,393</u>	<u>79,461</u>
Net lease income	35		
Lease income		202,550	267,563
Lease expense		<u>(162,221)</u>	<u>(216,498)</u>
		<u>40,329</u>	<u>51,065</u>
Gain on financial instruments at FVTPL	8,36,44	269,675	173,572
Gain on financial instruments at FVOCI	8,37	44,079	66,377
Gain on financial instruments at amortized cost		-	2,453
Provisions of allowance for credit losses	6,8	(478,979)	(478,609)
Selling and administrative expenses	38	(908,189)	(830,242)
Other operating expenses	40	<u>(113,926)</u>	<u>(133,970)</u>
Operating income		<u>952,314</u>	<u>906,079</u>
Non-operating income	41	<u>12,390</u>	<u>1,822</u>
Profit before income tax		964,704	907,901
Income tax expense	42	<u>(234,664)</u>	<u>(214,910)</u>
Profit for the year		<u>₩ 730,040</u>	<u>₩ 692,991</u>
Profit is attributable to:			
Owners of the Parent Company		₩ 710,386	₩ 677,517
Non-controlling interests		19,654	15,474
Other comprehensive income (loss)			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of defined benefit plan		4,193	(9,022)
Gain or loss of equity securities at FVOCI		8,751	(3,063)
<i>Items that may be subsequently reclassified to profit or loss</i>			
Gain or loss on financial assets at FVOCI		(51,453)	5,205
Gain or loss on valuation of cash flow hedges		1,606	(531)
Exchange differences on translation of foreign operations		(10,606)	54,566
Capital change in equity method investments		<u>(77)</u>	<u>535</u>
Other comprehensive income (loss) for the year, net of tax		<u>(47,586)</u>	<u>47,690</u>
Total comprehensive income for the year		<u>₩ 682,454</u>	<u>₩ 740,681</u>
Total comprehensive income for the year is attributable to:			
Owners of the Parent Company		₩ 666,125	₩ 709,972
Non-controlling interests		16,329	30,709
Earnings per share			
Basic earnings per share <i>(in Korean won)</i>	43	₩ 3,619	₩ 3,439
Diluted earnings per share <i>(in Korean won)</i>		3,619	3,439

The above consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

JB Financial Group Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
Years Ended December 31, 2025 and 2024

(in millions of Korean won)

	Capital stock		Hybrid securities		Capital surplus		Capital adjustments		Accumulated other comprehensive income (loss)		Retained earnings		Non-controlling interest		Total equity	
Balance at January 1, 2024	₩	984,914	₩	405,000	₩	704,368	₩	(46,098)	₩	(28,654)	₩	2,983,233	₩	113,187	₩	5,115,950
Profit for the year	-	-	-	-	-	-	-	-	-	-	677,516	-	15,475	-	692,991	
Loss on valuation of equity securities at FVOCI	-	-	-	-	-	-	-	-	(3,063)	-	-	-	-	-	(3,063)	
Gain on valuation of financial assets at FVOCI	-	-	-	-	-	-	-	-	5,205	-	-	-	-	-	5,205	
Remeasurements of defined benefit plan	-	-	-	-	-	-	-	-	(9,022)	-	-	-	-	-	(9,022)	
Unrealized net changes in fair value of cash flow hedges	-	-	-	-	-	-	-	-	(531)	-	-	-	-	-	(531)	
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	39,332	-	-	15,234	-	-	54,566	
Capital change in equity method investment	-	-	-	-	-	-	-	-	534	-	-	-	-	-	534	
Interim dividends paid	-	-	-	-	-	-	-	-	-	-	(60,398)	-	-	-	(60,398)	
Annual dividends paid	-	-	-	-	-	-	-	-	-	-	(140,777)	-	-	-	(140,777)	
Capital increase with consideration	-	-	-	-	(580)	-	-	-	-	-	-	-	-	-	(580)	
Acquisition of treasury shares	-	-	-	-	-	(29,986)	-	-	-	-	-	-	-	-	(29,986)	
Disposal and issuance of treasury shares	-	-	-	-	791	4,196	-	-	-	-	-	-	-	-	4,987	
Cancellation of treasury shares	-	-	-	-	(2)	15,712	-	-	-	(15,712)	-	-	-	-	(2)	
Issuance of hybrid securities	-	-	370,000	-	(1,216)	-	-	-	-	-	-	-	-	-	368,784	
Repayments of hybrid securities	-	-	(255,000)	-	-	-	-	-	-	-	-	-	-	-	(255,000)	
Dividends of hybrid securities	-	-	-	-	-	-	-	-	-	(19,184)	-	-	-	-	(19,184)	
Dividends paid to non-controlling interests	-	-	-	-	-	135	-	-	-	(135)	-	-	331	-	331	
Balance at December 31, 2024	₩	984,914	₩	520,000	₩	703,361	₩	(56,041)	₩	3,801	₩	3,424,543	₩	144,227	₩	5,724,805
Balance at January 1, 2025	₩	984,914	₩	520,000	₩	703,361	₩	(56,041)	₩	3,801	₩	3,424,543	₩	144,227	₩	5,724,805
Profit for the year	-	-	-	-	-	-	-	-	-	-	710,386	-	19,655	-	730,041	
Gain or loss on valuation of equity securities at FVOCI	-	-	-	-	-	-	-	-	8,751	(1,191)	-	-	-	-	7,560	
Loss on valuation of financial assets at FVOCI	-	-	-	-	-	-	-	-	(51,453)	-	-	-	-	-	(51,453)	
Remeasurements of defined benefit plan	-	-	-	-	-	-	-	-	4,193	-	-	-	-	-	4,193	
Unrealized net changes in fair value of cash flow hedges	-	-	-	-	-	-	-	-	1,606	-	-	-	-	-	1,606	
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	(7,280)	-	-	(3,325)	-	-	(10,605)	
Capital change in equity method investment	-	-	-	-	-	-	-	-	(77)	-	-	-	-	-	(77)	
Interim dividends paid	-	-	-	-	-	-	-	-	-	-	(90,649)	-	-	-	(90,649)	
Annual dividends paid	-	-	-	-	-	-	-	-	-	-	(129,305)	-	-	-	(129,305)	
Capital increase with consideration	-	-	-	-	(259)	-	-	-	-	-	-	-	-	-	(259)	
Acquisition of treasury shares	-	-	-	-	-	(106,346)	-	-	-	-	-	-	-	-	(106,346)	
Disposal and issuance of treasury shares	-	-	-	-	5,958	14,363	-	-	-	-	-	-	-	-	20,321	
Cancellation of treasury shares	-	-	-	-	(2)	77,450	-	-	-	(77,450)	-	-	-	-	(2)	
Increase(Decrease) due to share-based payment transactions	-	-	-	-	-	2,485	-	-	-	-	-	-	-	-	2,485	
Issuance of hybrid securities	-	-	-	-	(147)	(135)	-	-	-	-	-	-	100,000	-	99,718	
Dividends of hybrid securities	-	-	-	-	-	-	-	-	-	(26,845)	-	-	-	-	(26,845)	
Other changes	-	-	-	-	-	-	-	-	-	(16)	-	-	-	-	(16)	
Balance at December 31, 2025	₩	984,914	₩	520,000	₩	708,911	₩	(68,224)	₩	(40,459)	₩	3,809,473	₩	260,557	₩	6,175,172

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

JB Financial Group Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

<i>(in millions of Korean won)</i>	Notes	2025	2024
Cash flows from operating activities			
Cash provided by operations	49		
Profit for the year		₩ 730,040	₩ 692,991
Adjustments		(1,482,556)	(1,107,056)
Changes in assets and liabilities		(2,296,497)	(2,383,316)
Interest received		3,553,544	3,605,261
Interest paid		(1,543,469)	(1,623,906)
Dividend received		96,966	31,570
Income taxes paid		(195,508)	(178,694)
Net cash outflow from operating activities		<u>(1,137,480)</u>	<u>(963,150)</u>
Cash flows from investing activities			
Disposal of investments in financial assets		8,184,372	8,237,470
Acquisition of investments in financial assets		(7,900,300)	(8,764,535)
Disposal of property and equipment		554	4,321
Acquisition of property and equipment		(49,774)	(74,755)
Disposal of intangible assets		1,382	115
Acquisition of intangible assets		(65,062)	(34,985)
Acquisition of investment properties		(92)	(343)
Disposal of investments in associates		53,180	6,541
Acquisition of investments in associates		(173,246)	(41,047)
Net increase (decrease) in others		920	3,398
Net cash inflow (outflow) from investing activities		<u>51,934</u>	<u>(663,820)</u>
Cash flows from financing activities			
Increase in borrowings		57,465,200	34,658,042
Decrease in borrowings		(57,270,378)	(34,813,287)
Proceeds from issuance of secured/unsecured debentures and notes		8,693,484	7,655,284
Repayments of secured/unsecured debentures and notes		(6,727,328)	(6,067,000)
Proceeds from issuance of hybrid securities		99,717	368,784
Repayments of hybrid securities		-	(255,000)
Payment of lease liabilities		(22,389)	(24,069)
Dividends of hybrid securities		(26,845)	(19,184)
Dividends paid		(219,954)	(201,175)
Acquisition of treasury shares		(106,346)	(29,987)
Disposal and issuance of treasury shares		20,321	4,985
Increase in other liabilities		-	2,934
Decrease in other liabilities		(1,142)	(2,213)
Net cash inflow from financing activities		<u>1,904,340</u>	<u>1,278,114</u>
Net increase (decrease) in cash and cash equivalents before including effects of exchange rate changes			
		818,794	(348,856)
Effects of exchange rate changes on cash and cash equivalents		(5,409)	60,959
Net increase (decrease) in cash and cash equivalents		813,385	(287,897)
Cash and cash equivalents at the beginning of the year		1,489,699	1,777,596
Cash and cash equivalents at the end of the year	10	<u>₩ 2,303,084</u>	<u>₩ 1,489,699</u>

The above consolidated statements of cash flows should be read in conjunction with the accompanying notes.

JB Financial Group Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

1. General Information

The description of JB Financial Group Co., Ltd. (the “Parent Company” or the “Company”) and its subsidiaries (collectively referred to as the “Group”) is as follows:

1.1 Parent Company

The Company was established by the method of comprehensive transfer of stocks from the shareholders of Jeonbuk Bank Co., Ltd. (“Jeonbuk Bank”) on July 1, 2013 for the purpose of control, business management, and funding of subsidiaries that operate in the financial industry or closely related to the financial industry. The capital stock of the Company as at the reporting date amounts to ₩ 984,914 million, and the Company was listed on the Korea Exchange on July 18, 2013.

As at December 31, 2025, the shareholders of the Company and their ownership are described as follows:

<i>(in shares)</i>	Number of shares	Percentage of ownership (%)
Samyang Corporation and others	28,448,879	14.98
ALIGN PARTNERS CAPITAL MANAGEMENT INC.	27,653,206	14.56
OK Savings Bank and others	17,148,674	9.03
National Pension Service	12,199,576	6.42
CAPITAL GROUP	9,544,787	5.03
Mirae Asset Global Investments Co.,Ltd.	4,012,804	2.11
NORGES BANK	3,975,485	2.09
JB Financial Group Co., Ltd.	3,525,220	1.86
JB Financial Group Employee Ownership Association	3,507,725	1.85
Hanwha Asset Management Co., Ltd.	2,558,207	1.35
ARTEMIS SMARTGARP GLOBAL EMERGING MARKETS EQUITY FUND	2,503,431	1.32
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND, A SERIES OF V	2,304,204	1.21
JEONBUK CITY GAS CO., LTD	1,937,270	1.02
Samsung Asset Management	1,935,953	1.02
Others	68,629,180	36.15
	<u>189,884,601</u>	<u>100.00</u>

JB Financial Group Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

1.2 Consolidated Subsidiaries

Details of the consolidated subsidiaries as at December 31, 2025, are as follows:

Subsidiaries	Main business	Location	Closing month	Ownership interest held by the Parent Company	Ownership interest held by subsidiaries	Non-controlling interests
JB Financial Group						
Jeonbuk Bank	Banking business	Korea	December	100.00%	-	-
Kwangju Bank	Banking business	Korea	December	100.00%	-	-
JB Woori Capital	Lease and instalment finance	Korea	December	100.00%	-	-
JB Asset Management	Collective investment	Korea	December	100.00%	-	-
JBInvestment Co., Ltd.	New technology venture capital business	Korea	December	100.00%	-	-
Jeonbuk Bank						
Jeonbuk Bank Guaranteed Principal Money Trusts ¹	Trust asset management	Korea	December	-	-	-
Jeonbuk Bank Guaranteed Principal and Interest Money Trusts ²	Trust asset management	Korea	December	-	-	-
Phnom Penh Commercial Ban ⁵	Banking business	Cambodia	December	-	60.00%	40.00%
JB Phnom Penh Asset Management PLC. ⁷	Collective investment	Cambodia	December	-	100.00%	-
2023 JB Newtech No.1 Fund ¹³	Other investment	Korea	December	-	100.00%	-
Kwangju Bank						
Kwangju Bank Guaranteed Principal Money Trusts ¹	Trust asset management	Korea	December	-	-	-
Kwangju Bank Guaranteed Principal and Interest Money Trusts ²	Trust asset management	Korea	December	-	-	-
Kamco Value the 2nd SPC ³	SPC	Korea	December	-	15.00%	85.00%
JB Securities Vietnam Company Limited.	Securities	Vietnam	December	-	100.00%	-
JB Woori Capital						
JB Capital Myanmar Co., Ltd.	Other investment	Myanmar	March	-	94.50%	5.50%
JB Asset Management						
JB Milano Private Real Estate Fund 2 ⁸	Collective investment	Korea	December	-	98.89%	1.11%
Lux Milan	Collective investment	Luxembourg	December	-	56.96%	43.04%
NEW TIGER 6TH CO., LTD. ³	Other investment	Korea	December	-	-	100.00%
JR 1ST CO., LTD. ³	Other investment	Korea	December	-	-	100.00%
JB Multiplex 56 ³	Collective investment	Korea	April, October	-	45.00%	55.00%
ABONHUB FIRST CO., LTD. ³	Other investment	Korea	December	-	-	100.00%
GANGREUNGHoesan 1ST CO.,LTD. ³	Other investment	Korea	December	-	-	100.00%
HAEPINISEU 10TH CO.,LTD. ³	Other investment	Korea	December	-	-	100.00%
AMIRIEPITEU CO.,LTD. ³	Other investment	Korea	December	-	-	100.00%

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Subsidiaries	Main business	Location	Closing month	Ownership interest held by the Parent Company	Ownership interest held by subsidiaries	Non-controlling interests
Phnom Penh Commercial Bank						
J&A (Cambodia) Investment Co., Ltd. ⁴	Other investment	Cambodia	December	-	49.00%	51.00%
Others						
QCP JB Technology Valuation Private Equity Fund ⁶	Other investment	Korea	December	-	50.74%	49.26%
JB MEZZANINE FUND NO. 1 ¹⁰	Other investment	Korea	December	-	100.00%	-
JB General Private equity real estate No. 52 ⁹	Collective investment	Korea	December	-	94.34%	5.66%
JB Digital Asset Fund #1 ¹¹	Other investment	Korea	December	-	100.00%	-
JB General private property fund 61 ¹²	Collective investment	Korea	February	-	100.00%	-
JB Mezzanine New Technology Investment Fund No.2 ¹⁴	Other finance	Korea	December	-	100.00%	-
JB Investment Platform Fund ¹⁵	Other finance	Korea	December	-	100.00%	-
JB Technology Innovation Fund 1 ¹⁶	Other finance	Korea	December	-	37.50%	62.50%
JB Foreigner Platform Fund #1 ¹⁷	Other finance	Korea	December	-	100.00%	-
AI Partners Office Specialized Privately Placed Real Estate Investment Fund Trust No.2 ¹⁸	Collective investment	Korea	December	-	100.00%	-

¹ According to the trust agreement, the Group operates the trust. The Group received a certain amount of trust fees in proportion to net assets. However, when the trust agreement is terminated, transferred or ended, only principal amount of the trust is paid to the customers with earnings of zero if total earnings from the trust presents in negative amount. The Group determined the trust as consolidated subsidiary because the Group has i) existing rights that give the Group the current ability to direct the relevant activities; ii) an exposure, or rights, to variable returns from the Group's involvement with the trust; and iii) the ability to use the Group's power over the trust to affect the amount of the Group's returns. The trusts are composed of old-age life pension trusts, individual trusts, new-individual trusts, pension trusts, retirement trusts, installment-typed trusts and household money trusts.

² According to the trust agreement, the Group operates the trust. The Group received a certain amount of trust fees in proportion to net assets. However, if the operating result of the trust does not meet the dividend rate set in advance, the Group preserves the principal and earnings at the dividend rate for the customers. The Group determined the trust as a consolidated subsidiary because the Group has i) existing rights that give the Group the current ability to direct the relevant activities; ii) an exposure, or rights, to variable returns from the Group's involvement with the trust; and iii) the ability to use the Group's power over the trust to affect the amount of the Group's returns. The trusts are composed of unrestricted money trusts and development money trusts.

³ Although the Group owns less than 50% of voting rights of the entities, Kwangju Bank and JB Woori Capital control the structured entities because Kwangju Bank and JB Asset Management have i) existing rights that give the Kwangju Bank and JB Woori Capital the current ability to direct

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the relevant activities; ii) an exposure, or rights, to variable returns from Kwangju Bank and JB Woori Capital's involvement with the structured entities; and iii) the ability to use the Kwangju Bank and JB Woori Capital's power over the structured entities to affect the amount of Kwangju Bank and JB Woori Capital's returns.

⁴ J&A (Cambodia) Investment Co., Ltd., a subsidiary of Phnom Penh Commercial Bank, is included in the consolidated subsidiaries because all operational and financial decisions are made by Phnom Penh Commercial Bank.

⁵ Jeonbuk Bank and JB Woori Capital hold 50.00% and 10.00% of shares, respectively.

⁶ Jeonbuk Bank, Kwangju Bank and JB Asset Management hold 24.69%, 24.69% and 1.36% of shares, respectively.

⁷ Jeonbuk Bank and JB Asset Management hold 60.00% and 40.00% of shares, respectively.

⁸ Jeonbuk Bank, Kwangju Bank and JB Asset Management hold 25.53%, 25.53% and 47.83% of shares, respectively.

⁹ Jeonbuk Bank, Kwangju Bank, JB Woori Capital and JB Asset Management hold 28.30%, 37.74%, 18.87% and 9.43% of shares, respectively.

¹⁰ Jeonbuk Bank, Kwangju Bank, JB Woori Capital, JB Asset Management and JBInvestment Co., Ltd. hold 39.22%, 39.22%, 19.60%, 1.94% and 0.02% of shares, respectively.

¹¹ Jeonbuk Bank, Kwangju Bank, JB Woori Capital and JBInvestment Co., Ltd. hold 33.33%, 33.33%, 16.67% and 16.67% of shares, respectively.

¹² Jeonbuk Bank, Kwangju Bank, JB Woori Capital and JB Asset Management hold 34.00%, 44.00%, 20.00% and 2.00% of shares, respectively.

¹³ Jeonbuk Bank and JBInvestment Co., Ltd. hold 98.06% and 1.94% of shares, respectively.

¹⁴ Jeonbuk Bank, Kwangju Bank, JB Woori Capital and JBInvestment Co., Ltd. hold 39.22%, 39.22%, 19.61% and 1.95% of shares, respectively.

¹⁵ Jeonbuk Bank, Kwangju Bank, JB Woori Capital and JBInvestment Co., Ltd. hold 25.00%, 25.00%, 20.00% and 30.00% of shares, respectively.

¹⁶ JBInvestment Co., Ltd., JB Woori Capital and JB Asset Management hold 15.28%, 13.89%, and 8.33 % of shares, respectively. Although the Group owns less than 50% of voting rights of the entities, the Group controls over the entities because the Group has i) existing rights that give the Group the current ability to direct the relevant activities; ii) an exposure, or rights, to variable returns from the Group's involvement with the entities; and iii) the ability to use the Group's power over the entities to affect the amount of the Group's returns.

¹⁷ Jeonbuk Bank, Kwangju Bank, JB Woori Capital and JBInvestment Co., Ltd. hold 40.00%, 20.00%, 20.00% and 20.00% of shares, respectively.

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¹⁸ Jeonbuk Bank and Kwangju Bank hold 50.00% and 50.00% of shares, respectively.

Changes in Scope for Consolidation

Subsidiaries newly included in the consolidation for the year ended December 31, 2025:

Name of subsidiary	Reason
JB IPO Investment Type Private Fund 2	Newly included
AI Partners Office Specialized Privately Placed Real Estate Investment Fund Trust No.2	Newly invested

Subsidiaries excluded from the consolidation for the year ended December 31, 2025:

Name of subsidiary	Reason
GLORY GUWOL 1ST CO.,LTD.	Liquidated
JB IPO Investment Type Private Fund 2	Decrease in ownership interest

Summarized Financial Information

Summarized financial information for consolidated subsidiaries as at and for the years ended December 31, 2025 and 2024, is as follows:

(in millions of Korean won)

Name of subsidiary ¹	2025				
	Assets	Liabilities	Total revenue	Profit for the year	Total comprehensive income
Jeonbuk Bank	₩ 26,297,762	₩ 23,948,943	₩ 1,557,592	₩ 228,744	₩ 192,918
Kwangju Bank	34,434,773	32,025,557	1,731,808	272,580	257,726
JB Woori Capital	12,014,486	10,165,440	1,315,318	281,546	293,768
JB Asset Management	153,656	103,454	34,344	2,002	1,983
JBInvestment Co., Ltd.	100,575	41,039	20,292	8,309	8,309

¹ The condensed financial information of subsidiaries subject to consolidation is based on the consolidated financial statements.

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(in millions of Korean won)

Name of subsidiary ¹	2024				
	Assets	Liabilities	Total revenue	Profit for the year	Total comprehensive income
Jeonbuk Bank	₩ 25,206,070	₩ 22,882,419	₩ 1,595,330	₩ 218,631	₩ 265,425
Kwangju Bank	31,003,044	28,771,254	1,842,455	288,343	291,584
JB Woori Capital	10,233,144	8,568,140	1,137,748	223,874	226,480
JB Asset Management	113,133	64,914	35,570	5,508	5,635
JBInvestment Co., Ltd.	68,364	17,122	11,978	3,846	3,846

¹ The condensed financial information of subsidiaries subject to consolidation is based on the consolidated financial statements.

2. Basis of Preparation of Financial Statements

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with Korean International Financial Reporting Standards (Korean IFRS), as prescribed in the Act on External Audits of Stock Companies in the Republic of Korea. The accompanying consolidated financial statements have been translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditors' report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail.

The accompanying consolidated financial statements have been prepared on the historical cost basis, except for financial assets and liabilities that are measured at fair value, certain non-current assets and liabilities for defined benefit plans that are recognized at the net of the total present values of defined benefit obligations less the fair value of plan assets. The consolidated financial statements are presented in millions of Korean won, unless otherwise stated.

2.2 Changes in Accounting Policies and Disclosures

2.2.1 New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2025.

(a) Amendments to Korean IFRS 1021 The Effects of Changes in Foreign Exchange Rates and 1101 First-time Adoption of International Financial Reporting Standards – Lack of Exchangeability

When an entity estimates a spot exchange rate because exchangeability between two currencies is lacking, the entity shall disclose related information. The amendments do not have a significant impact on the consolidated financial statements.

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(b) Amendments to Korean IFRS 1117 Insurance Contracts

If the estimation techniques used for input variables in measuring insurance contracts differ from the principles required by insurance regulations, the entity shall disclose those differences and their effects when the differences and their effects on the financial statements are considered relevant and material to users of financial statements. The amendments do not have a significant impact on the consolidated financial statements.

2.3 New standards and interpretations not yet adopted by the Group

The following new accounting standards and interpretations have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Group.

(a) Amendments to Korean IFRS 1109 Financial Instruments, Korean IFRS 1107 Financial Instruments: Disclosures

Korean IFRS 1109 *Financial Instruments* and Korean IFRS 1107 *Financial Instruments: Disclosures* have been amended to respond to recent questions arising in practice, and to include new requirements. The amendments should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The amendments do not have a significant impact on the consolidated financial statements. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures of impact on the entity and the extent to which the entity is exposed for each type of financial instruments if the timing or amount of contractual cash flow changes due to amendment of contract term; and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

(b) Annual Improvements to Korean IFRS -Volume 11

Annual Improvements to Korean IFRS -Volume 11 should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group does not expect the amendments to have a significant impact on the consolidated financial statements.

- Korean IFRS 1101 *First-time Adoption of International Financial Reporting Standards: Hedge accounting by a first-time adopter*
- Korean IFRS 1107 *Financial Instruments: Disclosures: Gain or loss on derecognition and implementation guidance*

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- Korean IFRS 1109 *Financial Instruments: Derecognition of lease liabilities and definition of transaction price*
- Korean IFRS 1110 *Consolidated Financial Statements: Determination of a 'de facto agent'*
- Korean IFRS 1007 *Statement of Cash Flows: Cost method*

(c) Amendments to Korean IFRS 1109 Financial Instruments and Korean IFRS 1107 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity

Contracts referencing nature-dependent electricity are defined contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (for example, the weather). The amendments clarify that 'contracts to buy or sell such electricity' are assessed for eligibility under the own-use exemption. In addition, the amendments modify hedge accounting requirements by allowing an entity to designate as the hedged item a variable nominal amount of forecast electricity transactions that reflect the nature-dependent variability of electricity and introduce additional disclosure requirements. The amendments should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The amendments do not have a significant impact on the consolidated financial statements.

(d) Korean IFRS 1118 Presentation and Disclosure in Financial Statements

Korean IFRS 1118 *Presentation and Disclosure in Financial Statements* replaces Korean IFRS 1001 *Presentation of Financial Statements* and includes new requirements aimed at enhancing comparability of financial performance between similar entities and providing more relevant information to users. While the amendments do not affect the recognition or measurement of items in the financial statements, they are expected to have a significant impact on presentation and disclosure, including the income statement and the disclosure of management-defined performance measures.

The standard should be applied for annual periods beginning on or after January 1, 2027, and earlier application is permitted. In accordance with the retrospective application requirements, comparative information for the year ended December 31, 2026, shall be restated under Korean IFRS 1118.

Management is in review for the impact of applying the new standard on consolidated financial statements. Adoption of the standard is not expected to have an impact on the Group's net profit or loss; however, it will require revenues and expenses in the income statements to be classified into new categories, which is expected to have an impact on the calculation and presentation of operating profit (loss).

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3. Material Accounting Policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. The same accounting policies are applied to the current and comparative consolidated financial statements.

3.1 Consolidation

(a) Business combination

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or business under common control.

The consideration transferred in the acquisition is generally measured at fair value, as are identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchases is recognized in profit or loss immediately. Transaction costs are expensed as incurred.

(b) Non-controlling interests

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

Changes in the Parent Company's interest in subsidiary that do not result in loss of control are accounted for as equity transaction.

(c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

The Group establishes or invests in various structured entities. A structured entity is an entity designed so that its activities are not governed by way of voting rights. When assessing control of a structured entity, the Group considers factors such as the purpose and the design of the investee; its practical ability to direct the relevant activities of the investee; the nature of its relationship with the investee; and the size of its exposure to the variability of returns of the investee. The Group does not recognize any non-controlling interests as equity in relation to structured entities in the consolidated statements of financial position since the non-controlling interests in these entities are recognized as liabilities of the Group.

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(d) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way unrealized gains, but only to the extent that there is no evidence of impairment.

(f) Business combination under common control

The assets and liabilities acquired under business combinations under common control are recognized at the carrying amounts recognized previously in the consolidated financial statements of the ultimate parent. The difference between consideration transferred and carrying amounts of net assets acquired is recognized in capital surplus.

(g) Goodwill

The Group recognizes goodwill as of the acquisition date measured as the excess of (a) the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree measured and the acquisition date fair value of the Group's previously held equity interest in the acquiree in a business combination achieved in stages, over (b) the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured. However, if (b) exceeds (a), the measurement shall be reassessed and the excess of (b) over (a) even after the reassessment is recognized as profit or loss immediately.

Additional acquisition of non-controlling interests is accounted for as a transaction between shareholders, and goodwill generated from the acquisition is not recognized.

(h) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. If the Group's share of losses of an associate equals or exceeds its interest in the associate (including long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If there is an objective evidence of impairment for the investment in the associate, the Group

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recognizes the difference between the recoverable amount of the associate and its book amount as impairment loss. If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, if necessary, adjustments shall be made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

(i) Joint arrangements

A joint arrangement, wherein two or more parties have joint control, is classified as either a joint operation or a joint venture. A joint operator recognizes its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated statement of financial position.

3.2 Discontinued Operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative consolidated statement of comprehensive income is restated as if the operation had been discontinued from the beginning of the comparative period.

3.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments, that which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and are used by the Group in management of its short-term commitments. Generally, equity investments are excluded from cash and cash equivalents. However, redeemable preference shares, for which the period from the acquisition to redemption is short, are classified as cash and cash equivalents.

3.4 Non-derivative Financial Assets

The Group classifies financial assets into financial assets at amortized cost, financial assets at FVOCI and financial assets at FVTPL based on the business model for the management of financial assets and the contractual cash flow characteristics of financial assets. When a hybrid contract includes financial assets as a main contract, the financial asset is classified based on the entire contract without separating the embedded derivative.

(a) Financial assets at FVTPL

If the financial asset is held for trading or is required to be classified as a financial asset at FVTPL, the financial asset is classified as a fair value financial asset. In addition, if the designation of a financial asset eliminates or significantly reduces the recognition and measurement inconsistencies that may arise from the measurement of assets or liabilities on a different basis or

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recognition of gains or losses, a financial asset can be designated as fair value through profit or loss. However, once designated, it is irrevocable.

Financial assets at fair value through profit or loss are measured at fair value and the gains or losses arising from changes in fair value are recognized in profit or loss. Dividends and interest income from financial assets are also recognized in profit or loss.

(b) Equity securities

The Group can make an irrevocable election at initial recognition to measure an equity instrument, which is not held for trading, at FVOCI, and subsequent recycling from comprehensive income to profit or loss is not permitted. An equity instrument which is not designated as financial asset at FVOCI is classified as a financial asset at FVTPL.

Financial assets at fair value through profit or loss are measured at fair value and the gains or losses arising from changes in fair value are recognized in profit or loss. Dividends and interest income from financial assets are also recognized in profit or loss. The impairment loss (reversal) of an equity instrument measured at FVOCI is not separately recognized.

(c) Debt securities

Debt instruments are classified as financial assets at amortized cost, financial assets at FVOCI and financial assets at FVTPL based on the business model and the contractual cash flow characteristics of financial assets.

(i) Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Interest income is recognized using the EIR method.

(ii) Financial assets at fair value through OCI

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

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For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss. However, the cumulative fair value change from equity instruments designated at fair value through OCI is never recycled to profit or loss when derecognized.

(iii) Financial assets at fair value through profit or loss

Debt instruments whose contractual cash flows do not consist solely of principal and interest or are primarily for trading purposes are measured at fair value through profit or loss. Financial assets at fair value through profit or loss are measured at fair value and the gains or losses arising from changes in fair value are recognized in profit or loss.

(d) *Impairment*

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For lease receivables, the Group applies the simplified approach, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

(e) *Derecognition of financial assets*

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when (i) the rights to receive cash flows from the asset have expired or, (ii) the Group has transferred substantially all the risks and rewards of the asset. If the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset, the Group recognizes the asset and the associated liability to the extent of the Group's continuing involvement in the asset.

If the Group has retained substantially all the risks and rewards of ownership of the transferred financial asset, the Group continues to recognize the transferred asset and recognizes a collateralized borrowing for the consideration received.

(f) *Offsetting of financial instruments*

Financial assets and liabilities are offset only when the Group has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.5 Derivative Financial Instruments

Derivatives are recognized initially at fair value on their trade date. Subsequent to initial recognition, derivatives are measured at fair value.

An embedded derivative is separated from the host contract and accounted for as a stand-alone

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derivative if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and the hybrid instrument is a financial liability and not designated as FVTPL, fair value through profit or loss.

Changes in the fair value of derivative financial instruments not designated as a hedging instrument are recognized immediately in profit or loss.

3.6 Impairment: Financial Assets and Contract Assets

The Group recognizes impairment of debt instruments, lease bonds, contract assets, loan commitments and financial guarantee contracts that are measured at amortized costs or fair value through OCI based on the expected credit loss (ECL) impairment model.

The Group adopts a 'three-stage' model for impairment based on changes in credit risk since initial recognition. Loss allowance is measured based on the 12-month ECL or life-time ECL.

If the credit risk on that financial instrument has increased significantly since initial recognition, an entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses at each reporting date. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses at the end of the reporting period.

3.7 Property and Equipment

Property and equipment are initially measured at cost and after initial recognition, are carried at cost less accumulated depreciation and accumulated impairment losses. The cost of property and equipment includes expenditures arising directly from the construction or acquisition of the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are recognized in the carrying amount of property and equipment at cost or, if appropriate, as separate items if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing are recognized in profit or loss as incurred.

Property and equipment, except for land, are depreciated over estimated useful lives that appropriately reflect the pattern in which the asset's future economic benefits are expected to be consumed.

A component that is significant compared to the total cost of property and equipment is depreciated over its separate useful life.

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Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognized in 'non-operating income (loss)'.

The estimated useful lives and depreciation methods are as follows:

	Useful lives
Buildings and structures	16 - 50 years
Leasehold facilities	5
Movable property for business purposes	4 - 5

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting date and adjusted, if appropriate. The change is accounted for as a change in an accounting estimate.

3.8 Intangible Assets

Intangible assets are measured initially at cost and, subsequently, are carried at cost, less accumulated amortization and accumulated impairment losses.

Amortization of intangible assets is calculated on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The residual value of intangible assets is zero. However, as there are no foreseeable limits to the periods over which rights to use facility are expected to be available for use, this intangible asset including goodwill is determined as having indefinite useful lives and not amortized.

The estimated useful lives are as follows:

	Useful lives
Development expense and software	5 years
Others	5 years

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The useful lives of intangible assets that are not being amortized are reviewed at the end of each reporting period to determine whether events and circumstances continue to support indefinite useful life assessments for those assets. The change is accounted for as a change in an accounting estimate.

(i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in profit or loss as incurred. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and The

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Group intends to and has sufficient resources to complete development and to use or sell the asset. Other development expenditures are recognized in profit or loss as incurred.

(ii) Subsequent expenditures

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, are recognized in profit or loss as incurred.

3.9 Investment Property

Property held for the purpose of earning rentals or benefiting from capital appreciation is classified as investment property. Investment property is measured initially at its cost. Transaction costs are included in the initial measurement. Subsequently, investment property is carried at depreciated cost, less any accumulated impairment losses.

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset if and only when it is probable that future economic benefits arising from the asset will flow to the entity. The carrying amount of the replaced portion is eliminated. Costs incurred in connection with ordinary maintenance and repairs are recognized in profit or loss as incurred.

Investment property, except land, is depreciated using the straight-line method over its estimated useful life.

The depreciation method, residual value and useful life of investment property are reviewed at the end of each accounting period and are accounted for as changes in accounting estimates.

3.10 Impairment of Non-financial Assets

For all non-financial assets except for employee benefits, deferred tax assets and non-current assets classified as held for sale, at the end of each financial year, the Group reviews whether there is any indication that the asset is impaired. If any such indication exists, the recoverable amount of the asset is estimated. But, goodwill, intangible assets with indefinite useful lives and intangible assets that are not yet available for use are tested for impairment by comparing the recoverable amount with the carrying amount of the assets each year regardless of the indication of asset impairment.

The recoverable amount is the estimated recoverable amount of an individual asset or, if the recoverable amount of an individual asset cannot be estimated, for each cash-generating unit to which the asset belongs. The recoverable amount is the greater of the value in use and the fair value less costs to sell. The value in use is calculated by discounting the expected future cash flows expected to be generated by the asset or cash generating unit to an appropriate discount rate that reflects the current market's assessment of the time value of the money and the unique risk estimate.

If the recoverable amount of an asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset is reduced and recognized immediately in profit or loss.

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At the end of each reporting period, the entity reviews whether there is an indication that the asset no longer has an impairment loss recognized in the prior period or that the asset has decreased, and changes to the estimate used to determine the recoverable amount at the time of recognition of the impairment loss only if there is. An increase in the carrying amount due to reversal of an impairment loss cannot exceed the carrying amount of the carrying amount before the impairment loss is recognized in the past.

3.11 Non-derivative Financial Liabilities

The Group classifies non-derivative financial liabilities into financial liabilities at FVTPL or other financial liabilities in accordance with the substance of the contractual arrangement and the definitions of financial liabilities. The Group recognizes financial liabilities in the consolidated statements of financial position when the Group becomes a party to the contractual provisions of the financial liability.

(i) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading or designated as such upon initial recognition. Subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value, and changes therein are recognized in profit or loss. Upon initial recognition, transaction costs that are directly attributable to the acquisition are recognized in profit or loss as incurred.

(ii) Other financial liabilities

Non-derivative financial liabilities other than financial liabilities at FVTPL are classified as other financial liabilities. At the date of initial recognition, other financial liabilities are measured at fair value minus transaction costs that are directly attributable to the acquisition. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method.

The Group derecognizes a financial liability from the consolidated statements of financial position when it is extinguished (i.e., when the obligation specified in the contract is discharged, canceled or expired).

3.12 Employee Benefits

(a) Short-term employee benefits

Short-term employee benefits are employee benefits that are due to be settled within 12 months after the end of the period in which the employees render the related service. When an employee has rendered service to the Group during a reporting period, the Group recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service.

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(b) Defined contribution plans

The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as an expense, unless included in the cost of an asset. If the contributions are underpaid, the shortfall is recognized as an accrued expense. Conversely, if the contributions are overpaid, the excess amount is recognized as an asset to the extent that it reduces future payments or results in a cash refund.

(c) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is deducted. The calculation is performed annually by an independent actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in personnel expenses in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(d) Termination benefits

Termination benefits are recognized as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted and the number of acceptances can be estimated reliably. If benefits are payable for more than 12 months after the reporting period, then they are discounted to their present value.

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3.13 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The risks and uncertainties that inevitably surround many events and circumstances are taken into account in reaching the best estimate of a provision. Where the effect of the time value of money is material, provisions are determined at the present value of the expected future cash flows.

Where some or all of the expenditures required to settle a provision are expected to be reimbursed by another party, the reimbursement shall be recognized when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

The Group establishes provisions for payment guarantees by calculating the possibility of payment as at the reporting date. The allowance for unused credit commitments is established by calculating credit risk, which can occur from unused credit commitments among credit lines (including credit card limits) without arbitrary cancelation. In addition, a provision for the Group's membership reward program is established by calculating an estimated usage ratio, an estimated collection ratio and an estimated collection period, for which a provision is established and by allocating part of the customers' transaction fees to deferred membership rewards.

3.14 Financial Guarantee Contract

A financial guarantee contract requires the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

The fair value of financial guarantee contracts is measured at fair value, and the fair value is amortized over the term of the financial guarantee contract. After initial recognition, the Group, as an issuer of such a contract, measures it at the higher of (i) the amount determined in accordance with Korean IFRS 1109 *Financial Instruments* and (ii) the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with Korean IFRS 1115 *Revenues from Contracts with Customers*.

3.15 Foreign Currencies

Transactions in foreign currencies are translated to the respective functional currencies of the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency

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at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on the settlement of monetary items and on translating monetary items are recognized in profit or loss. When gains or losses on non-monetary items are recognized in other comprehensive income, exchange components of those gains or losses are recognized in other comprehensive income. Conversely, when gains or losses on non-monetary items are recognized in profit or loss, exchange components of those gains or losses are recognized in profit or loss.

The assets and liabilities of foreign operations are translated into Korean won at the closing rate at the end of the reporting period exchange prevailing at the reporting date, their income and expenses for each statement of profit or loss are translated at average exchange rates during the reporting period. And all resulting exchange differences are recognized in other comprehensive income. Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is disposed of or sold.

3.16 Equity Capital

(a) Capital stock

Ordinary shares are classified as equity. Incremental costs directly attributable to capital transactions are deducted, net of tax, from the equity.

(b) Hybrid securities

The Group classifies an issued financial instrument, or its component parts, as a financial liability or an equity instrument depending on the substance of the contractual arrangement of such financial instrument. Hybrid bonds where the Group has an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation are classified as an equity instrument and presented in equity.

Hybrid securities issued by the Group's subsidiaries are classified as non-controlling interests according to the above criteria, and distributions provided are recognized as profit or loss attributable to non-controlling interests in the consolidated statement of comprehensive income.

3.17 Share-based Payment Transactions

The grant-date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and nonmarket

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performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions, and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognized as personnel expense in profit or loss.

3.18 Revenue

The Group recognizes revenue by applying the following five-step revenue recognition model to all contracts with customers that are included in the scope of Korean IFRS 1115 *Revenue from Contracts with Customers*.

- Stage 1 : Identification of a contract with a customer
- Stage 2 : Identification of performance obligations in the contract
- Stage 3 : Determination of the transaction price
- Stage 4 : Allocation of the transaction price to the separate performance obligations in the contract
- Stage 5 : Recognition of revenue upon satisfying the performance obligations

(a) Interest income and interest expense

Interest income and interest expense are recognized in the consolidated statements of comprehensive income by applying the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, future cash flows are estimated by considering all terms and conditions of financial instruments, excluding future credit losses. Fee and commission income and points paid between contract parties (primary component of effective interest rate), transaction costs and other premiums and discounts are reflected additionally.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is thereafter recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(b) Fees and commission income

Financial services commissions are classified as follows according to the purpose of charging the fee and the accounting treatment of the related financial instruments.

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(i) Fees that constitute effective revenue of financial instruments

For commissions that form part of the effective interest rate of a financial instrument, it is generally treated as an adjustment to the effective interest rate. These fees include assessments related to the borrower's financial condition, guarantees, collateral and other guarantee arrangements, compensation for activities such as preparation and preparation of related documents, and includes opening fees received when issuing financial liabilities. However, when a financial instrument is classified as a financial instrument at fair value through profit or loss, the commission is recognized as revenue at the initial recognition of the instrument.

(ii) Fees incurred by providing services

Fees charged by providing services are generally recognized as revenue when related services are provided. Fees charged for the provision of services over a period of time, such as asset management fees, commission fees and warranty service fees, are recognized as revenue when the services are rendered.

(iii) Fees incurred by carrying out significant acts

Commissions charged by carrying out significant transactions are recognized as revenue when the significant transactions are completed. Fees and commissions received in exchange for participation in negotiations or negotiations of transactions for third parties, such as the issuance of shares or other securities or the transfer of business, are recognized as revenue at the completion of the transaction.

(c) *Dividend income*

Dividend income is recognized when a shareholder's right to receive payment is established.

(d) *Customer loyalty programs*

For customer loyalty programs, the fair value of the consideration received or receivable is allocated between the award credits ("points") and the other components of the transaction. In cases where points provided relate to fee income, the revenue is allocated to the portion corresponding to the fair value of the points earned and the remaining portion is allocated to fee income. The fair value of the points is based on the number of points earned in the transaction, relative to the total number of points that are expected to be redeemed.

(e) *Rental income*

Rental income from investment property, net of lease incentives granted, is recognized in profit on a straight-line basis over the term of the lease. In addition, lease incentives are recognized by subtracting total cost from lease revenue on a straight-line basis over the term of the lease.

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3.19 Income Taxes

Income tax expense comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss, except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

(a) Current tax

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. The taxable profit is different from the accounting profit for the period since the taxable profit is calculated excluding temporary differences, which will be taxable or deductible in determining taxable profit (tax loss) of future periods, and non-taxable or non-deductible items from the accounting profit.

(b) Deferred tax

Deferred tax is recognized, using the asset-liability method, in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which they can be utilized. However, deferred tax is not recognized for the following temporary differences: taxable temporary differences arising on the initial recognition of goodwill, or the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit or loss nor taxable income.

The Group recognizes a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The Group recognizes a deferred tax asset for all deductible temporary differences arising from investments in subsidiaries and associates, to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period, and the Group reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period to recover or settle the carrying amount of its assets and liabilities.

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Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset the related current tax liabilities and assets, they relate to income taxes levied by the same tax authority and they intend to settle current tax liabilities and assets on a net basis.

3.20 Accounting for Trust Accounts

Trust accounts are separately maintained from those of the Group, in accordance with the *Financial Investment Services and Capital Markets Act*. Funds transferred between a bank account and a trust account are recognized as borrowings from trust accounts in other liabilities, with fees for managing the accounts recognized as non-interest income by the Group. In accordance with the Financial Investment Services and Capital Markets Act- detailed enforcement, the Group guarantees the repayment of the principal of the trust accounts and, in certain cases, a fixed rate of return. If income from such trust accounts is insufficient to pay the guaranteed amount, such a deficiency is satisfied by using special reserves maintained in the trust accounts. These amounts are recorded as operating profit and loss (other operating profit and loss).

3.21 Earnings per Share

The Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholder and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.22 Segment Reporting

The Group distinguishes between operating segments based on internal reporting data reviewed periodically by management including the CEO (top business decision maker) to make decisions about the resources to be allocated to each segment and to evaluate the performance of segments. As provided in Note 5, the Group has four reporting segments, and each segment is a strategic operating unit of the Group. Strategic operating (business) units provide different products and services, and as the technology and marketing strategies required for each operating unit differ by each segment, the Group segregates and operates its segments separately.

3.23 Leases

The Group leases offices, accommodation, cars and advertising boards. Lease contracts are typically made for fixed periods of 1 to 4 years, but may have extension options as described in (a) below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the

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liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payment that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option

Since the implicit rate in the lease cannot be determined, lease liabilities are measured using the incremental borrowing rate (IBR).

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

(a) Extension and termination options

Extension and termination options are included in a number of leases for offices, cars and advertising boards across the Group. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. Total lease payments made during the year ended December 31, 2025, were all optional.

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4. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In preparing the consolidated financial statements, the Group makes estimates and assumptions about the future. These estimates and judgments are reviewed on an ongoing basis and the resulting estimates may differ from actual results. The amendments to the accounting estimates are recognized in the period in which the amendment is made if such amendment affects only that period, and in the period in which amendments are made and in the future periods if they affect both the current and future periods.

(a) Income tax

There are many different types of transactions and calculations that make the final tax determination uncertain during normal business. The Group recognized the income tax effects of current operations as at the end of the reporting period as the current and deferred tax. However, the ultimate corporate tax burden may not be consistent with the recognized assets and liabilities. Such differences may affect current and deferred tax assets and liabilities when the final tax effect is determined.

(b) Estimated goodwill impairment

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations.

(c) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

(d) Impairment of financial assets

The provisions for impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(e) Net defined benefit liability

The present value of net defined benefit liability depends on a number of factors that are determined on an actuarial basis using a number of assumptions including the discount rate.

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5. Operating Segment Information

Details of the Group's reportable segments are as follows:

Segment	Description
Banking business	- Loans, deposits and relevant services for individual customers and corporates - Fund management, investment in securities and accompanying business
Capital business	- Loans (including installment financing), lease and relevant services under Credit Specialized Financial Business Act
Asset management business	- Asset management business under Financial Investment Services and Capital Market Act
Others	- Inter-company transactions, Parent Company and others

Profit or loss and total assets and liabilities by each segment as at and for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025				
	Banking	Capital	Asset management	Others	Total
Total income	₩ 1,624,879	₩ 708,113	₩ 26,212	₩ 10,309	₩ 2,369,513
Interest	1,587,392	481,602	502	(24,564)	2,044,932
Non-interest	37,487	226,511	25,710	34,873	324,581
General administrative expenses	(715,477)	(130,334)	(15,958)	(46,420)	(908,189)
Provisions	(259,476)	(215,541)	(7,719)	(13,884)	(496,620)
Profit (loss) before income tax	₩ 649,926	₩ 362,238	₩ 2,535	₩ (49,995)	₩ 964,704
Total assets	₩ 60,732,535	₩ 12,014,486	₩ 153,656	₩ 223,167	₩ 73,123,844
Total liabilities	55,974,500	10,165,440	103,454	705,278	66,948,672

(in millions of Korean won)

	2024				
	Banking	Capital	Asset management	Others	Total
Total income	₩ 1,620,969	₩ 548,105	₩ 23,246	₩ 21,287	₩ 2,213,607
Interest	1,558,713	426,924	3,984	(13,649)	1,975,972
Non-interest	62,256	121,181	19,262	34,936	237,635
General administrative expenses	(656,177)	(113,909)	(14,378)	(45,778)	(830,242)
Provisions	(303,608)	(146,965)	(668)	(24,223)	(475,464)
Profit (loss) before income tax	₩ 661,184	₩ 287,231	₩ 8,200	₩ (48,714)	₩ 907,901
Total assets	₩ 56,218,028	₩ 10,233,144	₩ 113,133	₩ 157,609	₩ 66,721,914
Total liabilities	51,655,705	8,568,140	64,914	708,350	60,997,109

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Revenue from external customers for the years ended December 31, 2025 and 2024, is shown as follows:

(in millions of Korean won)

	2025				
	Banking	Capital	Asset management	Others	Total
Interest income	₩ 2,748,587	₩ 816,681	₩ 2,395	₩ 4,187	₩ 3,571,850
Fees and commission income	133,035	29,069	24,070	5,848	192,022
Lease income	-	203,110	-	(560)	202,550
Other income	407,778	266,458	7,879	33,081	715,196
	<u>₩ 3,289,400</u>	<u>₩ 1,315,318</u>	<u>₩ 34,344</u>	<u>₩ 42,556</u>	<u>₩ 4,681,618</u>

(in millions of Korean won)

	2024				
	Banking	Capital	Asset management	Others	Total
Interest income	₩ 2,871,775	₩ 745,610	₩ 6,203	₩ 12,193	₩ 3,635,781
Fees and commission income	142,435	33,355	17,218	4,532	197,540
Lease income	-	268,104	-	(541)	267,563
Other income	423,575	90,679	12,149	14,736	541,139
	<u>₩ 3,437,785</u>	<u>₩ 1,137,748</u>	<u>₩ 35,570</u>	<u>₩ 30,920</u>	<u>₩ 4,642,023</u>

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6. Financial Instrument Risk

The Group has exposure to the credit, liquidity and market risks pertaining to financial instruments. This note presents information about the Group's exposure to those risks; the Group's objectives, policies and risk assessment and risk management processes; and capital management. Further quantitative disclosures are included throughout these consolidated financial statements.

6.1 Risk Management Policies

The Group manages various risks that may arise from each of its business lines. Credit risk, market risk, operation risk, interest rate risk, credit concentration risk and liquidity risk are the main risks. These risks are recognized, measured, controlled and reported in accordance with the basic rules for the risk management, established by the parent and each subsidiary.

(a) Ground principles of the group risk management

The ground principles of the group risk management are as follows:

- All business activities should be carried out in consideration of the balance between risk and profit within a predetermined risk appetite.
- Risks should be managed adequately to prevent concentration of the risks on specific segments.
- The risk-based decision making system should be managed under the condition where the management is able to consider enough risks.
- The risk management committee should be structured and operated independently from the operating segment.
- Risks of the subsidiaries should be managed by the holding company.
- The performance management system should be operated under a condition where risks are clearly taken into account when making operating decisions.
- The Group should pay close attention to possibility of worsening situation during ordinary business days.

(b) Group risk management organization

The policies and strategies for the group risk management are established by the Group Risk Management Committee within the Board of Directors of the Parent Company. The Group's Chief Risk Officer (CRO) discusses the Group's and its subsidiaries' risk policies and strategies through the Group Risk Management Council, which assists the Group Risk Management Committee and includes in-charge managers of the subsidiaries' risk managements as members. The subsidiary implements the Group's risk policies and strategies through its risk management committee, risk management council, and the risk management department, as well as establishes and implements the subsidiary's detailed risk policies and strategies, consistent with the Group. The risk management department in the Parent Company manages risks and does supervision through assisting the CRO.

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The Group has a hierarchical limit system to manage risks of the Group at a reasonable level. The Group Risk Management Committee determine the risk limits of the Group and each subsidiary while the Risk Management Committees and Risk Management Councils of each subsidiary set and manage detailed risk limits for each type of risk, department, desk, product and others.

(i) Group Risk Management Committee

The Group Risk Management Committee establishes risk management frameworks of the Parent Company and its subsidiaries and synthetically managing group related matters, such as group risk policies, establishment of limit, approval and others. The Committee is composed of the directors of the Parent Company.

The resolutions of the committee are as follows:

- Establishing policies and strategies for risk management in accordance with the business strategy of the Group,
- Determining the risk levels that the group and each subsidiary can bear,
- Giving approvals for the limits of eligible investment or losses,
- Establishing and revising both the risk management regulations and the Group Risk Management Council regulations
- Giving approvals for the establishment of various limits and for limit exceedances
- Determining the structure and role allocation of the risk management organization

The Group Risk Management Committee reports the resolutions to the Board of Directors.

(ii) Group Risk Management Operation Committee

The Group Risk Management Council discusses risk-related matters of the Group in order to maintain the Group's risk policies and strategies consistently and resolves necessary matters to carry out the policies set by the Group Risk Management Committee. The Group's Chief Risk Officer chairs this council and members include the head of the parent's risk management department and the heads of the subsidiaries' risk management departments.

(c) Group risk management framework

(i) Internal capital management

Internal Capital is defined as the amount of capital required to absorb potential unexpected economic losses (risks) and the internal capital management is defined as managing internal capital to ensure that the risk capital is maintained at a reasonable level considering the risk appetite, which is a decision on the level of risk burden in comparison with available capital. The Parent Company and its subsidiaries are establishing and operating the risk planning process to reflect the risk plan in advance when establishing the financial/business plan for internal capital

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management. The risk limit management system is established and operated in order to manage the risk at a reasonable level.

(ii) Risk monitoring

The Group established a multidimensional risk monitoring system to promote pre-emptive risk management by identifying risk factors that may affect the Group's management environment, periodically. Each subsidiary is required to report major matters that affect group-wide risk management to the Parent Company while the Parent Company prepares monthly/frequent monitoring reports and reports it to the Group management including CRO.

(iii) Risk review

When new products/businesses are promoted or major policy changes are made, reasonable decision making is supported, and risk factors are reviewed in accordance with a predetermined checklist to prevent imprudent promotion of the businesses that is not easy to make a risk judgement. The risk management department of the subsidiary has a process of pre-reviewing and post-monitoring on the goods/services/businesses that the company intends to push forward in the business. In cases of matters that are linked or jointly conducted with other subsidiaries, risk review is conducted after prior consultation with the risk management department of the Parent Company.

(iv) Risk management

A group-wide risk management framework is operated in order to response preemptively by identifying possibilities of crisis situations in advance, and to overcome crisis situations through dealing promptly, efficiently, and organizationally. Eventually, these enable to maintain a sustainable organization. Each subsidiary defines the crisis situations in three stages, which are 'caution alert', 'tightness of capital', and 'crisis'. It determines the crisis stage through monitoring and analyzing quantitative indicators and qualitative data, and it carries out the predetermined actions for the crisis when the crisis situation occurs. The Parent Company recognizes group-wide crisis situations as well as establishes and operates a response system. In addition, the Parent Company conducts the risk management directly if two or more subsidiaries enter a stage of 'tightness of capital' or 'crisis'.

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6.2 Credit Risk

(a) General information

Credit risk refers to the possibility of economic loss caused by defaults such as counterparty's bankruptcy, nonfulfillment of contractual obligation and others, and it is the biggest risk that the Group may face. Objects for credit risk management include every object for which potential economic losses may be incurred due to credit risk, as well as off balance accounts such as guarantees, loan agreements, derivatives transactions and others.

(b) Credit risk management

The Group measures the expected loss and unexpected loss separately when measuring credit risk. Expected loss is measured on the basis of both expected PD, which is estimated from historical default rate, and LGD, which is estimated from historical recovery rate. Expected losses are reflected in customer interest rates and allowances when new and extended loans are handled. Unexpected losses, which consider a potential volatility of actual losses compared to expected losses, are estimated statistically and used for the internal capital management purpose.

In addition, a total exposure limit over the Group is introduced to prevent the concentration of immoderate exposure on specific borrowers and industries. The Group controls over the concentration risks by implementing and managing the limit.

Credit risk management of subsidiaries, Jeonbuk Bank and Kwangju Bank, includes processes, such as credit assessment, credit review, and credit supervision for the counterparties, as well as processes of credit risk measurement and limit management. In addition, the Credit Reviewing Group, independent from the operating group, oversees credit policies, credit system, credit assessment and credit review, post management and corporate restructuring, and others whereas the Risk Management Group is responsible for establishing credit risk management policies over all banks, measuring economic capital related to credit risk and managing the limit, setting credit grant limit, supervising credit, verifying credit assessment models, and others.

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(c) Maximum exposure to credit risk

The Group's maximum exposure to credit risk as at December 31, 2025 and 2024, is as follows:

<i>(in millions of Korean won)</i>	2025	2024
On-statement-of-financial-position financial items ¹		
Due from banks ²	₩ 102,192	₩ 97,019
Financial assets at FVTPL ^{3,4}	341,425	288,820
Derivative assets used for hedging	861	376
Financial assets at FVOCI ³	4,409,138	4,238,592
Securities at amortized cost	2,725,799	3,206,470
Loans at amortized cost	56,458,629	52,123,350
Finance lease receivables	237,150	395,042
Other financial assets	886,639	817,053
	<u>65,161,833</u>	<u>61,166,722</u>
Off-statement-of-financial-position financial items		
Financial guarantee contracts	323,241	344,574
Loan commitments	9,530,776	8,845,965
	<u>9,854,017</u>	<u>9,190,539</u>
	<u>₩ 75,015,850</u>	<u>₩ 70,357,261</u>

¹ The maximum exposure amounts for on-statement-of-financial-position items are recorded net of allowances and do not include the effect of any collateral held or other credit enhancements obtained.

² Due from banks does not include cash equivalents and restricted due from banks.

³ Equity securities and beneficiary certificates those are not exposed to credit risk are not included.

⁴ ₩ 3,444,634 million and ₩ 2,189,756 million of puttable financial instruments such as beneficiary certificates classified as debt securities are excluded as at December 31, 2025 and 2024, respectively.

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(d) Concentration by industry sector

Analysis of concentration by industry sector as at December 31, 2025 and 2024, is as follows:

(in millions of Korean won)

	2025								
	Construction	Finance	Manufacturing	Retail and wholesale	Real estate and service	Retail customers	Others	Business combination adjustments	Total
On-statement-of-financial-position financial items									
Due from banks	₩ -	₩ 102,192	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 102,192
Financial assets at FVTPL	1,841	286,768	17,521	-	6,880	-	28,415	-	341,425
Derivative assets used for hedging	-	861	-	-	-	-	-	-	861
Financial assets at FVOCI	-	2,181,643	-	-	287,566	-	1,939,929	-	4,409,138
Securities at amortized cost	-	1,244,439	-	-	59,977	-	1,421,383	-	2,725,799
Loans at amortized cost	2,551,515	5,735,213	2,417,764	1,938,988	11,564,856	21,748,307	10,501,030	956	56,458,629
Finance lease receivables	17,039	763	27,851	41,845	6,814	59,776	83,062	-	237,150
Other financial assets	14,947	466,692	8,696	14,639	70,251	167,663	143,751	-	886,639
	<u>2,585,342</u>	<u>10,018,571</u>	<u>2,471,832</u>	<u>1,995,472</u>	<u>11,996,344</u>	<u>21,975,746</u>	<u>14,117,570</u>	<u>956</u>	<u>65,161,833</u>
Off-statement-of-financial-position financial items									
Financial guarantee contracts									
	27,379	6,633	73,135	54,104	965	280	160,745	-	323,241
Loan commitments	517,509	879,020	417,152	172,543	1,171,575	5,467,664	905,313	-	9,530,776
	<u>544,888</u>	<u>885,653</u>	<u>490,287</u>	<u>226,647</u>	<u>1,172,540</u>	<u>5,467,944</u>	<u>1,066,058</u>	<u>-</u>	<u>9,854,017</u>
	<u>₩ 3,130,230</u>	<u>₩10,904,224</u>	<u>₩ 2,962,119</u>	<u>₩ 2,222,119</u>	<u>₩ 13,168,884</u>	<u>₩ 27,443,690</u>	<u>₩ 15,183,628</u>	<u>₩ 956</u>	<u>₩75,015,850</u>

(in millions of Korean won)

	2024								
	Construction	Finance	Manufacturing	Retail and wholesale	Real estate and service	Retail customers	Others	Business combination adjustments	Total
On-statement-of-financial-position financial items									
Due from banks	₩ -	₩ 97,019	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 97,019
Financial assets at FVTPL	2,948	241,019	25,636	-	5,471	-	13,746	-	288,820
Derivative assets used for hedging	-	376	-	-	-	-	-	-	376
Financial assets at FVOCI	-	1,746,013	-	-	461,005	-	2,031,574	-	4,238,592
Securities at amortized cost	-	1,640,004	-	-	89,714	-	1,476,752	-	3,206,470
Loans at amortized cost	2,258,304	5,190,687	2,513,898	1,810,091	11,430,099	19,353,997	9,564,807	1,467	52,123,350
Finance lease receivables	28,187	1,540	46,854	72,636	12,000	95,077	138,748	-	395,042
Other financial assets	12,989	257,336	10,676	15,617	77,984	287,516	154,935	-	817,053
	<u>2,302,428</u>	<u>9,173,994</u>	<u>2,597,064</u>	<u>1,898,344</u>	<u>12,076,273</u>	<u>19,736,590</u>	<u>13,380,562</u>	<u>1,467</u>	<u>61,166,722</u>
Off-statement-of-financial-position financial items									
Financial guarantee contracts									
	30,782	7,537	102,425	58,646	982	340	143,862	-	344,574
Loan commitments	600,883	354,089	454,747	173,704	743,350	5,420,526	1,098,666	-	8,845,965
	<u>631,665</u>	<u>361,626</u>	<u>557,172</u>	<u>232,350</u>	<u>744,332</u>	<u>5,420,866</u>	<u>1,242,528</u>	<u>-</u>	<u>9,190,539</u>
	<u>₩ 2,934,093</u>	<u>₩ 9,535,620</u>	<u>₩ 3,154,236</u>	<u>₩2,130,694</u>	<u>₩12,820,605</u>	<u>₩25,157,456</u>	<u>₩ 14,623,090</u>	<u>₩ 1,467</u>	<u>₩70,357,261</u>

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(e) Concentration by geographic region

Details of borrowers of loans at amortized cost and financing lease receivables classified by geographic region as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Amount¹	Ratio (%)	Amount¹	Ratio (%)
Republic of Korea	₩ 55,631,458	97.04	₩ 51,651,499	97.26
Cambodia	1,519,114	2.65	1,392,921	2.62
Myanmar	28,004	0.05	20,296	0.04
Vietnam	148,692	0.26	44,305	0.08
	<u>₩ 57,327,268</u>	<u>100.00</u>	<u>₩ 53,109,021</u>	<u>100.00</u>

¹ Loss on deferred loan, discount on present value and provision for bad debt are not included.

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(f) Impairment information

(i) Loans at amortized cost, Finance Lease receivables and Terminated lease receivables

Changes in the total book amount for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	12-month expected credit losses	Lifetime expected credit losses		Subject to the application of credit-impaired approach
		Not credit- impaired	Credit-impaired	
Beginning balance	₩ 47,259,334	₩ 5,164,086	₩ 685,601	₩ -
Transfer to expected 12-month credit losses	1,351,120	(1,348,483)	(2,637)	-
Transfer to financial assets with a lifetime expected credit losses	(2,759,832)	2,767,105	(7,273)	-
Transfer to credit-impaired financial assets	(498,115)	(424,192)	922,307	-
Issuance or purchase	23,811,457	-	-	54,548
Write-offs	-	-	(292,970)	(10)
Recovery of write-offs	(17,062,025)	(1,607,430)	(74,058)	(90)
Disposal or repurchase	(62,004)	(85,256)	(229,390)	(6)
Others	(189,988)	14,080	(58,611)	-
Ending balance	<u>₩ 51,849,947</u>	<u>₩ 4,479,910</u>	<u>₩ 942,969</u>	<u>₩ 54,442</u>

(in millions of Korean won)

	2024			
	12-month expected credit losses	Lifetime expected credit losses		Subject to the application of credit-impaired approach
		Not credit- impaired	Credit-impaired	
Beginning balance	₩ 44,539,220	₩ 5,274,977	₩ 604,697	₩ 18
Transfer to expected 12-month credit losses	1,123,659	(1,122,289)	(1,370)	-
Transfer to financial assets with a lifetime expected credit losses	(3,114,188)	3,123,499	(9,310)	-
Transfer to credit-impaired financial assets	(421,017)	(328,837)	749,854	-
Issuance or purchase	22,193,007	-	-	88
Write-offs	-	-	(357,710)	(6)
Recovery of write-offs	(17,048,242)	(1,625,167)	(143,519)	(77)
Disposal or repurchase	(14,015)	(28,773)	(136,531)	(23)
Others	910	(129,324)	(20,510)	-
Ending balance	<u>₩ 47,259,334</u>	<u>₩ 5,164,086</u>	<u>₩ 685,601</u>	<u>₩ -</u>

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Changes in allowance for expected credit losses for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025					
	Lifetime expected credit losses			Subject to the application of credit-impaired approach		
	12-month expected credit losses	Not credit-impaired	Credit-impaired			
Beginning balance	₩ 241,915	₩ 177,646	₩ 254,748	₩		-
Transfer to expected 12-month credit losses	35,000	(34,738)	(262)			-
Transfer to financial assets with a lifetime expected credit losses	(58,001)	59,328	(1,327)			-
Transfer to credit-impaired financial assets	(115,504)	(70,355)	185,859			-
Write-offs	-	-	(292,970)			(10)
Disposal or repurchase	(6,261)	(10,628)	(107,853)			-
Provision of allowance for expected credit losses ¹	151,261	36,348	312,648			703
Others	(875)	(767)	(16,897)			-
Ending balance	₩ 247,535	₩ 156,834	₩ 333,946	₩		693

¹ Collections of previously written-off receivables amounting to ₩ 27,583 million are included.

(in millions of Korean won)

	2024					
	Lifetime expected credit losses			Subject to the application of credit-impaired approach		
	12-month expected credit losses	Not credit-impaired	Credit-impaired			
Beginning balance	₩ 202,590	₩ 206,340	₩ 213,953	₩		-
Transfer to expected 12-month credit losses	35,052	(34,779)	(272)			-
Transfer to financial assets with a lifetime expected credit losses	(63,239)	64,779	(1,540)			-
Transfer to credit-impaired financial assets	(109,406)	(76,573)	185,979			-
Write-offs	-	-	(357,710)			(6)
Disposal or repurchase	(4,340)	(12,480)	(83,257)			(10)
Provision of allowance for expected credit losses ¹	178,136	32,256	304,649			16
Others	3,122	(1,897)	(7,054)			-
Ending balance	₩ 241,915	₩ 177,646	₩ 254,748	₩		-

¹ Collections of previously written-off receivables amounting to ₩ 25,919 million are included.

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(ii) Debt securities

Changes in the total book amount for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

			2025¹	
	12-month expected credit losses		Lifetime expected credit losses	
			Not credit- impaired	Credit-impaired
Beginning balance	₩	7,447,010	₩	-
Transfer to expected 12-month credit losses		-		-
Transfer to financial assets with a lifetime expected credit losses		-		-
Transfer to credit-impaired financial assets		-		-
Issuance or purchase		7,908,318		-
Write-offs		-		-
Recovery of write-offs		(5,102,862)		-
Disposal or repurchase		(3,060,621)		-
Others		(54,735)		-
Ending balance	₩	<u>7,137,110</u>	₩	<u>-</u>

¹ The amount represents total book amounts of debt securities at FVOCI and at amortized cost.

(in millions of Korean won)

			2024¹	
	12-month expected credit losses		Lifetime expected credit losses	
			Not credit- impaired	Credit-impaired
Beginning balance	₩	7,137,155	₩	-
Transfer to expected 12-month credit losses		-		-
Transfer to financial assets with a lifetime expected credit losses		-		-
Transfer to credit-impaired financial assets		-		-
Issuance or purchase		5,186,499		-
Write-offs		-		-
Recovery of write-offs		(2,775,337)		-
Disposal or repurchase		(2,141,621)		-
Others		40,314		-
Ending balance	₩	<u>7,447,010</u>	₩	<u>-</u>

¹ The amount represents total book amounts of debt securities at FVOCI and at amortized cost.

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Changes in allowance for expected credit losses for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025 ¹					
	12-month expected credit losses		Lifetime expected credit losses			
			Not credit-impaired		Credit-impaired	
Beginning balance	₩	2,932	₩	-	₩	-
Transfer to expected 12-month credit losses		-		-		-
Transfer to financial assets with a lifetime expected credit losses		-		-		-
Transfer to credit-impaired financial assets		-		-		-
Write-offs		-		-		-
Disposal or repurchase		(806)		-		-
Foreign exchange effect		22		-		-
Provision of allowance for expected credit losses		1,492		-		-
Ending balance	₩	3,640	₩	-	₩	-

¹ The amount represents allowance before tax of debt securities at FVOCI and at amortized cost.

(in millions of Korean won)

	2024 ¹					
	12-month expected credit losses		Lifetime expected credit losses			
			Not credit-impaired		Credit-impaired	
Beginning balance	₩	2,874	₩	-	₩	-
Transfer to expected 12-month credit losses		-		-		-
Transfer to financial assets with a lifetime expected credit losses		-		-		-
Transfer to credit-impaired financial assets		-		-		-
Write-offs		-		-		-
Disposal or repurchase		-		-		-
Foreign exchange effect		(558)		-		-
Provision of allowance for expected credit losses		616		-		-
Ending balance	₩	2,932	₩	-	₩	-

¹ The amount represents allowance before tax of debt securities at FVOCI and at amortized cost.

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(iii) Allowance for acceptances and guarantees and allowance for unused loan commitments

Changes in allowance for acceptances and guarantees and allowance for unused loan commitments for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025							
	Allowance for unused loan commitments							
	Lifetime expected credit losses							
	12-month expected credit losses		Not credit-impaired		Credit-impaired		Total	
Beginning balance	₩	10,514	₩	3,799	₩	-	₩	14,313
Transfer to expected 12-month credit losses		1,565		(1,565)		-		-
Transfer to financial assets with a lifetime expected credit losses		(322)		322		-		-
Transfer to credit-impaired financial assets		(20)		(288)		308		-
Provision (reversal) of allowance for expected credit losses		(2,058)		337		(308)		(2,029)
Others (including exchange rate changes)		295		117		-		412
Ending balance	₩	9,974	₩	2,722	₩	-	₩	12,696

(in millions of Korean won)

	2025							
	Allowance for acceptances and guarantees ¹							
	Lifetime expected credit losses							
	12-month expected credit losses		Not credit impaired		Credit-impaired financial assets		Total	
Beginning balance	₩	2,570	₩	427	₩	126	₩	3,123
Transfer to expected 12-month credit losses		153		(153)		-		-
Transfer to financial assets with a lifetime expected credit losses		(126)		126		-		-
Transfer to credit-impaired financial assets		-		-		-		-
Provision (reversal) of allowance for expected credit losses		307		(54)		55		308
Others (including exchange rate changes)		(36)		(1)		-		(37)
Ending balance	₩	2,868	₩	345	₩	181	₩	3,394

¹ Financial guarantee contract liability and allowance for acceptances and guarantees are included.

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(in millions of Korean won)

	2024							
	Allowance for unused loan commitments							
	Lifetime expected credit losses							
	12-month expected credit losses		Not credit-impaired		Credit-impaired		Total	
Beginning balance	₩	10,702	₩	5,000	₩	-	₩	15,702
Transfer to expected 12-month credit losses		1,606		(1,606)		-		-
Transfer to financial assets with a lifetime expected credit losses		(509)		509		-		-
Transfer to credit-impaired financial assets		(30)		(25)		55		-
Provision (reversal) of allowance for expected credit losses		(922)		(462)		(55)		(1,439)
Others (including exchange rate changes)		(333)		383		-		50
Ending balance	₩	10,514	₩	3,799	₩	-	₩	14,313

(in millions of Korean won)

	2024							
	Allowance for acceptances and guarantees ¹							
	Lifetime expected credit losses							
	12-month expected credit losses		Not credit impaired		Credit-impaired financial assets		Total	
Beginning balance	₩	2,037	₩	1,663	₩	126	₩	3,826
Transfer to expected 12-month credit losses		58		(58)		-		-
Transfer to financial assets with a lifetime expected credit losses		(297)		297		-		-
Transfer to credit-impaired financial assets		-		-		-		-
Provision (reversal) of allowance for expected credit losses		839		(1,489)		-		(650)
Others (including exchange rate changes)		(67)		14		-		(53)
Ending balance	₩	2,570	₩	427	₩	126	₩	3,123

¹ Financial guarantee contract liability and allowance for acceptances and guarantees are included.

(g) Information of changes in contractual cash flow

For allowances of financial assets measured based on the lifetime expected credit losses, there is no profit or loss recognized in accordance with the changes in contractual cash flows during 2025 and 2024.

(h) Uncollected contractual financial assets that were written-off but still recovering as at December 31, 2025 and 2024, amount to ₩ 1,114,275 million and ₩ 1,191,736 million, respectively.

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6.3 Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligation associated with financial liabilities due to mismatching the maturity or unexpected cash outflows or others. Liquidity risk also refers to when the Group is only able to procure the financial resources by incurring abnormal costs due to high-interest financing or unfavorable sales of assets. The Group manages liquidity risk so that the total amount of assets with a maturity of less than one month exceeds the total amount of debt with a maturity of less than one month, in accordance with the Financial Holding Companies Act.

Maturity details of undiscounted contractual cash flows due to financial liabilities as at December 31, 2025 and 2024, are as follows. These undiscounted contractual cash flows include expected interest and may differ from the amount presented in the consolidated statements of financial position.

<i>(in millions of Korean won)</i>	2025								
	On demand	Less than 1 month	1~3 months	3~6 months	6 months ~ 1 year	1~3 years	3~5 years	More than 5 years	Total
On-statement-of-financial-position-items									
Financial liabilities at FVTPL	₩ 16,570	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 16,570
Deposits	9,027,190	3,725,958	7,343,856	6,172,484	12,494,668	1,550,618	8,284,560	23,475	48,622,809
Borrowings	6,656	350,710	412,169	496,406	494,520	383,901	276,682	514,088	2,935,132
Debentures	29	399,206	1,093,106	1,796,178	4,083,991	6,664,110	204,163	59,915	14,300,698
Other financial liabilities	115,221	1,218,194	30,240	13,332	414,658	48,894	48,499	19,911	1,908,949
	<u>9,165,666</u>	<u>5,694,068</u>	<u>8,879,371</u>	<u>8,478,400</u>	<u>17,487,837</u>	<u>8,647,523</u>	<u>8,813,904</u>	<u>617,389</u>	<u>67,784,158</u>
Off-statement-of-financial-position-items									
Financial guarantee contracts	323,241	-	-	-	-	-	-	-	323,241
Loan commitments	9,530,776	-	-	-	-	-	-	-	9,530,776
	<u>9,854,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,854,017</u>
	<u>₩ 19,019,683</u>	<u>₩ 5,694,068</u>	<u>₩ 8,879,371</u>	<u>₩ 8,478,400</u>	<u>₩ 17,487,837</u>	<u>₩ 8,647,523</u>	<u>₩ 8,813,904</u>	<u>₩ 617,389</u>	<u>₩ 77,638,175</u>

<i>(in millions of Korean won)</i>	2024								
	On demand	Less than 1 month	1~3 months	3~6 months	6 months ~ 1 year	1~3 years	3~5 years	More than 5 years	Total
On-statement-of-financial-position-items									
Financial liabilities at FVTPL	₩ 17,769	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 17,769
Deposits	8,718,970	3,679,641	7,746,695	7,515,670	8,635,543	1,411,838	7,834,636	23,692	45,566,685
Borrowings	5,625	469,831	323,359	388,278	216,803	525,738	340,959	510,776	2,781,369
Debentures	50,042	301,843	704,997	1,981,844	3,789,833	5,190,474	269,456	62,144	12,350,633
Other financial liabilities	226,001	1,024,039	31,865	18,983	445,458	63,573	51,627	26,127	1,887,673
	<u>9,018,407</u>	<u>5,475,354</u>	<u>8,806,916</u>	<u>9,904,775</u>	<u>13,087,637</u>	<u>7,191,623</u>	<u>8,496,678</u>	<u>622,739</u>	<u>62,604,129</u>
Off-statement-of-financial-position-items									
Financial guarantee contracts	344,574	-	-	-	-	-	-	-	344,574
Loan commitments	8,845,965	-	-	-	-	-	-	-	8,845,965
	<u>9,190,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,190,539</u>
	<u>₩ 18,208,946</u>	<u>₩ 5,475,354</u>	<u>₩ 8,806,916</u>	<u>₩ 9,904,775</u>	<u>₩ 13,087,637</u>	<u>₩ 7,191,623</u>	<u>₩ 8,496,678</u>	<u>₩ 622,739</u>	<u>₩ 71,794,668</u>

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6.4 Market Risk

(a) Market risk management

Market risk is the risk, which may result from trading positions held by the Group subject to changes in market prices, such as interest rates, stock prices and exchange rates.

The purpose of risk management is to secure stability by managing losses within a possible coverage range that may occur from assets and liabilities due to market risk, such as changes in stock prices, interest rates and exchange rates. The objects for market risk management are securities held for trading, foreign exchange net open positions, derivative financial instruments, and assets and liabilities inherent to other market risks, and others. As at December 31, 2025, risks that are exposed to the major market risks are interest rate risks, currency risks and stock risks.

The Group measures and monitors the scale of market risk regularly to manage market risk. The Group establishes market risk limits to maintain and control the appropriateness of the scale of market risk. Subsidiaries, such as banks that hold market risk objects, have established and operate their own market risk management systems.

(b) Trading positions

Trading positions include instruments subject to interest rate, stock, products and foreign exchange variance with an intent to trade. Specifically, these include financial instruments which have the purpose to obtain profits such as short-term trading or short-term capital gains caused by price volatility from stock prices, interest rates, exchange rates and commodity, hedging the risk of trading positions, risk free arbitrage and arguments for the purpose of market making and brokerage. The Group establishes a group-wide trading policy and specifies the types of financial instruments included in the trading position for each risk type and each associate company comply with the policy.

The market risk management principle of the Group's trading position is to periodically measure the degree of market risk, and establish and adhere to various aspects of the market risk limits for management. The Group analyzes the adequacy of income verses the risk through performing profit and loss, and risk assessments regularly.

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(c) Simplified method

The market risk regulatory capital has been calculated using the Basel III simplified approach as follows:

[Market risk regulatory capital = Basel 2.5 standard approach × adjustment factor by asset
(Interest rate: 1.3, stock: 3.5, foreign currencies: 1.2, general instruments: 1.9)]

The Group manages funds conservatively for short-term investment in bonds and stocks, engaging only in simple structured products such as FX SWAP, and due to the small scale of trading, it received approval from the Financial Supervisory Service in January 2023 to apply the simplified method.

The regulatory capital amounts (capital requirement for market risk) related to trading positions as at December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025							
	Non-option instrument		Option instrument					
			Simplified method		Delta plus method		Scenario method	
Interest rate risk	₩	1,869	₩	-	₩	-	₩	-
Stock risk		16		-		25		-
Foreign currencies risk		7,144		-		-		-
General instruments risk		-		-		-		-
Securitized instruments risk		-		-		-		-
Total	₩	9,029	₩	-	₩	25	₩	-

¹ Risk-weighted assets are calculated by multiplying 125 to the above-mentioned capital requirement for market risk.

(in millions of Korean won)

	2024							
	Non-option instrument		Option instrument					
			Simplified method		Delta plus method		Scenario method	
Interest rate risk	₩	2,366	₩	-	₩	-	₩	-
Stock risk		-		-		-		-
Foreign currencies risk		2,760		387		280		452
General instruments risk		-		-		-		-
Securitized instruments risk		-		-		-		-
Total	₩	5,126	₩	387	₩	280	₩	452

¹ Risk-weighted assets are calculated by multiplying 125 to the above-mentioned capital requirement for market risk.

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6.5 Capital Risk Management

(a) Regulatory capital management

The Group complies with the capital adequacy standard established by the Financial Services Commission. The capital adequacy standard is based on Basel III published by Basel Committee on Banking Supervision in Bank of International Settlements in June 2011, and was implemented in Korea in December 2013. The Group maintains a Common Equity Tier 1 ratio of 8%, a minimum Tier 1 ratio of 9.5% and a minimum Total Regulatory Capital of 11.5% or more under Basel III Bank for International Settlement (the "BIS") capital adequacy regulations.

(b) Risk weighted assets for each type of risk included in the calculation of BIS capital adequacy ratio

(i) Credit risk weighted assets

Credit risk is a possibility of potential losses that may arise from borrower default or credit decline. In the case of bank subsidiaries, credit risk weighted assets are calculated in accordance with the detailed rules of the banking supervision, the minimum regulation standard of the Supervisory Authority whereas in case of non-banking subsidiaries, credit risk weighted assets are calculated, according to the standard method, by multiplying the risk weighted according to the degree of risk, based on the counterparty creditworthiness of the assets, the maturity of the bonds, the collateral and guarantees, and others.

(ii) Market risk weighted assets

Market risk is a possibility of potential losses that may arise from fluctuations in market prices, such as stocks, interest rates, and foreign exchange. Market risk-weighted assets are calculated by multiplying 12.5 to the capital requirement for market risk, which is the sum of interest rate, stocks, foreign exchange, commodity and option risk calculated by applying the simplified method of the Appendix 3-2 of rules of the banking supervision.

(iii) Operational risk weighted assets

Operational risk is a potential loss that may arise from improper internal workforce, business process, system, and others. Operating risk-weighted assets are calculated by multiplying 12.5 to the capital requirement for market risk, which is calculated by applying the Appendix 3 of rules of the banking supervision.

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(c) Regulatory capital related to the calculation of BIS capital adequacy ratio

(i) Tier I capital (Common equity Tier 1 capital + Additional Tier 1 capital):

- Common equity Tier I capital: Common equity Tier I capital consists of common stock, capital surplus, retained earnings, accumulated other comprehensive income and other disclosed reserves, and non-controlling interests that meet certain criteria.
- Additional Tier I capital: Additional Tier I capital consists of equity instrument that meet certain criteria for perpetual nature of the equity instrument, any related capital surplus, instruments issued by consolidated subsidiaries of the Group and held by third parties that meet certain criteria.

(ii) Tier II capital (Supplementary capital):

Tier II capital consists of instruments that meet certain criteria for loss absorption in case of liquidation, any related capital surplus, and instruments issued by consolidated subsidiaries of the Group and held by third parties that meet certain criteria.

The Group's BIS ratio as at December 31, 2025 and 2024, is as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Capital:				
Common equity Tier I capital	₩	4,876,079	₩	4,554,755
Additional Tier I capital		587,261		533,535
Tier I capital		5,463,340		5,088,290
Tier II capital		239,680		243,096
	₩	<u>5,703,020</u>	₩	<u>5,331,386</u>
 Total risk-weighted assets	₩	38,757,414	₩	37,314,484
 Capital adequacy ratio:				
Common equity		12.58%		12.21%
Tier I capital ratio		14.10%		13.64%
Tier II capital ratio		0.62%		0.65%
Total capital ratio		<u>14.71%</u>		<u>14.29%</u>

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7. Fair Value of Financial Instruments

7.1 Financial Instruments Measured at Fair Value

Financial instruments measured at fair value as at December 31, 2025 and 2024, by levels of the fair value hierarchy, are as follows:

(in millions of Korean won)

	2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL	₩ 49,174	₩ 2,128,944	₩ 1,740,783	₩ 3,918,901
Derivative assets used for hedging	-	861	-	861
Financial assets at FVOCI	1,719,942	2,706,567	49,238	4,475,747
	<u>₩ 1,769,116</u>	<u>₩ 4,836,372</u>	<u>₩ 1,790,021</u>	<u>₩ 8,395,509</u>
Financial liabilities:				
Financial liabilities at FVTPL	₩ -	₩ 16,570	₩ -	₩ 16,570
Derivative liabilities used for hedging	-	205	-	205
	<u>₩ -</u>	<u>₩ 16,775</u>	<u>₩ -</u>	<u>₩ 16,775</u>

(in millions of Korean won)

	2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL	₩ 7,722	₩ 1,310,531	₩ 1,250,302	₩ 2,568,555
Derivative assets used for hedging	-	376	-	376
Financial assets at FVOCI	1,471,407	2,779,252	44,083	4,294,742
	<u>₩ 1,479,129</u>	<u>₩ 4,090,159</u>	<u>₩ 1,294,385</u>	<u>₩ 6,863,673</u>
Financial liabilities:				
Financial liabilities at FVTPL	₩ -	₩ 17,741	₩ 28	₩ 17,769
Derivative liabilities used for hedging	-	1,817	-	1,817
	<u>₩ -</u>	<u>₩ 19,558</u>	<u>₩ 28</u>	<u>₩ 19,586</u>

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Changes in Level 3 of the fair value hierarchy for the years ended December 31, 2025 and 2024, are as follows:

(in millions of
Korean won)

	2025						
	Beginning balance	Purchases	Dispositions	Transfers between levels of the fair value hierarchy	Changes in fair value		Ending balance
Profit or loss					Other comprehensive income		
Financial assets:							
Financial assets at FVTPL	₩ 1,250,302	₩ 833,042	₩ (544,119)	₩ 47,561	₩ 153,997	₩ -	₩ 1,740,783
Financial assets at FVOCI	44,083	-	-	(8,292)	-	13,447	49,238
	<u>₩ 1,294,385</u>	<u>₩ 833,042</u>	<u>₩ (544,119)</u>	<u>₩ 39,269</u>	<u>₩ 153,997</u>	<u>₩ 13,447</u>	<u>₩ 1,790,021</u>
Financial liabilities:							
Financial liabilities at FVTPL	₩ 28	₩ -	₩ -	₩ (28)	₩ -	₩ -	₩ -
	<u>₩ 28</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ (28)</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>

(in millions of
Korean won)

	2024						
	Beginning balance	Purchases	Dispositions	Transfers between levels of the fair value hierarchy	Changes in fair value		Ending balance
Profit or loss					Other comprehensive income		
Financial assets:							
Financial assets at FVTPL	₩ 938,190	₩ 573,263	₩ (362,752)	₩ 55,396	₩ 46,205	₩ -	₩ 1,250,302
Financial assets at FVOCI	47,738	-	-	(5,918)	-	2,263	44,083
	<u>₩ 985,928</u>	<u>₩ 573,263</u>	<u>₩ (362,752)</u>	<u>₩ 49,478</u>	<u>₩ 46,205</u>	<u>₩ 2,263</u>	<u>₩ 1,294,385</u>
Financial liabilities:							
Financial liabilities at FVTPL	₩ 573	₩ -	₩ -	₩ -	₩ (545)	₩ -	₩ 28
	<u>₩ 573</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ (545)</u>	<u>₩ -</u>	<u>₩ 28</u>

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For Level 3 fair value measurement, changing one or more of the unobservable inputs used to reasonably possible alternative assumptions would have the following effect on profit or loss; other comprehensive income as at December 31, 2025 and 2024, is as follows:

(in millions of Korean won)	2025		2024	
	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets at FVTPL ^{1,2}	₩ 2,408	₩ (2,262)	₩ 2,424	₩ (2,167)
Financial assets at FVOCI ^{1,2}	1,125	(428)	1,223	(438)

¹ For shares for which DCF model is available, changes in their fair value are calculated by increasing or decreasing the correlation between growth ratio (0~1%) and discount rate (-1~1%) or liquidation value (-1~1%) and discount rate (-1~1%), which are significant unobservable inputs.

² Sensitivity disclosures exclude items for which the calculation of sensitivities to changes in other input variables is not practicable in practice.

(d) Valuation techniques and significant unobservable inputs

Valuation techniques and inputs used in measuring fair value of financial instruments classified as level 2 as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)	Type	2025	2024	Valuation techniques	Inputs
Financial assets at FVTPL	Debt securities	₩ 2,108,555	₩ 1,272,788	Discounted cash flow model, comparable company analysis, dividend discount model, net asset value method and option model	Risk-free market rate, market risk premium, beta, foreign exchange rate, stock price, and others
	Derivatives	20,389	37,743		
		<u>2,128,944</u>	<u>1,310,531</u>		
Derivative assets used for hedging	Interest swap	861	376	Discounted cash flow model	Discount rate
Financial assets at FVOCI	Debt securities	2,706,567	2,779,252	Discounted cash flow model	Risk-free market rate, Credit spread
		<u>₩ 4,836,372</u>	<u>₩ 4,090,159</u>		
Financial liabilities at FVTPL	Derivative liabilities	₩ 16,570	₩ 17,741	Discounted cash flow model and option model	Risk-free market rate, forward interest rate, volatility, foreign exchange rate, stock price, and others
Derivative liabilities used for hedging	Interest swap	205	1,817	Discounted cash flow model	Discount rate
		<u>₩ 16,775</u>	<u>₩ 19,558</u>		

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Valuation techniques and inputs used in measuring fair value of financial instruments classified as level 3 as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	Type	2025	2024	Valuation techniques	Inputs
Financial assets at FVTPL	Equity securities	₩ 105,575	₩ 83,514	Discounted cash flow model, net asset value assessment and market value approach method	Discount rate, liquidation value, weighted average cost of capital, similar enterprise PBR and volatility of underlying assets
	Debt securities	1,633,022	1,166,788	Net asset value assessment, market value approach method and binomial model	Price and volatility of underlying assets, weighted average cost of capital, similar enterprise PBR
	Derivative assets	2,186	-	Discounted cash flow model	Volatility of discount rate
		<u>1,740,783</u>	<u>1,250,302</u>		
Financial assets at FVOCI	Equity securities	49,238	44,083	Discounted cash flow model, market value approach method, net asset value assessment, method of comparison with similar enterprise, discounted cash flow of shareholders model and others	Discount rate, growth rate, weighted average cost of capital, similar enterprise PBR, liquidation value, cost of capital and others
		<u>₩ 1,790,021</u>	<u>₩ 1,294,385</u>		
Financial liabilities at FVTPL	Derivative liabilities	-	28	Monte Carlo Simulation model	Volatility of discount rate
		<u>₩ -</u>	<u>₩ 28</u>		

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7.2 Financial Instruments Measured at Amortized Cost

The methods of measuring the fair value of financial instruments measured at amortized cost are as follows:

Type	Measurement methods of fair value
Cash and due from banks	In the case of cash, the book value itself is considered as the fair value. For demand due and payment due from financial institutions, which do not have a fixed maturity and can be immediately converted into cash, the book value is considered as reasonable approximation of fair value. The fair value of ordinary due from financial institutions, is measured by using the DCF model.
Securities at amortized cost	Securities at amortized cost only include interest-bearing securities at amortized cost. Fair values of securities at amortized cost are measured by market prices or professional institutes using reliable data. If reliable data is not available, it is estimated by using market prices of similar credit, maturity and yield.
Loans at amortized cost and finance lease receivables	The fair value of loans and finance lease receivables is based upon discounted expected future cash flows at current market interest rates, including credit spread. The fair value of impaired loans and receivables is based upon discounted expected future cash flows at current market interest rates in which credit risk was reflected.
Deposits and borrowings	The carrying amount of deposits is considered as fair value. The fair value of interest-bearing deposits and borrowings without market prices are discounted at current market interest rates, including credit spread.
Debt securities issued	The fair value is measured by professional credit rating agency's reliable data. If reliable data is not available the fair value of debt securities is based upon contractual cash flows at current market interest rates in which residual risk was reflected.
Other assets and liabilities	The fair value of financial instruments in other assets and liabilities is discounted contractual cash flows at current market interest rates, including credit spread. The carrying amount of financial instruments, which has a maturity within three months, is considered as fair value.

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The carrying amount and the fair value of financial instruments measured at amortized cost as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and due from banks	₩ 2,473,120	₩ 2,473,120	₩ 1,621,550	₩ 1,621,550
Securities at amortized cost	2,725,799	2,716,786	3,206,470	3,202,420
Loans at amortized cost	56,458,629	56,302,130	52,123,350	52,221,644
Finance lease receivables	237,150	231,769	395,042	385,356
Other financial assets	886,639	876,038	817,053	806,154
	<u>₩ 62,781,337</u>	<u>₩ 62,599,843</u>	<u>₩ 58,163,465</u>	<u>₩ 58,237,124</u>
Financial liabilities				
Deposits	₩ 47,779,704	₩ 47,748,400	₩ 44,140,636	₩ 44,129,407
Borrowings	2,870,134	2,866,913	2,654,649	2,644,935
Debentures	14,183,144	14,128,405	12,212,687	12,229,491
Other financial liabilities	1,714,207	1,700,881	1,665,908	1,654,236
	<u>₩ 66,547,189</u>	<u>₩ 66,444,599</u>	<u>₩ 60,673,880</u>	<u>₩ 60,658,069</u>

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The fair value hierarchy of financial instruments that are not measured at fair value, but disclosed at fair value, in the consolidated statements of financial position as at December 31, 2025 and 2024, is as follows:

(in millions of Korean won)

	2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and due from banks	₩ 229,553	₩ 2,243,567	₩ -	₩ 2,473,120
Securities at amortized cost	144,002	2,572,784	-	2,716,786
Loans at amortized cost	-	-	56,302,130	56,302,130
Finance lease receivables	-	-	231,769	231,769
Other financial assets	-	-	876,038	876,038
	<u>₩ 373,555</u>	<u>₩ 4,816,351</u>	<u>₩ 57,409,937</u>	<u>₩ 62,599,843</u>
Financial liabilities				
Deposits	₩ -	₩ 12,461,360	₩ 35,287,040	₩ 47,748,400
Borrowings	-	392,632	2,474,281	2,866,913
Debentures	-	14,126,591	1,814	14,128,405
Other financial liabilities	-	-	1,700,881	1,700,881
	<u>₩ -</u>	<u>₩ 26,980,583</u>	<u>₩ 39,464,016</u>	<u>₩ 66,444,599</u>

(in millions of Korean won)

	2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Cash and due from banks	₩ 246,076	₩ 1,375,474	₩ -	₩ 1,621,550
Securities at amortized cost	163,988	3,038,432	-	3,202,420
Loans at amortized cost	-	-	52,221,644	52,221,644
Finance lease receivables	-	-	385,356	385,356
Other financial assets	-	-	806,154	806,154
	<u>₩ 410,064</u>	<u>₩ 4,413,906</u>	<u>₩ 53,413,154</u>	<u>₩ 58,237,124</u>
Financial liabilities				
Deposits	₩ -	₩ 11,634,015	₩ 32,495,392	₩ 44,129,407
Borrowings	-	495,332	2,149,603	2,644,935
Debentures	-	12,227,501	1,990	12,229,491
Other financial liabilities	-	-	1,654,236	1,654,236
	<u>₩ -</u>	<u>₩ 24,356,848</u>	<u>₩ 36,301,221</u>	<u>₩ 60,658,069</u>

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8. Financial Instruments by Category

8.1 Carrying Amounts of Financial Assets by Category

Carrying amounts of financial assets by category as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025					
	Financial assets at FVTPL	Securities at amortized cost	Financial assets at amortized cost	Financial assets at FVOCI	Derivative assets	Total
Cash and due from banks	₩ -	₩ -	₩ 2,473,119	₩ -	₩ -	₩ 2,473,119
Financial assets at FVTPL	3,918,901	-	-	-	-	3,918,901
Derivative assets used for hedging	-	-	-	-	861	861
Financial assets at FVOCI	-	-	-	4,475,747	-	4,475,747
Securities at amortized cost	-	2,725,799	-	-	-	2,725,799
Loans at amortized cost	-	-	56,458,629	-	-	56,458,629
Finance lease receivables	-	-	237,150	-	-	237,150
Other financial assets	-	-	886,639	-	-	886,639
	<u>₩ 3,918,901</u>	<u>₩ 2,725,799</u>	<u>₩ 60,055,537</u>	<u>₩ 4,475,747</u>	<u>₩ 861</u>	<u>₩ 71,176,845</u>

(in millions of Korean won)

	2024					
	Financial assets at FVTPL	Securities at amortized cost	Financial assets at amortized cost	Financial assets at FVOCI	Derivative assets	Total
Cash and due from banks	₩ -	₩ -	₩ 1,621,550	₩ -	₩ -	₩ 1,621,550
Financial assets at FVTPL	2,568,555	-	-	-	-	2,568,555
Derivative assets used for hedging	-	-	-	-	376	376
Financial assets at FVOCI	-	-	-	4,294,742	-	4,294,742
Securities at amortized cost	-	3,206,470	-	-	-	3,206,470
Loans at amortized cost	-	-	52,123,350	-	-	52,123,350
Finance lease receivables	-	-	395,042	-	-	395,042
Other financial assets	-	-	817,053	-	-	817,053
	<u>₩ 2,568,555</u>	<u>₩ 3,206,470</u>	<u>₩ 54,956,995</u>	<u>₩ 4,294,742</u>	<u>₩ 376</u>	<u>₩ 65,027,138</u>

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8.2 Carrying Amounts of Financial Liabilities by Category

Carrying amounts of financial liabilities by category as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	Financial liabilities at amortized cost	Financial liabilities at FVTPL	Derivative liabilities	Total
Deposits	₩ 47,779,704	₩ -	₩ -	₩ 47,779,704
Financial liabilities at FVTPL	-	16,570	-	16,570
Derivative liabilities used for hedging	-	-	205	205
Borrowings	2,870,134	-	-	2,870,134
Debentures	14,183,144	-	-	14,183,144
Other financial liabilities	1,714,207	-	-	1,714,207
	<u>₩ 66,547,189</u>	<u>₩ 16,570</u>	<u>₩ 205</u>	<u>₩ 66,563,964</u>

(in millions of Korean won)

	2024			
	Financial liabilities at amortized cost	Financial liabilities at FVTPL	Derivative liabilities	Total
Deposits	₩ 44,140,636	₩ -	₩ -	₩ 44,140,636
Financial liabilities at FVTPL	-	17,769	-	17,769
Derivative liabilities used for hedging	-	-	1,817	1,817
Borrowings	2,654,649	-	-	2,654,649
Debentures	12,212,687	-	-	12,212,687
Other financial liabilities	1,665,908	-	-	1,665,908
	<u>₩ 60,673,880</u>	<u>₩ 17,769</u>	<u>₩ 1,817</u>	<u>₩ 60,693,466</u>

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8.3 Finance Income and Finance Costs

Details of finance income and finance costs for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025					
	Interest revenues (expense)	Commission revenues (expense)	Reversal (provision) in allowance for expected credit losses ¹	Others ²	Total	Other comprehen- sive income (before tax)
Due from banks	₩ 14,277	₩ -	₩ -	₩ -	₩ 14,277	₩ -
Financial assets at FVTPL	2,742	-	-	269,675	272,417	-
Financial assets at FVOCI	109,094	-	(422)	44,079	152,751	(56,756)
Securities at amortized cost	83,487	-	(22)	-	83,465	-
Loans at amortized cost	3,353,668	10,237	(477,541)	42,325	2,928,689	-
Other financial assets	8,583	-	(3,138)	-	5,445	-
Financial liabilities at amortized cost	(1,521,651)	-	-	-	(1,521,651)	-
Other financial liabilities	(5,267)	-	-	-	(5,267)	-
	<u>₩ 2,044,933</u>	<u>₩ 10,237</u>	<u>₩ (481,123)</u>	<u>₩ 356,079</u>	<u>₩ 1,930,126</u>	<u>₩ (56,756)</u>

¹ The amount of ₩ 1,722 million related to the reversal (provision) in allowance for unused loan commitments and allowance for acceptances and guarantees, which are off-statement-of-financial-position financial items, is excluded.

² Gain or loss from disposal, redemption, valuation and dividend income are included.

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	2024					
	Interest revenues (expense)	Commission revenues (expense)	Reversal (provision) in allowance for expected credit losses¹	Others²	Total	Other comprehen- sive income (before tax)
Due from banks	₩ 18,778	₩ -	₩ -	₩ -	₩ 18,778	₩ -
Financial assets at FVTPL	10,707	-	-	173,455	184,162	-
Financial assets at FVOCI	102,271	-	-	66,377	168,648	2,825
Securities at amortized cost	93,492	-	(11)	2,453	95,934	-
Loans at amortized cost	3,395,602	37,846	(468,992)	-	2,964,456	-
Other financial assets	14,930	-	(11,694)	-	3,236	-
Financial liabilities at amortized cost	(1,653,277)	-	-	-	(1,653,277)	-
Other financial liabilities	(6,532)	-	-	-	(6,532)	-
	<u>₩ 1,975,971</u>	<u>₩ 37,846</u>	<u>₩ (480,697)</u>	<u>₩ 242,285</u>	<u>₩ 1,775,405</u>	<u>₩ 2,825</u>

¹ The amount of ₩ 2,088 million related to the reversal (provision) in allowance for unused loan commitments and allowance for acceptances and guarantees, which are off-statement-of-financial-position financial items, is excluded.

² Gain or loss from disposal, redemption, valuation and dividend income are included.

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9. Offsetting and Transfer of Financial Assets and Financial Liabilities

Financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025					
	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial assets/liabilities set off in the consolidated statement of financial position	Net amounts of financial assets/liabilities presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral received	
Financial assets						
Domestic exchange settlement receivables	₩ 2,225,810	₩ (1,888,938)	₩ 336,872	₩ -	₩ -	₩ 336,872
Derivative assets ¹	23,436	-	23,436	(6,269)	-	17,167
Bonds purchased under resale agreements	10,700	-	10,700	(10,700)	-	-
Receivable unsettled spot exchange	22,364	-	22,364	(22,151)	-	213
Financial liabilities						
Domestic exchange settlement payables	2,246,044	(1,888,939)	357,105	-	-	357,105
Derivative liabilities ¹	16,775	-	16,775	(6,269)	-	10,506
Bonds sold under repurchase agreements	320,000	-	320,000	(320,000)	-	-
Unpaid unsettled spot exchange	22,352	-	22,352	(22,151)	-	201

¹ Derivatives assets and liabilities include derivatives held for both trading and hedge purposes.

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	2024					
	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial assets/liabilities set off in the consolidated statement of financial position	Net amounts of financial assets/liabilities presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral received	
Financial assets						
Domestic exchange settlement receivables	₩ 2,084,219	₩ (1,740,963)	₩ 343,256	₩ -	₩ -	₩ 343,256
Derivative assets ¹	38,118	-	38,118	(13,724)	-	24,394
Bonds purchased under resale agreements	20,300	-	20,300	(20,300)	-	-
Receivable unsettled spot exchange	10,500	-	10,500	(8,246)	-	2,254
Financial liabilities						
Domestic exchange settlement payables	1,986,632	(1,740,963)	245,669	-	-	245,669
Derivative liabilities ¹	19,586	-	19,586	(13,724)	-	5,862
Bonds sold under repurchase agreements	350,000	-	350,000	(350,000)	-	-
Unpaid unsettled spot exchange	10,522	-	10,522	(8,246)	-	2,276

¹ Derivatives assets and liabilities include derivatives held for both trading and hedge purposes.

The book value of securities transferred but not derecognized is ₩ 999,152 million and ₩ 424,044 million as at December 31, 2025 and 2024, respectively. In case of the Group's securities are loaned, the ownership of the securities is transferred, but is required to be returned when termination of the loaned period, and the Group holds the most of the risks and rewards of the securities, accordingly, the Group continues to recognize the loaned securities in entirety.

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Details of financial instruments under repurchase agreements that have been sold by the Group with the condition of repurchasing the securities at a fixed price, in which the conditions for removal have not been met, as at December 31, 2025 and 2024 are as follows:

(in millions of Korean won)

	2025	
	Book value	
Transferred assets		
Securities at amortized cost	₩	39,900
Financial assets at FVOCI		301,255
Related liability		
Bonds sold under repurchase agreements		320,000

(in millions of Korean won)

	2024	
	Book value	
Transferred assets		
Securities at amortized cost	₩	299,573
Financial assets at FVOCI		79,376
Related liability		
Bonds sold under repurchase agreements		350,000

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10. Cash and Due from Banks

Cash and due from banks as at December 31, 2025 and 2024, consists of:

<i>(in millions of Korean won)</i>	2025		2024	
Cash and cash equivalents				
Cash and cash demand deposit	₩	2,270,189	₩	1,428,396
Due from financial institutions with a maturity under three months from date of acquisition		32,895		61,303
		<u>2,303,084</u>		<u>1,489,699</u>
Due from financial institutions with a maturity over three months from date of acquisition		69,298		35,715
Restricted due from banks		100,738		96,136
	₩	<u>2,473,120</u>	₩	<u>1,621,550</u>

Restricted due from banks as at December 31, 2025 and 2024, is as follows:

<i>(in millions of Korean won)</i>	2025		2024		Grounds law
Due from commercial banks					
Joint compensation fund for loss	₩	500	₩	500	Stock Exchange
Deposit for identification		1		1	Stock Exchange
Deposit for checking accounts and others		4		4	
		<u>505</u>		<u>505</u>	
Deposits in foreign currency		1,727		3,510	
Other deposits		98,506		92,121	National Bank of Cambodia (NBC)
	₩	<u>100,738</u>	₩	<u>96,136</u>	

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11. Financial Assets at Fair Value through Profit or Loss

Details of financial assets at FVTPL as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Financial assets at FVTPL:		
Debt securities in Korean won	₩ 174,550	₩ 112,593
Debt securities in foreign currency	297,415	36,787
Equity securities in Korean won	141,578	64,416
Equity securities in foreign currency	4	5,813
Other securities	3,282,779	2,311,203
	<u>3,896,326</u>	<u>2,530,812</u>
Derivative assets:		
Currency forward	20,389	37,743
Others	2,186	-
	<u>22,575</u>	<u>37,743</u>
	<u>₩ 3,918,901</u>	<u>₩ 2,568,555</u>

12. Financial Assets at Fair Value through Other Comprehensive Income

Details of financial assets at FVOCI as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Equity securities		
Securities	₩ 66,610	₩ 56,150
Debt securities		
Government and public bonds	708,799	1,271,013
Finance bonds	1,155,562	581,440
Corporate bonds	1,483,775	1,962,095
Loaned securities ¹	979,794	424,044
Debt securities in foreign currency	81,207	-
	<u>4,409,137</u>	<u>4,238,592</u>
	<u>₩ 4,475,747</u>	<u>₩ 4,294,742</u>

¹ As securities transferred the ownership under an agreement to return the securities with the identical securities with the equivalent amounts after a certain period, the financial assets are not derecognized in the consolidated financial statements.

As at December 31, 2025 and 2024, provision for expected credit loss of financial assets at FVOCI is ₩ 1,065 million and ₩ 745 million, respectively.

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Details of fair value of equity securities measured at FVOCI as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		
	Acquisition cost	Accumulated other comprehensive income	Fair value (book amount)
Equity securities in Korean won	₩ 95,075	₩ (28,750)	₩ 66,325
Equity securities in foreign currency	285	-	285
	<u>₩ 95,360</u>	<u>₩ (28,750)</u>	<u>₩ 66,610</u>

(in millions of Korean won)

	2024		
	Acquisition cost	Accumulated other comprehensive income	Fair value (book amount)
Equity securities in Korean won	₩ 95,075	₩ (39,208)	₩ 55,867
Equity securities in foreign currency	283	-	283
	<u>₩ 95,358</u>	<u>₩ (39,208)</u>	<u>₩ 56,150</u>

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Details of fair value of debt securities measured at FVOCI as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025				
	Par value	Acquisition cost	Amortization of effective interest rate	Accumulated other comprehensive income	Fair value (book amount)
Government and public bonds	₩ 1,713,000	₩ 1,731,512	₩ (2,816)	₩ (50,095)	₩ 1,678,601
Finance bonds	1,170,000	1,172,689	(1,881)	(5,254)	1,165,554
Corporate bonds	1,494,830	1,510,422	(3,514)	(23,133)	1,483,775
Debt securities in foreign currency	80,354	80,975	2	230	81,207
	<u>₩ 4,458,184</u>	<u>₩ 4,495,598</u>	<u>₩ (8,209)</u>	<u>₩ (78,252)</u>	<u>₩ 4,409,137</u>

(in millions of Korean won)

	2024				
	Par value	Acquisition cost	Amortization of effective interest rate	Accumulated other comprehensive income	Fair value (book amount)
Government and public bonds	₩ 1,667,000	₩ 1,678,444	₩ (2,669)	₩ (10,951)	₩ 1,664,824
Finance bonds	610,000	610,736	248	689	611,673
Corporate bonds	1,957,630	1,960,297	377	1,421	1,962,095
Debt securities in foreign currency	-	-	-	-	-
	<u>₩ 4,234,630</u>	<u>₩ 4,249,477</u>	<u>₩ (2,044)</u>	<u>₩ (8,841)</u>	<u>₩ 4,238,592</u>

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Details of changes in carrying amount of financial assets at FVOCI for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Beginning balance	₩	4,294,742	₩	3,670,873
Increase due to acquisition		7,422,925		5,064,031
Decrease due to disposal and others		(7,177,787)		(4,462,468)
Changes due to effective interest method		(7,217)		67
Changes in fair value		(58,953)		22,203
Others (including exchange rate fluctuations)		2,037		36
Ending balance	₩	<u>4,475,747</u>	₩	<u>4,294,742</u>

Details of realized profit and loss from disposal of financial assets at FVOCI for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Realization profit	Realization loss	Realization profit	Realization loss
Debt securities	₩ 43,685	₩ -	₩ 65,879	₩ 18
	<u>₩ 43,685</u>	<u>₩ -</u>	<u>₩ 65,879</u>	<u>₩ 18</u>

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The maturities of debt securities of financial assets at FVOCI as at December 31, 2025 and 2024, are as follows:

(in millions of
Korean won)

	2025				
	Government and public bonds	Finance bonds	Corporate bonds	Debt securities in foreign currency	Total
Due in 1 month	₩ 9,987	₩ 59,756	₩ 20,003	₩ -	₩ 89,746
Due after 1 month through 3 months	39,894	20,017	19,960	-	79,871
Due after 3 months through 6 months	9,977	109,129	30,123	7,179	156,408
Due after 6 months through 1 year	44,902	409,481	180,904	-	635,287
Due after 1 year through 3 years	237,777	557,428	517,509	7,180	1,319,894
Due after 3 years through 5 years	1,336,062	9,743	715,276	66,848	2,127,929
	<u>₩ 1,678,599</u>	<u>₩ 1,165,554</u>	<u>₩ 1,483,775</u>	<u>₩ 81,207</u>	<u>₩ 4,409,135</u>

(in millions of
Korean won)

	2024				
	Government and public bonds	Finance bonds	Corporate bonds	Debt securities in foreign currency	Total
Due in 1 month	₩ -	₩ 19,980	₩ 19,982	₩ -	₩ 39,962
Due after 1 month through 3 months	189,537	39,882	29,942	-	259,361
Due after 3 months through 6 months	129,188	59,853	215,453	-	404,494
Due after 6 months through 1 year	178,063	29,968	208,086	-	416,117
Due after 1 year through 3 years	238,864	441,501	440,870	-	1,121,235
Due after 3 years through 5 years	929,172	20,489	1,047,762	-	1,997,423
	<u>₩ 1,664,824</u>	<u>₩ 611,673</u>	<u>₩ 1,962,095</u>	<u>₩ -</u>	<u>₩ 4,238,592</u>

Dividend income related to financial assets at FVOCI for the years ended December 31, 2025 and 2024, is ₩ 87 million and ₩ 516 million, respectively.

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13. Securities at Amortized Cost

Securities at amortized cost as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Government and public bonds	₩	720,382	₩	791,725
Finance bonds		199,951		239,868
Corporate bonds and others		1,788,282		2,176,825
Loaned securities ¹		19,358		-
Less: Allowance for expected credit losses		(2,174)		(1,948)
	₩	2,725,799	₩	3,206,470

¹ As securities transferred the ownership under an agreement to return the securities with the identical securities with the equivalent amounts after a certain period, the financial assets are not derecognized in the consolidated financial statements.

Details of securities at amortized cost as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>		2025				
	Par value	Acquisition cost	Amortization of effective interest rate	Allowance for expected credit losses	Book amount	
Government and public bonds	₩ 738,980	₩ 706,623	₩ 13,758	₩ (986)	₩ 719,395	
Finance bonds	200,000	199,519	432	(66)	199,885	
Corporate bonds and others	1,808,179	1,807,649	(9)	(1,121)	1,806,519	
	₩ 2,747,159	₩ 2,713,791	₩ 14,181	₩ (2,173)	₩ 2,725,799	

<i>(in millions of Korean won)</i>		2024				
	Par value	Acquisition cost	Amortization of effective interest rate	Allowance for expected credit losses	Book amount	
Government and public bonds	₩ 803,800	₩ 778,160	₩ 13,565	₩ (897)	₩ 790,828	
Finance bonds	240,000	239,591	277	(53)	239,815	
Corporate bonds and others	2,176,940	2,181,428	(4,603)	(998)	2,175,827	
	₩ 3,220,740	₩ 3,199,179	₩ 9,239	₩ (1,948)	₩ 3,206,470	

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Changes in carrying amount of securities at amortized cost for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Beginning balance	₩	3,206,470	₩	3,525,113
Increase due to acquisition		477,579		112,498
Decrease due to redemption		(962,593)		(437,707)
Changes due to effective interest method		4,579		4,364
Allowance for credit losses		(225)		(110)
Others (including exchange rate fluctuations)		(11)		2,312
	₩	<u>2,725,799</u>	₩	<u>3,206,470</u>

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The maturities of securities at amortized cost as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025							
	Government and public bonds		Finance bonds		Corporate bonds and others		Total	
Due in 1 month	₩	-	₩	59,906	₩	22,848	₩	82,754
Due after 1 month through 3 months		54,896		30,024		59,938		144,858
Due after 3 months through 6 months		30,839		40,048		39,925		110,812
Due after 6 months through 1 year		130,756		29,981		172,035		332,772
Due after 1 year through 3 years		147,340		39,926		814,530		1,001,796
Due after 3 years through 5 years		355,565		-		697,242		1,052,807
	₩	<u>719,396</u>	₩	<u>199,885</u>	₩	<u>1,806,518</u>	₩	<u>2,725,799</u>

(in millions of Korean won)

	2024							
	Government and public bonds		Finance bonds		Corporate bonds and others		Total	
Due in 1 month	₩	9,992	₩	20,000	₩	49,689	₩	79,681
Due after 1 month through 3 months		59,894		20,000		84,976		164,870
Due after 3 months through 6 months		29,952		9,992		133,699		173,643
Due after 6 months through 1 year		208,002		60,039		239,653		507,694
Due after 1 year through 3 years		298,629		119,843		844,883		1,263,355
Due after 3 years through 5 years		184,359		9,941		822,927		1,017,227
	₩	<u>790,828</u>	₩	<u>239,815</u>	₩	<u>2,175,827</u>	₩	<u>3,206,470</u>

Gain on disposal and redemption of financial assets at amortized cost for the years ended December 31, 2025 and 2024 are ₩ 0 million and ₩ 2,453 million, respectively.

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14. Investments in Subsidiaries ,Associates and Joint ventures

Investments in associates as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)	Main business	Location	Closing month	2025				2024			
				Percentage of ownership (%)	Acquisition cost	Book amount	Group's share	Percentage of ownership (%)	Acquisition cost	Book amount	Group's share
Gwangju Global Motors Co.,Ltd ¹	Manufacturing	Korea	December	11.30	₩ 26,000	₩ 28,989	₩ 28,989	11.30	₩ 26,000	₩ 27,465	₩ 27,465
KCGI-IMM Performance-Linked Private Bond Fund No.1	Other finance	Korea	December	33.33	16,000	15,988	15,986	-	-	-	-
PAYON CO.,LTD ²	Others	Cambodia	December	33.33	752	-	-	33.33	752	-	-
DS SHINHAN JBWOORI New Media Investment Fund ¹	Other investment	Korea	December	10.42	3,188	2,586	2,925	10.42	5,000	4,823	4,823
Atman-JBwoori New Technology Fund ^{1st 4}	Other investment	Korea	December	-	-	-	-	29.41	2,500	2,409	2,409
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund	Other investment	Korea	December	30.00	8,460	11,022	11,022	30.00	14,250	13,868	13,868
Meritz-JB New Technology Fund No.1	Other investment	Korea	December	29.41	6,815	8,913	8,199	29.41	10,000	9,993	9,993
SKS PE-JB Woori New Technology Business Investment Fund No. 1	Other investment	Korea	December	37.04	6	1,108	1,108	37.04	6,000	5,976	5,976
Bokwang-JB Asia Energy Fund No.3	Other investment	Korea	December	30.00	3,432	3,595	3,595	30.00	3,600	3,719	3,719
JB Woori Kiwoom Apollo NewTech fund	Other investment	Korea	December	29.85	12,000	14,263	14,263	29.85	12,000	12,037	12,037
JB-Rhinos 1 fund	Other investment	Korea	December	27.52	4,624	4,669	4,669	27.52	6,000	5,713	5,713
JB Woori-Petrico First New Technology Business Investment Fund ¹	Other investment	Korea	December	18.69	2,654	3,262	3,262	18.69	6,000	5,893	5,893
JB Woori-Pacific Maritime New Technology Investment Fund No. 1	Other investment	Korea	December	29.43	2,160	2,124	2,124	29.43	2,400	2,355	2,355
JB Woori-DS Contents New Technology Fund ¹	Other investment	Korea	December	19.05	2,000	2,062	2,062	19.05	2,000	1,967	1,967
JB Woori-IBKC-TNK New Technology Business Investment Fund	Other investment	Korea	December	30.00	8,700	13,410	13,410	30.00	8,700	8,601	8,601
Prodigy No. 24 Investment Fund ⁴	Other investment	Korea	December	-	-	-	-	22.08	2,870	2,848	2,848
Happy Pet Lifecare Fund No.1	Other investment	Korea	December	24.63	1,428	1,525	1,525	-	-	-	-
CAPE-THEJ-PHAROS Mezzanine Fund	Other investment	Korea	December	26.02	1,699	1,621	1,659	-	-	-	-
MW NewMobility New Technology Investment Fund	Other investment	Korea	December	23.26	982	1,226	-	-	-	-	-
IBKS Renewable Energy Fund	Other investment	Korea	December	23.15	500	478	478	-	-	-	-
NH-Susung No.1 Mezzanine New Technology Investment	Other investment	Korea	December	24.37	2,954	3,087	3,087	-	-	-	-
JW-IBKC NO.1 Fund	Other investment	Korea	December	26.93	1,476	1,438	1,438	-	-	-	-
PLUX Technology Innovation Fund #1	Other investment	Korea	December	29.99	990	950	950	-	-	-	-
LAGUNA Pre-IPO Easytem Fund No.11	Other investment	Korea	December	22.47	987	960	960	-	-	-	-

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(in millions of Korean won)	Main business	Location	Closing month	2025				2024			
				Percentage of ownership (%)	Acquisition cost	Book amount	Group's share	Percentage of ownership (%)	Acquisition cost	Book amount	Group's share
Timefolio Athleisure Investment Fund	Other investment	Korea	December	24.10	3,011	1,847	1,847	-	-	-	-
AFWP-Pacific-Venturerise Deep Pocket Fund No.2	Other investment	Korea	December	25.58	1,795	1,557	1,557	-	-	-	-
ST41 Fund	Other investment	Korea	December	21.05	2,342	2,230	2,230	-	-	-	-
Samsung Innovative Fund No.1	Other investment	Korea	December	23.53	955	923	923	-	-	-	-
Kyobo HSquare UTG Technology Investment Fund	Other investment	Korea	December	24.19	1,480	1,462	1,462	-	-	-	-
Meritz-SK Fund 1	Other investment	Korea	December	28.30	593	988	549	-	-	-	-
Yellow Sea Frontier Private Equity Fund I	Other investment	Korea	December	30.57	985	967	967	-	-	-	-
PLUX Technology Innovation Fund #2	Other investment	Korea	December	24.51	739	761	761	-	-	-	-
SynergyIB Digital Great Transformation Investment	Other investment	Korea	December	28.17	85	789	789	-	-	-	-
Cresit ace fund	Other investment	Korea	December	27.78	597	675	675	-	-	-	-
Newmain V Fund	Other investment	Korea	December	27.10	993	1,269	1,269	-	-	-	-
Ascent-DA Fund 1	Other investment	Korea	December	24.59	1,500	1,468	1,468	-	-	-	-
HARANG-IPVINE Contents Investment Fund	Other investment	Korea	December	24.00	1,966	1,908	1,908	-	-	-	-
Elohim-Bilanx aerospace No.1 Fund	Other investment	Korea	December	20.94	1,845	1,954	1,954	-	-	-	-
Shinhan-Csquared Mezzanine Fund 1	Other investment	Korea	December	28.30	1,494	1,462	1,462	-	-	-	-
HARANG-ADVENTURE-MOBYDICK new technology Invest	Other investment	Korea	December	23.53	1,200	1,166	1,166	-	-	-	-
NH-MOORIM Dentalcare Fund 1	Other investment	Korea	December	26.79	3,000	2,903	2,903	-	-	-	-
Eventus LIB No.1-2 PEF	Other investment	Korea	December	29.70	1,008	1,431	1,426	-	-	-	-
Eugene Gourmet Private Equity Fund	Other investment	Korea	December	20.35	1,500	1,433	1,433	-	-	-	-
AFWP Investment Trust 15	Other investment	Korea	December	24.27	1,000	971	971	-	-	-	-
Pureun Riata Fund No.1	Other investment	Korea	December	29.41	500	490	490	-	-	-	-
Elohim Newmain II Fund	Other investment	Korea	December	30.00	1,200	1,168	1,168	-	-	-	-
Prodigy Fund 25	Other investment	Korea	December	28.99	1,200	1,175	1,175	-	-	-	-
DA-YP Fund No.1	Other investment	Korea	December	42.74	1,500	1,471	1,471	-	-	-	-
BNK Global Medical Device New Technology 1st Inve	Other investment	Korea	December	25.00	1,500	1,472	1,472	-	-	-	-
Cheongdam-Frontier Investment Fund	Other investment	Korea	December	29.27	1,200	1,110	1,168	-	-	-	-
T&K Companion Private Equity Fund	Other investment	Korea	December	22.67	1,950	1,902	1,908	-	-	-	-
MW M·C·E New Technology Investment Fund 2nd	Other investment	Korea	December	23.31	2,000	2,751	2,751	-	-	-	-
JBWoori-Petrichor Material Science Investment Fund	Other investment	Korea	December	23.80	5,000	4,598	4,598	-	-	-	-
BNI-VISION Fund 1	Other investment	Korea	December	20.98	1,869	1,868	1,868	-	-	-	-

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(in millions of Korean won)	Main business	Location	Closing month	2025				2024			
				Percentage of ownership (%)	Acquisition cost	Book amount	Group's share	Percentage of ownership (%)	Acquisition cost	Book amount	Group's share
KIWOOM-J&M New Technology Business Investment Fund	Other investment	Korea	December	29.55	1,300	1,279	1,279	-	-	-	-
Pectus JB Woori Fund No.1 ¹	Other investment	Korea	December	3.60	1,100	1,878	1,878	-	-	-	-
IBKC-JB-LIFE Mezzanine Fund No.1	Other investment	Korea	December	29.88	7,500	7,285	7,285	-	-	-	-
LIFE-JB HJ FUND 1 ¹	Other investment	Korea	December	18.60	4,000	4,731	4,731	-	-	-	-
Harang-MGL New Technology Fund	Other investment	Korea	December	43.86	2,000	1,990	1,990	-	-	-	-
JB Woori-KWP 1st Private Equity Fund	Other investment	Korea	December	29.90	9,000	9,134	9,134	-	-	-	-
Wantedlab 2503 Investment Fund	Other investment	Korea	December	23.53	1,000	966	966	-	-	-	-
TIP-MDM No.1 Private Equity Fund	Other investment	Korea	December	23.08	3,000	2,908	2,908	-	-	-	-
Audastone Project Nova Private Equity Fund	Other investment	Korea	December	39.92	2,000	1,924	1,924	-	-	-	-
Heungkuk SmartConnect Fund No.1	Other investment	Korea	December	23.58	2,500	2,455	2,455	-	-	-	-
Samsung Fintech innovation Fund No.1	Other investment	Korea	December	37.74	2,000	1,964	1,964	-	-	-	-
YG Digital Fund	Other investment	Korea	December	44.01	753	625	400	-	-	-	-
ST-Ground Fund No.1	Other investment	Korea	December	30.00	1,500	1,498	1,498	-	-	-	-
TY-DS F&B Fund	Other investment	Korea	December	21.28	5,000	4,932	4,932	-	-	-	-
JB Hotel Private Real Estate Fund 2	Collective investment	Korea	December	23.86	2,000	10,545	3,471	23.86	2,000	5,902	5,902
JB Clean-energy Special Private Asset Investment Trust 1 ¹	Collective investment	Korea	December	3.52	342	339	345	3.52	437	433	433
JB Bio Venture 1 ¹	Collective investment	Korea	December	18.10	194	89	89	17.67	350	350	350
JB Australia NDIS Private Fund 1 ¹	Collective investment	Korea	December	0.99	15	4	4	0.99	15	8	8
JB IPO Investment Type Private Fund 2	Collective investment	Korea	December	31.56	967	1,056	1,056	45.27	967	985	985
JB Industrial Complex 44 ¹	Collective investment	Korea	December	1.00	850	897	897	1.00	850	887	887
JB Incheon Geomdan Bucheon Goean REITs No. 54 ¹	Collective investment	Korea	December	0.93	118	117	117	0.93	118	117	117
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53 ¹	Collective investment	Korea	December	0.70	18	18	18	0.70	113	112	112
JB EBEST Autonomous The Current Fund No.3 ¹	Other investment	Korea	December	2.28	64	56	56	2.28	100	95	95
JB Industrial Private Fund 59 ¹	Collective investment	Korea	December	0.96	485	502	502	0.96	485	503	503
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY ¹	Collective investment	Korea	December	0.32	600	553	553	0.32	100	102	102
JB Special Situation Private real estate Fund No. 63 ¹	Collective investment	Korea	December	4.76	1,221	1,251	1,256	4.76	1,781	1,777	1,777
JB Multi Strategy IPO No. 1	Collective investment	Korea	December	28.57	2,000	2,054	2,053	22.96	2,000	2,000	2,000
JB New Growth KOSDAQ Venture Private Investment	Collective investment	Korea	December	12.50	1,000	1,064	1,064	12.50	1,000	1,040	1,040

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(in millions of Korean won)	Main business	Location	Closing month	2025				2024				
				Percentage of ownership (%)	Acquisition cost	Book amount	Group's share	Percentage of ownership (%)	Acquisition cost	Book amount	Group's share	
Trust No. 1 ¹												
JB Industrial Private Fund 69 ⁴	Collective investment	Korea	December	-	-	-	-	0.99	280	283	283	
JB Hongdae High Street General Private Real Estate Investment Trust No. 72	Collective investment	Korea	December	1.71	2,000	2,015	2,000	-	-	-	-	
2016 Mega-Growth Ladder Follow-on Fund	Other investment	Korea	December	20.00	1,701	3,679	3,679	20.00	1,701	4,342	4,342	
MEGA GEMSTONE Investment Fund No.1 ¹	Other investment	Korea	December	13.70	1,000	134	134	13.70	1,000	188	188	
2017 Mega RS Fund ¹	Other investment	Korea	December	15.00	2,010	2,694	2,694	15.00	2,055	3,369	3,369	
MEGA Youth-Jobs Leverage Fund ¹	Other investment	Korea	December	5.00	100	2,358	2,336	5.00	760	3,198	3,198	
Mega Trend Start-up No.2 Partnership ¹	Other investment	Korea	December	12.00	2,604	2,673	2,673	12.00	2,760	2,834	2,834	
Smart Korea Mega Youth Fund ¹	Other investment	Korea	December	17.50	3,038	3,009	3,009	17.50	3,269	3,271	3,271	
Mega-HGI Double Impact Fund ¹	Other investment	Korea	December	7.32	1,500	1,672	1,672	7.32	1,500	1,605	1,605	
Mega Agricultural Venture Fund No.3 ¹	Other investment	Korea	December	8.00	928	945	945	8.00	928	1,068	1,068	
Smart Untact JB-MEGA Fund ¹	Other investment	Korea	December	15.00	3,000	2,772	2,772	15.00	2,400	2,126	2,126	
2023 JB Newtech No.2 Fund ⁴	Other investment	Korea	December	-	-	-	-	0.29	16	21	21	
Artman-JB-Global One New Technology Partnership 1 ¹	Other investment	Korea	December	3.79	400	390	390	3.79	400	448	448	
JB Dooeun-TK India Fund No. 1 ¹	Other investment	Korea	December	4.42	250	242	242	4.42	250	247	247	
2024 JB Frontier Fund	Other investment	Korea	December	20.00	1,000	988	988	20.00	1,000	999	999	
2024 JB Newtech No.1 Fund 1 ¹	Other investment	Korea	December	8.70	1,000	980	980	8.70	1,000	1,000	1,000	
JB Innoculture Fund ¹	Other investment	Korea	December	22.50	5,350	5,251	5,252	-	-	-	-	
2025 JB Music Project Fund #1 ¹	Other investment	Korea	December	14.08	1,000	992	992	-	-	-	-	
Pathway-JB Global New Technology Fund No.1 ¹	Other investment	Korea	December	14.91	750	743	743	-	-	-	-	
JADE JB Triple Newtechfund	Other investment	Korea	December	40.00	800	792	792	-	-	-	-	
Honors-JB Aero Intelligence Fund ¹	Other investment	Korea	December	13.64	1,500	1,487	1,487	-	-	-	-	
2025 JB Commerce Project Fund #1 ¹	Other investment	Korea	December	11.81	1,500	1,490	1,490	-	-	-	-	
JB-Omega Fund	Other investment	Korea	December	21.40	1,500	1,495	1,495	-	-	-	-	
2025 IBK-JB Innoculture Fund II	Other investment	Korea	December	10.00	680	679	679	-	-	-	-	
KB Credit Capital Private Fund No.1	Other investment	Korea	December	20.94	15,444	15,444	16,974	-	-	-	-	
Kiwoom-Aurum Global Software Investment Fund	Other investment	Korea	December	38.06	4,398	4,398	3,995	-	-	-	-	
Atman-Bilanx New Tech Fund No.1	Other investment	Korea	December	36.36	3,424	3,424	3,853	-	-	-	-	
Atman-Moorim-GlobalOne New Technology Fund	Other investment	Korea	December	26.40	4,022	4,022	3,858	-	-	-	-	
FINDA INC. ³	Finance platform	Korea	December	24.70	44,721	42,264	-	25.20	44,721	42,271	-	
HAN PASS CO.,LTD. ⁵	Finance platform	Korea	December	-	-	-	-	5.99	3,132	3,966	1,321	

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(in millions of Korean won)	Main business	Location	Closing month	2025				2024			
				Percentage of ownership (%)	Acquisition cost	Book amount	Group's share	Percentage of ownership (%)	Acquisition cost	Book amount	Group's share
OKXE INC. ¹	Lifestyle platform	Korea	December	3.11	415	391	56	3.11	207	207	207
AhnLab Blockchain Company ¹	Application software development and supply	Korea	December	4.96	3,250	3,250	147	-	-	-	-
					<u>₩ 315,626</u>	<u>₩ 342,232</u>	<u>₩ 288,652</u>		<u>₩ 185,767</u>	<u>₩ 193,421</u>	<u>₩ 148,505</u>

¹ Although the ownership interests are less than 20% of the shares, the Group is deemed to have a significant influence over the entities as the Group has an ability to participate the entities' decision-making processes.

² The Group has stopped recognizing equity method investment. As a result, the cumulative loss amount of unrecognized investor's equity is ₩ 736 million.

³ The book amount includes investment differences such as goodwill.

⁴ Disposed of and liquidated during the year ended December 31, 2025.

⁵ As the Group lost its ability to participate in the entities' decision-making processes during the year ended December 31, 2025 and significant influence ceased to exist, the investment was reclassified to financial assets at FVTPL.

Changes in investments in associates for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)	2025						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
Gwangju Global Motors Co.,Ltd	₩ 27,465	₩ -	₩ -	₩ -	₩ 1,588	₩ (64)	₩ 28,989
KCGI-IMM Performance-Linked Private Bond Fund No.1	-	16,000	-	-	(12)	-	15,988
PAYON CO.,LTD ¹	-	-	-	-	-	-	-
DS SHINHAN JBWOORI New Media Investment Fund 1	4,823	-	(1,812)	(340)	(85)	-	2,586
Atman-JBWoori New Technology Fund 1st ³	2,409	-	(3,299)	-	890	-	-
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund	13,868	-	(5,790)	-	2,944	-	11,022
Meritz-JB New Technology	9,993	-	(3,185)	-	2,105	-	8,913

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	2025						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
Fund No.1							
SKS PE-JB Woori New Technology Business							
Investment Fund No. 1	5,976	-	(5,994)	(474)	1,600	-	1,108
Bokwang-JB Asia Energy Fund No.3	3,719	-	(168)	-	44	-	3,595
JB Woori Kiwoom Apollo NewTech fund	12,037	-	-	-	2,226	-	14,263
JB-Rhinos 1 fund	5,713	-	(1,376)	-	136	196	4,669
JB Woori-Petrico First New Technology Business							
Investment Fund 1	5,893	-	(3,347)	-	716	-	3,262
JB Woori-Pacific Maritime New Technology							
Investment Fund No. 1	2,355	-	(240)	(156)	165	-	2,124
JB Woori-DS Contents New Technology Fund 1	1,967	-	-	-	95	-	2,062
JB Woori-IBKC-TNK New Technology Business							
Investment Fund	8,601	-	-	-	4,809	-	13,410
Prodigy No. 24 Investment Fund ²	2,848	-	(2,848)	-	-	-	-
Happy Pet Lifecare Fund No.1	-	1,428	-	-	97	-	1,525
CAPE-THEJ-PHAROS Mezzanine Fund	-	2,371	(672)	(38)	(40)	-	1,621
Happy Pet Lifecare Fund No.2 ³	-	1,934	(2,001)	-	67	-	-
MW NewMobility New Technology Investment							
Fund	-	982	-	-	244	-	1,226
IBKS Renewable Energy Fund	-	500	-	-	(22)	-	478
NH-Susung No.1 Mezzanine New Technology							
Investment	-	2,954	-	-	133	-	3,087
Hanwha Security Tech New Technology Investment							
Fund ²	-	1,478	(1,478)	-	-	-	-
JW-IBKC NO.1 Fund	-	1,476	-	-	(38)	-	1,438
PLUX Technology Innovation Fund #1	-	990	-	-	(40)	-	950
LAGUNA Pre-IPO Easytem Fund No.11	-	987	-	-	(27)	-	960
Timefolio Athleisure Investment Fund	-	3,011	-	-	(1,164)	-	1,847
AFWP-Pacific-Venturerise Deep Pocket Fund No.2	-	1,977	(182)	-	(238)	-	1,557
ST41 Fund	-	2,342	-	-	(112)	-	2,230
Samsung Innovative Fund	-	2,085	(1,129)	(160)	127	-	923

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	2025						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
No.1							
Kyobo HSquare UTG							
Technology Investment							
Fund	-	1,480	-	-	(18)	-	1,462
Meritz-SK Fund 1	-	1,442	(849)	(907)	1,302	-	988
Yellow Sea Frontier Private							
Equity Fund I	-	985	-	-	(18)	-	967
PLUX Technology							
Innovation Fund #2	-	974	(236)	(107)	130	-	761
SynergyIB Digital Great							
Transformation Investment	-	1,855	(1,770)	-	704	-	789
Cresit ace fund	-	715	(117)	-	77	-	675
Newmain V Fund	-	993	-	-	276	-	1,269
YG Global Bio New							
Technology Investment							
Fund No. 1 ³	-	994	-	(1,154)	160	-	-
Ascent-DA Fund 1	-	1,500	-	-	(32)	-	1,468
HARANG-IPVINE Contents							
Investment Fund	-	1,966	-	-	(58)	-	1,908
Elohim-Bilanx aerospace							
No.1 Fund	-	1,845	-	-	109	-	1,954
Shinhan-Csquared							
Mezzanine Fund 1	-	1,494	-	-	(32)	-	1,462
TIAENKAELEEMEGASAM							
O INVESTMENT LIMITED							
PARTNERSHIP ³	-	900	(905)	(240)	245	-	-
HARANG-ADVENTURE-							
MOBYDICK new							
technology Invest	-	1,200	-	-	(34)	-	1,166
NH-MOORIM Dentalcare							
Fund 1	-	3,000	-	-	(97)	-	2,903
MW New Infrastructure							
New Technology							
Investment Fund No. 1 ³	-	500	(427)	(133)	60	-	-
KEULROBEU1HOSAMO							
INVESTMENT LIMITED							
PARTNERSHIP ³	-	2,000	(1,792)	(300)	92	-	-
Eventus LIB No.1-2 PEF	-	3,000	(1,992)	-	423	-	1,431
Eugene Gourmet Private							
Equity Fund	-	1,500	-	-	(67)	-	1,433
AFWP Investment Trust 15	-	1,000	-	-	(29)	-	971
Pureun Riata Fund No.1	-	500	-	-	(10)	-	490
Elohim Newmain II Fund	-	1,200	-	-	(32)	-	1,168
Prodigy Fund 25	-	1,200	-	-	(25)	-	1,175
DA-YP Fund No.1	-	1,500	-	-	(29)	-	1,471
BNK Global Medical Device							
New Technology 1st Inve	-	1,500	-	-	(28)	-	1,472
Cheongdam-Frontier							
Investment Fund	-	1,200	-	(93)	3	-	1,110

JB Financial Group Co., Ltd. and Subsidiaries

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(in millions of
Korean won)

	2025						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
T&K Companion Private Equity Fund	-	1,950	-	-	(48)	-	1,902
MW M-C-E New Technology Investment Fund 2nd	-	2,000	-	-	751	-	2,751
JBWoori-Petrichor Material Science Investment Fund	-	5,000	-	-	(402)	-	4,598
BNI-VISION Fund 1	-	1,869	-	-	(1)	-	1,868
KIWOOM-J&M New Technology Business Investment Fund	-	1,300	-	-	(21)	-	1,279
Pectus JB Woori Fund No.1	-	1,100	-	-	778	-	1,878
IBKC-JB-LIFE Mezzanine Fund No.1	-	7,500	-	-	(215)	-	7,285
LIFE-JB HJ FUND 1	-	4,000	-	-	731	-	4,731
Harang-MGL New Technology Fund	-	2,000	-	-	(10)	-	1,990
JB Woori-KWP 1st Private Equity Fund	-	9,000	-	-	134	-	9,134
Wantedlab 2503 Investment Fund	-	1,000	-	-	(34)	-	966
TIP-MDM No.1 Private Equity Fund	-	3,000	-	-	(92)	-	2,908
Audastone Project Nova Private Equity Fund	-	2,000	-	-	(76)	-	1,924
Heungkuk SmartConnect Fund No.1	-	2,500	-	-	(45)	-	2,455
Samsung Fintech innovation Fund No.1	-	2,000	-	-	(36)	-	1,964
YG Digital Fund	-	753	-	-	(128)	-	625
ST-Ground Fund No.1	-	1,500	-	-	(2)	-	1,498
TY-DS F&B Fund	-	5,000	-	-	(68)	-	4,932
JB Hotel Private Real Estate Fund 2	5,902	2,775	-	-	1,868	-	10,545
JB Clean-energy Special Private Asset Investment Trust 1	433	-	(95)	-	1	-	339
JB Bio Venture 1	350	-	(156)	-	(105)	-	89
JB Australia NDIS Private Fund 1	8	-	-	-	(4)	-	4
JB IPO Investment Type Private Fund 2	985	-	-	-	71	-	1,056
JB Industrial Complex 44	887	-	-	-	10	-	897
JB Incheon Geomdan Bucheon Goean REITs No. 54	117	-	-	-	-	-	117
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53	112	-	(95)	(22)	23	-	18
JB EBEST Autonomous The	95	-	(54)	-	15	-	56

JB Financial Group Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

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(in millions of
Korean won)

	2025						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
Current Fund No.3							
JB Industrial Private Fund							
59	503	-	-	-	(1)	-	502
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY	102	500	-	-	(49)	-	553
JB Special Situation Private real estate Fund No. 63	1,777	562	(1,114)	(180)	206	-	1,251
JB Multi Strategy IPO No. 1	2,000	-	-	(83)	137	-	2,054
JB New Growth KOSDAQ Venture Private Investment Trust No. 1	1,040	-	-	(75)	99	-	1,064
JB Industrial Private Fund 69 ³	283	-	(289)	-	6	-	-
JB Hongdae High Street General Private Real Estate Investment Trust No. 72	-	2,000	-	-	15	-	2,015
2016 Mega-Growth Ladder Follow-on Fund	4,342	-	-	-	(663)	-	3,679
MEGA GEMSTONE Investment Fund No.1	188	-	-	-	(54)	-	134
2017 Mega RS Fund	3,369	-	(45)	-	(630)	-	2,694
MEGA Youth-Jobs Leverage Fund	3,198	-	(632)	(961)	753	-	2,358
Mega Trend Start-up No.2 Partnership	2,834	-	(156)	-	(5)	-	2,673
Smart Korea Mega Youth Fund	3,271	-	(231)	-	(31)	-	3,009
Mega-HGI Double Impact Fund	1,605	-	-	-	67	-	1,672
Mega Agricultural Venture Fund No.3	1,068	-	-	-	(123)	-	945
Smart Untact JB-MEGA Fund	2,126	600	-	-	46	-	2,772
2023 JB Newtech No.2 Fund ³	21	-	(16)	(9)	4	-	-
Artman-JB-Global One New Technology Partnership 1	448	-	-	-	(58)	-	390
JB Dooeun-TK India Fund No. 1	247	-	-	-	(5)	-	242
2024 JB Frontier Fund	999	-	-	-	(11)	-	988
2024 JB Newtech No.1 Fund 1	1,000	-	-	-	(20)	-	980
JB Innoculture Fund	-	5,350	-	-	(99)	-	5,251
2025 JB Music Project Fund #1	-	1,000	-	-	(8)	-	992
Pathway-JB Global New Technology Fund No.1	-	750	-	-	(7)	-	743

JB Financial Group Co., Ltd. and Subsidiaries

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(in millions of
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	2025						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
JADE JB Triple							
Newtechfund	-	800	-	-	(8)	-	792
Honors-JB Aero Intelligence Fund	-	1,500	-	-	(13)	-	1,487
2025 JB Commerce Project Fund #1	-	1,500	-	-	(10)	-	1,490
JB-Omega Fund	-	1,500	-	-	(5)	-	1,495
2025 IBK-JB Innoculture Fund II	-	680	-	-	(1)	-	679
KB Credit Capital Private Fund No.1	-	15,444	-	-	-	-	15,444
Kiwoom-Aurum Global Software Investment Fund	-	4,398	-	-	-	-	4,398
Atman-Bilanx New Tech Fund No.1	-	3,424	-	-	-	-	3,424
Atman-Moorim-GlobalOne New Technology Fund	-	4,022	-	-	-	-	4,022
FINDA INC.	42,271	-	-	-	(244)	237	42,264
HAN PASS CO.,LTD. ²	3,966	-	(3,966)	-	-	-	-
OKXE INC.	207	207	-	-	(23)	-	391
AhnLab Blockchain Company	-	3,250	-	-	-	-	3,250
	<u>₩ 193,421</u>	<u>₩ 180,692</u>	<u>₩ (48,458)</u>	<u>₩ (5,432)</u>	<u>₩ 21,640</u>	<u>₩ 369</u>	<u>₩ 342,232</u>

¹ The Group has stopped recognizing equity method investment. As a result, the cumulative loss amount of unrecognized investor's equity is ₩ 736 million.

² Reclassified to financial assets at FVTPL during the year ended December 31, 2025.

³ Disposed during the year ended December 31, 2025.

JB Financial Group Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

(in millions of
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	2024													
	Beginning balance		Acquisition and others		Disposal and others		Dividend		Share of profit or loss of associates		Share of other comprehensive income of associates		Ending balance	
Gwangju Global Motors Co.,Ltd	₩	25,480	₩	-	₩	-	₩	-	₩	2,026	₩	(41)	₩	27,465
PAYON CO.,LTD ¹		-		-		-		-		-		-		-
DS SHINHAN JBWOORI New Media Investment Fund 1		4,902		-		-		-		(79)		-		4,823
Atman-JBWoori New Technology Fund 1st		2,465		-		-		-		(56)		-		2,409
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund		7,720		6,413		-		-		(265)		-		13,868
Meritz-JB New Technology Fund No.1		10,130		-		-		-		(137)		-		9,993
SKS PE-JB Woori New Technology Business Investment Fund No. 1		5,939		-		-		-		37		-		5,976
Bokwang-JB Asia Energy Fund No.3		3,576		-		-		-		143		-		3,719
JB Woori Kiwoom Apollo NewTech fund		11,926		-		-		-		111		-		12,037
JB-Rhinos 1 fund		5,990		-		-		-		(81)		(196)		5,713
JB Woori-Petrico First New Technology Business Investment Fund 1		-		6,000		-		-		(107)		-		5,893
JB Woori-Parcific Maritime New Technology Investment Fund No. 1		-		2,400		-		-		(45)		-		2,355
JB Woori-DS Contents New Technology Fund 1		-		2,000		-		-		(33)		-		1,967
JB Woori-IBKC-TNK New Technology Business Investment Fund		-		8,700		-		-		(99)		-		8,601
Prodigy No. 24 Investment Fund		-		2,848		-		-		-		-		2,848
JB Hotel Private Real Estate Fund 2		2,022		2,536		-		-		1,344		-		5,902
JB Clean-energy Special Private Asset Investment Trust 1		528		-		(94)		-		(1)		-		433
JB Bio Venture 1		376		-		(26)		-		-		-		350
JB Australia NDIS Private Fund 1		8		-		-		-		-		-		8
JB Power 12 ²		177		10		(187)		(7)		7		-		-
JB-Industrial Bank of Korea US Power Senior Platform Private Fund 1 ²		2		-		(2)		-		-		-		-
JB IPO Investment Type Private Fund 2		700		250		-		-		35		-		985

JB Financial Group Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
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(in millions of
Korean won)

	2024						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
JB Industrial Complex 44	848	-	-	-	39	-	887
JB KOSDAQ Venture Fund private 2 ²	1,081	-	(1,081)	-	-	-	-
Methus Private real estate Fund No. 6	5,308	-	(3,438)	(2,240)	370	-	-
JB Incheon Geomdan Bucheon Goean REITs No. 54	118	-	-	-	(1)	-	117
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53	113	-	-	-	(1)	-	112
JB EBEST Autonomous The Current Fund No.3	97	-	-	-	(2)	-	95
JB Industrial Private Fund 59	496	-	-	-	7	-	503
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY	102	-	-	(7)	7	-	102
JB Special Situation Private real estate Fund No. 63	2,330	571	(1,129)	(172)	177	-	1,777
JB Multi Strategy IPO No. 1	2,220	-	-	(272)	52	-	2,000
JB New Growth KOSDAQ Venture Private Investment Trust No. 1	-	1,000	-	(13)	53	-	1,040
JB Industrial Private Fund 69	-	280	-	-	3	-	283
2016 Mega-Growth Ladder Follow-on Fund	4,965	-	(205)	-	(418)	-	4,342
MEGA GEMSTONE Investment Fund No.1	363	-	-	-	(175)	-	188
2017 Mega RS Fund	3,193	-	(150)	-	326	-	3,369
MEGA Youth-Jobs Leverage Fund	3,720	-	(475)	-	(47)	-	3,198
Mega Trend Start-up No.2 Partnership	3,386	-	(240)	-	(312)	-	2,834
Smart Korea Mega Youth Fund	3,800	-	(231)	-	(298)	-	3,271
Mega-HGI Double Impact Fund	1,176	300	-	-	129	-	1,605
Mega Agricultural Venture Fund No.3	771	250	(72)	-	119	-	1,068
Smart Untact JB-MEGA Fund	831	1,500	-	-	(205)	-	2,126
2023 JB Newtech No.2 Fund	29	-	(4)	(2)	(2)	-	21
Artman-JB-Global One New Technology Partnership 1	-	400	-	-	48	-	448
JB Dooeun-TK India Fund No. 1	-	250	-	-	(3)	-	247

JB Financial Group Co., Ltd. and Subsidiaries

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(in millions of
Korean won)

	2024						
	Beginning balance	Acquisition and others	Disposal and others	Dividend	Share of profit or loss of associates	Share of other comprehensive income of associates	Ending balance
2024 JB Frontier Fund	-	1,000	-	-	(1)	-	999
2024 JB Newtech No.1 Fund	-	1,000	-	-	-	-	1,000
Finda Inc.	43,905	-	-	-	(1,634)	-	42,271
HAN PASS CO.,LTD.	-	3,132	-	-	63	771	3,966
OKXE INC.	-	207	-	-	-	-	207
	₩ 160,793	₩ 41,047	₩ (7,334)	₩ (2,713)	₩ 1,094	₩ 534	₩ 193,421

¹ The Group has stopped recognizing equity method investment. As a result, the cumulative loss amount of unrecognized investor's equity is ₩ 510 million.

² Disposed during the year ended December 31, 2024.

The tables below provide summarized financial information for those associates as at and for the years ended December 31, 2025 and 2024.

(in millions of Korean won)

	2025							
	Assets		Liabilities		Equity		Profit (loss) for the year	
Gwangju Global Motors Co.,Ltd	₩	514,198	₩	257,752	₩	256,446	₩	15,142
KCGI-IMM Performance-Linked Private Bond Fund No.1		47,985		22		47,963		(36)
PAYON CO.,LTD		562		2,904		(2,342)		(676)
DS SHINHAN JBWOORI New Media Investment Fund 1		28,080		-		28,080		(826)
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund		36,857		116		36,741		9,814
Meritz-JB New Technology Fund No.1		27,882		-		27,882		7,030
SKS PE-JB Woori New Technology Business Investment Fund No. 1		3,069		78		2,991		4,293
Bokwang-JB Asia Energy Fund No.3		11,983		-		11,983		147
JB Woori Kiwoom Apollo NewTech fund		47,888		106		47,782		7,459
JB-Rhinos 1 fund		16,964		-		16,964		529
JB Woori-Petrico First New Technology Business Investment Fund 1		17,453		-		17,453		3,830
JB Woori-Pacific Maritime New Technology Investment Fund No. 1		7,219		-		7,219		542
JB Woori-DS Contents New Technology Fund 1		10,825		1		10,824		495
JB Woori-IBKC-TNK New		44,701		-		44,701		16,029

JB Financial Group Co., Ltd. and Subsidiaries
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(in millions of Korean won)	2025			
	Assets	Liabilities	Equity	Profit (loss) for the year
Technology Business Investment Fund				
Happy Pet Lifecare Fund No.1	6,293	102	6,191	522
CAPE-THEJ-PHAROS Mezzanine Fund	6,477	100	6,377	(336)
MW NewMobility New Technology Investment Fund	-	-	-	1,074
IBKS Renewable Energy Fund	2,068	2	2,066	(42)
NH-Susung No.1 Mezzanine New Technology Investment	12,669	-	12,669	674
JW-IBKC NO.1 Fund	5,339	-	5,339	(112)
PLUX Technology Innovation Fund #1	3,167	-	3,167	(61)
LAGUNA Pre-IPO Easytem Fund No.11	4,274	2	4,272	(96)
Timefolio Athleisure Investment Fund	7,665	-	7,665	(475)
AFWP-Pacific-Venturerise Deep Pocket Fund No.2	6,092	2	6,090	(888)
ST41 Fund	10,594	-	10,594	1,104
Samsung Innovative Fund No.1	3,927	6	3,921	1,021
Kyobo HSquare UTG Technology Investment Fund	6,050	5	6,045	(77)
Meritz-SK Fund 1	1,941	-	1,941	4,542
Yellow Sea Frontier Private Equity Fund I	3,168	5	3,163	(48)
PLUX Technology Innovation Fund #2	3,209	102	3,107	531
SynergyIB Digital Great Transformation Investment	2,800	-	2,800	2,007
Cresit ace fund	2,430	-	2,430	(140)
Newmain V Fund	4,685	2	4,683	1,041
Ascent-DA Fund 1	5,972	1	5,971	(99)
HARANG-IPVINE Contents Investment Fund	7,952	-	7,952	(317)
Elohim-Bilanx aerospace No.1 Fund	9,334	5	9,329	571
Shinhan-Csquared Mezzanine Fund 1	5,167	-	5,167	(91)
HARANG-ADVENTURE-MOBYDICK new technology Invest	4,955	-	4,955	(103)
NH-MOORIM Dentalcare Fund 1	10,838	-	10,838	(277)
Eventus LIB No.1-2 PEF	4,804	2	4,802	1,489
Eugene Gourmet Private Equity Fund	7,225	183	7,042	(159)
AFWP Investment Trust 15	3,999	-	3,999	(89)
Pureun Riata Fund No.1	1,665	-	1,665	(29)
Elohim Newmain II Fund	3,897	2	3,895	(88)
Prodigy Fund 25	4,054	-	4,054	(84)
DA-YP Fund No.1	3,443	1	3,442	(68)
BNK Global Medical Device New Technology 1st Inve	5,889	-	5,889	(111)

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(in millions of Korean won)	2025			
	Assets	Liabilities	Equity	Profit (loss) for the year
Cheongdam-Frontier Investment Fund	4,065	75	3,990	24
T&K Companion Private Equity Fund	8,417	-	8,417	(88)
MW M-C-E New Technology Investment Fund 2nd	11,802	-	11,802	3,221
JBWoori-Petrichor Material Science Investment Fund	19,371	51	19,320	(1,690)
BNI-VISION Fund 1	9,004	100	8,904	(8)
KIWOOM-J&M New Technology Business Investment Fund	4,329	-	4,329	(72)
Pectus JB Woori Fund No.1	52,107	2	52,105	21,586
IBKC-JB-LIFE Mezzanine Fund No.1	24,382	-	24,382	(718)
LIFE-JB HJ FUND 1	25,429	-	25,429	3,929
Harang-MGL New Technology Fund	4,537	-	4,537	(23)
JB Woori-KWP 1st Private Equity Fund	30,569	21	30,548	448
Wantedlab 2503 Investment Fund	4,105	-	4,105	(145)
TIP-MDM No.1 Private Equity Fund	12,641	40	12,601	(399)
Audastone Project Nova Private Equity Fund	4,832	12	4,820	(190)
Heungkuk SmartConnect Fund No.1	10,412	2	10,410	(190)
Samsung Fintech innovation Fund No.1	5,216	11	5,205	(95)
YG Digital Fund	911	1	910	(292)
ST-Ground Fund No.1	4,992	-	4,992	(8)
TY-DS F&B Fund	23,182	2	23,180	(319)
JB Hotel Private Real Estate Fund 2	32,071	17,522	14,549	26
JB Clean-energy Special Private Asset Investment Trust 1	9,836	43	9,793	158
JB Bio Venture 1	494	-	494	(1,065)
JB Australia NDIS Private Fund 1	502	52	450	(342)
JB IPO Investment Type Private Fund 2	3,345	-	3,345	220
JB Industrial Complex 44	89,520	143	89,377	917
JB Incheon Geomdan Bucheon Goean REITs No. 54	12,615	13	12,602	(29)
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53	2,556	3	2,553	3,270
JB EBEST Autonomous The Current Fund No.3	2,457	-	2,457	694
JB Industrial Private Fund 59	52,365	37	52,328	(192)
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY	526,731	356,368	170,363	(17,240)

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(in millions of Korean won)	2025			
	Assets	Liabilities	Equity	Profit (loss) for the year
JB Special Situation Private real estate Fund No. 63	26,838	465	26,373	4,440
JB Multi Strategy IPO No. 1	7,192	7	7,185	481
JB New Growth KOSDAQ Venture Private Investment Trust No. 1	8,515	3	8,512	833
JB Hongdae High Street General Private Real Estate Investment Trust No. 72	288,235	171,248	116,987	1,024
2016 Mega-Growth Ladder Follow-on Fund	18,400	3	18,397	(3,315)
MEGA GEMSTONE Investment Fund No.1	975	-	975	(395)
2017 Mega RS Fund	18,140	181	17,959	(4,198)
MEGA Youth-Jobs Leverage Fund	47,262	537	46,725	15,033
Mega Trend Start-up No.2 Partnership	22,681	407	22,274	(42)
Smart Korea Mega Youth Fund	17,520	328	17,192	(184)
Mega-HGI Double Impact Fund	23,237	388	22,849	917
Mega Agricultural Venture Fund No.3	12,051	237	11,814	(1,536)
Smart Untact JB-MEGA Fund	18,572	91	18,481	309
Artman-JB-Global One New Technology Partnership 1	10,286	10	10,276	(1,534)
JB Dooeun-TK India Fund No. 1	5,472	2	5,470	(126)
2024 JB Frontier Fund	4,946	3	4,943	(55)
2024 JB Newtech No.1 Fund 1	11,275	5	11,270	(226)
JB Innoculture Fund	23,577	237	23,340	(659)
2025 JB Music Project Fund #1	7,046	1	7,045	(55)
Pathway-JB Global New Technology Fund No.1	4,984	1	4,983	(47)
JADE JB Triple Newtechfund	1,982	-	1,982	(19)
Honors-JB Aero Intelligence Fund	10,905	1	10,904	(95)
2025 JB Commerce Project Fund #1	12,619	5	12,614	(85)
JB-Omega Fund	6,988	1	6,987	(23)
2025 IBK-JB Innoculture Fund II	6,788	-	6,788	(13)
KB Credit Capital Private Fund No.1	82,016	958	81,058	574
Kiwoom-Aurum Global Software Investment Fund	10,498	-	10,498	(12)
Atman-Bilanx New Tech Fund No.1	10,596	-	10,596	(230)
Atman-Moorim-GlobalOne New Technology Fund	14,613	-	14,613	(331)
FINDA INC.	55,304	132,467	(77,163)	23,021
OKXE INC.	2,829	1,030	1,799	(2,303)
AhnLab Blockchain Company	5,821	2,864	2,957	(3,558)

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	2024							
	Assets		Liabilities		Equity	Profit (loss) for the year		
(in millions of Korean won)								
Gwangju Global Motors Co.,Ltd	₩	524,514	₩	281,549	₩	242,965	₩	18,023
PAYON CO.,LTD		754		2,453		(1,699)		(497)
DS SHINHAN JBWOORI New Media Investment Fund 1		46,304		-		46,304		(753)
Atman-JBWoori New Technology Fund 1st		8,198		8		8,190		(192)
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund		46,420		194		46,226		(883)
Meritz-JB New Technology Fund No.1		33,981		-		33,981		(79)
SKS PE-JB Woori New Technology Business Investment Fund No. 1		16,236		101		16,135		90
Bokwang-JB Asia Energy Fund No.3		12,397		-		12,397		309
JB Woori Kiwoom Apollo NewTech fund		40,428		105		40,323		369
JB-Rhinos 1 fund		20,757		-		20,757		(291)
JB Woori-Petrico First New Technology Business Investment Fund 1		31,525		-		31,525		(575)
JB Woori-Parcific Maritime New Technology Investment Fund No. 1		8,004		-		8,004		(152)
JB Woori-DS Contents New Technology Fund 1		10,329		1		10,328		(172)
JB Woori-IBKC-TNK New Technology Business Investment Fund		28,672		4		28,668		(331)
Prodigy No. 24 Investment Fund		12,793		-		12,793		(207)
JB Hotel Private Real Estate Fund 2		32,003		17,522		14,481		22
JB Clean-energy Special Private Asset Investment Trust 1		12,311		17		12,294		(39)
JB Bio Venture 1		1,978		-		1,978		1
JB Australia NDIS Private Fund 1		844		52		792		(65)
JB IPO Investment Type Private Fund 2		2,175		-		2,175		111
JB Industrial Complex 44		88,603		142		88,461		3,893
JB Incheon Geomdan Bucheon Goean REITs No. 54		12,639		8		12,631		(29)
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53		16,034		8		16,026		(29)
JB EBEST Autonomous The Current Fund No.3		4,150		-		4,150		(92)
JB Industrial Private Fund 59		52,558		38		52,520		821
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE		31,440		137		31,303		2,123

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(in millions of Korean won)	2024			
	Assets	Liabilities	Equity	Profit (loss) for the year
INVESTMENT COMPANY				
JB Special Situation Private real estate Fund No. 63	39,322	1,540	37,782	3,431
JB Multi Strategy IPO No. 1	8,720	9	8,711	349
JB New Growth KOSDAQ Venture Private Investment Trust No. 1	8,325	3	8,322	420
JB Industrial Private Fund 69	28,773	4	28,769	389
2016 Mega-Growth Ladder Follow-on Fund	21,954	243	21,711	(2,091)
MEGA GEMSTONE Investment Fund No.1	1,371	1	1,370	(1,278)
2017 Mega RS Fund	22,607	150	22,457	2,168
MEGA Youth-Jobs Leverage Fund	64,618	649	63,969	(938)
Mega Trend Start-up No.2 Partnership	24,072	464	23,608	(2,581)
Smart Korea Mega Youth Fund	19,080	392	18,688	(1,705)
Mega-HGI Double Impact Fund	22,123	192	21,931	1,764
Mega Agricultural Venture Fund No.3	13,472	121	13,351	1,485
Smart Untact JB-MEGA Fund	14,305	133	14,172	(1,363)
2023 JB Newtech No.2 Fund	7,217	3	7,214	(771)
Artman-JB-Global One New Technology Partnership 1	11,817	7	11,810	1,260
JB Dooeun-TK India Fund No. 1	5,598	2	5,596	(64)
2024 JB Frontier Fund	4,997	-	4,997	(3)
2024 JB Newtech No.1 Fund	11,497	-	11,497	(3)
FINDA INC.	41,626	129,881	(88,255)	(4,278)
HAN PASS CO.,LTD.	82,415	60,362	22,053	4,609
OKXE INC. ¹	1,858	781	1,077	(1,816)

¹ The amounts are presented based on the third quarter financial statements as the financial statements for December 31, 2024 could not be obtained.

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The tables below provide a reconciliation of the summarized financial information of investments accounted for using the equity method to their book amounts.

(in millions of Korean won)

	2025				
	Net assets (a)	Group's share in % (b)	Group's share in KRW(a*b)	Others	Book amount
FINDA INC.	₩ (77,163)	24.70	₩ -	₩ 42,264	₩ 42,264

(in millions of Korean won)

	2024				
	Net assets (a)	Group's share in % (b)	Group's share in KRW(a*b)	Others	Book amount
FINDA INC.	₩ (88,255)	25.20	₩ -	₩ 42,271	₩ 42,271
HAN PASS CO.,LTD.	22,053	5.99	1,321	2,645	3,966

Agreement on reserve for the preferential loss

Among the affiliates of the Group, the investment association is regulating commitment of provision for loss in relation to distribution of association assets. Investment is distributed to the Group, the general partner of each association, after provision for loss in accordance with commitment has been set. The Group has considered this agreement on the provision for loss when evaluating investment in partnership, details of commitment of provision for loss for each investment association are as follows:

Associates	Details of agreement
2016 Mega-Growth Ladder Follow-on Fund	General partner (the Group) shall first cover for loss up to 12/52 of the total contribution commitment of the association.
2017 Mega RS Fund	Special partner and general partner (the Group) shall first cover for loss at a ratio of 16:3 within 10% of the total contribution commitment
MEGA GEMSTONE Investment Fund No.1	If it is judged that the amount to be distributed to partners prior to liquidation of the association is less than the total contribution commitment of the association, the general partner's share of investment and management fees already received shall be covered first.
MEGA Youth-Jobs Leverage Fund	If there is more loss after the non-ranking investor has covered the loss according to the contribution ratios, the subordinated investor shall first cover it within the range of ₩ 4.5 billion. The subordinated contribution ratios of general partner (the Group) is 1/9.
Mega Trend Start-up No.2 Partnership	The Group shall first cover for loss within 4% (₩ 1 billion) of the contribution commitment.

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15. Loans at Amortized Cost

Loans at amortized cost as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Loans in Korean won	₩	54,664,798	₩	50,554,530
Loans in foreign currencies		1,766,420		1,495,176
Domestic import usance bills		104,595		111,316
Bills bought		5,000		6,500
Bills bought in foreign currencies		4,033		18,454
Advances for customers		1,232		-
Credit card accounts		482,312		463,046
Bonds purchased under resale agreements		10,700		20,300
Private bond		10,000		-
Factoring receivables		35,417		42,073
Securitized loans		4,980		4,985
		<u>57,089,487</u>		<u>52,716,380</u>
Discounted present value		(2,705)		(4,550)
Present value on premium		1,002		1,896
Deferred loan origination fees and costs		103,575		76,239
Allowance for loan losses		(732,730)		(666,615)
	₩	<u>56,458,629</u>	₩	<u>52,123,350</u>

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Loans classified by customer as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	Loans in Korean won	Loans in foreign currencies	Others	Total
Corporations				
Large	₩ 3,123,261	₩ 21,524	₩ 59,933	₩ 3,204,718
Small and medium	28,931,719	1,185,284	80,507	30,197,510
Public and others	2,099,735	172,193	35,517	2,307,445
	<u>34,154,715</u>	<u>1,379,001</u>	<u>175,957</u>	<u>35,709,673</u>
Households	20,510,083	387,419	-	20,897,502
Credit card accounts	-	-	482,312	482,312
	<u>₩ 54,664,798</u>	<u>₩ 1,766,420</u>	<u>₩ 658,269</u>	<u>₩ 57,089,487</u>

(in millions of Korean won)

	2024			
	Loans in Korean won	Loans in foreign currencies	Others	Total
Corporations				
Large	₩ 2,765,312	₩ -	₩ 59,065	₩ 2,824,377
Small and medium	27,448,972	1,124,800	102,484	28,676,256
Public and others	2,092,795	53,927	42,079	2,188,801
	<u>32,307,079</u>	<u>1,178,727</u>	<u>203,628</u>	<u>33,689,434</u>
Households	18,247,451	316,449	-	18,563,900
Credit card accounts	-	-	463,046	463,046
	<u>₩ 50,554,530</u>	<u>₩ 1,495,176</u>	<u>₩ 666,674</u>	<u>₩ 52,716,380</u>

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The maturities of loans as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025							Total
	Less than 1 month	1~3 months	3~6 months	6 months~ 1 year	1~3 years	3~5 years	More than 5 years	
Loans in Korean won	₩ 1,892,617	₩ 3,925,472	₩ 5,462,680	₩ 10,113,611	₩ 17,639,433	₩ 8,048,868	₩ 7,582,117	₩ 54,664,798
Loans in foreign currencies	91,451	286,497	238,308	272,124	224,464	194,785	458,791	1,766,420
Domestic import usance bills	9,504	45,446	21,638	28,007	-	-	-	104,595
Bills bought	5,000	-	-	-	-	-	-	5,000
Bills bought in foreign currencies	135	223	3,675	-	-	-	-	4,033
Advances for customers	956	-	-	-	-	-	276	1,232
Credit card accounts	452,637	13,404	745	2,171	13,091	250	14	482,312
Bonds purchased under resale agreements	10,700	-	-	-	-	-	-	10,700
Private bond	-	-	-	-	10,000	-	-	10,000
Factoring receivables	1,247	2,068	3,227	6,062	10,292	6,997	5,524	35,417
Securitized loans	-	-	-	4,980	-	-	-	4,980
	<u>₩ 2,464,247</u>	<u>₩ 4,273,110</u>	<u>₩ 5,730,273</u>	<u>₩ 10,426,955</u>	<u>₩ 17,897,280</u>	<u>₩ 8,250,900</u>	<u>₩ 8,046,722</u>	<u>₩ 57,089,487</u>

<i>(in millions of Korean won)</i>	2024							Total
	Less than 1 month	1~3 months	3~6 months	6 months~ 1 year	1~3 years	3~5 years	More than 5 years	
Loans in Korean won	₩ 1,454,467	₩ 3,466,888	₩ 5,633,846	₩ 9,841,880	₩ 16,009,879	₩ 7,194,166	₩ 6,953,404	₩ 50,554,530
Loans in foreign currencies	101,843	196,906	168,735	258,278	222,776	141,235	405,403	1,495,176
Domestic import usance bills	17,491	43,287	23,441	24,613	2,484	-	-	111,316
Bills bought	-	-	6,500	-	-	-	-	6,500
Bills bought in foreign currencies	1,200	425	3,090	2,493	11,246	-	-	18,454
Advances for customers	-	-	-	-	-	-	-	-
Credit card accounts	427,950	14,760	1,016	2,972	15,955	393	-	463,046
Bonds purchased under resale agreements	20,300	-	-	-	-	-	-	20,300
Factoring receivables	1,273	2,435	3,908	7,721	22,248	3,274	1,214	42,073
Securitized loans	-	-	-	4,985	-	-	-	4,985
	<u>₩ 2,024,524</u>	<u>₩ 3,724,701</u>	<u>₩ 5,840,536</u>	<u>₩ 10,142,942</u>	<u>₩ 16,284,588</u>	<u>₩ 7,339,068</u>	<u>₩ 7,360,021</u>	<u>₩ 52,716,380</u>

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16. Lease Assets

Lease assets as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Finance lease receivables		
Investment in financing lease	₩ 234,955	₩ 389,790
Allowance for finance lease losses	(3,454)	(4,844)
Deferred loan origination cost	5,649	10,096
	<u>237,150</u>	<u>395,042</u>
Operating lease assets		
Acquisition cost	303,153	365,914
Initial direct costs	16,551	21,693
Accumulated depreciation	(86,953)	(144,616)
Deferred loan origination fee	(525)	(1,039)
	<u>232,226</u>	<u>241,952</u>
Canceled leasing receivables		
Investment in lease	2,825	2,850
Allowance for canceled lease losses	(2,825)	(2,850)
	<u>-</u>	<u>-</u>
Canceled leased assets		
Acquisition cost	4,926	6,457
Accumulated depreciation	(1,691)	(2,382)
Accumulated impairment loss	(30)	(62)
	<u>3,205</u>	<u>4,013</u>
Prepaid leased assets	<u>5,388</u>	<u>5,644</u>
	<u>₩ 477,969</u>	<u>₩ 646,651</u>

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Finance lease receivables as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Gross investment in the lease		
Less than 1 year	₩ 112,338	₩ 185,668
1~5 years	160,840	264,817
	<u>273,178</u>	<u>450,485</u>
Unrealized interest income	(38,223)	(60,695)
Net investment in the lease	<u>₩ 234,955</u>	<u>₩ 389,790</u>

Operating lease assets as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Vehicles	₩ 303,153	₩ 365,914

Minimum lease payments of operating lease assets in the future as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Less than 1 year	₩ 40,504	₩ 54,050
1~5 years	61,883	57,244
	<u>₩ 102,387</u>	<u>₩ 111,294</u>

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17. Property and Equipment

Property and equipment as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		
	Acquisition cost	Accumulated depreciation	Book amount
Land	₩ 428,103	₩ -	₩ 428,103
Buildings	325,984	(85,538)	240,446
Leasehold improvement	66,160	(55,667)	10,493
Movable properties	363,313	(309,796)	53,517
Construction in progress	73,021	-	73,021
Right-of-use assets	136,868	(96,514)	40,354
	<u>₩ 1,393,449</u>	<u>₩ (547,515)</u>	<u>₩ 845,934</u>

(in millions of Korean won)

	2024		
	Acquisition cost	Accumulated depreciation	Book amount
Land	₩ 428,087	₩ -	₩ 428,087
Buildings	324,086	(77,072)	247,014
Leasehold improvement	63,961	(52,915)	11,046
Movable properties	357,087	(296,232)	60,855
Construction in progress	42,099	-	42,099
Right-of-use assets	134,313	(94,778)	39,535
	<u>₩ 1,349,633</u>	<u>₩ (520,997)</u>	<u>₩ 828,636</u>

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Changes in property and equipment for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025						Ending balance
	Beginning balance	Acquisitions	Disposals	Depreciation	Others		
Land	₩ 428,087	₩ 61	₩ (69)	₩ -	₩ 24	₩ 428,103	
Buildings	247,014	1,983	(63)	(8,421)	(67)	240,446	
Leasehold improvement	11,046	3,745	(8)	(3,794)	(496)	10,493	
Movable properties	60,855	16,016	(238)	(23,414)	298	53,517	
Construction in progress	42,099	27,971	-	-	2,951	73,021	
Right-of-use assets	39,535	32,634	(8,717)	(25,105)	2,007	40,354	
	<u>₩ 828,636</u>	<u>₩ 82,410</u>	<u>₩ (9,095)</u>	<u>₩ (60,734)</u>	<u>₩ 4,717</u>	<u>₩ 845,934</u>	

(in millions of Korean won)

	2024						Ending balance
	Beginning balance	Acquisitions	Disposals	Depreciation	Others		
Land	₩ 415,927	₩ 12,861	₩ (1,345)	₩ -	₩ 644	₩ 428,087	
Buildings	152,474	10,237	(173)	(7,920)	92,396	247,014	
Leasehold improvement	11,268	4,477	(942)	(3,995)	238	11,046	
Movable properties	64,670	18,276	(333)	(23,033)	1,275	60,855	
Construction in progress	100,506	28,904	-	-	(87,311)	42,099	
Right-of-use assets	42,357	30,091	(8,980)	(25,497)	1,564	39,535	
	<u>₩ 787,202</u>	<u>₩ 104,846</u>	<u>₩ (11,773)</u>	<u>₩ (60,445)</u>	<u>₩ 8,806</u>	<u>₩ 828,636</u>	

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18. Intangible Assets

Intangible assets as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	Acquisition cost	Accumulated amortization	Accumulated impairment	Book amount
Development expense	₩ 91,891	₩ (58,996)	₩ -	₩ 32,895
Software	118,987	(91,998)	-	26,989
Goodwill	81,112	-	-	81,112
Core deposits	8,223	(8,223)	-	-
Construction in progress	1,013	-	-	1,013
Others	193,183	(108,320)	(1,787)	83,076
	<u>₩ 494,409</u>	<u>₩ (267,537)</u>	<u>₩ (1,787)</u>	<u>₩ 225,085</u>

(in millions of Korean won)

	2024			
	Acquisition cost	Accumulated amortization	Accumulated impairment	Book amount
Development expense	₩ 75,710	₩ (52,723)	₩ -	₩ 22,987
Software	112,306	(84,296)	-	28,010
Goodwill	82,840	-	-	82,840
Core deposits	13,711	(13,711)	-	-
Construction in progress	1,040	-	-	1,040
Others	171,662	(98,071)	(1,758)	71,833
	<u>₩ 457,269</u>	<u>₩ (248,801)</u>	<u>₩ (1,758)</u>	<u>₩ 206,710</u>

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Changes in net book amount of intangible assets for the years ended December 31, 2025 and 2024, are as follows. Amortizations are included in selling and administrative expenses.

<i>(in millions of Korean won)</i>	2025						
	Beginning balance	Acquisitions	Disposals	Amortization	Impairment loss	Others	Ending balance
Development expense	₩ 22,987	₩ 18,730	₩ -	₩ (8,633)	₩ -	₩ (189)	₩ 32,895
Software	28,010	6,085	-	(10,541)	-	3,435	26,989
Goodwill	82,840	-	-	-	-	(1,728)	81,112
Core deposits	-	-	-	-	-	-	-
Construction in progress	1,040	3,605	-	-	-	(3,632)	1,013
Others	71,833	36,643	(1,382)	(23,848)	(29)	(141)	83,076
	<u>₩ 206,710</u>	<u>₩ 65,063</u>	<u>₩ (1,382)</u>	<u>₩ (43,022)</u>	<u>₩ (29)</u>	<u>₩ (2,255)</u>	<u>₩ 225,085</u>

<i>(in millions of Korean won)</i>	2024						
	Beginning balance	Acquisitions	Disposals	Amortization	Impairment loss	Others	Ending balance
Development expense	₩ 25,125	₩ 4,429	₩ -	₩ (7,214)	₩ -	₩ 647	₩ 22,987
Software	32,094	4,977	-	(10,687)	-	1,626	28,010
Goodwill	74,241	-	-	-	-	8,599	82,840
Core deposits	822	-	-	(822)	-	-	-
Construction in progress	218	1,681	-	-	-	(859)	1,040
Others	64,322	23,898	(115)	(16,490)	217	1	71,833
	<u>₩ 196,822</u>	<u>₩ 34,985</u>	<u>₩ (115)</u>	<u>₩ (35,213)</u>	<u>₩ 217</u>	<u>₩ 10,014</u>	<u>₩ 206,710</u>

Goodwill

Details of impairment tests for major goodwill as at December 31, 2025 and 2024, are as follows.

<i>(in millions of Korean won)</i>	2025	2024
Phnom Penh Commercial Bank ¹	₩ 67,423	₩ 69,072

¹ To maximize business efficiency and synergy effect between subsidiaries, the Group acquired 35,400 ordinary shares of Phnom Penh Commercial Bank, which is engaged in banking industry in Cambodia, on July 1, 2016. As at December 31, 2025, the Group has 60% of voting rights of Phnom Penh Commercial Bank and therefore exercises de facto control over Phnom Penh Commercial Bank.

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The recoverable amount of cash-generating units (CGUs) has been estimated based on value-in-use calculations. The calculations use discounted free cash flow to the firm (FCFF) method among discounted cash flow models with considering characteristics of financial institutions. The impairment test for goodwill of Phnom Penh Commercial Bank was performed as follows.

a) Valuation date and the forecast period

The valuation date of recoverable amounts is December 31, 2025 and the forecast period for assessing value-in-use is five years (January 2026 ~ December 2030), and the value after the forecast period is reflected by calculating permanent value.

b) Discount rate and permanent growth rate

Discount rate is used by calculating the shareholders' required rate of return and cost of capital, which is calculated risk-free rate and market risk premium with considering systematic risk of the entity.

The discount rate and permanent growth rate used to CGUs are as follows:

Discount rate ¹	Permanent growth rate
21.39%	1.00%

¹ After deducting permanent growth rate

Total recoverable amounts and gross book amounts of CGUs including goodwill as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	Phnom Penh Commercial Bank			
	2025		2024	
Recoverable amount	₩	403,008	₩	372,342
Book amount		301,633		279,028
The excess amount		101,375		93,314

The sensitivity of the measurement of recoverable amounts of CGUs including goodwill as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	Phnom Penh Commercial Bank				
	2025		2024		
Discount rate	1.0%p increase	₩	(11,015)	₩	(9,251)
	1.0%p decrease		12,205		10,295
Permanent growth rate	0.5%p increase		3,170		2,674
	1.0%p increase		6,506		5,496

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19. Investment Properties

Details of investment properties as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		
	Acquisition cost	Accumulated depreciation	Book amount
Land	₩ 25,682	₩ -	₩ 25,682
Buildings	25,546	(6,700)	18,846
	<u>₩ 51,228</u>	<u>₩ (6,700)</u>	<u>₩ 44,528</u>

(in millions of Korean won)

	2024		
	Acquisition cost	Accumulated depreciation	Book amount
Land	₩ 25,706	₩ -	₩ 25,706
Buildings	25,823	(6,269)	19,554
	<u>₩ 51,529</u>	<u>₩ (6,269)</u>	<u>₩ 45,260</u>

Changes in investment properties for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025				
	Beginning balance	Acquisitions	Depreciation	Others¹	Ending balance
Land	₩ 25,706	₩ -	₩ -	₩ (24)	₩ 25,682
Buildings	19,554	92	(547)	(253)	18,846
	<u>₩ 45,260</u>	<u>₩ 92</u>	<u>₩ (547)</u>	<u>₩ (277)</u>	<u>₩ 44,528</u>

¹ Include transfer of property and equipment and changes in foreign exchange rate.

(in millions of Korean won)

	2024				
	Beginning balance	Acquisitions	Depreciation	Others¹	Ending balance
Land	₩ 27,649	₩ -	₩ -	₩ (1,943)	₩ 25,706
Buildings	20,325	343	(563)	(551)	19,554
	<u>₩ 47,974</u>	<u>₩ 343</u>	<u>₩ (563)</u>	<u>₩ (2,494)</u>	<u>₩ 45,260</u>

¹ Include transfer of property and equipment and changes in foreign exchange rate.

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Income and expenses on investment properties for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Rental income	₩	2,293	₩	1,903
Direct operating expenses for investment properties that generated rental income		(773)		(566)

The fair values of investment properties as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Land	₩	28,781	₩	26,198
Buildings		21,314		21,562
	₩	<u>50,095</u>	₩	<u>47,760</u>

The fair values of investment properties have been determined based on the evaluation of an independent appraiser. The land was assessed by taking into consideration the change of land prices and the price of nearby land based on the official land price in the similar area. The building was evaluated by the cost method considering the structure of the building, the materials used and the economic useful life. The Group evaluated the method by comparing the cases of neighboring districts considering the conditions. The fair values of investment properties, based on the inputs used in the valuation method, were classified as Level 3.

20. Other Assets

Details of other assets as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Guarantee deposits	₩	98,979	₩	103,701
Other receivables		103,581		45,651
Accrued income		355,168		331,601
Prepaid expenses		51,534		31,027
Domestic exchange settlement debit		336,872		343,256
Sundry assets		63,143		39,075
		<u>1,009,277</u>		<u>894,311</u>
Discounted present value		(2,515)		(2,672)
Allowance for other assets losses		(8,374)		(8,038)
	₩	<u>998,388</u>	₩	<u>883,601</u>

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21. Pledged Assets

Assets pledged as collateral as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025¹		2024¹		Purpose
Bank of Korea					
Financial assets at FVOCI	₩	811,517	₩	191,000	Payment settlement and others
Securities at amortized cost		784,974		1,139,535	Payment settlement and others
		<u>1,596,491</u>		<u>1,330,535</u>	
BOA and others					
Securities at amortized cost		5,499		21,428	Borrowing foreign currency
Due from banks		5,417		8,495	Borrowing foreign currency
		<u>10,916</u>		<u>29,923</u>	
Others					
Financial assets at FVOCI		100		100	Securities credit and others
Financial assets at amortized cost		1,962		4,963	Futures substituting securities and others
		<u>2,062</u>		<u>5,063</u>	
Properties		108,609		112,357	Putting up mortgage and others
	₩	<u>1,718,078</u>	₩	<u>1,477,878</u>	

¹ Securities pledged as collateral are recorded at the par value.

Collaterals held that can be disposed and re-subjected to lien regardless of defaults of counterparties

Fair values of collaterals held that can be disposed and re-subjected to lien regardless of defaults of counterparties as at December 31, 2025 and 2024, are as follows

<i>(in millions of Korean won)</i>	2025		2024					
	Fair values of collaterals	Fair values of collaterals disposed or re-subjected to lien	Fair values of collaterals	Fair values of collaterals disposed or re-subjected to lien				
Securities	₩	9,700	₩	-	₩	10,243	₩	-
Loans		1,000		-		-		-

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22. Deposits

Details of deposits as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Demand deposits:		
Deposits in Korean won	₩ 16,278,129	₩ 15,178,217
Deposits in foreign currencies	648,050	519,490
	<u>16,926,179</u>	<u>15,697,707</u>
Time and savings deposits		
Deposits in Korean won	28,745,922	26,305,964
Deposits in foreign currencies	1,120,912	967,702
	<u>29,866,834</u>	<u>27,273,666</u>
Negotiable certificates of deposits	986,691	1,169,263
	<u>₩ 47,779,704</u>	<u>₩ 44,140,636</u>

23. Financial Liabilities at Fair Value through Profit or Loss

Details of financial liabilities at FVTPL as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Derivative liabilities		
Currency forward	₩ 16,570	₩ 17,741
Others	-	28
	<u>₩ 16,570</u>	<u>₩ 17,769</u>

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24. Borrowings

Details of borrowings as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Interest rate (%)	Amount	Interest rate (%)	Amount
Call money	2.48	₩ 9,176	-	₩ -
Bill sold	2.59	235	2.43	664
Bonds sold under repurchase agreements	2.50	320,000	3.00	350,000
Borrowings in Korean won:				
Bank of Korea	1.00	121,769	1.50	209,244
Government	0.00 ~ 2.84	185,753	0.00 ~ 4.03	205,195
Other	0.00 ~ 5.10	1,302,436	0.00 ~ 5.10	1,280,234
		1,609,958		1,694,673
Borrowings in foreign currencies				
Bank	2.61 ~ 10.00	835,477	0.30 ~ 10.00	519,921
Others	0.40 ~ 4.00	102,132	0.40 ~ 4.00	107,549
		937,609		627,470
Present value discount		(6,844)		(18,158)
		₩ 2,870,134		₩ 2,654,649

25. Debentures

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

(in millions of Korean won)

	The date of issue	The day of maturity	Interest rate	2025	2024	Terms of interest
Debentures						
Public/Private offering,	2024-03-18	2026-01-21	1.656%	₩ 13,921,814	₩ 11,866,990	After 1 month After 3 months
Commercial paper	~ 2025-11-28	~2028-06-15	~ 8.50%			
Subordinated bonds						
Public offering	2008-11-24	2026-01-24	3.27%	270,203	352,780	After 1 month After 3 months
	~ 2024-11-29	~2034-11-29	~ 6.90%	14,192,017	12,219,770	
Unamortized bond discount				(8,873)	(7,083)	
				₩ 14,183,144	₩ 12,212,687	

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26. Provisions

Details of provisions as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Financial guarantee contract liability	₩	649	₩	666
Allowance for acceptances and guarantees		2,746		2,457
Allowance for unused loan commitments		12,696		14,313
Provision for reward programs		4,649		4,390
Asset retirement obligation		5,364		4,740
Other provisions		10,388		11,969
	₩	<u>36,492</u>	₩	<u>38,535</u>

Changes in provision for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025			
	Beginning balance	Increase (reversal)	Others	Ending balance
Financial guarantee contract liability	₩ 666	₩ (1)	₩ (16)	₩ 649
Allowance for acceptances and guarantees	2,457	309	(20)	2,746
Allowance for unused loan commitments	14,313	(2,030)	413	12,696
Provision for reward programs	4,391	1,399	(1,141)	4,649
Asset retirement obligation	4,739	56	568	5,363
Other provisions	11,969	16,185	(17,765)	10,389
	₩ <u>38,535</u>	₩ <u>15,918</u>	₩ <u>(17,961)</u>	₩ <u>36,492</u>

<i>(in millions of Korean won)</i>	2024			
	Beginning balance	Increase (reversal)	Others	Ending balance
Financial guarantee contract liability	₩ 782	₩ (2)	₩ (114)	₩ 666
Allowance for acceptances and guarantees	3,042	(649)	64	2,457
Allowance for unused loan commitments	15,702	(1,439)	50	14,313
Provision for reward programs	5,474	54	(1,137)	4,391
Customer loyalty programs	-	2,091	(2,091)	-
Asset retirement obligation	4,835	21	(117)	4,739
Other provisions	66,381	(3,221)	(51,191)	11,969
	₩ <u>96,216</u>	₩ <u>(3,145)</u>	₩ <u>(54,536)</u>	₩ <u>38,535</u>

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27. Employee Benefits

Net defined benefit plan liabilities and other employee benefit liabilities as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Present value of defined benefit obligations	₩	322,232	₩	303,101
Fair value of plan assets		<u>(400,764)</u>		<u>(372,568)</u>
Total	₩	<u>(78,532)</u>	₩	<u>(69,467)</u>
Liabilities for vacation (accrued expenses)	₩	32,160	₩	26,063

Changes in the present value of defined benefit obligations and plan assets for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025					
	Defined benefit obligation		Plan assets		Defined benefit liabilities (assets)	
Beginning balance	₩	303,101	₩	(372,568)	₩	(69,467)
Recognized in profit or loss as incurred:						
Current service cost		26,020		-		26,020
Past service cost		7,681		-		7,681
Interest expense (income)		14,267		<u>(17,726)</u>		<u>(3,459)</u>
		<u>47,968</u>		<u>(17,726)</u>		<u>30,242</u>
Recognized in other comprehensive income:						
- Actuarial losses (gain)						
Demographic assumptions		(1,001)		10		(991)
Financial assumptions		(11,510)		-		(11,510)
Experience adjustments		1,114		(34)		1,080
- Return on plan assets		-		6,117		6,117
		<u>(11,397)</u>		<u>6,093</u>		<u>(5,304)</u>
Others:						
Contribution paid into the plan		-		(25,615)		(25,615)
Benefits paid by the plan		(17,179)		8,822		(8,357)
Others		(261)		230		(31)
		<u>(17,440)</u>		<u>(16,563)</u>		<u>(34,003)</u>
Ending balance	₩	<u>322,232</u>	₩	<u>(400,764)</u>	₩	<u>(78,532)</u>

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<i>(in millions of Korean won)</i>	2024		
	Defined benefit obligation	Plan assets	Defined benefit liabilities (assets)
Beginning balance	₩ 274,024	₩ (360,208)	₩ (86,184)
Recognized in profit or loss as incurred:			
Current service cost	24,495	-	24,495
Past service cost	116		116
Interest expense (income)	14,279	(19,012)	(4,733)
	<u>38,890</u>	<u>(19,012)</u>	<u>19,878</u>
Recognized in other comprehensive income:			
- Actuarial losses (gain)			
Demographic assumptions	4,094	-	4,094
Financial assumptions	1,017	-	1,017
Experience adjustments	(1,734)	19	(1,715)
- Return on plan assets	2,131	5,934	8,065
	<u>5,508</u>	<u>5,953</u>	<u>11,461</u>
Others:			
Contribution paid into the plan	-	(6,563)	(6,563)
Benefits paid by the plan	(14,677)	6,579	(8,098)
Others	(644)	683	39
	<u>(15,321)</u>	<u>699</u>	<u>(14,622)</u>
Ending balance	<u>₩ 303,101</u>	<u>₩ (372,568)</u>	<u>₩ (69,467)</u>

Actuarial assumptions as at December 31, 2025 and 2024, are as follows:

<i>(in percentage, %)</i>	2025	2024
Discount rate ¹	4.73 ~ 5.64	4.46 ~ 5.17
Future salary increasing rate ²	3.50 ~ 5.15	3.50 ~ 5.18

¹ The discount rate is the yield on high quality of credit-rated bonds that have similar maturity and same currency unit comparing to employee benefit obligations.

² This growth rate is estimated by considering past wage growth rate and wage policy and proposed expected wage growth rate is based on the data for a 35-year old.

Weighted-average duration of defined benefit obligations are 5.73~13.37 years and 6.11~13.45 years for the years ended December 31, 2025 and 2024, respectively.

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Sensitivity analysis

This analysis is based on actuarial assumptions variances that the Group considered to be reasonably possible as at December 31, 2025 and 2024 as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Increase	Decrease	Increase	Decrease
Discount rate (variation of 1%)	₩ (24,202)	₩ 27,668	₩ (22,883)	₩ 26,187
Future salary increasing rate (variation of 1%)	28,256	(25,103)	26,621	(23,638)

Sensitivity analysis does not consider the variance of all cash flows expected to occur in the plan, but provides an approximation of the sensitivity to the assumptions.

Details of the plan assets as at December 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Amounts	Ratio	Amounts	Ratio
Time deposits and cash equivalents	₩ 301,166	75.15%	₩ 302,322	81.15%
Equity linked securities	18,981	4.74%	18,038	4.84%
Others	80,617	20.11%	52,208	14.01%
	<u>₩ 400,764</u>	<u>100.00%</u>	<u>₩ 372,568</u>	<u>100.00%</u>

The amounts recognized as expenses for defined contribution plans were ₩ 9,951 million and ₩ 9,075 million for the years ended December 31, 2025 and 2024, respectively.

The expected maturity analysis of undiscounted pension benefits as at December 31, 2025, is as follows:

<i>(in millions of Korean won)</i>	Less than 1 year	Between 1-5 years	Over 5 years
Defined benefit obligation	₩ 21,754	₩ 108,461	₩ 401,428

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28. Other Liabilities

Details of other liabilities as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Borrowings from trust accounts	₩	375,605	₩	334,131
Accounts payables		100,849		102,293
Accrued expenses		626,374		641,820
Unearned revenues		18,128		20,944
Deposits received		76,291		113,650
Foreign exchange settlement payables		3,804		2,138
Domestic exchanges settlement payables		357,105		245,668
Lease liabilities		37,363		37,716
Sundry liabilities		321,179		338,410
		<u>1,916,698</u>		<u>1,836,770</u>
Present value discount		(4,366)		(5,995)
	₩	<u>1,912,332</u>	₩	<u>1,830,775</u>

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29. Capital Stock and Capital Surplus

Details of capital stock as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Number of authorized shares	300,000,000 shares	300,000,000 shares
Par value per share in won	₩ 5,000	₩ 5,000
Number of issued shares outstanding	189,884,601 shares	195,083,198 shares
Capital stock	<u>₩ 984,914</u>	<u>₩ 984,914</u>

¹ Due to the cancellation of treasury shares, the capital stock differs from the total par value of issued shares.

Changes in issued shares of parent for the years ended December 31, 2025 and 2024, are as follows:

<i>(in shares)</i>	Date	Number of issued shares
January 1, 2025	2025-01-01	195,083,198
Cancellation of treasury shares	2025-02-04	(1,175,226)
Cancellation of treasury shares	2025-07-25	(2,724,828)
Cancellation of treasury shares	2025-11-06	(1,298,543)
December 31, 2025	2025-12-31	<u>189,884,601</u>

Details of capital surplus as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
The issuance of shares in excess of par value	₩ 523,560	₩ 523,819
Others	185,351	179,542
	<u>₩ 708,911</u>	<u>₩ 703,361</u>

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30. Hybrid Securities

Details of hybrid securities as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	Issue amount		Issued date	Maturity	Interest rate	Interest payment method
	2025	2024				
6 th Round	₩ 150,000	₩ 150,000	2023-02-24	-	5.80%	1~3 months in arrear with selective right for deferred interest payment
7 th Round	100,000	100,000	2024-04-29	-	5.20%	1~3 months in arrear with selective right for deferred interest payment
8 th Round	140,000	140,000	2024-09-10	-	4.65%	1~3 months in arrear with selective right for deferred interest payment
9 th Round	130,000	130,000	2024-12-05	-	4.95%	1~3 months in arrear with selective right for deferred interest payment
	<u>₩ 520,000</u>	<u>₩ 520,000</u>				

¹ Pre-redemption right by a bond holder was prohibited in any occasion.

² Call option of the securities by bond issuer was permitted after five years from issue date.

³ Write-off all amount in the circumstance that the Company is specified as insolvent financial institution in accordance with Article 2, Paragraph 2 of the 'Act on The Structural Improvement of the Financial Industry'

⁴ Hybrid security's maturity can be extended depending on the Company's discretion, but a bond holder has no redemption rights. The Company has ability to avoid principal payment obligation and to cancel the interest payment of the security. Therefore, the Company classifies the securities as equity.

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31. Accumulated Other Comprehensive Income (Loss)

Details of accumulated other comprehensive income (loss) for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Loss of equity securities at FVOCI	₩	(12,760)	₩	(21,511)
Loss of financial assets at FVOCI		(60,263)		(8,810)
Remeasurement of the net defined benefit obligations		(22,352)		(26,545)
Gain (loss) on valuation of derivatives cash flow hedges		665		(941)
Gain on translation of foreign operation		53,746		61,026
Capital change in equity method investment		505		582
	₩	<u>(40,459)</u>	₩	<u>3,801</u>

Changes in accumulated other comprehensive income (loss) for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025											
	Gain (loss) on valuation of financial assets at FVOCI		Remeasurement of the defined benefit liability		Gain (loss) on valuation of derivatives of cash flow hedges		Gain on translation of overseas operation		Capital change in equity method investment		Total	
Beginning balance	₩	(30,321)	₩	(26,545)	₩	(941)	₩	61,026	₩	582	₩	3,801
Change due to fair value		(55,552)		5,304		2,098		(7,876)		13		(56,013)
Amounts of reclassification to profit and loss		-		-		-		-		-		-
Deferred income taxes		11,635		(1,111)		(492)		596		(90)		10,538
Others		1,215		-		-		-		-		1,215
Ending balance	₩	<u>(73,023)</u>	₩	<u>(22,352)</u>	₩	<u>665</u>	₩	<u>53,746</u>	₩	<u>505</u>	₩	<u>(40,459)</u>

<i>(in millions of Korean won)</i>	2024											
	Gain (loss) on valuation of financial assets at FVOCI		Remeasurement of the defined benefit liability		Gain (loss) on valuation of derivatives of cash flow hedges		Gain (loss) on translation of overseas operation		Capital change in equity method investment		Total	
Beginning balance	₩	(32,463)	₩	(17,523)	₩	(410)	₩	21,694	₩	48	₩	(28,654)
Change due to fair value		13,718		(11,427)		(690)		41,160		551		43,312
Amounts of reclassification to profit and loss		-		-		-		-		-		-
Deferred income taxes		(11,576)		2,405		159		(1,828)		(17)		(10,857)
Ending balance	₩	<u>(30,321)</u>	₩	<u>(26,545)</u>	₩	<u>(941)</u>	₩	<u>61,026</u>	₩	<u>582</u>	₩	<u>3,801</u>

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32. Retained Earnings

Retained earnings are composed of retained earnings before appropriations as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Legal reserve	₩	443,134	₩	365,245
Separate reserve		127,726		109,388
Regulatory reserve for credit loss		368,144		272,973
Voluntary reserve		1,405,999		1,342,592
Unappropriated retained earnings		1,464,270		1,334,245
Others		200		100
Ending balance	₩	<u>3,809,473</u>	₩	<u>3,424,543</u>

Changes in retained earnings for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Beginning balance	₩	3,424,543	₩	2,983,233
Profit for the year		710,386		677,517
Dividends on ordinary shares		(219,954)		(201,175)
Dividends of hybrid securities		(26,845)		(19,184)
Others		(78,657)		(15,848)
Ending balance	₩	<u>3,809,473</u>	₩	<u>3,424,543</u>

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33. Net Interest Income and Expense

Details of net interest income for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Interest income:		
Cash and due from banks	₩ 14,277	₩ 18,778
Financial assets at FVTPL	2,742	10,707
Financial assets at FVOCI	109,094	102,271
Financial assets at amortized cost	83,487	93,492
Loans at amortized cost	3,353,668	3,395,602
Others	8,582	14,931
	<u>3,571,850</u>	<u>3,635,781</u>
Interest expense:		
Deposits	(977,551)	(1,120,225)
Borrowings	(92,144)	(98,491)
Debentures	(451,956)	(434,561)
Others	(5,267)	(6,532)
	<u>(1,526,918)</u>	<u>(1,659,809)</u>
Net interest income	<u>₩ 2,044,932</u>	<u>₩ 1,975,972</u>

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34. Net Commission Income and Expense

Details of net commission income for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Fees and commission income:		
Remittance fees	₩ 322	₩ 351
Brokerage fees	15,214	13,437
E-finance commission	21,367	23,046
Stock agency fees	3,982	3,235
Commissions on lease	8,458	10,885
PF commission received in won	43,777	56,263
CD/ATM fees	779	844
Prepayment fees	21,256	19,347
Commission received in foreign exchange activities	11,319	10,616
Credit card	6,891	7,074
Guarantee fee	2,667	2,467
Charge on securities lent	1,572	1,065
Others	54,418	48,910
	<u>192,022</u>	<u>197,540</u>
Fees and commission expense:		
Other commission paid in domestic currency activities	(94,288)	(76,998)
Credit insurance fees	(329)	(399)
Incidental loan expenses	(366)	(400)
Commission paid in foreign currency	(5,153)	(4,183)
Credit card	(35,653)	(34,555)
Others	(1,840)	(1,544)
	<u>(137,629)</u>	<u>(118,079)</u>
Net fees and commission income	<u>₩ 54,393</u>	<u>₩ 79,461</u>

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35. Net Lease Income

Details of lease income and expenses for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Lease income:				
Financial lease revenue	₩	27,935	₩	39,088
Operating lease revenue		74,439		99,811
Gains on disposal of lease assets		99,714		127,827
Cancelled lease revenue		430		634
Other lease revenue		32		203
		<u>202,550</u>		<u>267,563</u>
Lease expenses:				
Depreciation expenses on financial lease assets		(46,756)		(64,170)
Loss on disposal of lease assets		-		(2)
Impairment loss of lease assets		(501)		(688)
Maintenance expenses of lease assets		(5,269)		(7,445)
Other expenses		(109,695)		(144,193)
		<u>(162,221)</u>		<u>(216,498)</u>
Net lease income	₩	<u>40,329</u>	₩	<u>51,065</u>

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36. Gain and Loss on Financial Assets at FVTPL

Details of gain and loss on financial assets at FVTPL for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Financial assets at FVTPL				
Gain on valuation	₩	182,653	₩	93,246
Gain on transactions		41,278		26,620
Dividend income		136,073		42,326
Others		-		117
		<u>360,004</u>		<u>162,309</u>
Loss on valuation		(50,000)		(35,955)
Loss on transactions		(38,582)		(14,698)
Others		(98)		(40)
		<u>(88,680)</u>		<u>(50,693)</u>
		<u>271,324</u>		<u>111,616</u>
Derivatives (Note 44)				
Gain on valuation		19,600		38,288
Gain on transactions		26,976		53,171
		<u>46,576</u>		<u>91,459</u>
Loss on valuation		(14,195)		(17,741)
Loss on transactions		(34,030)		(11,762)
		<u>(48,225)</u>		<u>(29,503)</u>
		<u>(1,649)</u>		<u>61,956</u>
Net gain related to financial assets at FVTPL	₩	<u>269,675</u>	₩	<u>173,572</u>

37. Gain and Loss on Financial Assets at FVOCI

Details of gain and loss on financial assets at FVOCI for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Gain on sale	₩	43,992	₩	65,879
Dividend income		87		516
		<u>44,079</u>		<u>66,395</u>
Loss on sale		-		(18)
	₩	<u>44,079</u>	₩	<u>66,377</u>

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38. Selling and Administrative Expenses

Details of Selling and administrative expenses for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Employee benefits		
Salaries	₩ 470,420	₩ 435,396
Severance benefits	40,192	28,953
Termination benefits	25,836	20,177
	<u>536,448</u>	<u>484,526</u>
Depreciation and amortization expense		
Depreciation of property and equipment	60,734	60,445
Amortization	43,023	35,213
Depreciation of investment property	545	563
	<u>104,302</u>	<u>96,221</u>
Others		
Other employee benefits	87,714	83,593
Rent	6,659	6,775
Entertainment	13,359	13,636
Taxes and dues	25,637	25,648
Advertising	21,113	14,271
Others	112,957	105,572
	<u>267,439</u>	<u>249,495</u>
	<u>₩ 908,189</u>	<u>₩ 830,242</u>

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39. Share-based Payments

The Group has granted share-based payments to its executives and measured the cost of the share options by a fair value approach.

The long-term 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 is determined and paid in cash, share, or a combination of both in accordance with achievement of performance targets over the vesting period.

39.1 Main feature and scope

- Short-term performance

<i>(in number of shares and in Korean won)</i>	2021	2022	2023	2024	2025
First number granted	401,157	817,086	570,909	344,520	257,113
Residual shares	126,093	462,281	447,844	344,520	257,113
Grant date	2022-02-24	2023-02-24 ~ 2023-03-30	2024-02-24 ~ 2024-03-27	2025-02-25 ~ 2025-03-26	2026-02-24 ~ 2026-03-25
Grant method	Cash based on stock price, share, combination of cash and shares payments				
Exercise price	₩ 0	₩ 0	₩ 0	₩ 0	₩ 0
Vesting condition	Service / Non-market performance / Market performance				
Settlement method	By cash, share, combination of cash and shares payments				
Obligatory service period	1 year	1 year	1 year	1 year	1 year

- Long-term performance

<i>(in number of shares and in Korean won)</i>	2022	2023	2024	2025
First number granted	461,403	616,525	441,482	318,692
Residual shares	141,624	616,525	441,482	318,692
Grant date	2022-01-01	2023-01-01	2024-01-01	2025-01-01
Grant method	Cash based on stock price, share, combination of cash and shares payments			
Exercise price	₩ 0	₩ 0	₩ 0	₩ 0
Vesting condition	Service / Non-market performance / Market performance			
Settlement method	By cash, share, combination of cash and shares payments			
Obligatory service period	1 year	1 year	1 year	1 year

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39.2 Changes in share-based payments (number of shares)

Changes in share-based payments (number of shares) for the years ended December 31, 2025 and 2024, are as follows:

- Short-term performance

<i>(in number of shares)</i>	2025	2024
Beginning balance	1,868,831	2,031,788
Granted	257,113	344,520
Exercised	(488,093)	(483,976)
Other adjustments	-	(23,501)
Ending balance	<u>1,637,851</u>	<u>1,868,831</u>

- Long-term performance

<i>(in number of shares)</i>	2025	2024
Beginning balance	1,793,262	1,829,590
Granted	318,692	441,482
Exercised	(593,631)	(477,810)
Ending balance	<u>1,518,323</u>	<u>1,793,262</u>

39.3 The major factors which determine the price when estimated fair value

The major factors which determine the price when estimated fair value of share-based payments as at December 31, 2025, are as follows:

*(in number of shares
and in Korean won)*

		2025					
	Option pricing model	Stock prices	Exercise price	Expected stock price volatility	Expected life	Risk-free rate	Fair value
Paid within 2026	Average share price of four quarters of 2025	₩ 23,851	-	-	-	-	₩ 23,851
Paid within 2027	Black-Scholes model	23,851	-	37.33%	1 year	2.55%	22,150
Paid within 2028	Black-Scholes model	23,851	-	34.02%	2 year	2.79%	20,570
Paid within 2029	Black-Scholes model	23,851	-	32.40%	3 year	2.95%	19,103
Paid within 2030	Black-Scholes model	23,851	-	44.08%	4 year	3.15%	17,740

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39.4 Expense related in Share-based payments expenses

Expense related in share-based payments expenses for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>		2025		2024
Short-term performance expenses	₩	14,000	₩	16,717
Long-term performance expenses		16,495		19,850

39.5 Liabilities related in share-based payments

Liabilities related in share-based payments as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>		2025		2024
Accrued expenses (short-term performance)	₩	37,572	₩	30,996
Accrued expenses (long-term performance)		35,188		31,587

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40. Other Operating Revenues and Expenses

Other operating revenues and expenses for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Other operating revenues		
Reversal of allowance for provision	₩ 1,395	₩ 4,202
Gain on loans	75,051	96,368
Gain on trust account	9,643	7,920
Recovery of bad debts	734	1,148
Gain on foreign currency transaction	118,894	81,096
Others	7,747	9,532
	<u>213,464</u>	<u>200,266</u>
Other operating expenses		
Losses on allowance for provision	(19,036)	(1,057)
Losses on loans	(32,726)	(36,266)
General contribution to Credit Guarantee Fund	(54,375)	(48,984)
Special contribution to Credit Guarantee Fund	(4,747)	(5,438)
Housing contribution to Credit Guarantee Fund	(49,244)	(46,088)
Deposit insurance	(54,002)	(50,300)
Losses on foreign currency transaction	(102,341)	(130,277)
Others	(10,919)	(15,826)
	<u>(327,390)</u>	<u>(334,236)</u>
Net other operating expenses	₩ (113,926)	₩ (133,970)

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41. Non-operating Revenues and Expenses

Non-operating revenues and expenses for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Non-operating revenues		
Gain on sale of property and equipment and intangible assets	₩ 146	₩ 456
Rental income	1,765	1,188
Gain on disposal of investments in associates	6,113	14
Share of profit of associates	32,590	5,966
Others	11,855	14,835
	<u>52,469</u>	<u>22,459</u>
Non-operating expenses		
Collection expenses of special receivables	(1,393)	(1,523)
Impairment loss of intangible assets	(147)	-
Donations	(9,787)	(9,170)
Loss on disposal of property and equipment and intangible assets	(30)	(136)
Share of loss of associates	(10,950)	(4,894)
Others	(17,772)	(4,914)
	<u>(40,079)</u>	<u>(20,637)</u>
Net non-operating revenue (expenses)	<u>₩ 12,390</u>	<u>₩ 1,822</u>

42. Income Tax Expense

The components of income tax expense for the years ended December 31, 2025 and 2024, are summarized as follows:

<i>(in millions of Korean won)</i>	2025	2024
Current income tax payable	₩ 211,877	₩ 190,232
Changes in deferred tax due to temporary differences	18,036	22,059
Income tax expense directly charged or credited to equity	10,538	(10,857)
Others	(5,787)	13,476
Income tax expense	<u>₩ 234,664</u>	<u>₩ 214,910</u>

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Deferred tax assets and liabilities that are directly charged or credited to equity for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Amount	Deferred tax assets (liabilities)	Amount	Deferred tax assets (liabilities)
Changes in fair value of financial assets at FVOCI	₩ (45,565)	₩ 11,635	₩ 18,150	₩ (11,576)
Remeasurement of defined benefit liabilities	6,349	(1,111)	(10,388)	2,405
Gain or loss on valuation of derivatives cash flow hedge	2,098	(492)	(690)	159
Exchange differences on translation of foreign operations	(2,465)	596	5,184	(1,828)
Capital change in equity method investment	350	(90)	(23)	(17)
	<u>₩ (39,233)</u>	<u>₩ 10,538</u>	<u>₩ 12,233</u>	<u>₩ (10,857)</u>

The relationship between tax expense and profit before income taxes for the years ended December 31, 2025 and 2024, is as follows:

(in millions of Korean won)

	2025	2024
Profit before income tax (A)	₩ 964,704	₩ 907,901
Income taxes at applicable tax rate	244,320	229,324
Adjustments:		
Non-taxable income	(24,559)	(13,749)
Non-deductible expense	3,514	2,733
Additional payment of income tax (refund)	216	(1,133)
Others	11,173	(2,265)
Income tax expense (B)	<u>₩ 234,664</u>	<u>₩ 214,910</u>
Effective tax rate (B/A)	24.32%	23.67%

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Changes in the deferred tax assets (liabilities) for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		
	Beginning balance	Changes	Ending balance
Temporary differences			
Accrued employee benefits	₩ (2,280)	₩ (1,693)	₩ (3,973)
Financial assets at FVOCI	11,703	12,544	24,247
Valuation of property and equipment, and depreciation	(5,053)	(938)	(5,991)
Accrued unused annual leave	1,304	129	1,433
Allowance for acceptances and guarantees	145	-	145
Allowance for unused loan commitments	1,181	(197)	984
Other provision	4,393	769	5,162
Derivative	349	(359)	(10)
Donation	346	127	473
Other financial instruments	(69,245)	(27,898)	(97,143)
Others	58,641	(1,694)	56,947
	<u>1,484</u>	<u>(19,210)</u>	<u>(17,726)</u>
Deficit			
Deficits in the lapsed time	31,641	1,174	32,815
	<u>₩ 33,125</u>	<u>₩ (18,036)</u>	<u>₩ 15,089</u>

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(in millions of Korean won)

	2024					
	Beginning balance		Changes		Ending balance	
Temporary differences						
Accrued employee benefits	₩	(6,320)	₩	4,040	₩	(2,280)
Financial assets at FVOCI		12,501		(798)		11,703
Valuation of property and equipment, and depreciation		(6,828)		1,775		(5,053)
Accrued unused annual leave		1,260		44		1,304
Allowance for acceptances and guarantees		69		76		145
Allowance for unused loan commitments		1,364		(183)		1,181
Other provision		10,481		(6,088)		4,393
Derivative		294		55		349
Donation		396		(50)		346
Other financial instruments		(53,169)		(16,076)		(69,245)
Others		63,254		(4,613)		58,641
		23,302		(21,818)		1,484
Deficit						
Deficits in the lapsed time		31,882		(241)		31,641
	₩	55,184	₩	(22,059)	₩	33,125

Impact of Pillar Two income taxes

Under the Pillar Two legislation, the Group is liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. All entities within the group have an effective tax rate that exceeds 15%, except for two subsidiaries: Lux Milan, which operates in Luxembourg, and JB Capital Myanmar, which operates in Myanmar, both of which have GloBE effective tax rates below 15%. The Group recognized income tax expense amounting to ₩ 996 million for the year ended December 31, 2025. The Group applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

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43. Earnings Per Share

Basic earnings per share for the years ended December 31, 2025 and 2024, are calculated as follows:

<i>(in Korean won)</i>	2025	2024
Profit available for controlling interest	₩ 710,385,617,833	₩ 677,516,587,797
Dividend for hybrid equity securities	<u>(26,844,999,996)</u>	<u>(19,184,377,622)</u>
Profit attributable to the ordinary equity holders	<u>683,540,617,837</u>	<u>658,332,210,175</u>
Weighted average number of ordinary shares outstanding	<u>188,853,267 shares</u>	<u>191,451,673 shares</u>
Earnings per share	<u>₩ 3,619</u>	<u>₩ 3,439</u>

Details of weighted-average number of ordinary shares outstanding for the basic earnings per share for the years ended December 31, 2025 and 2024, are as follows:

<i>(in days, shares)</i>		2025		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
2025. 01. 01	Beginning balance	190,154,558	365/365	190,154,558
2025. 01. 06	Acquisition of treasury share	(800)	360/365	(789)
2025. 01. 07	Acquisition of treasury share	(40)	359/365	(39)
2025. 03. 07	Disposal of treasury share	73,941	300/365	60,773
2025. 04. 01	Acquisition of treasury share	(23,000)	275/365	(17,329)
2025. 04. 02	Disposal of treasury share	7,373	274/365	5,535
2025. 04. 02	Acquisition of treasury share	(23,000)	274/365	(17,266)
2025. 04. 03	Acquisition of treasury share	(21,400)	273/365	(16,006)
2025. 04. 08	Acquisition of treasury share	(24,620)	268/365	(18,077)
2025. 04. 09	Acquisition of treasury share	(24,620)	267/365	(18,010)
2025. 04. 09	Disposal of treasury share	1,178,847	267/365	862,335
2025. 04. 10	Acquisition of treasury share	(50,000)	266/365	(36,438)
2025. 04. 11	Acquisition of treasury share	(47,620)	265/365	(34,573)
2025. 04. 14	Acquisition of treasury share	(48,280)	262/365	(34,656)
2025. 04. 15	Acquisition of treasury share	(46,824)	261/365	(33,482)
2025. 04. 16	Acquisition of treasury share	(46,860)	260/365	(33,380)

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<i>(in days, shares)</i>		2025		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
	share			
2025. 04. 17	Acquisition of treasury share	(46,350)	259/365	(32,889)
2025. 04. 18	Acquisition of treasury share	(46,270)	258/365	(32,706)
2025. 04. 21	Acquisition of treasury share	(45,900)	255/365	(32,067)
2025. 04. 22	Acquisition of treasury share	(33,800)	254/365	(23,521)
2025. 04. 23	Acquisition of treasury share	(34,520)	253/365	(23,928)
2025. 04. 24	Acquisition of treasury share	(33,800)	252/365	(23,336)
2025. 04. 25	Acquisition of treasury share	(44,870)	251/365	(30,856)
2025. 04. 28	Acquisition of treasury share	(58,580)	248/365	(39,802)
2025. 04. 29	Acquisition of treasury share	(58,790)	247/365	(39,784)
2025. 04. 30	Acquisition of treasury share	(58,210)	246/365	(39,232)
2025. 05. 02	Acquisition of treasury share	(58,580)	244/365	(39,160)
2025. 05. 07	Acquisition of treasury share	(57,670)	239/365	(37,762)
2025. 05. 08	Acquisition of treasury share	(57,740)	238/365	(37,650)
2025. 05. 09	Acquisition of treasury share	(58,650)	237/365	(38,082)
2025. 05. 12	Acquisition of treasury share	(57,800)	234/365	(37,055)
2025. 05. 13	Acquisition of treasury share	(56,950)	233/365	(36,354)
2025. 05. 14	Acquisition of treasury share	(56,880)	232/365	(36,154)
2025. 05. 15	Acquisition of treasury share	(56,150)	231/365	(35,536)
2025. 05. 16	Acquisition of treasury share	(55,770)	230/365	(35,143)
2025. 05. 19	Acquisition of treasury share	(55,960)	227/365	(34,803)
2025. 05. 20	Acquisition of treasury share	(57,180)	226/365	(35,405)
2025. 05. 21	Acquisition of treasury share	(57,240)	225/365	(35,285)
2025. 05. 22	Acquisition of treasury share	(57,540)	224/365	(35,312)
2025. 05. 23	Acquisition of treasury share	(57,870)	223/365	(35,356)
2025. 05. 26	Acquisition of treasury share	(57,600)	220/365	(34,718)

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<i>(in days, shares)</i>		2025		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
	share			
2025. 05. 27	Acquisition of treasury share	(55,310)	219/365	(33,186)
2025. 05. 28	Acquisition of treasury share	(55,740)	218/365	(33,291)
2025. 05. 29	Acquisition of treasury share	(54,610)	217/365	(32,467)
2025. 05. 30	Acquisition of treasury share	(52,690)	216/365	(31,181)
2025. 06. 02	Acquisition of treasury share	(52,933)	213/365	(30,890)
2025. 06. 04	Acquisition of treasury share	(54,400)	211/365	(31,448)
2025. 06. 05	Acquisition of treasury share	(52,330)	210/365	(30,108)
2025. 06. 09	Acquisition of treasury share	(52,190)	206/365	(29,455)
2025. 06. 10	Acquisition of treasury share	(52,750)	205/365	(29,627)
2025. 06. 11	Acquisition of treasury share	(52,140)	204/365	(29,141)
2025. 06. 12	Acquisition of treasury share	(51,580)	203/365	(28,687)
2025. 06. 13	Acquisition of treasury share	(47,850)	202/365	(26,481)
2025. 06. 16	Acquisition of treasury share	(50,000)	199/365	(27,260)
2025. 06. 17	Acquisition of treasury share	(38,100)	198/365	(20,668)
2025. 06. 18	Acquisition of treasury share	(36,600)	197/365	(19,754)
2025. 06. 19	Acquisition of treasury share	(38,000)	196/365	(20,405)
2025. 06. 20	Acquisition of treasury share	(37,500)	195/365	(20,034)
2025. 06. 23	Acquisition of treasury share	(38,000)	192/365	(19,989)
2025. 06. 24	Acquisition of treasury share	(38,100)	191/365	(19,937)
2025. 06. 25	Acquisition of treasury share	(37,500)	190/365	(19,521)
2025. 06. 26	Acquisition of treasury share	(38,000)	189/365	(19,677)
2025. 06. 27	Acquisition of treasury share	(14,600)	188/365	(7,520)
2025. 06. 30	Acquisition of treasury share	(36,261)	185/365	(18,379)
2025. 07. 01	Acquisition of treasury share	(8,434)	184/365	(4,252)
2025. 07. 02	Acquisition of treasury share	(1,810)	183/365	(907)

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<i>(in days, shares)</i>		2025		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
	share			
2025. 07. 03	Acquisition of treasury share	(393)	182/365	(196)
2025. 07. 04	Acquisition of treasury share	(88)	181/365	(44)
2025. 07. 07	Acquisition of treasury share	(20)	178/365	(10)
2025. 07. 08	Acquisition of treasury share	(4)	177/365	(2)
2025. 07. 09	Acquisition of treasury share	(1)	176/365	-
2025. 08. 08	Acquisition of treasury share	(44,450)	146/365	(17,780)
2025. 08. 11	Acquisition of treasury share	(45,250)	143/365	(17,728)
2025. 08. 12	Acquisition of treasury share	(45,500)	142/365	(17,701)
2025. 08. 13	Acquisition of treasury share	(45,500)	141/365	(17,577)
2025. 08. 14	Acquisition of treasury share	(44,500)	140/365	(17,068)
2025. 08. 18	Acquisition of treasury share	(45,050)	136/365	(16,786)
2025. 08. 19	Acquisition of treasury share	(68,500)	135/365	(25,336)
2025. 08. 20	Acquisition of treasury share	(44,500)	134/365	(16,337)
2025. 08. 21	Acquisition of treasury share	(43,900)	133/365	(15,996)
2025. 08. 22	Acquisition of treasury share	(43,500)	132/365	(15,732)
2025. 08. 25	Acquisition of treasury share	(44,000)	129/365	(15,551)
2025. 08. 26	Acquisition of treasury share	(43,400)	128/365	(15,220)
2025. 08. 27	Acquisition of treasury share	(43,300)	127/365	(15,066)
2025. 08. 28	Acquisition of treasury share	(43,200)	126/365	(14,913)
2025. 08. 29	Acquisition of treasury share	(42,500)	125/365	(14,555)
2025. 09. 01	Acquisition of treasury share	(42,600)	122/365	(14,239)
2025. 09. 02	Acquisition of treasury share	(42,300)	121/365	(14,023)
2025. 09. 03	Acquisition of treasury share	(41,800)	120/365	(13,742)
2025. 09. 04	Acquisition of treasury share	(42,500)	119/365	(13,856)
2025. 09. 05	Acquisition of treasury share	(43,000)	118/365	(13,901)

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<i>(in days, shares)</i>		2025		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
	share			
2025. 09. 08	Acquisition of treasury share	(42,160)	115/365	(13,283)
2025. 09. 09	Acquisition of treasury share	(42,200)	114/365	(13,180)
2025. 09. 10	Acquisition of treasury share	(41,200)	113/365	(12,755)
2025. 09. 11	Acquisition of treasury share	(20,000)	112/365	(6,137)
2025. 09. 18	Acquisition of treasury share	(20,700)	105/365	(5,955)
2025. 09. 19	Acquisition of treasury share	(20,000)	104/365	(5,699)
2025. 09. 22	Acquisition of treasury share	(20,700)	101/365	(5,728)
2025. 09. 23	Acquisition of treasury share	(21,000)	100/365	(5,753)
2025. 09. 24	Acquisition of treasury share	(21,200)	99/365	(5,750)
2025. 09. 25	Acquisition of treasury share	(21,400)	98/365	(5,746)
2025. 09. 26	Acquisition of treasury share	(21,600)	97/365	(5,740)
2025. 09. 29	Acquisition of treasury share	(22,100)	94/365	(5,692)
2025. 09. 30	Acquisition of treasury share	(22,000)	93/365	(5,605)
2025. 10. 01	Acquisition of treasury share	(21,700)	92/365	(5,470)
2025. 10. 02	Acquisition of treasury share	(21,600)	91/365	(5,385)
2025. 10. 10	Acquisition of treasury share	(14,676)	83/365	(3,337)
2025. 10. 13	Acquisition of treasury share	(3,797)	80/365	(832)
2025. 10. 14	Acquisition of treasury share	(969)	79/365	(210)
2025. 10. 15	Acquisition of treasury share	(225)	78/365	(48)
2025. 10. 16	Acquisition of treasury share	(51)	77/365	(11)
2025. 10. 17	Acquisition of treasury share	(11)	76/365	(2)
2025. 10. 20	Acquisition of treasury share	(3)	73/365	(1)
2025. 10. 21	Acquisition of treasury share	(1)	72/365	-
2025. 11. 12	Acquisition of treasury share	(42,643)	50/365	(5,842)
2025. 11. 13	Acquisition of treasury share	(41,580)	49/365	(5,582)

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		2025		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
	share			
2025. 11. 14	Acquisition of treasury share	(41,753)	48/365	(5,491)
2025. 11. 17	Acquisition of treasury share	(40,567)	45/365	(5,001)
2025. 11. 18	Acquisition of treasury share	(41,237)	44/365	(4,971)
2025. 11. 19	Acquisition of treasury share	(42,735)	43/365	(5,035)
2025. 11. 20	Acquisition of treasury share	(41,237)	42/365	(4,745)
2025. 11. 21	Acquisition of treasury share	(64,240)	41/365	(7,216)
2025. 11. 24	Acquisition of treasury share	(64,800)	38/365	(6,746)
2025. 11. 25	Acquisition of treasury share	(64,940)	37/365	(6,583)
2025. 11. 26	Acquisition of treasury share	(63,150)	36/365	(6,228)
2025. 11. 27	Acquisition of treasury share	(63,000)	35/365	(6,041)
2025. 11. 28	Acquisition of treasury share	(62,370)	34/365	(5,810)
2025. 12. 01	Acquisition of treasury share	(62,240)	31/365	(5,286)
2025. 12. 19	Acquisition of treasury share	(61,100)	13/365	(2,176)
2025. 12. 22	Acquisition of treasury share	(60,480)	10/365	(1,657)
2025. 12. 23	Acquisition of treasury share	(58,365)	9/365	(1,439)
2025. 12. 24	Acquisition of treasury share	(57,690)	8/365	(1,264)
2025. 12. 26	Acquisition of treasury share	(57,000)	6/365	(937)
		<u>186,359,381</u>		<u>188,853,267</u>

		2024		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
2024. 01. 01	Beginning balance	191,533,524	366/366	191,533,524
2024. 04 .23	Disposal of treasury share	383,034	253/366	264,775
2024. 09 .24	Acquisition of treasury share	(50,000)	99/366	(13,525)
2024. 09 .25	Acquisition of treasury share	(50,000)	98/366	(13,388)
2024. 09 .26	Acquisition of treasury share	(50,000)	97/366	(13,251)

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<i>(in days, shares)</i>		2024		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
	share			
2024. 09 .27	Acquisition of treasury share	(50,000)	96/366	(13,115)
2024. 09 .30	Acquisition of treasury share	(50,000)	93/366	(12,705)
2024. 10 .02	Acquisition of treasury share	(50,000)	91/366	(12,432)
2024. 10 .04	Acquisition of treasury share	(49,083)	89/366	(11,935)
2024. 10 .07	Acquisition of treasury share	(50,000)	86/366	(11,749)
2024. 10 .08	Acquisition of treasury share	(50,000)	85/366	(11,612)
2024. 10 .10	Acquisition of treasury share	(50,000)	83/366	(11,339)
2024. 10 .11	Acquisition of treasury share	(50,000)	82/366	(11,202)
2024. 10 .14	Acquisition of treasury share	(50,000)	79/366	(10,792)
2024. 10 .15	Acquisition of treasury share	(50,000)	78/366	(10,656)
2024. 10 .16	Acquisition of treasury share	(50,000)	77/366	(10,519)
2024. 10 .17	Acquisition of treasury share	(50,000)	76/366	(10,383)
2024. 10 .18	Acquisition of treasury share	(50,000)	75/366	(10,246)
2024. 10 .21	Acquisition of treasury share	(50,000)	72/366	(9,836)
2024. 10 .22	Acquisition of treasury share	(50,000)	71/366	(9,699)
2024. 10 .23	Acquisition of treasury share	(50,000)	70/366	(9,563)
2024. 10 .24	Acquisition of treasury share	(50,000)	69/366	(9,426)
2024. 10 .25	Acquisition of treasury share	(50,000)	68/366	(9,290)
2024. 10 .28	Acquisition of treasury share	(50,000)	65/366	(8,880)
2024. 10 .29	Acquisition of treasury share	(50,000)	64/366	(8,743)
2024. 10 .30	Acquisition of treasury share	(50,000)	63/366	(8,607)
2024. 10 .31	Acquisition of treasury share	(50,000)	62/366	(8,470)
2024. 11 .01	Acquisition of treasury share	(50,000)	61/366	(8,333)
2024. 11 .04	Acquisition of treasury share	(50,000)	58/366	(7,923)
2024. 11 .05	Acquisition of treasury share	(50,000)	57/366	(7,787)

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<i>(in days, shares)</i>		2024		
		Number of shares	Weighted average number of days	Number of ordinary shares outstanding
	share			
2024. 11 .06	Acquisition of treasury share	(50,000)	56/366	(7,650)
2024. 11 .07	Acquisition of treasury share	(50,000)	55/366	(7,514)
2024. 11 .08	Acquisition of treasury share	(50,000)	54/366	(7,377)
2024. 11 .11	Acquisition of treasury share	(50,000)	51/366	(6,967)
2024. 11 .12	Acquisition of treasury share	(50,000)	50/366	(6,831)
2024. 11 .13	Acquisition of treasury share	(50,000)	49/366	(6,694)
2024. 11 .14	Acquisition of treasury share	(50,000)	48/366	(6,557)
2024. 11 .15	Acquisition of treasury share	(9,917)	47/366	(1,273)
2024. 11 .18	Acquisition of treasury share	(2,000)	44/366	(240)
2024. 11 .19	Acquisition of treasury share	(1,000)	43/366	(117)
		<u>190,154,558</u>		<u>191,451,673</u>

The Group does not hold any dilutive potential ordinary shares. Therefore, basic earnings per share is identical to diluted earnings per share.

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44. Derivatives

The notional amounts of unsettled derivative instruments as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025									
	Held for dealing or trading purposes		Held for cash flow hedges²		Total	Derivative assets	Derivative liabilities			
Share options ¹	₩	6,931	₩	-	₩	6,931	₩	-	₩	-
Interest rate swap ¹		-		240,000		240,000		861		205
Currency forward ¹		1,149,312		-		1,149,312		20,389		16,570
Others ¹		-		-		-		2,186		-
							₩	23,436	₩	16,775

¹ The portion of derivatives is recognized as financial instruments at FVTPL (Notes 11 and 23).

² The Group designates interest rate swaps as hedging instruments, derivatives that are effective in hedge.

(in millions of Korean won)

	2024									
	Held for dealing or trading purposes		Held for cash flow hedges²		Total	Derivative assets	Derivative liabilities			
Interest rate swap ¹	₩	-	₩	240,000	₩	240,000	₩	376	₩	1,817
Currency forward ¹		955,463		-		955,463		37,742		17,741
Others ¹		23,987		-		23,987		-		28
							₩	38,118	₩	19,586

¹ The portion of derivatives is recognized as financial instruments at FVTPL (Notes 11 and 23).

² The Group designates interest rate swaps as hedging instruments, derivatives that are effective in hedge.

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Gain and loss on valuation of derivative instruments for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Other comprehensive income	Profit or Loss	Other comprehensive income	Profit or Loss
Interest rate swap	₩ 1,606	₩ -	₩ (531)	₩ -
Currency forward	-	3,219	-	20,002
Others	-	2,186	-	545
	<u>₩ 1,606</u>	<u>₩ 5,405</u>	<u>₩ (531)</u>	<u>₩ 20,547</u>

Gain and loss on transaction of derivative instruments for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Other comprehensive income	Profit or Loss	Other comprehensive income	Profit or Loss
Interest rate swap	₩ -	₩ -	₩ -	₩ -
Currency forward	-	(7,306)	-	41,322
Others	-	252	-	87
	<u>₩ -</u>	<u>₩ (7,054)</u>	<u>₩ -</u>	<u>₩ 41,409</u>

Details of changes in cash flow hedge derivative instruments recognized in other comprehensive income for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		
	Pre-tax	Income tax effect	After-tax
Beginning balance	₩ (1,441)	₩ 333	₩ (1,108)
Change in fair value	2,098	(492)	1,606
Ending balance	<u>₩ 657</u>	<u>₩ (159)</u>	<u>₩ 498</u>

(in millions of Korean won)

	2024		
	Pre-tax	Income tax effect	After-tax
Beginning balance	₩ (751)	₩ 174	₩ (577)
Change in fair value	(690)	159	(531)
Ending balance	<u>₩ (1,441)</u>	<u>₩ 333</u>	<u>₩ (1,108)</u>

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The periods in which cash flows are expected to occur and the periods in which cash flows are expected to affect profit or loss are as follow:

(in millions of Korean won)

Estimated net cash flow	Less than 1 month	1 month~ 3 months	3 months~ 1 year	1 year~ 5 years	Total
December 31, 2025	₩ (7)	₩ 63	₩ 419	₩ 189	₩ 664
December 31, 2024	(141)	(86)	(994)	(281)	(1,502)

The Group's types of hedge accounting as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

Hedged asset liability	Hedged risk	Hedging instrument	Hedge type	2025	2024
Debentures in Korean won	Interest rate risk	Interest Swap	Cash Flow Hedge	₩ 657	₩ (1,441)

There are no ineffective portions recognized in profit or loss related to cash flow hedge derivatives for the years ended December 31, 2025 and 2024.

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45. Contingencies and Commitments

As at December 31, 2025, the Group's major lawsuits are as follows:

(in millions of Korean won)

	2025	
	As a defendant	As a plaintiff
Number (case)	80	24
Amount	₩ 184,060	120,691
Provisions related to these lawsuits	10,067	-

¹ As at December 31, 2025, the ultimate outcome of the cases cannot be reasonably estimated.

² A lawsuit related to the German Heritage Fund is included in the above cases. The lawsuit is a claim for returns of ₩ 10.86 billion paid by the defendants to investors due to unjust enrichment and related delay damages. Any outflows of resources and the timing are also uncertain. Therefore, the Group determined that this case would not have any material impact on its financial statements.

³ The loan agreement violations of the borrowers from eight funds (total sales of ₩ 326.4 billion), including JB Australia NDIS Private Fund 1 have been reported and withdrawal of their investments is in progress. Accordingly, the Group recognized ₩ 7,240,286 thousand as provisions for litigation in the consolidated financial statements for the relevant cases, considering the probability of winning, and the payment ratio.

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Guarantee contracts

Acceptances and guarantees as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Confirmed acceptances and guarantees:				
Local currency:				
Acceptances and guarantees for business purchasing card	₩	11,460	₩	9,550
Guarantees for loans		1,276		2,862
Other acceptances and guarantees in Korean won		188,969		183,477
		<u>201,705</u>		<u>195,889</u>
Foreign currencies:				
Acceptance on letter of credit		5,811		14,162
Acceptances for letters of guarantee for importers		2,198		1,502
Others		61,464		76,923
		<u>69,473</u>		<u>92,587</u>
Unconfirmed acceptances and guarantees:				
Letters of credit		51,931		55,967
Others				
Purchase commitment for bills		132		132
	₩	<u>323,241</u>	₩	<u>344,575</u>

The ratios of allowance for acceptances and guarantees as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Guarantees outstanding	₩	323,241	₩	344,575
Provision for acceptances and guarantees		<u>3,395</u>		<u>3,123</u>
Ratio (%)		<u>1.05</u>		<u>0.91</u>

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Commitments

Commitments as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Loan commitments in Korean won	₩	8,949,626	₩	8,459,771
Loan commitments in foreign currency		102,482		92,422
Purchase commitment of ABCP and ABS		240		240
Purchase commitment of securities		478,428		293,532
	₩	<u>9,530,776</u>	₩	<u>8,845,965</u>

The ratios of allowance for unused loan commitment as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Unused loan commitments outstanding	₩	9,530,425	₩	8,845,965
Contingent unused loan commitments		12,696		14,313
Ratio (%)		<u>0.13</u>		<u>0.16</u>

Guaranteed trust accounts

Trust accounts for which the Group provides the guarantees for the repayment of principal or principal and interest as at December 31, 2025 and 2024, consist of the following:

<i>(in millions of Korean won)</i>	Name of trust	2025		2024	
Principal guarantee	Old-age life pension	₩	46	₩	46
	Individual annuity		9,795		10,200
	New individual annuity		341		414
	Annuity		6,640		7,229
	Installment		56		57
	Household		86		85
Principal and interest guarantee contracts	Unspecified money in trust		5		5
		₩	<u>16,969</u>	₩	<u>18,036</u>

As at December 31, 2025, the Group had guaranteed repayment of principal under management amounting to ₩ 16,969 million. Additional losses or gains may be recorded based on future performance of these guaranteed trust accounts.

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46. Information of Trust Business

Receivables and payables from the Group to trust accounts as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Receivables:		
Accrued income	₩ 2,416	₩ 2,308
Payables:		
Borrowings from trust account	375,605	338,476

Transactions between the Group and trust accounts for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Revenues:		
Gain on trust account	₩ 9,756	₩ 7,957
Expenses:		
Interest expense related to borrowings from trust account	7,814	7,472

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47. Regulatory Reserve for Loan Loss

The Group should calculate and disclose regulatory reserve for loan loss, in accordance with Article 27-1 and 27-2 of Regulation on Supervision of Financial Holding Company.

The regulatory reserve for loan loss as at December 31, 2025 and 2024, is as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Regulatory reserve for loan loss	₩	368,144	₩	272,973
Provision for (reversal of) regulatory reserve for loan loss		133,428		95,171
	₩	<u>501,572</u>	₩	<u>368,144</u>

Profit adjusted for regulatory reserve for loan loss and EPS adjusted for regulatory reserve for loan as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Provision for (reversal of) regulatory reserve for loan loss	₩	133,428	₩	95,171
Adjusted profit after regulatory reserve		569,768		578,636
Adjusted profit for owner of the Company after regulatory reserve		550,113		563,161
Adjusted EPS after for regulatory reserve <i>(in Korean won)</i>		2,913		2,943

¹ The adjusted profit after regulatory reserve reflects the dividend for hybrid equity securities of ₩ 26,845 million and ₩ 19,184 million for the years ended December 31, 2025 and 2024 respectively.

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48. Assets and Liabilities Denominated in Foreign Currencies

Details of assets and liabilities denominated in foreign currencies as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won, in thousands of USD, JPY and EUR)</i>	Currency	2025	
		Foreign currency	Korean won
Foreign assets			
Foreign assets	USD	38,614	₩ 55,408
	JPY	523,212	4,802
	EUR	4,616	7,780
	Others	1,048	3,061
Foreign deposits	USD	324,901	466,199
	JPY	1,183,521	10,860
	EUR	2,421	4,080
	Others	3,597	6,514
Foreign currency securities	USD	271,671	389,757
	EUR	11,040	18,611
	Others	-	-
Foreign currency loan	USD	1,095,417	1,571,815
	JPY	3,745,658	34,371
Domestic import usance bill	USD	71,703	102,887
	JPY	113,779	1,044
	EUR	149	251
	Others	287	412
Bills bought	USD	2,810	4,033
	JPY	-	-
	EUR	-	-
	Others	-	-
Other	USD	60,624	86,991
	JPY	200,604	1,840
	EUR	70	118
	Others	-	-
			₩ 2,770,834
Foreign liabilities			
Foreign currency deposits	USD	1,211,877	₩ 1,738,923
	JPY	2,824,597	25,919
	EUR	1,594	2,687
	Others	674	1,432

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<i>(in millions of Korean won, in thousands of USD, JPY and EUR)</i>	Currency	2025	
		Foreign currency	Korean won
Borrowings in foreign currency	USD	522,703	750,028
	JPY	1,123,128	10,306
	EUR	8,449	14,242
	Others	287	412
Call money in foreign currency	USD	-	-
Other	USD	56,146	80,564
	JPY	259,006	2,377
	EUR	117	197
	Others	33	48
		₩	2,627,135

<i>(in millions of Korean won, in thousands of USD, JPY and EUR)</i>	Currency	2024	
		Foreign currency	Korean won
Foreign assets			
Foreign assets	USD	41,445	₩ 60,924
	JPY	663,882	6,217
	EUR	5,509	8,421
	Others	1,149	3,631
Foreign deposits	USD	244,721	359,739
	JPY	3,101,430	29,045
	EUR	2,193	3,353
	Others	2,818	6,714
Foreign currency securities	USD	33,541	49,304
	EUR	-	-
	Others	-	-
Foreign currency loan	USD	956,600	1,406,202
	JPY	3,853,091	36,084
Domestic import usance bill	USD	74,188	109,056
	JPY	95,277	892
	EUR	401	613
	Others	431	755
Bills bought	USD	11,207	16,474
	JPY	-	-
	EUR	1,296	1,981
	Others	-	-
Other	USD	55,565	81,680
	JPY	9	-
	EUR	100	153

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<i>(in millions of Korean won, in thousands of USD, JPY and EUR)</i>	Currency	2024	
		Foreign currency	Korean won
	Others	200	1,180
			₩ 2,182,418
Foreign liabilities			
Foreign currency deposits	USD	987,785	₩ 1,452,045
	JPY	3,063,288	28,687
	EUR	2,407	3,680
	Others	835	2,781
Borrowings in foreign currency	USD	343,416	504,822
	JPY	2,081,003	19,488
	EUR	401	613
	Others	-	29,305
Call money in foreign currency	USD	-	-
Other	USD	45,827	67,363
	JPY	411,924	3,858
	EUR	1	1
	Others	-	676
			₩ 2,113,319

49. Statements of Cash Flows

Cash and cash equivalents as at December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Cash and due from banks	₩	2,473,120	₩	1,621,550
Restricted due from banks		(100,738)		(96,136)
Due from banks with original maturities of more than three months		(69,298)		(35,715)
Cash and cash equivalents	₩	2,303,084	₩	1,489,699

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Cash flows from operating activities for the years December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Profit for the year	₩	730,040	₩	692,991
Adjustment for:				
Interest income		(3,571,850)		(3,635,781)
Interest expense		1,526,918		1,659,809
Dividend income		(136,177)		(42,841)
Income tax expense		234,663		214,909
Net gain on valuation of financial assets at FVTPL		(130,794)		(57,291)
Profit or loss related to derivatives		(5,404)		(20,546)
Net gain on trading of investment financial assets		(43,992)		(68,314)
Provisions of allowance for credit losses		478,957		478,597
Severance benefits		22,430		19,684
Depreciation and others		104,302		96,221
Increase in (reversal of) provisions		17,641		(3,145)
Reversal of impairment loss on financial assets		22		11
Lease expenses		47,257		64,857
Share of profit or loss of associates		(21,640)		(1,607)
Other operating expense (income), net		(4,464)		38,888
Non-operating expense, net		(425)		149,493
		<u>(1,482,556)</u>		<u>(1,107,056)</u>
Changes in assets and liabilities:				
Due from banks		(38,117)		(6,770)
Financial assets at FVTPL		(1,234,720)		(611,941)
Derivative assets		19,394		(14,909)
Loans at amortized cost		(4,812,820)		(3,325,937)
Lease assets		108,122		233,573
Other assets		(61,069)		128,699
Deposits		3,639,068		1,182,512
Provisions		(19,684)		(54,536)
Net defined benefit obligations		(28,295)		(31,587)
Other liabilities		131,624		117,580
		<u>(2,296,497)</u>		<u>(2,383,316)</u>
	₩	<u>(3,049,013)</u>	₩	<u>(2,797,381)</u>

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Changes in debt arising from financial activities for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025					
	Beginning balance	Cash flow from financial activities	Exchange rate fluctuation	Others	Ending balance	
Borrowings	₩ 2,654,649	₩ 194,822	₩ (6,735)	₩ 27,398	₩ 2,870,134	
Debentures	12,212,687	1,966,156	(622)	4,923	14,183,144	
Lease liabilities	37,716	(22,389)	(20)	22,056	37,363	
	₩ 14,905,052	₩ 2,138,589	₩ (7,377)	₩ 54,377	₩ 17,090,641	

(in millions of Korean won)

	2024					
	Beginning balance	Cash flow from financial activities	Exchange rate fluctuation	Others	Ending balance	
Borrowings	₩ 2,747,637	₩ (155,245)	₩ 5,188	₩ 57,069	₩ 2,654,649	
Debentures	10,616,595	1,588,284	242	7,566	12,212,687	
Lease liabilities	38,573	(24,069)	-	23,212	37,716	
	₩ 13,402,805	₩ 1,408,970	₩ 5,430	₩ 87,847	₩ 14,905,052	

Non-cash transactions for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	Beginning balance ¹	Ending balance	Changes	Cash outflow
Right-of-use assets related	₩ 39,535	₩ 40,353	₩ 818	₩ -
Lease liabilities related	37,716	37,363	(353)	(22,389)

¹ Recognition and depreciation of right-of-use assets, and the changes in lease liabilities are non-cash transactions.

(in millions of Korean won)

	2024			
	Beginning balance ¹	Ending balance	Changes	Cash outflow
Right-of-use assets related	₩ 42,356	₩ 39,535	₩ (2,821)	₩ -
Lease liabilities related	38,573	37,716	(857)	(24,069)

¹ Recognition and depreciation of right-of-use assets, and the changes in lease liabilities are non-cash transactions.

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50. Related Party Transactions

Related parties of the Group as at December 31, 2025, are as follows:

Relationship	Entity name
Associates	Kwangju Global Motors Co., Ltd. KCGI-IMM Performance-Linked Private Bond Fund No.1 PAYON CO.,LTD DS SHINHAN JBWOORI New Media Investment Fund 1 2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund Meritz-JB New Technology Fund No.1 SKS PE-JB Woori New Technology Business Investment Fund No. 1 Bokwang-JB Asia Energy Fund No.3 JB Woori Kiwoom Apollo NewTech fund JB-Rhinos 1 fund JB Woori-Petrico First New Technology Business Investment Fund 1 JB Woori-Pacific Maritime New Technology Investment Fund No. 1 JB Woori-DS Contents New Technology Fund 1 JB Woori-IBKC-TNK New Technology Business Investment Fund Happy Pet Lifecare Fund No.1 CAPE-THEJ-PHAROS Mezzanine Fund MW NewMobility New Technology Investment Fund IBKS Renewable Energy Fund NH-Susung No.1 Mezzanine New Technology Investment JW-IBKC NO.1 Fund PLUX Technology Innovation Fund #1 LAGUNA Pre-IPO Easytem Fund No.11 Timefolio Athleisure Investment Fund AFWP-Pacific-Venturerise Deep Pocket Fund No.2 ST41 Fund Samsung Innovative Fund No.1 Kyobo HSquare UTG Technology Investment Fund Meritz-SK Fund 1 Yellow Sea Frontier Private Equity Fund I PLUX Technology Innovation Fund #2 SynergyIB Digital Great Transformation Investment Cresit ace fund Newmain V Fund

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Relationship	Entity name
	Ascent-DA Fund 1
	HARANG-IPVINE Contents Investment Fund
	Elohim-Bilanx aerospace No.1 Fund
	Shinhan-Csquared Mezzanine Fund 1
	HARANG-ADVENTURE-MOBYDICK new technology Invest
	NH-MOORIM Dentalcare Fund 1
	Eventus LIB No.1-2 PEF
	Eugene Gourmet Private Equity Fund
	AFWP Investment Trust 15
	Pureun Riata Fund No.1
	Elohim Newmain II Fund
	Prodigy Fund 25
	DA-YP Fund No.1
	BNK Global Medical Device New Technology 1st Inve
	Cheongdam-Frontier Investment Fund
	T&K Companion Private Equity Fund
	MW M·C·E New Technology Investment Fund 2nd
	JBWoori-Petrichor Material Science Investment Fund
	BNI-VISION Fund 1
	KIWOOM-J&M New Technology Business Investment Fund
	Pectus JB Woori Fund No.1
	IBKC-JB-LIFE Mezzanine Fund No.1
	LIFE-JB HJ FUND 1
	Harang-MGL New Technology Fund
	JB Woori-KWP 1st Private Equity Fund
	Wantedlab 2503 Investment Fund
	TIP-MDM No.1 Private Equity Fund
	Audastone Project Nova Private Equity Fund
	Heungkuk SmartConnect Fund No.1
	Samsung Fintech innovation Fund No.1
	YG Digital Fund
	ST-Ground Fund No.1
	TY-DS F&B Fund
	JB Hotel Private Real Estate Fund 2
	JB Clean-energy Special Private Asset Investment Trust 1
	JB Bio Venture 1
	JB Australia NDIS Private Fund 1
	JB IPO Investment Type Private Fund 2
	JB Industrial Complex 44

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Relationship	Entity name
	JB Incheon Geomdan Bucheon Goean REITs No. 54
	JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53
	JB EBEST Autonomous The Current Fund No.3
	JB Industrial Private Fund 59
	JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY
	JB Special Situation Private Real Estate Fund No.63
	JB Hongdae High Street General Private Real Estate Investment Trust No. 72
	JB Multi Strategy IPO No. 1
	JB New Growth KOSDAQ Venture Private Investment Trust No. 1
	2016 Mega-Growth Ladder Follow-on Fund
	MEGA GEMSTONE Investment Fund No.1
	2017 Mega RS Fund
	MEGA Youth-Jobs Leverage Fund
	Mega Trend Start-up No.2 Partnership
	Smart Korea Mega Youth Fund
	Mega-HGI Double Impact Fund
	Mega Agricultural Venture Fund No.3
	Smart Untact JB-MEGA Fund
	Artman-JB-Global One New Technology Partnership 1
	JB Dooeun-TK India Fund No. 1
	2024 JB Frontier Fund
	2024 JB Newtech No.1 Fund
	JB Innoculture Fund
	2025 JB Music Project Fund #1
	Pathway-JB Global New Technology Fund No.1
	JADE JB Triple Newtechfund
	Honors-JB Aero Intelligence Fund
	2025 JB Commerce Project Fund #1
	JB-Omega Fund
	2025 IBK-JB Innoculture Fund II
	FINDA INC.
	OKXE INC.
	AhnLab Blockchain Company
	KB Credit Capital Private Fund No.1
	Kiwoom-Aurum Global Software Investment Fund
	Atman-Bilanx New Tech Fund No.1
	Atman-Moorim-GlobalOne New Technology Fund

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Significant transactions with the related parties for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

Related party	Account	2025	2024
	Interest income	₩ 598	₩ 1,485
	Other income	-	10
Kwangju Global Motors Co., Ltd.	Other expense	12	-
	Interest expense	46	-
DS SHINHAN JBWOORI New Media Investment Fund 1	Fee and commission income	216	216
Atman-JBWoori New Technology Fund 1 ^{st 2}	Fee and commission income	62	64
	Other expense	801	-
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund	Fee and commission income	176	214
SKS PE-JB Woori New Technology Business Investment Fund No. 1	Fee and commission income	44	86
JB Woori-Petrico First New Technology Business Investment Fund 1	Fee and commission income	321	367
JB Woori Kiwoom Apollo NewTech fund	Fee and commission income	30	135
JB Woori-Pacific Maritime New Technology Investment Fund No. 1	Fee and commission income	36	40
JB Woori-DS Contents New Technology Fund 1	Fee and commission income	53	39
JB Woori-IBKC-TNK New Technology Business Investment Fund	Fee and commission income	-	134
Happy Pet Lifecare Fund No.2 ²	Other expense	14	-
Meritz-JB New Technology Fund No.1	Fee and commission income	183	255
Bokwang-JB Asia Energy Fund No.3	Fee and commission income	72	36
JB-Rhinos 1 fund	Fee and commission income	84	109
Meritz-SK Fund 1	Other income	438	-
YG Global Bio New Technology Investment Fund No. 1 ²	Other income	3,054	-
KEULROBEU1HOSAMO INVESTMENT LIMITED PARTNERSHIP ²	Other income	225	-
	Other expense	199	-
MW New Infrastructure New Technology Investment Fund No. 1 ²	Other income	73	-
TIAENKAELEEMEGASAMO INVESTMENT LIMITED	Other expense	5	-

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Related party	Account	2025	2024
PARTNERSHIP²			
JBWoori-Petrichor Material Science Investment Fund	Fee and commission income	54	-
Pectus JB Woori Fund No.1	Fee and commission income	231	-
IBKC-JB-LIFE Mezzanine Fund No.1	Fee and commission income	100	-
LIFE-JB HJ FUND 1	Fee and commission income	35	-
JB Woori-KWP 1st Private Equity Fund	Fee and commission income	52	-
JB Clean-energy Special Private Asset Investment Trust 1	Fee and commission income	26	33
JB Bio Venture 1	Fee and commission income	3	7
JB Power 12 ¹	Fee and commission income	-	106
JB IPO Investment Type Private Fund 2	Fee and commission income	13	28
JB Industrial Complex 44	Fee and commission income	525	513
JB KOSDAQ Venture Fund private 2 ¹	Fee and commission income	-	55
JB Incheon Geomdan Bucheon Goean REITs No. 54	Fee and commission income	17	17
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53	Fee and commission income	11	13
JB EBEST Autonomous The Current Fund No.3	Fee and commission income	-	9
JB Industrial Private Fund 59	Fee and commission income	361	359
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY	Fee and commission income	1,961	77
JB Special Situation Private Real Estate Fund No.63	Fee and commission income	224	206
JB Multi Strategy IPO No. 1	Fee and commission income	75	222
JB New Growth KOSDAQ Venture Private Investment Trust No. 1	Fee and commission income	116	38
JB Industrial Private Fund 69 ²	Fee and commission income	3	1
JB Hongdae High Street General Private Real Estate Investment Trust No. 72	Fee and commission income	2,656	-
2016 Mega-Growth Ladder Follow-on Fund	Fee and commission income	-	239
2017 Mega RS Fund	Fee and commission	176	143

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Related party	Account	2025	2024
	income		
MEGA Youth-Jobs Leverage Fund	Fee and commission income	1,719	633
Mega Trend Start-up No.2 Partnership	Fee and commission income	392	481
Smart Korea Mega Youth Fund	Fee and commission income	315	385
Mega-HGI Double Impact Fund	Fee and commission income	155	173
Mega Agricultural Venture Fund No.3	Fee and commission income	231	258
Smart Untact JB-MEGA Fund	Fee and commission income	442	488
2023 JB Newtech No.2 Fund ²	Fee and commission income	855	140
Artman-JB-Global One New Technology Partnership 1	Fee and commission income	21	15
JB Dooeun-TK India Fund No. 1	Fee and commission income	23	11
2024 JB Frontier Fund	Fee and commission income	50	3
2024 JB Newtech No.1 Fund	Fee and commission income	230	3
JB Innoculture Fund	Fee and commission income	690	-
2025 JB Music Project Fund #1	Fee and commission income	54	-
Pathway-JB Global New Technology Fund No.1	Fee and commission income	19	-
JADE JB Triple Newtechfund	Fee and commission income	7	-
Honors-JB Aero Intelligence Fund	Fee and commission income	18	-
2025 JB Commerce Project Fund #1	Fee and commission income	87	-
JB-Omega Fund	Fee and commission income	7	-
2025 IBK-JB Innoculture Fund II	Fee and commission income	13	-
	Interest expense	172	317
FINDA INC.	Other expense	584	464
	Other income	9	3
	Interest expense	12	14
HAN PASS CO.,LTD. ³	Other expense	78	47
	Interest income	831	337
	Other income	580	284

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¹ It was excluded from the related parties due to the disposal and liquidation during the year ended December 31, 2024.

² It was excluded from the related parties due to the disposal and liquidation during the year ended December 31, 2025.

³ It was reclassified as financial assets measured at fair value through profit or loss during the year ended December 31, 2025.

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Significant balances with the related parties as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

Related party	Account		2025	2024
Kwangju Global Motors Co., Ltd.	Other financial assets	₩	53	21,420
	Deposits		1,490	264
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund	Other financial assets		30	54
SKS PE-JB Woori New Technology Business Investment Fund No. 1	Other financial assets		8	43
JB Woori Kiwoom Apollo NewTech fund	Other financial assets		-	30
JBWoori-Petrichor Material Science Investment Fund	Other financial assets		20	-
JB Woori-DS Contents New Technology Fund 1	Other financial assets		-	6
JB Clean-energy Special Private Asset Investment Trust 1	Other financial assets		42	16
JB IPO Investment Type Private Fund 2	Other financial assets		3	2
JB Bio Venture 1	Other financial assets		-	1
JB Industrial Complex 44	Other financial assets		133	131
JB Incheon Geomdan Bucheon Goean REITs No. 54	Other financial assets		8	4
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53	Other financial assets		1	3
JB Industrial Private Fund 59	Other financial assets		32	32
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY	Other financial assets		2,103	19
JB Special Situation Private Real Estate Fund No.63	Other financial assets		71	64
JB Multi Strategy IPO No. 1	Other financial assets		6	8
JB New Growth KOSDAQ Venture Private Investment Trust No. 1	Other financial assets		2	2
JB Hongdae High Street General Private Real Estate Investment Trust No. 72	Other financial assets		4	-
2016 Mega-Growth Ladder Follow-on Fund	Other financial assets		-	239
2017 Mega RS Fund	Other financial assets		176	143
MEGA Youth-Jobs Leverage Fund	Other financial assets		533	633
Mega Trend Start-up No.2 Partnership	Other financial assets		400	457

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Related party	Account	2025	2024
Smart Korea Mega Youth Fund	Other financial assets	322	386
Mega-HGI Double Impact Fund	Other financial assets	155	74
Mega Agricultural Venture Fund No.3	Other financial assets	231	115
Smart Untact JB-MEGA Fund	Other financial assets	83	125
2023 JB Newtech No.2 Fund ¹	Other liabilities	-	95
JB Dooeun-TK India Fund No. 1	Other liabilities	11	11
2024 JB Newtech No.1 Fund	Other liabilities	3	227
JB Innoculture Fund	Other financial assets	230	-
2025 JB Music Project Fund #1	Other liabilities	8	-
Pathway-JB Global New Technology Fund No.1	Other liabilities	21	-
JADE JB Triple Newtechfund	Other liabilities	9	-
Honors-JB Aero Intelligence Fund	Other liabilities	33	-
2025 JB Commerce Project Fund #1	Other liabilities	167	-
JB-Omega Fund	Other liabilities	35	-
FINDA INC.	Deposits	4,813	6,208
	Other financial assets	17,961	5,002
HAN PASS CO.,LTD. ²	Deposits	26,017	3,108
	Other liabilities	-	20

¹ It was excluded from the related parties due to the disposal and liquidation during the year ended December 31, 2025.

² It was reclassified as financial assets measured at fair value through profit or loss during the year ended December 31, 2025.

There are no loan transactions with related parties for the years ended December 31, 2025 and 2024.

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Equity transactions between related parties for the years ended December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

Related party	2025		
	Contribution and others	Repayment and others	Dividend
KCGI-IMM Performance-Linked Private Bond Fund No.1	₩ 16,000	₩ -	₩ -
DS SHINHAN JBWOORI New Media Investment Fund 1	-	1,812	340
Atman-JBWoori New Technology Fund 1st 1	-	3,299	-
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund	-	5,790	-
Meritz-JB New Technology Fund No.1	-	3,185	-
SKS PE-JB Woori New Technology Business Investment Fund No. 1	-	5,994	474
Bokwang-JB Asia Energy Fund No.3	-	168	-
JB-Rhinos 1 fund	-	1,376	-
JB Woori-Petrico First New Technology Business Investment Fund 1	-	3,347	-
JB Woori-Pacific Maritime New Technology Investment Fund No. 1	-	240	156
Prodigy No. 24 Investment Fund 1	-	2,848	-
Happy Pet Lifecare Fund No.1	1,428	-	-
CAPE-THEJ-PHAROS Mezzanine Fund	2,371	672	38
Happy Pet Lifecare Fund No.2 1	1,934	2,001	-
MW NewMobility New Technology Investment Fund	982	-	-
IBKS Renewable Energy Fund	500	-	-
NH-Susung No.1 Mezzanine New Technology Investment	2,954	-	-
Hanwha Security Tech New Technology Investment Fund ²	1,478	1,478	-
JW-IBKC NO.1 Fund	1,476	-	-
PLUX Technology Innovation Fund #1	990	-	-
LAGUNA Pre-IPO Easytem Fund No.11	987	-	-
Timefolio Athleisure Investment Fund	3,011	-	-
AFWP-Pacific-Venturerise Deep Pocket Fund No.2	1,977	182	-
ST41 Fund	2,342	-	-
Samsung Innovative Fund No.1	2,085	1,129	160
Kyobo HSquare UTG Technology Investment Fund	1,480	-	-
Meritz-SK Fund 1	1,442	849	907
Yellow Sea Frontier Private Equity Fund I	985	-	-

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Related party	2025		
	Contribution and others	Repayment and others	Dividend
PLUX Technology Innovation Fund #2	974	236	107
SynergyIB Digital Great Transformation Investment	1,855	1,770	-
Cresit ace fund	715	117	-
Newmain V Fund	993	-	-
YG Global Bio New Technology Investment Fund No. 1 ¹	994	-	1,154
Ascent-DA Fund 1	1,500	-	-
HARANG-IPVINE Contents Investment Fund	1,966	-	-
Elohim-Bilanx aerospace No.1 Fund	1,845	-	-
Shinhan-Csquared Mezzanine Fund 1	1,494	-	-
TIAENKAELEEMEGASAMO INVESTMENT LIMITED PARTNERSHIP ¹	900	905	240
HARANG-ADVENTURE-MOBYDICK new technology Invest	1,200	-	-
NH-MOORIM Dentalcare Fund 1	3,000	-	-
MW New Infrastructure New Technology Investment Fund No. 1 ¹	500	427	133
KEULROBEU1HOSAMO INVESTMENT LIMITED PARTNERSHIP ¹	2,000	1,792	300
Eventus LIB No.1-2 PEF	3,000	1,992	-
Eugene Gourmet Private Equity Fund	1,500	-	-
AFWP Investment Trust 15	1,000	-	-
Pureun Riata Fund No.1	500	-	-
Elohim Newmain II Fund	1,200	-	-
Prodigy Fund 25	1,200	-	-
DA-YP Fund No.1	1,500	-	-
BNK Global Medical Device New Technology 1st Inve	1,500	-	-
Cheongdam-Frontier Investment Fund	1,200	-	93
T&K Companion Private Equity Fund	1,950	-	-
MW M·C·E New Technology Investment Fund 2nd	2,000	-	-
JBWoori-Petrichor Material Science Investment Fund	5,000	-	-
BNI-VISION Fund 1	1,869	-	-
KIWOOM-J&M New Technology Business Investment Fund	1,300	-	-
Pectus JB Woori Fund No.1	1,100	-	-
IBKC-JB-LIFE Mezzanine Fund No.1	7,500	-	-
LIFE-JB HJ FUND 1	4,000	-	-
Harang-MGL New Technology Fund	2,000	-	-

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Related party	2025		
	Contribution and others	Repayment and others	Dividend
JB Woori-KWP 1st Private Equity Fund	9,000	-	-
Wantedlab 2503 Investment Fund	1,000	-	-
TIP-MDM No.1 Private Equity Fund	3,000	-	-
Audastone Project Nova Private Equity Fund	2,000	-	-
Heungkuk SmartConnect Fund No.1	2,500	-	-
Samsung Fintech innovation Fund No.1	2,000	-	-
YG Digital Fund	753	-	-
ST-Ground Fund No.1	1,500	-	-
TY-DS F&B Fund	5,000	-	-
JB Hotel Private Real Estate Fund 2	2,775	-	-
JB Clean-energy Special Private Asset Investment Trust 1	-	95	-
JB Bio Venture 1	-	156	-
JB Hwaseong Dongtan Gyeongnam Hadong REITs No. 53	-	95	22
JB EBEST Autonomous The Current Fund No.3	-	54	-
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY	500	-	-
JB Special Situation Private Real Estate Fund No.63	562	1,114	180
JB Multi Strategy IPO No. 1	-	-	83
JB New Growth KOSDAQ Venture Private Investment Trust No. 1	-	-	75
JB Industrial Private Fund 69 ¹	-	289	-
JB Hongdae High Street General Private Real Estate Investment Trust No. 72	2,000	-	-
2017 Mega RS Fund	-	45	-
MEGA Youth-Jobs Leverage Fund	-	632	961
Mega Trend Start-up No.2 Partnership	-	156	-
Smart Korea Mega Youth Fund	-	231	-
Smart Untact JB-MEGA Fund	600	-	-
2023 JB Newtech No.2 Fund ¹	-	16	9
JB Innoculture Fund	5,350	-	-
2025 JB Music Project Fund #1	1,000	-	-
Pathway-JB Global New Technology Fund No.1	750	-	-
JADE JB Triple Newtechfund	800	-	-
Honors-JB Aero Intelligence Fund	1,500	-	-
2025 JB Commerce Project Fund #1	1,500	-	-
JB-Omega Fund	1,500	-	-

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(in millions of Korean won)

Related party	2025		
	Contribution and others	Repayment and others	Dividend
2025 IBK-JB Innoculture Fund II	680	-	-
KB Credit Capital Private Fund No.1	15,444	-	-
Kiwoom-Aurum Global Software Investment Fund	4,398	-	-
Atman-Bilanx New Tech Fund No.1	3,424	-	-
Atman-Moorim-GlobalOne New Technology Fund	4,022	-	-
HAN PASS CO.,LTD. ²	-	3,966	-
OKXE INC.	207	-	-
AhnLab Blockchain Company	3,250	-	-

¹ It was excluded from the related parties due to the disposal and liquidation during the year ended December 31, 2025.

² It was reclassified as financial assets measured at fair value through profit or loss during the year ended December 31, 2025.

(in millions of Korean won)

Related party	2024		
	Contribution	Repayment	Dividend
2023 Shinhan - Jbwoori - Daishin Listed enterprise Mezzanine new Technology Investment Fund	₩ 6,413	₩ -	₩ -
JB Woori-Petrico First New Technology Business Investment Fund 1	6,000	-	-
JB Woori-Pacific Maritime New Technology Investment Fund No. 1	2,400	-	-
JB Woori-DS Contents New Technology Fund 1	2,000	-	-
JB Woori-IBKC-TNK New Technology Business Investment Fund	8,700	-	-
Prodigy No. 24 Investment Fund	2,870	-	-
JB Hotel Private Real Estate Fund 2	2,536	-	-
JB Clean-energy Special Private Asset Investment Trust 1	-	94	-
JB Bio Venture 1	-	26	-
JB Power 12	10	187	7
JB-Industrial Bank of Korea US Power Senior Private Fund I	-	2	-
JB KOSDAQ Venture Fund private 2	-	1,081	-
JB SIHEUNG LOGISTICS CENTER 60TH GENERAL PRIVATE REAL ESTATE INVESTMENT COMPANY	-	-	7
JB Special Situation Private Real Estate	571	1,129	172

JB Financial Group Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2025 and 2024

<i>(in millions of Korean won)</i>	Related party	2024		
		Contribution	Repayment	Dividend
	Fund No.63			
	JB Multi Strategy IPO No. 1	-	-	272
	JB New Growth KOSDAQ Venture Private Investment Trust No. 1	1,000	-	12
	JB Industrial Private Fund 69	280	-	-
	2016 Mega-Growth Ladder Follow-on Fund	-	204	-
	2017 Mega RS Fund	-	150	-
	MEGA Youth-Jobs Leverage Fund	-	475	-
	Mega Trend Start-up No.2 Partnership	-	240	-
	Smart Korea Mega Youth Fund	-	231	-
	Mega-HGI Double Impact Fund	300	-	-
	Mega Agricultural Venture Fund No.3	250	72	-
	Smart Untact JB-MEGA Fund	1,500	-	-
	2023 JB Newtech No.2 Fund	-	4	2
	Artman-JB-Global One New Technology Partnership 1	400	-	-
	JB Dooeun-TK India Fund No. 1	250	-	-
	2024 JB Frontier Fund	1,000	-	-
	2024 JB Newtech No.1 Fund	1,000	-	-
	HAN PASS CO.,LTD.	5,254	-	-
	OKXE INC.	207	-	-

Details of compensation paid to key management for the years ended December 31, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Salaries	₩	31,870	₩	37,128
Share-based payment expenses		24,222		19,066
Retirement allowance		4,433		4,232
	₩	<u>60,525</u>	₩	<u>60,426</u>

JB Financial Group Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

51. Disclosure of Interests in Other Entities

51.1 Subsidiaries

The Group has JB Woori Capital, which engages in installment finance and leasing according to Credit Specialized Financial Business Act and Jeonbuk Bank and Kwangju Bank which engages in banking, trust services, foreign exchange business, and the securities business subject to Banking Act. Besides, the Group has a number of consolidated structured entities for funding through asset-backed securitization and earning profit through originating loans and serving trust assets.

51.2 Unconsolidated structured entities

The Group is involved mainly in many types of structured entities to originate loans. The Group does not consolidate these structured entities because the Group does not hold power to direct relevant activities or is not exposed, or has rights, to variable returns from involvement.

Details of the types of main structured entities that the Group is involved as at December 31, 2025, are as follows:

(a) Real estate financing

The structured entities that were established for the purpose of real estate development, raise funds through the borrowings from financial institutions and equity investments, and perform the purchase, development of real estate and originates loans secured by real estate. Payments of borrowings are made with the cash proceeds from the principal/interest or the sale of underlying assets. The Group is involved in multiple real estate finance structured entities as at December 31, 2025. The Group earns profits by originating loans, investing the equity instruments or receiving a commission for providing Asset-Backed Commercial Paper (the "ABCP") purchase commitment. The financial institutions including the Group have been offered guarantees from other investors or the real estate as collateral. However, the Group could bear a loss when the credit ratings of a guarantor or the values of real estate as collateral depreciate.

JB Financial Group Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

December 31, 2025 and 2024

(b) SOC (Social Overhead Capital)

The structured entities that were established to construct the social overhead facilities, such as a ditch or drainpipe, raise funds through investments in financial institutions and construction companies and borrowings from financial institutions. The construction companies are in charge of the construction and the management. Payments of borrowings are made with the cash proceeds from operating revenues of underlying assets. The Group is involved in many SOC structured entities and directly gives the borrowings or invests equity as at December 31, 2025, and the Group earns profits by originating loans, investing the equity instruments or investing the other structured entities, which were established for the purpose of financial support to the structured entities. The financial institutions including the Group have been offered guarantees from other investors or minimum revenue guarantees from government entities on the basis of the business agreement as collateral. However, the Group could bear a loss when the credit ratings of investors fall down or the implementation of minimum revenue guarantees is postponed.

(c) Others

Others are composed of funds administered by a governmental agency, some of the trust according to the trust business that a bank is engaged, and investment partnership. The main contents are as follows.

(i) Funds

Many financial institutions including the Group, which were established by the Korea Asset Management Corporation, invest in Hanmaeum Finance Co., Ltd. and Credit Recovery Fund Co., Ltd. and Hanmaeum Finance and Credit Recovery Fund supported the credit recovery by performing a low-interest loan funds to low-credit persons and multiple debtors.

(ii) Performance-based trusts

After the establishment of trust, the Group invests funds from the customer in securities. Any profits for the investment are attributed to the customer. The Group does not provide any guarantee to trust, and receive trust fee of certain rate through this transaction.

(iii) Investment associations

A few investors including a managing agent are financing the investment partnership that has been established for the financing of small- and medium-size company/venture company. A managing agent is engaged in the loans and equity investment on the basis of the capital. The Group is financing the investment partnership, and has received a dividend for the investment returns.

JB Financial Group Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2025 and 2024

Carrying amounts of the assets and liabilities recognized relating to its interests, exposure to risk relating to interests and total assets in unconsolidated structured entities as at December 31, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	Real estate financing	SOC	Others	Total
Total assets of structured entities ¹	₩ 86,035,794	₩ 1,612,290	₩ 178,421,806	₩ 266,069,890
Assets recognized due to involvement with unconsolidated structured entities ²				
Financial assets at FVTPL	59,463	15,393	3,560,485	3,635,341
Financial assets at FVOCI	-	-	-	-
Loans at amortized cost	3,291,518	36,084	1,554,604	4,882,206
Other assets	31,211	36	150,382	181,629
	<u>3,382,192</u>	<u>51,513</u>	<u>5,265,471</u>	<u>8,699,176</u>
Liabilities recognized due to involvement with unconsolidated structured entities				
Other liabilities	221	-	19	240
	<u>221</u>	<u>-</u>	<u>19</u>	<u>240</u>
Maximum exposure to loss ³				
Investments	3,382,192	51,513	5,265,471	8,699,176
Credit grants	381,171	318	14,251	395,740
Other agreements	179,651	8,446	529,442	717,539
	<u>3,943,014</u>	<u>60,277</u>	<u>5,809,164</u>	<u>9,812,455</u>

¹ Total assets of structured entities are in the amount as at December 31, 2025. However, the structured entities for which it is difficult to obtain financial information used the figures as at December 31, 2024, or September 30, 2025.

² Recognized at the carrying amount, less the deferred loan origination fees and costs and allowance for doubtful accounts.

³ Maximum losses exposure is calculated by subtracting the amounts recorded as a liability in the maximum amount to spend if the Group fulfills the obligation on the basis of equity capital commitments, loan commitments and ABCP purchase commitments.

JB Financial Group Co., Ltd. and Subsidiaries
Notes to the Consolidated Financial Statements
December 31, 2025 and 2024

(in millions of Korean won)	2024				
		Real estate financing	SOC	Others	Total
Total assets of structured entities ¹	₩	25,701,879	913,106	68,351,108	94,966,093
Assets recognized due to involvement with unconsolidated structured entities ²					
Financial assets at FVTPL		70,082	16,962	2,111,661	2,198,705
Financial assets at FVOCI		-	-	761	761
Loans at amortized cost		3,000,786	89,898	750,261	3,840,945
Other assets		26,839	16	38,665	65,520
		<u>3,097,707</u>	<u>106,876</u>	<u>2,901,348</u>	<u>6,105,931</u>
Liabilities recognized due to involvement with unconsolidated structured entities					
Other liabilities		137	-	51	188
		<u>137</u>	<u>-</u>	<u>51</u>	<u>188</u>
Maximum exposure to loss ³					
Investments		3,097,707	106,877	2,940,936	6,145,520
Credit grants		256,165	558	22,560	279,283
Other agreements		47,697	9,898	455,316	512,911
		<u>3,401,569</u>	<u>117,333</u>	<u>3,418,812</u>	<u>6,937,714</u>

¹ Total assets of structured entities are in the amount as at December 31, 2024. However, the structured entities for which it is difficult to obtain financial information used the figures as at December 31, 2023, or September 30, 2024.

² Recognized at the carrying amount, less the deferred loan origination fees and costs and allowance for doubtful accounts.

³ Maximum losses exposure is calculated by subtracting the amounts recorded as a liability in the maximum amount to spend if the Group fulfills the obligation on the basis of equity capital commitments, loan commitments and ABCP purchase commitments.

52. Approval of Consolidated Financial Statements

The consolidated financial statements were initially approved by the Board of Directors on February 5, 2026 and the final approval of the consolidated financial statements is planned to be made at the shareholder's meeting on March 26, 2026.



**Independent Auditor's Report on
Internal Control over Financial Reporting for Consolidation Purposes**

(English Translation of a Report Originally Issued in Korean)

To the Board of Directors and Shareholders of
JB Financial Group Co., Ltd.

Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We have audited Internal Control over Financial Reporting (ICFR) of JB Financial Group Co., Ltd. and its subsidiaries (collectively referred to as the "Group") for consolidation purposes as at December 31, 2025, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

In our opinion, the Group maintained, in all material respects, effective ICFR for consolidation purposes as at December 31, 2025, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

We also have audited, in accordance with Korean Standards on Auditing, the consolidated financial statements of the Group, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including material accounting policy information, and our report dated March 13, 2026, expressed unqualified opinion.

Basis for Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We conducted our audit in accordance with Korean Standards on Auditing. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting for consolidation purposes* section of our report. We are independent of the Group in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of ICFR for consolidation purposes and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for Internal Control over Financial Reporting for Consolidation Purposes

Management is responsible for designing, implementing, and maintaining effective ICFR for consolidation purposes, and for its assessment about the effectiveness of ICFR for consolidation purposes, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting.

Those charged with governance have the responsibilities for overseeing ICFR for consolidation purposes.

Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting for Consolidation Purposes

Our responsibility is to express an opinion on ICFR for consolidation purposes of the Group based on our audit. We conducted the audit in accordance with Korean Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective ICFR for consolidation purposes was maintained in all material respects.

An audit of ICFR for consolidation purposes involves performing procedures to obtain audit evidence about whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. An audit includes obtaining an understanding of ICFR for consolidation purposes and testing and evaluating the design and operating effectiveness of ICFR for consolidation purposes based on the assessed risk.

Definition and Inherent Limitations of Internal Control over Financial Reporting for Consolidation Purposes

An entity's ICFR for consolidation purposes is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea. An entity's ICFR for consolidation purposes includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, ICFR for consolidation purposes may not prevent, or detect misstatements. Also, projections of any assessment of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The engagement partner on the audit resulting in this independent auditor's report is Yeob Yu, Certified Public Accountant.

Seoul, Korea
March 13, 2026

<p>This report is effective as at March 13, 2026, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the Group's ICFR for consolidation purposes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.</p>
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**Management's Report on the Effectiveness of
Internal Control over Financial Reporting for Consolidation Purposes**

(English Translation of a Report Originally Issued in Korean)

To the Shareholders, Board of Directors and Audit Committee of
JB Financial Group Co., Ltd.

We, as the Chief Executive Officer (CEO) and the Internal Control over Financial Reporting Officer of JB Financial Group Co., Ltd. (the Company), assessed the effectiveness of the design and operation of the Company's Internal Control over Financial Reporting (ICFR) for consolidation purposes for the year ended December 31, 2025.

The Company's management, including ourselves, is responsible for designing and operating ICFR for consolidation purposes. We assessed the design and operating effectiveness of ICFR for consolidation purposes in the prevention and detection of an error or fraud which may cause material misstatements in the preparation and disclosure of reliable consolidated financial statements.

We designed and operated ICFR for consolidation purposes in accordance with *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting* established by the Operating Committee of Internal Control over Financial Reporting in Korea (the ICFR Committee). And, we conducted an evaluation of ICFR based on the Annex 6 'Standards for Evaluating and Reporting on Internal Control over Financial Reporting' for the Detailed Enforcement Rule of the Regulation on External Audit and Accounting.

Based on the assessment results, we believe that the Company's ICFR for consolidation purposes, as at December 31, 2025, is designed and operating effectively, in all material respects, in accordance with *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

We certify that this report does not contain any untrue statement of a fact or omit to state a fact necessary to be presented herein. We also certify that this report does not contain or present any statements which cause material misunderstandings, and we have reviewed and verified this report with sufficient due care.

<Attachment>

- Internal control activities implemented to address treasury-related fraud risks, including embezzlement

February 5, 2026

Ki Hong, Kim,
Chief Executive Officer

Jong Geun, Song,
Internal Control over Financial Reporting Officer

<Attachment>

- Internal control activities implemented to address treasury-related fraud risks, including embezzlement

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
Entity-Level Controls	<Fraud Risk Assessment> Management identifies and assesses potential risks related to abuse of authority, improper inducement or coercion, and asset embezzlement, and establishes and maintains corresponding control procedures.	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Mandatory Leave System> Management implements mandatory leave and special inspections to prevent illegal or improper conduct by employees.	JB Financial Group Co., Ltd. and 3 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Rotation and Long-term Service Restrictions> Management implements rotational assignments to mitigate incentives for misconduct arising from long-term service and restricts the proportion of long-term service employees to below a certain level.	THE JEONBUK BANK LTD. and 2 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
	<p><Internal Reporting (Whistleblowing) System> Management operates an effective internal reporting (whistleblowing) system to enable the early detection and correction of misconduct or irregularities through internal self-regulation and mutual oversight among employees.</p>	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<p><Segregation of Duties for Risk Operations> Management establishes the principle of segregation of duties for risk operations and monitors risk-related tasks.</p>	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<p><Internal Audit System> Management monitors internal controls in each department through self-audits and takes corrective actions on identified findings, where necessary.</p>	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			other entities, Nov. 2025, Jan. 2026)
Treasury Controls	<Daily Transaction Reconciliation> The person in charge of fund management verifies discrepancies by reconciling actual cash transactions with system records on a daily basis.	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Fund Disbursement Approval> When disbursing funds, the person in charge of fund management reconciles the details of the withdrawal request with the attached documents and grants approval.	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Fund Execution Authority> Access to systems and accounts for fund execution is restricted to designated fund account managers.	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts,

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<p><Reserve Deposit Management></p> <p>When confirming reserve deposits, the person in charge of reserve deposits verifies and reconciles the reserve deposit information between the BOK WERE system and the internal system, and approves it.</p>	THE JEONBUK BANK LTD. and 2 other entities	<p>Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 1 other entities, Phnom Penh Commercial Bank, Strategic Planning Department, utilized external experts.</p> <p>Nov. 2025, Jan. 2026)</p>
	<p><Fund Procurement Approval></p> <p>When procuring funds, the person in charge of fund management reviews and approves the appropriateness of key terms set out in borrowing and bond issuance proposals.</p>	JB Financial Group Co., Ltd. and 5 other entities	<p>Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts,</p> <p>THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities,</p> <p>Nov. 2025, Jan. 2026)</p>
	<p><Fund Repayment Approval></p> <p>When repaying borrowings, the person in charge of fund management verifies that the scheduled repayment amount agrees with the actual repayment amount before granting approval.</p>	JB Financial Group Co., Ltd. and 5 other entities	<p>Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external</p>

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Corporate Seal Usage Approval> Access to the corporate seal is physically restricted to prevent unauthorized use, and the person in charge of seal management reviews the purpose and details of its use prior to approval.	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Key Asset Physical Management> Key assets, including seals and OTPs, are stored in physically restricted locations, and access by unauthorized persons is prohibited.	JB Financial Group Co., Ltd. and 5 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Account Opening and Closure Approval> The person in charge of account management reviews the reasons for and approves the opening, modification, and closure of corporate	JB Financial Group Co., Ltd. and 2 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
	bank accounts.		Planning Department, and 1 other entities utilized external experts, JB Woori Capital Co., Ltd., Accounting team, and 2 other entities, Nov. 2025, Jan. 2026)
Other Process-Level Controls	<Credit Review> During credit review, the person in charge of the credit review department reviews the credit review results for compliance with internal regulations prior to approval.	THE JEONBUK BANK LTD. and 3 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Phnom Penh Commercial Bank, Strategic Planning Department, utilized external experts. Nov. 2025, Jan. 2026)
	<Credit Remittance Restrictions> When executing credit, remittances are restricted to designated accounts only.	THE JEONBUK BANK LTD. and 3 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Phnom Penh Commercial Bank, Strategic Planning Department, utilized external experts. Nov. 2025, Jan. 2026)
	<Credit Execution Approval> When executing credit, the person in charge of the credit execution department reviews compliance with procedures prescribed in internal regulations prior to approval.	THE JEONBUK BANK LTD. and 3 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Phnom Penh

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			Commercial Bank, Strategic Planning Department, utilized external experts. Nov. 2025, Jan. 2026)
	<Credit Segregation of Duties> The entry and approval of credit transactions, as well as review, are segregated so that different personnel perform each function.	THE JEONBUK BANK LTD. and 3 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Phnom Penh Commercial Bank, Strategic Planning Department, utilized external experts. Nov. 2025, Jan. 2026)
	<Credit Collection Management> The person in charge of the credit collection department verifies whether the actual collection amount agrees with the scheduled collection amount to identify any discrepancies.	THE JEONBUK BANK LTD. and 3 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Phnom Penh Commercial Bank, Strategic Planning Department, utilized external experts. Nov. 2025, Jan. 2026)
	<Special Bond Management> The person in charge of the special bond management department reviews and approves the appropriateness of transactions related to debt restructuring, write-offs, and disposals.	THE JEONBUK BANK LTD. and 3 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Phnom Penh Commercial Bank, Strategic Planning Department, utilized

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			external experts. Nov. 2025, Jan. 2026)
	<Securities Transaction Approval> During securities transactions, the person in charge of the securities management department reviews compliance with procedures prescribed in internal regulations prior to approval.	JB Financial Group Co., Ltd. and 4 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 1 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Securities Segregation of Duties> The entry and approval of securities transactions, as well as fund execution, are segregated so that different personnel perform each function.	JB Financial Group Co., Ltd. and 3 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Securities Acquisition Payment Approval> When executing funds for securities acquisition, the person in charge of the securities management department reviews and approves the appropriateness of the fund disbursement details.	JB Financial Group Co., Ltd. and 3 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, utilized external experts, THE JEONBUK BANK LTD, General Affairs

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Securities Dividend and Interest Income Review> When receiving dividends and interest income from securities, the person in charge of the securities management department verifies whether the actual amounts received agree with the scheduled amounts.	JB Financial Group Co., Ltd. and 3 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Securities Balance and Portfolio Reconciliation> The person in charge of the securities management department periodically reviews and approves the consistency between securities transaction information recorded in the system and actual information.	JB Financial Group Co., Ltd. and 4 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 1 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Securities Physical Inspection> The person in charge of the securities management department periodically conducts physical inspections to check for any anomalies.	JB Financial Group Co., Ltd. and 3 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 2 other entities utilized external experts,

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Derivatives Transaction Approval> During derivatives transactions, the person in charge of the derivatives management department reviews compliance with procedures prescribed in internal regulations prior to approval.	THE JEONBUK BANK LTD. and 2 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Derivatives Segregation of Duties> The entry and approval of derivatives transactions, as well as fund execution, are segregated so that different personnel perform each function.	THE JEONBUK BANK LTD. and 2 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Derivatives Payment Approval> During derivatives fund transactions, the person in charge of the derivatives management department reviews and approves the appropriateness of fund disbursement details.	THE JEONBUK BANK LTD. and 2 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 2 other entities, Nov. 2025, Jan. 2026)
	<Fee Deposit/Withdrawal Approval> When depositing or withdrawing fees, the person in charge of the fee management department reviews and approves the deposit/withdrawal details, including supporting calculation documents and amounts.	JB Financial Group Co., Ltd. and 4 other entities	Testing results: No material weaknesses identified (JB Financial Group Co., Ltd, Comprehensive Planning Department, and 1 other entities utilized external experts, THE JEONBUK BANK LTD, General Affairs Department, and 2

Category	Control Activities Performed by the Company	Applicable Entity /	Design and Operating Effectiveness Assessment Results (Department, Timing, etc.)
			other entities, (Nov. 2025, Jan. 2026)
	<p><Review of Deposit Transaction Details> When handling deposit-related fund inflow and outflow transactions, the billing officer reconciles the actual customer's deposit and withdrawal requests with the processed transaction records in the system to verify whether there are any discrepancies.</p>	THE JEONBUK BANK LTD. and 2 other entities	Testing results: No material weaknesses identified (THE JEONBUK BANK LTD, General Affairs Department, and 1 other entities, Phnom Penh Commercial Bank, Strategic Planning Department, utilized external experts. Nov. 2025, Jan. 2026)