2026 JBFG's Global Investor Day

Summary of Dialogue Meeting Minutes

May 21, 2026

JB Financial Group

Please note that this document summarizes the key questions and answers from JBFG's Global Investor Day, held on May 21, 2026. It aims to reflect the intentions and objectives of the speakers as accurately as possible.

Global Investor Day Key Questions

○ Questions from the Participants in Summary

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Opening & Welcoming Remarks

○ **JBFG CEO Kim, Ki Hong**

Hello. This is JBFG CEO Ki-hong Kim.

I would like to express my gratitude to the domestic and international investors and analysts who have attended today's event despite their busy schedules.

Today's event has been organized to explain the current management issues and strategies facing JBFG and to directly hear the voices of the market for the future direction of the Group. I hope this event will provide a meaningful time for investors and the management to freely exchange views.

Please refer to the investor relations (IR) materials disclosed prior to the event, and feel free to speak up if you have had any questions or suggestions regarding the Group. The management will be happy to answer them candidly and sincerely.

Thank you once again for attending.

Q&A and Free-Form Comments

Q) Analyst A

✔ Although first-quarter net profit fell slightly short of consensus, the Company explained that it exceeded its target by 10%. To reach the annual net profit guidance of 750 billion won, it appears that quarterly profits of approximately 200 billion won are required from the second quarter onward. Please explain the future quarterly performance trends and strategic direction.

A) JBFG CEO Ki-hong Kim

✔ The Company maintains its position regarding the previously provided annual net profit guidance of 750 billion won. Currently, second-quarter earnings are performing better than initially expected, and in particular, the effects of the organizational restructuring within the banking division during the first quarter, which led to shifts in management direction, are gradually normalizing. Traditionally, JBFG has a seasonal pattern where profits in the first and fourth quarters are relatively small, compared to the second and third quarters accounting for a larger share of earnings. Even now, we believe earnings are performing in line with such pattern. Accordingly, the Company forecasts that it will be able to comfortably achieve the annual net profit guidance of 750 billion won this year.

Q) Local Investor B

✔ The extent of the share price correction following the recent first-quarter earnings disclosure seems to be excessive. So, I wonder if there is any possibility of increasing the proportion of share buybacks and decreasing the dividend ratio under the existing shareholder return plan. Also, please explain if you have any plans to accelerate the pace of achieving the total shareholder return rate of 50%, as suggested as your mid-to-long-term goal.

A) JBFG CEO Ki-hong Kim

✔ JBFG plans to maintain the previously promised total shareholder return rate of 50%. For this year's dividend policy, we are setting a dividend payout ratio at approximately 32.5%, prioritizing levels that allow for tax benefits such as separate taxation on dividend income, and we plan to carry out the remainder of the shareholder return through share buybacks and cancellations. Regarding the recent decline in our share prices, the only additional measure currently under consideration is to advance the timing of share buybacks to some extent, and our position remains that there are no significant changes to the previously announced shareholder return framework.

Q) Analyst C

✔ Amid the recent upward trend in market interest rates, it is understood that JB Woori Capital relies heavily on corporate bonds in its funding structure. Consequently, as rising funding costs may act as a burden on the Group's Net Interest Margin (NIM), please explain how you would respond to this.

A) JBFG CEO Ki-hong Kim

✔ The Company continuously monitors shifts in market funding rates and maintains a structure that reflects these increases in its lending rates. While there may be temporary declines due to time lags, it is determined that the rise in funding rates does not lead to a structural decline in NIM. JB Woori Capital maintains an appropriate operating rate policy reflecting funding costs rather than engaging in excessive interest rate competition, and its NIM-based interest income is also showing a stable upward trend at the moment. Accordingly, the impact of rising funding rates on profits is expected to be limited.

Q) Analyst D

✔ Recently, internet-only banks and other financial companies have been increasingly entering the financial market for foreigners. Given the potential pressure on profitability due to intensifying competition, please explain JBFG's competitive edge in risk management within the foreign customer loan sector.

A) JBFG CEO Ki-hong Kim

✔ Recently, internet-only banks such as Kakao Bank and Toss Bank have expressed their intent to enter the foreign customer market, but we assess that the foreigner loan market, which JBFG is currently focusing on, has significantly high barriers to entry. Today, JBFG holds a market share of approximately 70% in the unsecured loan market for E9·E7 visa-holding foreign workers, and operates the non-face-to-face platform “Bravo Korea” and a nationwide offline sales network concurrently. We have approximately 198 counselors with call centers exclusively for foreigners, covering 10 languages, and it took a considerable amount of time to staff this organization and build its infrastructure. In addition, we have developed and are operating an in-house credit scoring model specialized for foreigners on the basis of long-term accumulated foreigner loan data, which we consider to be a core competitive advantage that is difficult for new entrants to secure in the short term.

- ✔ It is determined that the current market, centered on E-9 and E-7 visa holders, has a limit in growth potential, and we plan to expand into the market for long-term residents with F-series visas and high-quality international students in the future. In particular, the F-visa customer segment is considered to have high future growth potential due to the long loan duration and significant balance accumulation effect inherent in the nature of their long-term stays, and the related credit scoring model is also in the final stages of development.

- ✔ Given the past instances where some savings banks and regional banks entered the financial market for foreigners and then withdrew, the Company does not view this market as simply accessible, but considers long-accumulated experience and networks to be its core competitive advantages.

- ✔ Regarding internet-only banks' entry into the sector, we believe our ability to utilize existing face-to-face sales organizations is a differentiating factor, whereas internet-only banks find it difficult to maintain such networks. In particular, we secure foreign customers starting from the stage prior to their entering the country. Since face-to-face channels and partnership networks are crucial for this type of business, I believe there is a certain barrier to entry. We have accumulated relevant capabilities over a long period to secure such competitiveness. Still, we are continuously monitoring how actively competitors will enter the market in the future and how the market environment will evolve.

A) JBFG CRO Seung-kook Lee

- ✔ Since available data for unsecured loans to foreigners is limited compared to that of domestic borrowers, we believe that identifying key risk factors within this limited dataset is critical to competitiveness. JBFG has been accumulating credit data of foreign borrowers for approximately 10 years, applying key risk factors such as visa type and nationality. The E-visa-based model for foreigners is already in operation, and the model for F-visa holders is also being prepared for roll-out upon completion of development. While most new competitors have no choice but to rely on the general foreign credit ratings of external credit bureaus (CBs), we believe that JBFG possesses differentiated competitiveness in that it has established an operational strategy utilizing its proprietary risk factors.

A) JBFG COO Jong-choon Park

- ✔ JBFG is building a credit information infrastructure for foreigners through partnerships with credit information agencies and central bank-affiliated institutions in Southeast Asian countries. We are currently pursuing API-based credit information linkage projects with countries such as Vietnam and the Philippines, and are working to link as many as 10 countries in the future. We believe that such overseas credit information networks will act as a barrier to entry that is difficult for latecomer financial companies to establish in the short term. Furthermore, our product lineup targeting foreigners is diversified beyond just unsecured loans to include auto-title loans, real estate loans, and emergency loans, enabling differentiated customer access compared to competitors.

A) JBFG CEO Ki-hong Kim

- ✔ Collection from foreign nationals differs in nature from that targeting domestic customers, making it difficult to handle with existing collection experience or personnel. Furthermore, external collection agencies also lack relevant experience. We have built a face-to-face network centered around counselors to conduct sales and collection, and we believe this capability serves as a significant barrier to entry and a competitive factor in the financial market for foreigners.

Q) Analyst E

- ✔ JBFG has historically demonstrated NIM management capabilities superior to the industry average during both rising and falling interest rate cycles, but its competitive edge appears to have weakened slightly compared to its peers recently. Please explain the reasons behind this and future directions for improvement.

A) JBFG CEO Ki-hong Kim

- ✔ It is determined that the recent weakening of NIM competitiveness is a phenomenon centered on the banking sector, which was the case especially for Kwangju Bank. In recent years, the effect of interest rate hikes has not been fully reflected due to changes in the regional business environment, intensified competition, and an increase in the proportion of products with low interest rate sensitivity. Accordingly, we have been continuously pursuing portfolio adjustments and profitability improvement efforts for about two years, and we believe that we have entered a turnaround phase for NIM, starting from the second quarter. Jeonbuk Bank has already shifted to an upward trend in NIM since the first quarter, and it is expected that the Group’s gross interest income from banking business this year will improve significantly compared to the previous year.

Q) Analyst F

- ✔ Given the recent ongoing trend of money moving into non-banking sectors, please explain JBFG's deposit strategy and response direction.

A) JBFG CEO Ki-hong Kim

- ✔ Despite a money move into non-banking sectors appearing in the market, we judge that structural signs of abnormality, such as a rapid rise in deposit interest rates, are still limited. Since JBFG has a relatively low proportion of low-cost deposits, we believe the impact may be somewhat limited compared to large commercial banks. Recently, we have been piloting a strategy to lower the overall funding cost by increasing the proportion of online-based parking deposit products, and through this, we are seeking to establish a more efficient deposit structure.

A) JBFG CFO Jong-geun Song

- ✔ Based on the average monthly balance in April 2026 compared to the end of 2025, both Jeonbuk Bank and Kwangju Bank have seen their total and core deposits increased. However, the proportion of core deposits is decreasing slightly, and there is a burden of rising interest rates on new time deposits. Accordingly, the Company plans to continuously strengthen its deposit competitiveness through strategies to improve its funding structure, such as expanding parking deposit products.

Q) Analyst G

- ✔ Please explain the actual customer base, re-utilization rate, average loan amount, linkage with remittances, and exchange rate impact of the foreigner loan business.

- ✔ In addition, regarding the recent changes in share buyback execution patterns, please explain whether the existing strategy will be maintained and the operational plan for the interim periods of no share buybacks in the future.

A) JBFG CFO Jong-geun Song

- ✔ The share buyback strategy itself is being operated in the same manner as last year, which involves consistent purchases of fixed amounts over a set period, but purchases are somewhat restricted prior to the dividend record date and then released en masse afterward. Therefore, it may appear as though purchases are concentrated at specific times. Considering the current maturity schedule of treasury stock trusts, the share buyback is expected to end around mid-June.

A) JBFG COO Jong-choon Park

- ✔ For foreign workers with E visas, the average loan duration is approximately 14 months, and there are many cases where this leads to re-lending during the visa extension or re-entry process. Currently, it is estimated that there are approximately 1.3 million foreigners in Korea who have access to actual financial services, and about 90,000 of them have been connected as actual loan customers. The average loan amount for foreigners is approximately 14 million won, with about 40% of the loan amount being remitted to their home countries. This remittance data is being utilized as important input for additional financial services in the future and the advancement of credit evaluation going forward. A simplified remittance feature within the 'Bravo Korea' app is also scheduled for release, and through this, we plan to expand the ecosystem that links financial services with remittance data.

A) JBFG CEO Ki-hong Kim

- ✔ Since loans to foreigners are executed and repaid in KRW, there is no exchange rate impact from the Company's perspective. For the E9 unskilled worker visa group, which is currently our core customer base, the repeat lending rate is limited due to the nature of their length of stay. On the other hand, the E7 professional visa group has a longer duration of stay, making the group more likely to refinance and become long-term customers. As the growth rate of unskilled worker visa (E9) inflows has recently slowed down, we plan to expand our business scope by focusing on the market for long-term residents holding F-visas and international students in the future.

Q) Analyst H

- ✔ Regarding the recent focus on enhancing ROE for banking sector, please explain JBFG's mid-to-long-term ROE improvement strategy.

A) JBFG CEO Ki-hong Kim

- ✔ Currently, we are rebalancing our portfolios by dividing the entire product classes into four groups (Tier 1 to Tier 4) based on NIM and RoRWA. Tier 4 assets with NIM and RoRWA both low, are being sequentially reduced, and now we are in the process of continuously downsizing assets worth approximately 5 trillion won.

- ✔ The core objective is to simultaneously achieve three goals: not merely increasing ROE, but growing net profit and maintening capital adequacy (CET1 ratio) as well. We consider RoRWA and NIM as key performance indicators for achieving these goals, and we are strengthening portfolio management by subsidiary and RoRWA-based management systems by product. Once this strategy stabilizes, we expect to be able to achieve an ROE of 13% or higher starting next year, with a target of reaching 14% thereafter.

Q) Foreign Investor I

✔ I believe that a structure that simply returns all capital exceeding the target CET1 ratio may be clearer from the market's perspective than a method that presents both a CET1 ratio target and a shareholder return ratio target at once. Please explain the possibility of simplifying the shareholder return policy in the future.

✔ In addition, as a bank with the ROE exceeding the COE, please elaborate on the priorities between investment for growth and shareholder returns.

A) JBFG CEO Ki-hong Kim

✔ We believe it is important to manage growth and shareholder returns in a balanced manner rather than favoring one over the other.

✔ Also, the current shareholder return policy has a very simple structure. It is structured to pay dividends to the extent eligible for tax benefits, leaving the remainder to be returned through the buyback and cancellation of shares. The currently announced policy standards suggest that a shareholder return of 50% or more is possible when the CET1 ratio exceeds 13%. If the CET1 ratio actually exceeds 13% in the future, we will consider a level of shareholder return that does not lag behind our competitors, and we intend to maintain a transparent, predictable, and simple structure for our policy direction.

Q) Analyst G

✔ I would like to ask an additional question regarding the possibility of remittance demand from foreign customers slowing down in the environment of a weak KRW.

A) JBFG COO Jong-choon Park

✔ To date, there has been no phenomenon of decreasing remittance demand due to exchange rate fluctuations. Rather, based on recent data from our partners, the volume of remittances is showing an increasing trend, and given the nature of foreign customers, the demand for regular remittances to their home countries remains stable.

Q) Analyst E

- ✔ There are concerns that the absence of a securities subsidiary could undermine the Group's future competitiveness. Please explain your non-banking portfolio strategy into the future.

A) JBFG CEO Ki-hong Kim

- ✔ As we are a relatively small financial holding company, our capacity to acquire a large securities firm with a stable revenue base is practically limited. Furthermore, small and medium-sized securities firms often exhibit wide variances in business and heavily depend on real estate project financing (PF), making it difficult to find an acquisition target that aligns with the Group's strategy to date.

- ✔ However, the absence of a securities firm does not mean that we have abandoned the capital market business. Currently, the investment banking (IB) organizations of JB woori capital and bank subsidiaries are taking the lead to expand mezzanine, acquisition financing, and investments in IPOs and unlisted companies. At the same time, we are actively pursuing strategic investments in fintech and AI companies, and are implementing a strategy defined not only for simple business synergy but also securing future capital gains. For now, we believe that fintech and AI investment strategies may serve as a more differentiated growth driver than the acquisition of a securities firm.

Q) Analyst H

- ✔ Concerns among financial industry investors are growing in relation to the government's recent stance on strengthening the banking sector's public role. Please explain how JBFG is going to respond to this matter.

A) JBFG CEO Ki-hong Kim

- ✔ Of course, the public role of banks is necessary. We hold the position that banks must simultaneously pursue the dual objectives of serving public interest and enhancing shareholder value, and to date, we have not received any separate burdens or additional requests from the government.

- ✔ I believe it is desirable to carry out public roles separately by making social contributions and supporting policy finance, while operating fundamental financial businesses according to market principles. In addition, JBFG is already performing a significant role in inclusive finance, such as providing financial services to low-to-mid credit borrowers and foreigners. Therefore, we see a limited possibility of a significant increase in additional burdens on us even in the course of policy changes.

Q) Foreign Investor I

✔ Please explain the structure and future direction of the joint lending business with Kakao Bank and Toss Bank.

A) JBFG CEO Ki-hong Kim

✔ Joint lending is a model that combines the customer touchpoint competitiveness of internet-only banks with the capital strength of regional banks. I believe this is a business model where the interests of both sides align, as internet-only banks have limited capital capacity relative to customer demand, while regional banks relatively lack competitiveness in customer touchpoints. Through joint lending, internet-only banks can provide financial services to more customers, and regional banks benefit from securing new high-quality customers through internet-only bank channels and acquiring customer data through product sales.

✔ The Kwangju Bank-Toss Bank and Jeonbuk Bank-Kakao Bank collaboration is the first of its kind introduced in Korea through the financial regulator's sandbox approval. However, profitability has been somewhat limited compared to expectations thus far. This is because there was a difference where internet-only banks favor a strategy focused on high-credit customers, whereas we prefer the mid-risk, high-return customer segment.

✔ Currently, we are improving our business structure through a continuous adjustment process, and in the future, we plan to verify business viability by expanding beyond unsecured loans for individuals to include joint loans for SOHO.

Closing Message

○ JBFG CEO Kim, Ki Hong

✔ The management also takes it very seriously that JBFG has seen relatively large declines in share prices following the disclosure of first-quarter earnings. Furthermore, we are fully aware of the concerns in the market regarding the weakening of our Banks' profit base and the increased reliance on valuation gains from the JB Woori Capital's marketable securities.

✔ However, early this year, in the process of generational shift in the management of both Banks and the establishment of a portfolio rebalancing system, there was a temporary reorganization and a subsequent shift in management direction. I believe this was a process for securing mid-to-long-term competitiveness. In addition, in the first quarter, performance was sluggish due to seasonal factors inherent to the nature of guaranteed real estate PF business, which resulted in poor performance for our Banks. However, their profitability has been improving rapidly since the second quarter. We also believe that JB Woori Capital is also maintaining a positive trend in line with the originally planned direction.

✔ Accordingly, it is expected that second-quarter earnings are very likely to exceed market consensus, and we plan to deliver a clearer message to the market regarding JBFG's mid-to-long-term direction and strategy by the end of the year.