

B N K F I N A N C I A L G R O U P 

# 2023 1Q Financial Results

## BNK Financial Group

# Contents

---

- I . 2023 1Q Highlights**
- II. Profitability**
- III. Growth**
- IV. Asset Quality**
- V . Capital Adequacy**
- VI. Appendix**

## DISCLAIMER

The financial information presented herein is prepared on the basis of pre-audited financial of BNK Financial Group and is based upon the plans, strategies and expectations of the FG's management. All information described in this presentation should be treated as forward looking statements that are subject to risks and uncertainties. Actual results could vary materially from the expectations reflected in this presentation, thus the statements presented herein do not purport to be a complete description of the group's operations or future developments. Readers are cautioned not to place under reliance on these statements, which speak only as of the date of the presentation BNK Financial Group does not undertake any obligation to publicly release any revisions to these statements to reflect any future events.

- KNB has been added October 10, 2014, with earnings consolidated starting from 4Q of 2014. As of June 4, 2015, KNB has become a 100% subsidiary of BNK Financial Group
- AM has been added July 28, 2015, and earnings will be consolidated starting from August 2015

## Profitability – Group Net Income

(KRW bn,%)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Net Interest Income	731.4	678.7	7.8	772.5	-5.3
Net Fee Income	67.6	145.7	-53.6	50.1	34.9
Others	40.6	3.6	1,027.8	-12.8	Net Gain
SG&A(-)	392.9	371.0	5.9	448.0	-12.3
Provision Expense(-)	124.9	81.8	52.7	271.4	-54.0
Net Income	268.3	287.1	-6.5	58.5	358.6
Net Income in Controlling Interest	256.8	276.3	-7.1	47.0	446.4

## Profitability – Group Subsidiaries Net Income

(KRW bn,%)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Banks(A)</b>	230.3	215.4	6.9	89.9	156.2
BSB	145.3	128.2	13.3	65.4	122.2
KNB	85.0	87.2	-2.5	24.5	246.9
<b>Non-Banks(B)</b>	58.4	93.4	-37.5	-3.8	Net Gain
Capital	32.6	57.5	-43.3	11.4	186.0
Securities	19.1	34.5	-44.6	-4.2	Net Gain
MSB	0.7	1.0	-30.0	-12.6	Net Gain
AM	3.7	-1.5	Net Gain	0.7	428.6

**NI 256.8 KRW bn**

(YoY -7.1%)

- Decrease in PFs & increase in prov. exp. led yearly decrease in earnings

**Core Inc. 799.0 KRW bn**

(YoY -3.1%)

- Int. earning asset growth, higher NIM led int. income up by +7.8%
- Low PF & stock & stock/derivative led fee income down by -53.6%

**SG&A 392.9 KRW bn**

(YoY +5.9%)

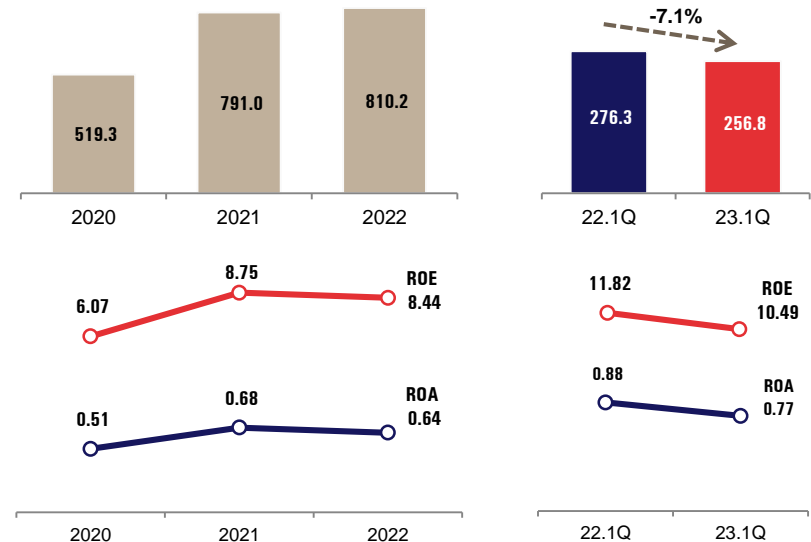
- Banks overall cost led yearly growth.
- Lower Sec. bonuses led decrease in personnel costs

**Prov. Exp. 124.9 KRW bn**

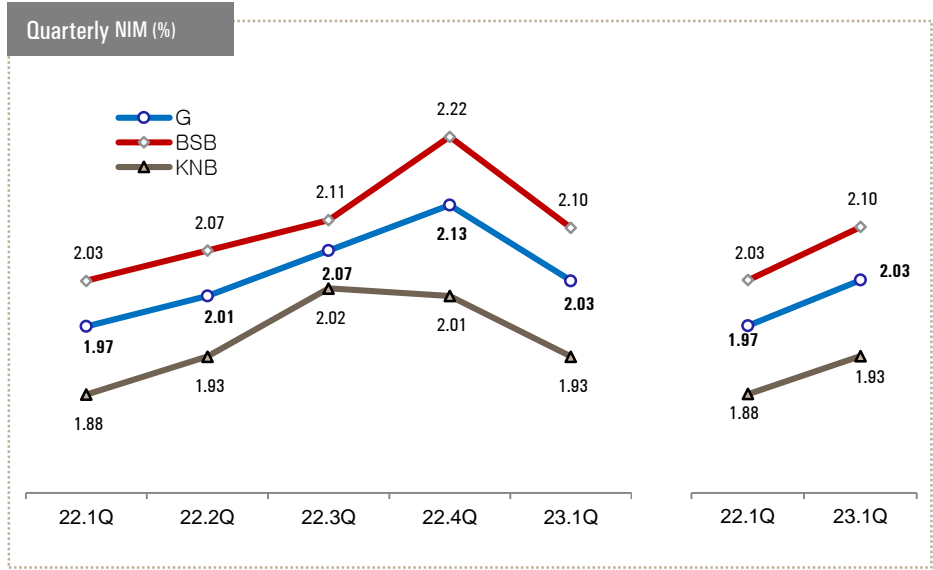
(YoY +52.7%)

- Add. provisions due to slightly weaker AQ lead prov. exp. up by 52.7%
- Loss Absorp. Cap. : 28.8 KRW bn (BSB 22.3 KRW bn, KNB 6.5 KRW bn)

## Profitability – Group Net Income (KRW bn), Group ROA/ROE (%)



## Profitability, Growth – Quarterly NIM, Total Assets, Banks KRW Loans



**NIM 2.03%**  
(QoQ -10bps)

- Rate hike-linked cost of funding ↑ led NIM decrease
- BSB 2.10%(-12bps), KNB 1.93%(-8bps)

**KRW Loans 93.6 KRW tn**  
(QoQ +1.4%, Bks Tot.)

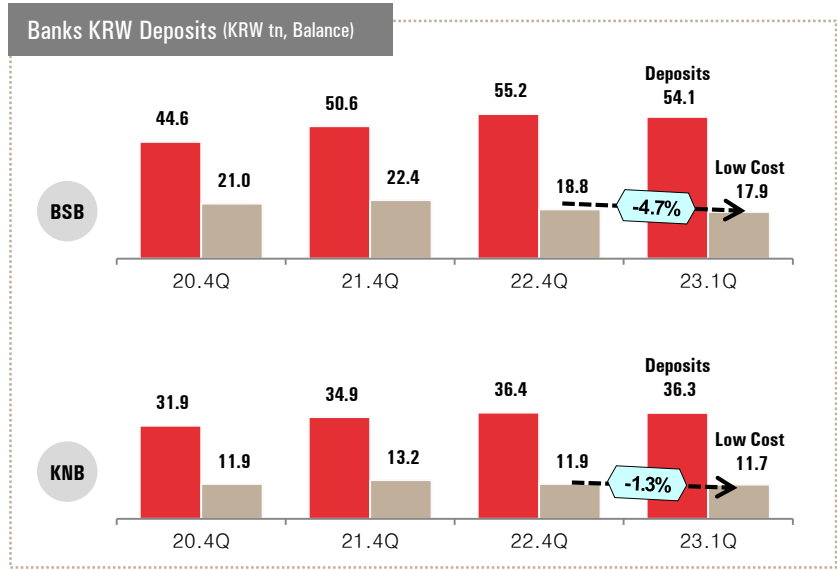
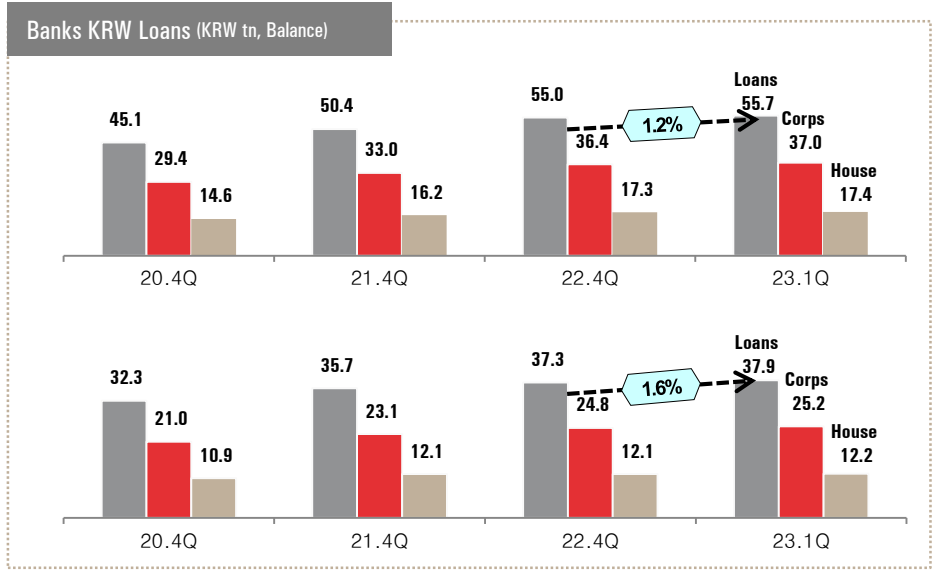
- Non-manufacturing driven Corps., mortgage driven House. growth
- \*BSB 1.2% (Corps. 1.7%, House 0.5%)  
KNB 1.6% (Corps. 1.9%, House 1.3%)

**KRW Deposits 90.5 KRW tn**  
(QoQ -1.2%, Bks Tot.)

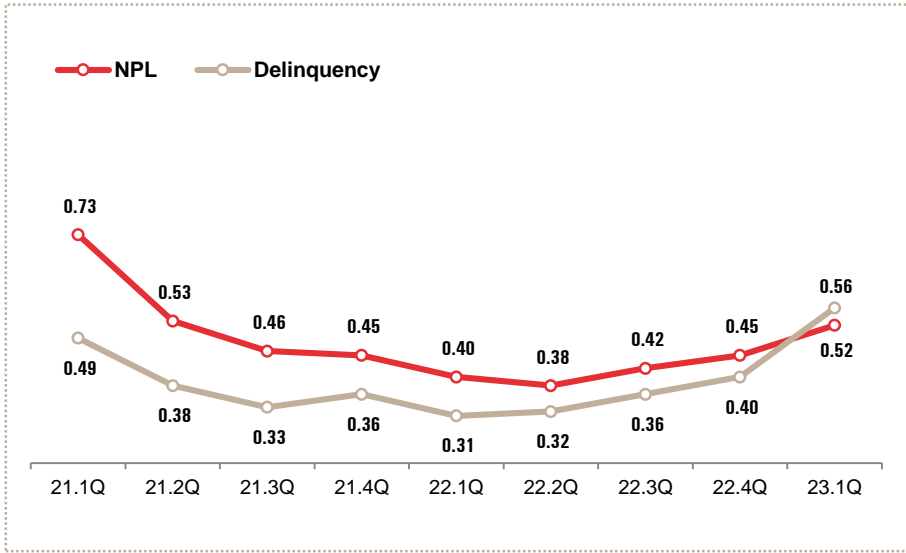
- LC. Deposits decrease led the deposits ↓
- Cont. focus to improve quality of funding

**LC Deposits 29.6 KRW tn**  
(QoQ -3.4%, Bks Tot.)

- High yield deposits & public LC. Deposit enabled the decrease
- Continue to fund, matching growth speed



## Asset Quality, Capital Adequacy – NPL & Delinquency Ratio, Group Capital Adequacy



**NPL Ratio 0.52%**  
(YoY +12bps)

- Even with preemptive risk mgt & AQ control, increase in ratio quarterly
- BSB 0.30%(-1bps), KNB 0.37%(-9bps)

**Del. Ratio 0.56%**  
(YoY +25bps)

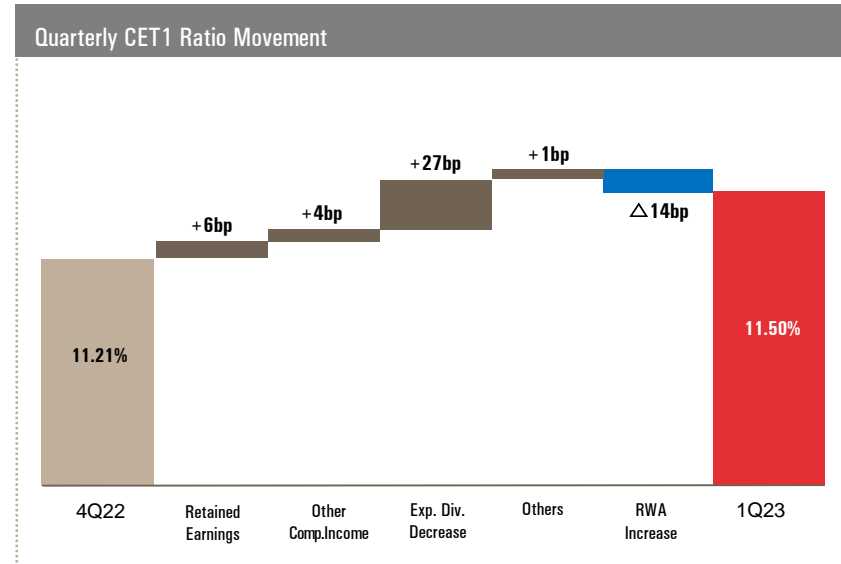
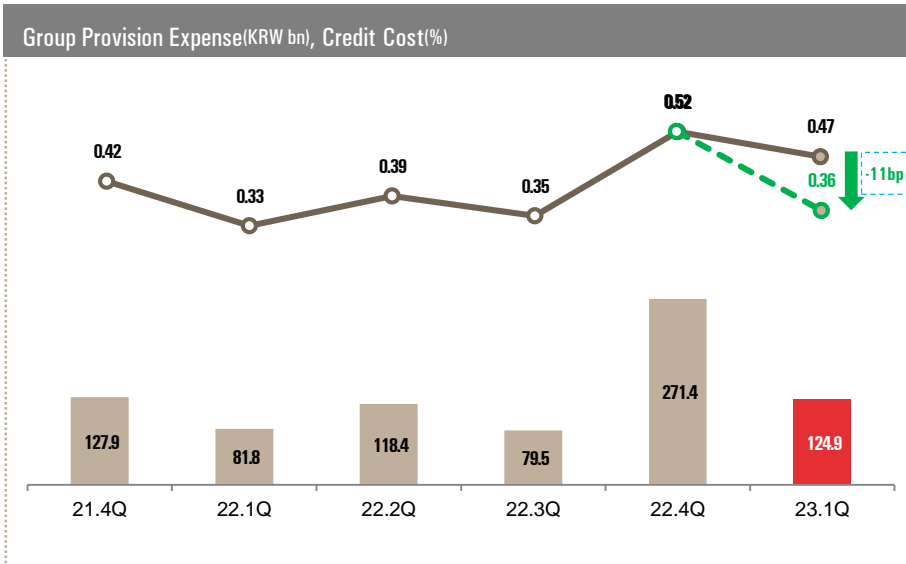
- While banks managed better ratios, del. in non-banks led increase
- BSB 0.33%(+13bps), KNB 0.33%(+4bps)

**C.C. 0.47%**  
(YoY +14bps)

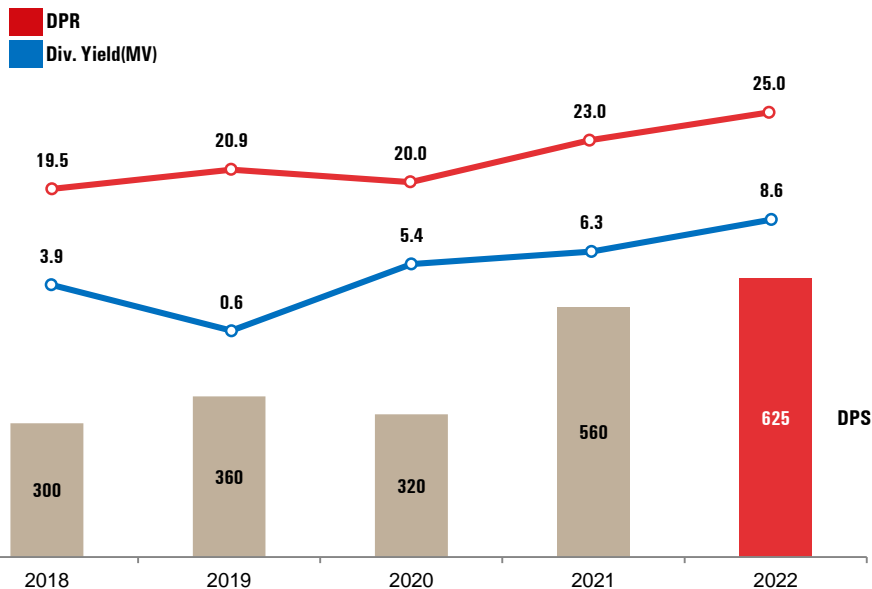
- Add. Loss Absorption Capacity Enhancing Provisions led yearly increase
- C.C. 0.36% (excl. Loss Abs. Cap. provisions)

**CET1 Ratio 11.50%**  
(QoQ +29bps)

- RWA control, earnings growth leading improvements (YoY +32bps)



DPR(%), Div. Yield(MV)(%), DPS(Won)



(KRW bn, %, Won)	2022	2021	2020	2019	2018
Net Income	810.2	791.0	519.3	562.2	502.1
Tot. Payout	202.8	181.7	103.8	114.1	97.8
DPR	25.0	23.0	20.0	20.9	19.5
DPS	625	560	320	360	300
Dividend Yield(MV)	8.6	6.3	5.4	4.6	3.9

## Mid-to-Long Term Capital Management & Shareholder Return Plan

### 1. Mid-to-Long Term Capital Management

- 1) Target : CET1 13.5%
- 2) Capital Management : In order to enhance loss absorption capacity & shareholder return, continue gradual improvement of CET1

### 2. Mid-to-Long Term Shareholder Return Plan

- 1) When target capital ratio is exceeded, shareholder return (incl. dividends, share buybacks & cancellations etc.) up to 50% (max) of the annual earnings
  - 2) Even if target capital ratio is not achieved, if earnings, capital ratios are improving overall, shareholder return will show gradual improvements with consideration of the banks average
  - 3) To raise investors predictability, improving div. process & shortening div. payment cycle will enable better shareholder return
- ※ However, with changes in law, government policy & regulation, internal & external business conditions may lead to changes to shareholder return plans

## ESG Strategic Direction & Target

### Social Value Creation through realization of Sustainable Finance

**Partnered Growth**  
(Environment)

Resolve issues within  
Community & Environment  
for Sustainable Growth

**Trustworthy Growth**  
(Social)

Customer-focused  
management increasing  
Financial Consumer trust

**Responsible Growth**  
(Governance)

Establish Sustainable  
Management Governance

## Corporate Sustainability Management(ESG)

- 2021.03 ○ Establish ESG Committee under BOD
- 2021.05 ○ Join the CDP(Carbon Disclosure Project) & announce support for TCFD(Task Force on Climate Related Financial Disclosures)
- 2021.06 ○ Announce ESG Management
- 2022.03 ○ Join PCA(Partnership for Accounting), SBTi(Science Based Targets Initiative) & UN PRB
- 2022.07 ○ Announce Group's Carbon Neutral Targets & Plans
- 2022.11 ○ Korea Inst. of Corp. Gov. & Sustainability(KCGS) Evaluation "A"

## ESG Highlights

- Financial Aid Project
  - BSB,KNB,Capital,and MSB will support up to 14.7 KRW tn within 3 yrs(4.5 KRW tn as of Mar.)
- Group Carbon Neutral Target & Plans
  - Internal Carbon Outflow (Scope 1 & 2) : Carbon Neutral by 2045
  - Asset Portfolio Carbon Outflow (Scope 3) : Carbon Neutral by 2050
- ESG Certifications
  - BSB IOS50001 certified by EnMS
  - BSB IOS50001 certified by KOSHA-MS

**Stage 1**  
2020

Establish ESG Strategy  
Systems

**Stage 2**  
2022

Advanced ESG Strategy  
Systems

**Stage 3**  
2025

Completion of Sustainable  
Finance

## 4 Major Digital Strategies

### 1 Diversification based on Digital Experience

- Fully Digitized Retail Finance Products
- New Customer Touchpoint Diversification incl. Digital Desks

### 2 Strengthening Data Competency

- Establish Group Big Data & A.I. Platform
- Data-based Marketing Campaign System Management

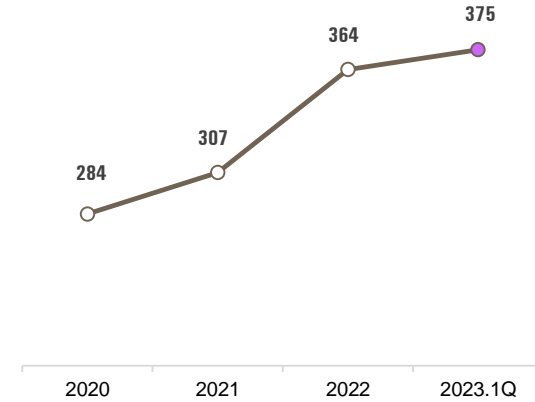
### 3 Changes in Process for Timeliness in Market Response

- Digitization of OTC channels changing customer touchpoints
- Back Office Process Digitization lowering costs

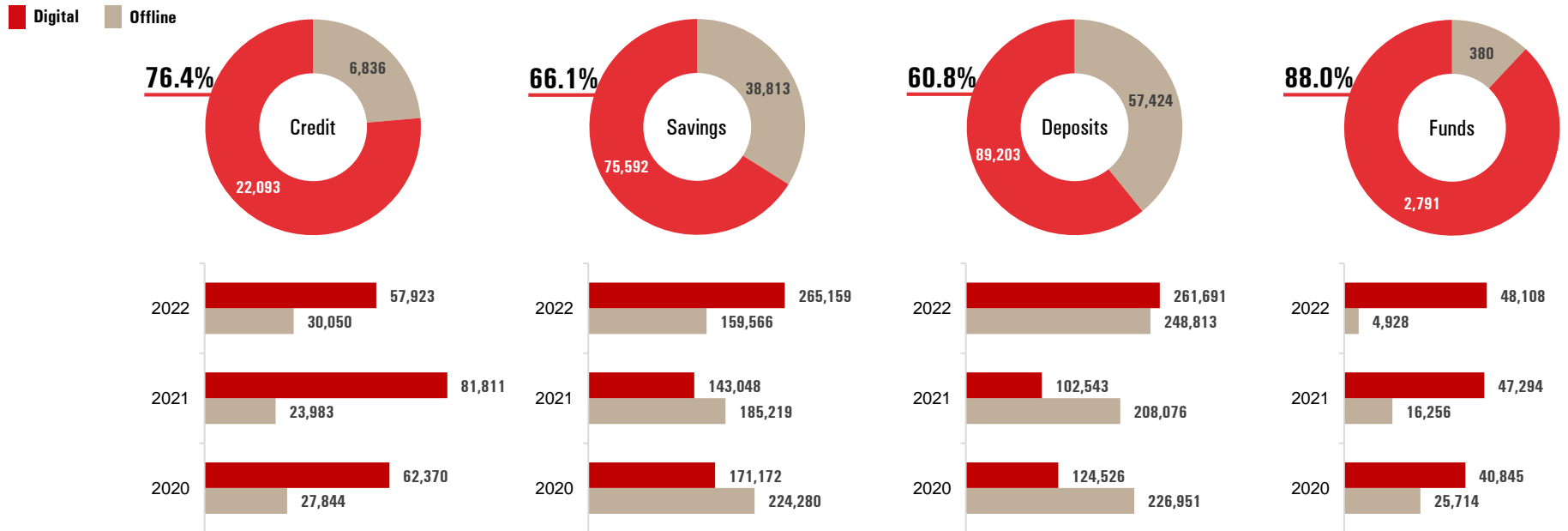
### 4 Optimization by Organization, Personnel Competency

- DT Cultivation & DT Corporate Culture Strengthening
- Expansion of Agile Corporate Culture

Digital Channel Mobile Subscribers (Ten Thousand)



2022 Main Digital Product Sales (No# of Accounts)





(%, KRW bn, Accumulated)

## BNKFG

Est : 2011.03.15 / Tot. Assets: 165,106.8  
NI : 256.8 / Employees : 7,791

BSB	KNB	Capital	Securities	MSB	AM	VC	Credit Info.	System
Est : 1967.10.10 Branches : 216 Employees : 3,466	Est : 1970.05.22 <u>Add : 2014.10.10</u> Branches : 126 Employees : 2,585	Est : 2010.07.15 Branches : 14 Employees : 531	Est : 1997.06.02 [Sec. Add : 2009.11] Branches : 4 Employees : 367	Est : 2011.12.13 Branches : 7 Employees : 151	Est : 2008.07.15 <u>Add : 2015.07.28</u> Employees : 86	Est : 2009.03.24 <u>Add : 2019.11.15</u> Employees : 22	Est : 2003.06.17 Indus. : Collection Employees : 143	Est : 2011.05.20 Indus. : IT Employees : 313
Share's Owned	Share's Owned	Share's Owned	Share's Owned	Share's Owned	Share's Owned	Share's Owned	Share's Owned	Share's Owned
<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Tot. Assets	Tot. Assets	Tot. Assets	Tot. Assets	Tot. Assets	Tot. AUM	Tot. Assets	Tot. Assets	Tot. Assets
<b>89,117.6</b>	<b>60,154.4</b>	<b>8,697.5</b>	<b>4,531.7</b>	<b>1,716.8</b>	<b>16,226.0</b>	<b>55.6</b>	<b>26.0</b>	<b>34.7</b>
Net Income	Net Income	Net Income	Net Income	Net Income	Net Income	Net Income	Net Income	Net Income
<b>145.3</b>	<b>85.0</b>	<b>32.6</b>	<b>19.1</b>	<b>0.7</b>	<b>3.7</b>	<b>0.6</b>	<b>0.7</b>	<b>1.0</b>

### Affiliates

Cambodia	Myanmar	Laos PDR	Kazakhstan	Kyrgyzstan
Est : 2014.03.07 Employees : 373 Share's Owned : 100% Tot. Assets : 122.7 KRW bn 2015.06 Start	Est : 2014.03.21 Employees : 570 Share's Owned : 99.9% Tot. Assets : 37.1 KRW bn 2014.12 Start	Est : 2015.04.24 Employees : 70 Share's Owned : 97% Tot. Assets : 45.3 KRW bn 2015.07 Start	Est : 2018.06.01 Employees : 75 Share's Owned : 100% Tot. Assets : 53.4 KRW bn 2018.11 Start	Est : 2022.09.16 Employees : 18 Share's Owned : 100% Tot. Assets : 5.7 KRW bn 2022.12 Start

# Profitability\_Group Earnings

I

II

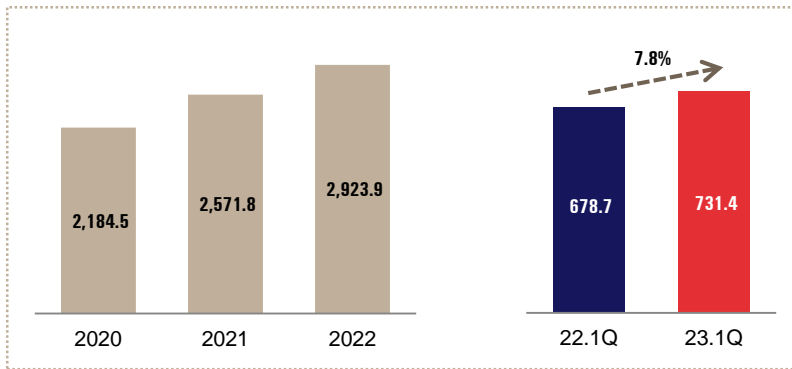
III

IV

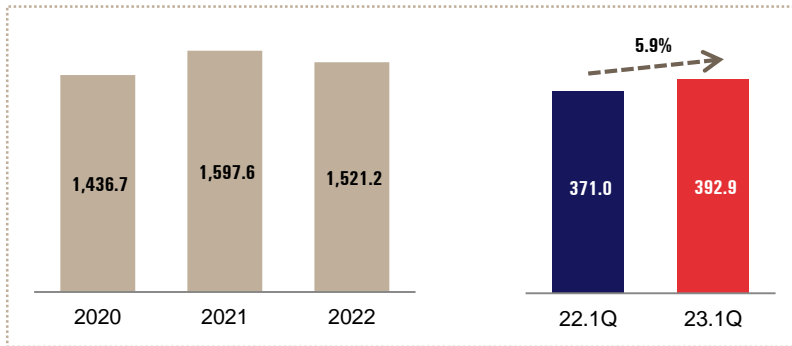
V

VI

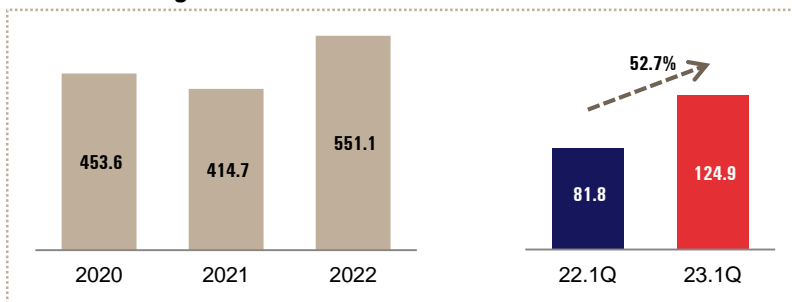
## Interest Income (% , KRW bn)



## SG&A (% , KRW bn)

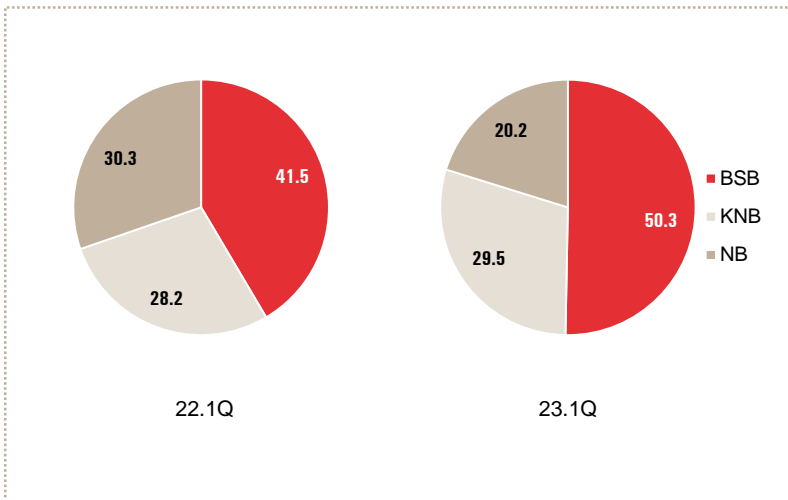


## Provisioning (% , KRW bn)

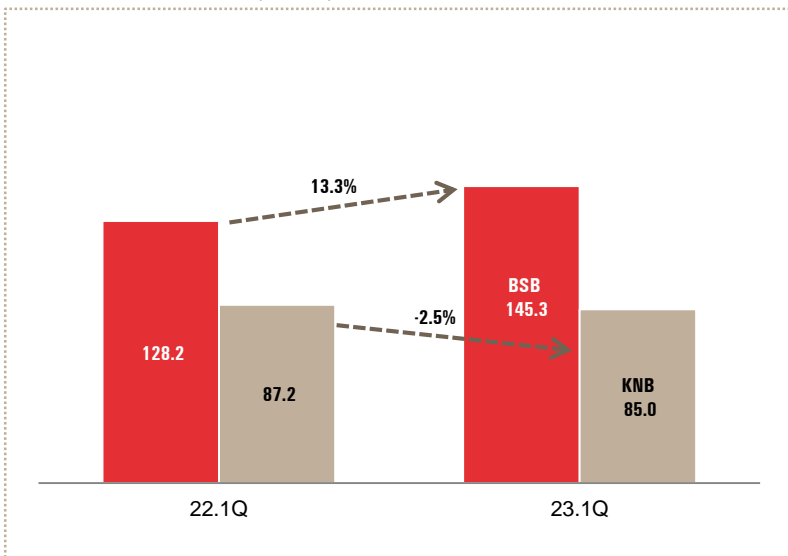


(KRW bn,%)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Net Interest Income	731.4	678.7	7.8	772.5	-5.3
Net Fee Income	67.6	145.7	-53.6	50.1	34.9
Others	40.6	3.6	1,027.8	-12.8	Net Gain
SG&A(-)	392.9	371.0	5.9	448.0	-12.3
Provision Expense(-)	124.9	81.8	52.7	271.4	-54.0
Non-Operating Income	26.7	11.3	136.3	-9.8	Net Gain
Earnings Before Income Tax	348.5	386.5	-9.8	80.6	332.4
Income Tax Expense(-)	80.2	99.4	-19.3	22.1	262.9
Net Income(A)	268.3	287.1	-6.5	58.5	358.6
Net Income in Non-Controlling Interest(B)	11.5	10.8	6.5	11.5	0.0
Net Income in Controlling Interest(C) (C) = (A) - (B)	256.8	276.3	-7.1	47.0	446.4

## □ Banks & Non-Bank Net Income Portion (%)

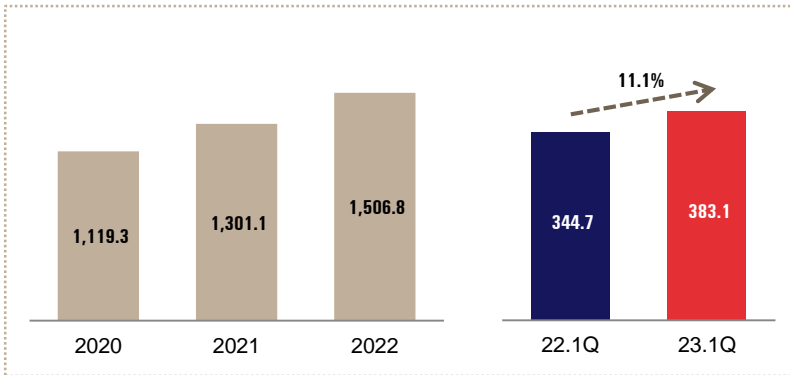


## □ Banks Net Income (KRW bn)

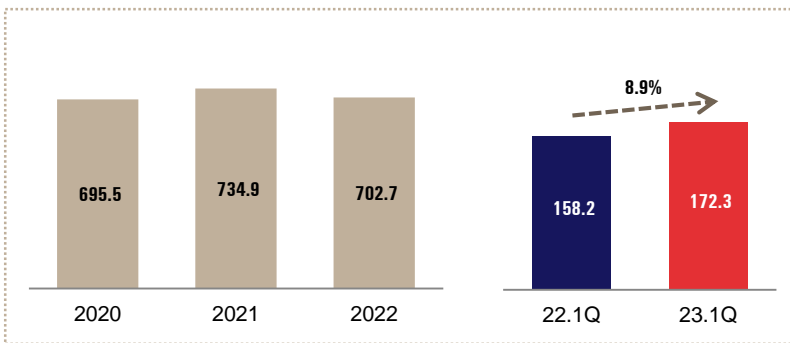


(KRW bn, %)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Bank(A)</b>	<b>230.3</b>	215.4	6.9	89.9	156.2
BSB	<b>145.3</b>	128.2	13.3	65.4	122.2
KNB	<b>85.0</b>	87.2	-2.5	24.5	246.9
<b>Non-Bank(B)</b>	<b>58.4</b>	93.4	-37.5	-3.8	Net Gain
Capital	<b>32.6</b>	57.5	-43.3	11.4	186.0
Securities	<b>19.1</b>	34.5	-44.6	-4.2	Net Gain
MSB	<b>0.7</b>	1.0	-30.0	-12.6	Net Gain
AM	<b>3.7</b>	-1.5	Net Gain	0.7	428.6
Venture Capital	<b>0.6</b>	0.5	20.0	0.1	500.0
Credit Info	<b>0.7</b>	0.9	-22.2	0.6	16.7
System	<b>1.0</b>	0.5	100.0	0.2	400.0
<b>Financial Group &amp; Unconsolidated Portion(C)</b>	<b>-20.4</b>	-21.7	-	-27.6	-26.1
<b>Net Income in Non-Controlling Interest(D)</b>	<b>11.5</b>	10.8	6.5	11.5	0.0
<b>Net Income in Controlling Interest(E) (E=A+B+C-D)</b>	<b>256.8</b>	276.3	-7.1	47.0	446.4

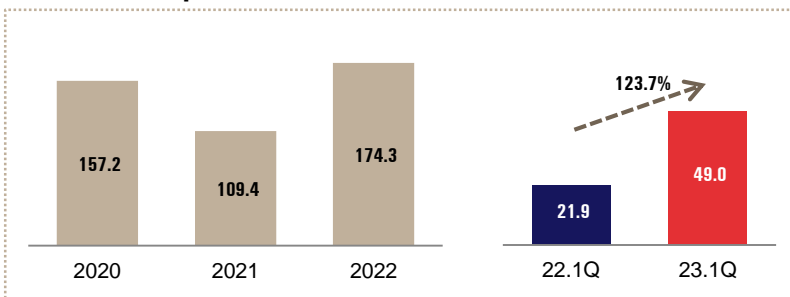
## Interest Income (% , KRW bn)



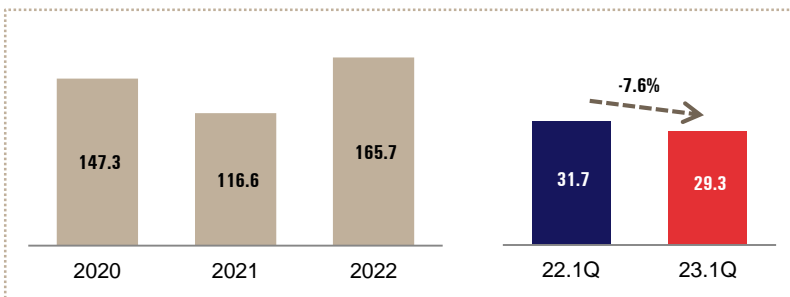
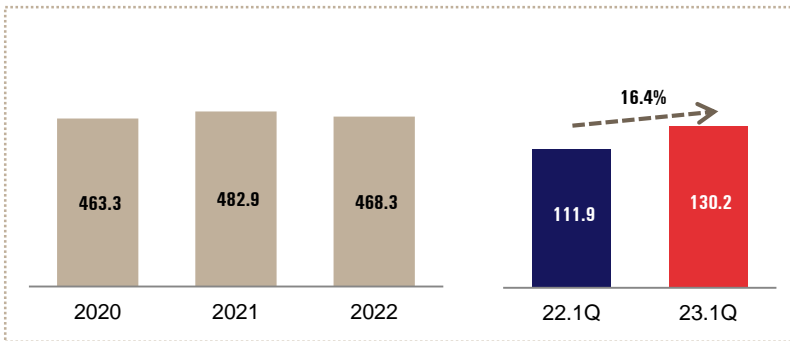
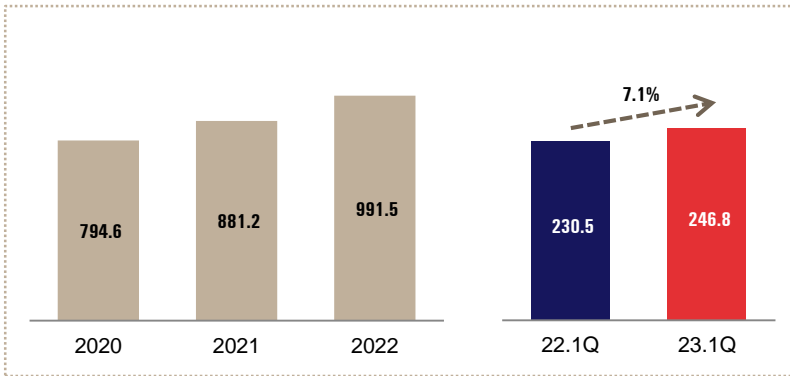
## SG&A (% , KRW bn)



## Provision Expense (% , KRW bn)

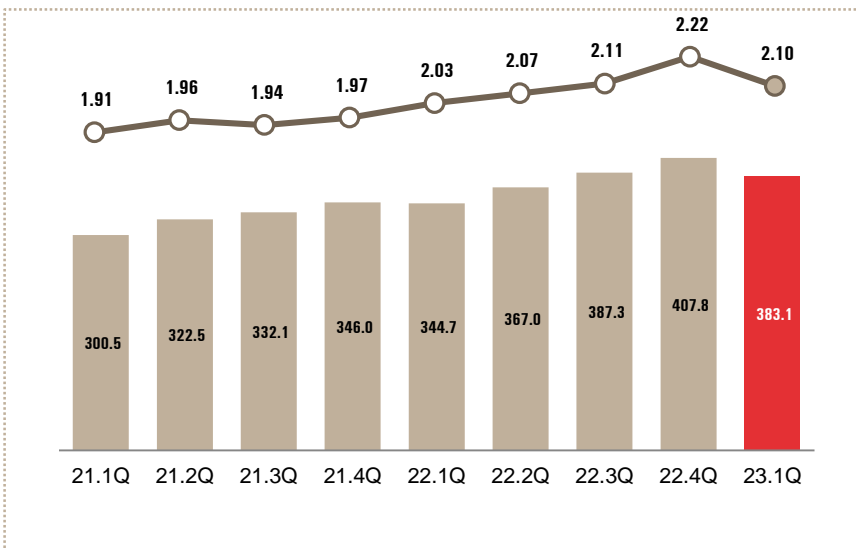


(KRW bn, %)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Net Interest Income	383.1	344.7	11.1	407.8	-6.1
Net Fee Income	17.1	25.2	-32.1	14.9	14.8
Fees from Trust Account	3.6	3.9	-7.7	3.4	5.9
Others	-9.3	-27.4	-	-29.7	-
SG&A(-)	172.3	158.2	8.9	221.9	-22.4
Provision Expense(-)	49.0	21.9	123.7	85.3	-42.6
Net Operating Income	173.2	166.3	4.1	89.2	94.2
Non-Operating Income	12.5	2.9	331.0	-2.4	Net Gain
Earnings Before Income Taxes	185.7	169.2	9.8	86.8	113.9
Income Tax Expenses(-)	40.4	41.0	-1.5	21.4	88.8
Net Income	145.3	128.2	13.3	65.4	122.2



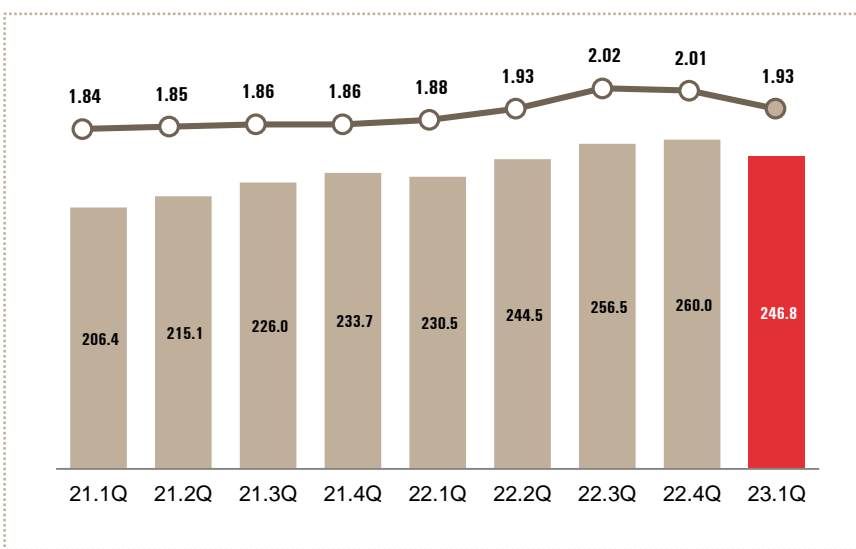
(KRW bn, %)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Net Interest Income	246.8	230.5	7.1	260.0	-5.1
Net Fee Income	10.9	24.9	-56.2	6.1	78.7
Fees from Trust Account	2.3	2.2	4.5	2.0	15.0
Others	0.4	-1.0	Net Gain	-17.7	Net Gain
SG&A(-)	130.2	111.9	16.4	138.3	-5.9
Provision Expense(-)	29.3	31.7	-7.6	77.1	-62.0
Net Operating Income	100.9	113.0	-10.7	35.0	188.3
Non-Operating Income	8.6	1.6	437.5	-5.4	Net Gain
Earnings Before Income Taxes	109.5	114.6	-4.5	29.6	269.9
Income Tax Expenses(-)	24.5	27.4	-10.6	5.1	380.4
Net Income	85.0	87.2	-2.5	24.5	246.9

BSB Quarterly Interest Income & NIM (% , KRW bn)



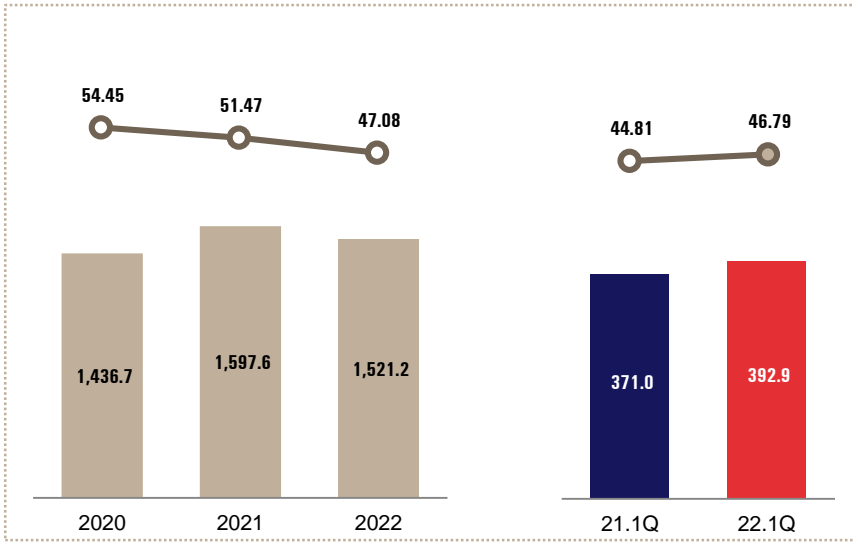
(%, KRW tn)	23.1Q	22.4Q	22.3Q	22.2Q	22.1Q
<b>Quarterly NIM</b>	<b>2.10</b>	2.22	2.11	2.07	2.03
<b>Quarterly NIS</b>	<b>2.44</b>	2.56	2.38	2.30	2.27
Interest Rate on KRW Loans	<b>5.33</b>	4.73	3.95	3.43	3.33
Interest Rate paid on KRW Deposits	<b>2.89</b>	2.17	1.57	1.13	1.06
Average Interest Earning Assets	<b>66.2</b>	66.0	64.6	61.7	60.9
<b>Accumulated NIM</b>	<b>2.10</b>	2.11	2.07	2.05	2.03

KNB Quarterly Interest Income & NIM (% , KRW bn)



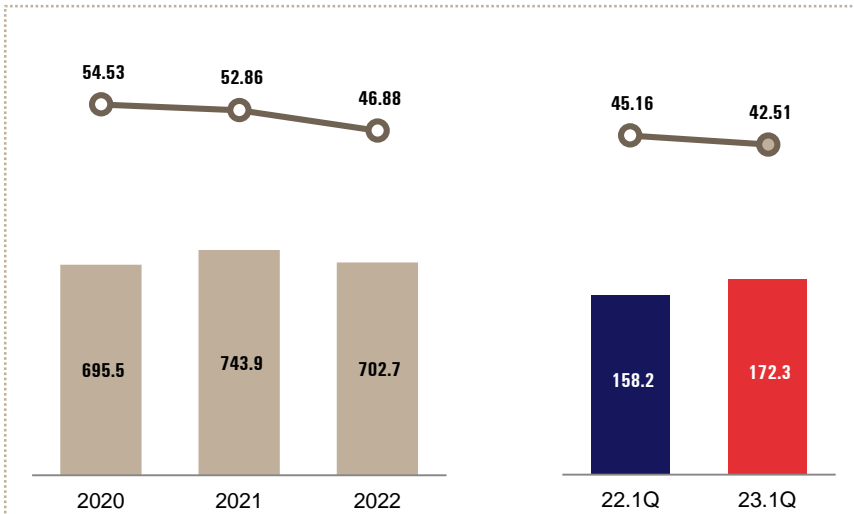
(%, KRW tn)	23.1Q	22.4Q	22.3Q	22.2Q	22.1Q
<b>Quarterly NIM</b>	<b>1.93</b>	2.01	2.02	1.93	1.88
<b>Quarterly NIS</b>	<b>2.25</b>	2.29	2.28	2.17	2.11
Interest Rate on KRW Loans	<b>5.16</b>	4.55	3.89	3.48	3.26
Interest Rate paid on KRW Deposits	<b>2.91</b>	2.26	1.61	1.31	1.15
Average Interest Earning Assets	<b>45.1</b>	44.9	43.9	43.8	43.1
<b>Accumulated NIM</b>	<b>1.93</b>	1.96	1.95	1.91	1.88

## Group SG&A & CIR (% , KRW bn)

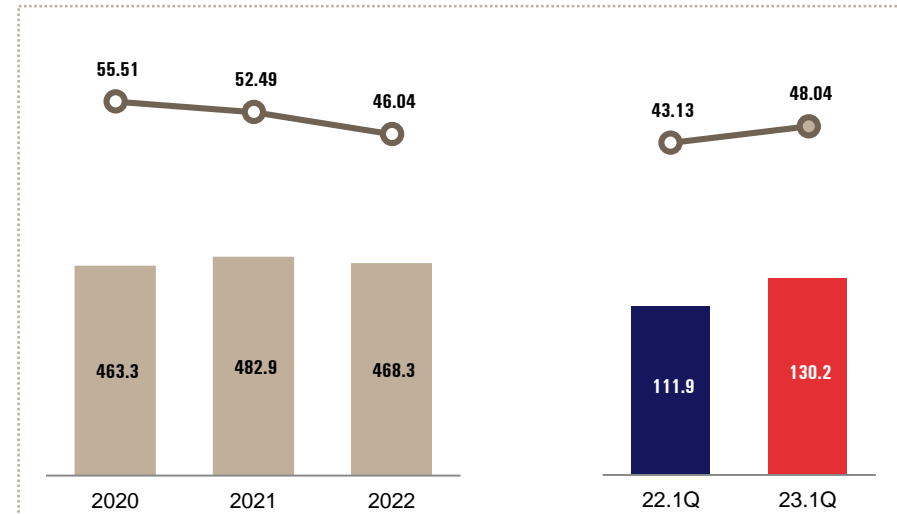


(KRW bn,%)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>SG&amp;A</b>	<b>392.9</b>	371.0	5.9	448.0	-12.3
<b>CIR</b>	<b>46.79</b>	44.81	1.98	55.32	-8.53

## BSB SG&A & CIR (% , KRW bn)

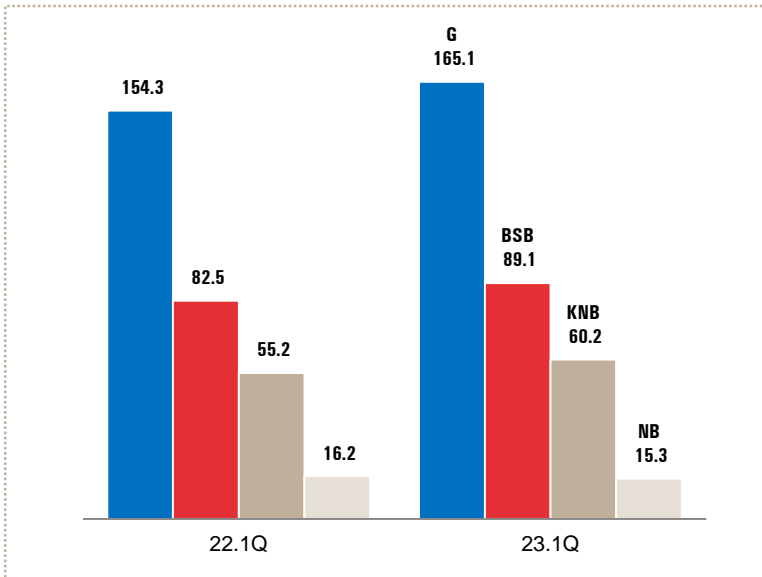


## KNB SG&A & CIR (% , KRW bn)

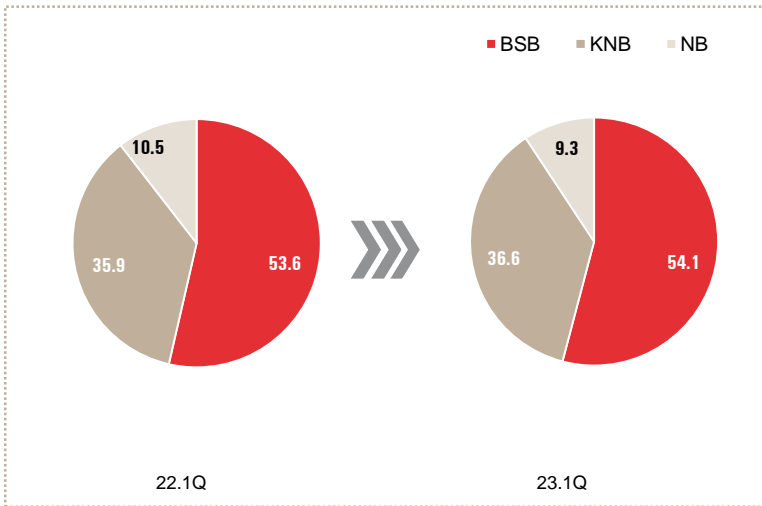


Note) Bank's CIR, non-consolidated

## Total Assets (KRW tn)



## Banks & Non-Banks Portion (%)

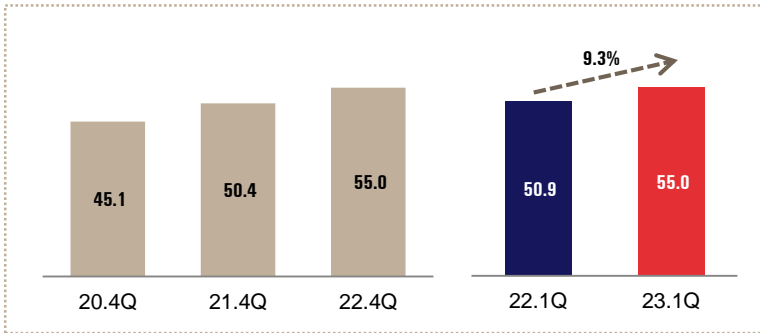


## Group Total Assets

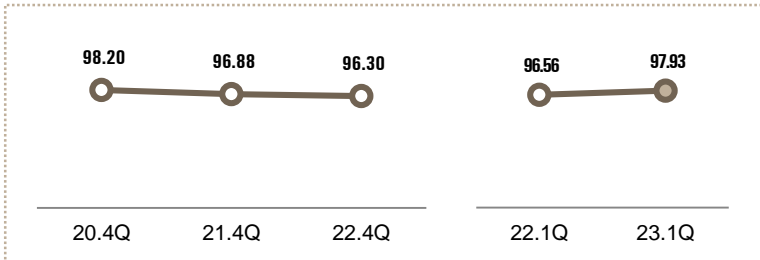
(KRW bn, %)	23.1Q	22.1Q	YTD	22.4Q	QoQ
<b>Bank</b>	<b>149,272.0</b>	137,648.0	8.4	145,047.6	2.9
BSB	<b>89,117.6</b>	82,452.7	8.1	87,104.2	2.3
KNB	<b>60,154.4</b>	55,195.3	9.0	57,943.4	3.8
<b>Non-Bank</b>	<b>15,273.4</b>	16,233.4	-5.9	14,544.3	5.0
Capital	<b>8,697.5</b>	8,647.6	0.6	8,605.2	1.1
Securities	<b>4,531.7</b>	5,618.2	-19.3	3,914.3	15.8
MSB	<b>1,716.8</b>	1,665.8	3.1	1,704.2	0.7
Asset Mgt.	<b>211.1</b>	193.4	9.2	208.1	1.4
Venture Capital	<b>55.6</b>	54.6	1.8	54.6	1.8
Credit Info	<b>26.0</b>	23.2	12.1	25.5	2.0
System	<b>34.7</b>	30.6	13.4	32.4	7.1
<b>Financial Group &amp; Unconsolidated Portion</b>	<b>561.4</b>	439.9	27.6	293.8	91.1
<b>Group Total Assets</b>	<b>165,106.8</b>	154,321.3	7.0	159,885.7	3.3



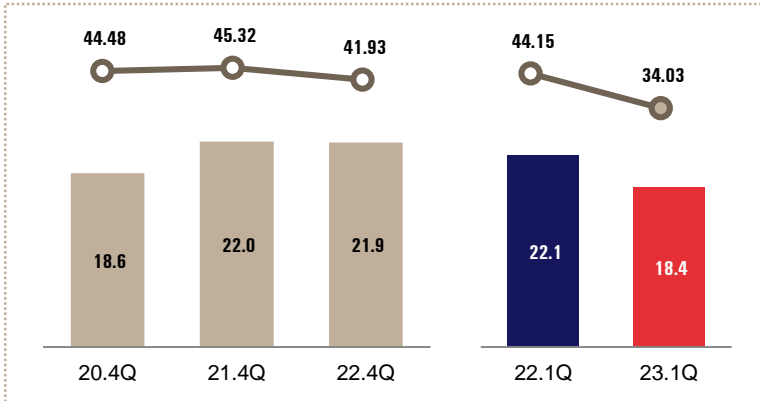
## KRW Loans (% , KRW tn)



## LDR (%)



## Low Cost Deposits & Ratio (% , KRW tn)

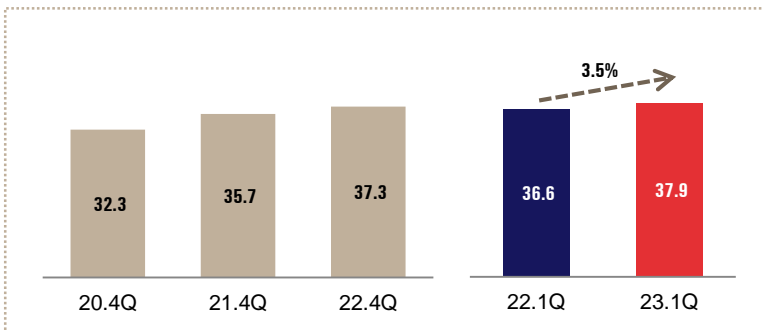


(KRW bn, %, Balance)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>KRW Loans<sup>1)</sup></b>	<b>55,688.4</b>	50,934.8	9.3	55,014.2	1.2
Corporate	36,982.5	33,764.3	9.5	36,353.3	1.7
SME	34,234.3	31,507.5	8.7	33,739.3	1.5
(SOHO) <sup>2)</sup>	16,911.3	15,666.3	7.9	16,328.9	3.6
Large Corps.	2,748.2	2,256.8	21.8	2,614.0	5.1
Household	17,413.4	15,929.7	9.3	17,325.3	0.5
Mortgage	13,114.2	11,424.8	14.8	12,870.9	1.9
Public	1,292.5	1,240.8	4.2	1,335.6	-3.2
<b>Foreign Currency Loans<sup>1)</sup></b>	<b>808.3</b>	707.9	14.2	769.1	5.1
<b>KRW Deposits<sup>1)</sup></b>	<b>54,136.5</b>	50,455.0	7.3	55,164.6	-1.9
Low Cost Deposits	17,883.3	22,740.9	-21.4	18,772.6	-4.7
Core Deposits	15,192.0	19,386.7	-21.6	15,743.4	-3.5
MMDA	2,691.3	3,354.2	-19.8	3,029.2	-11.2

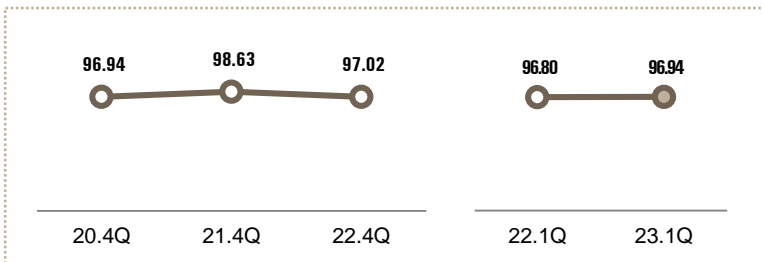
(KRW bn, %, %p, Average Balance)	23.1Q	22.1Q	YoY	22.3Q	QoQ
<b>Low-Cost Deposits(A)</b>	<b>18,443.0</b>	22,147.9	-16.7	21,904.9	-15.8
Core Deposits <sup>2)</sup>	15,504.8	18,635.3	-16.8	18,213.1	-14.9
MMDA	2,938.2	3,512.6	-16.4	3,691.8	-20.4
<b>KRW Deposits(B)</b>	<b>54,189.4</b>	50,165.2	8.0	52,241.4	3.7
<b>A / B</b>	<b>34.03</b>	44.15	-10.12	41.93	-7.90

1) Unconsolidated FS, 2) SOHO(≤3 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

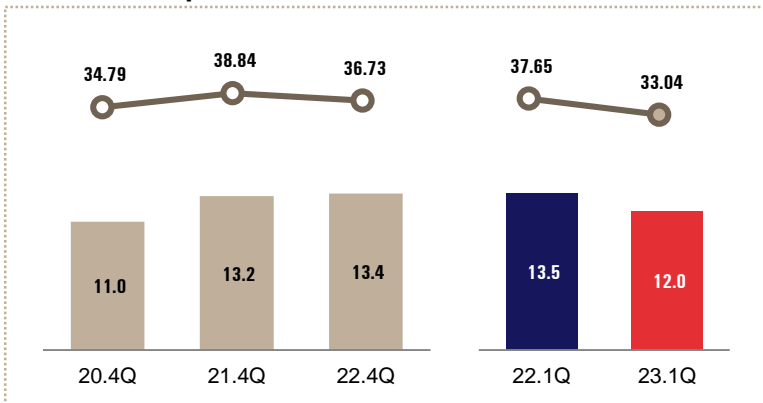
## ▣ KRW Loans (% , KRW tn)



## ▣ LDR (%)



## ▣ Low Cost Deposits & Ratio (% , KRW tn)

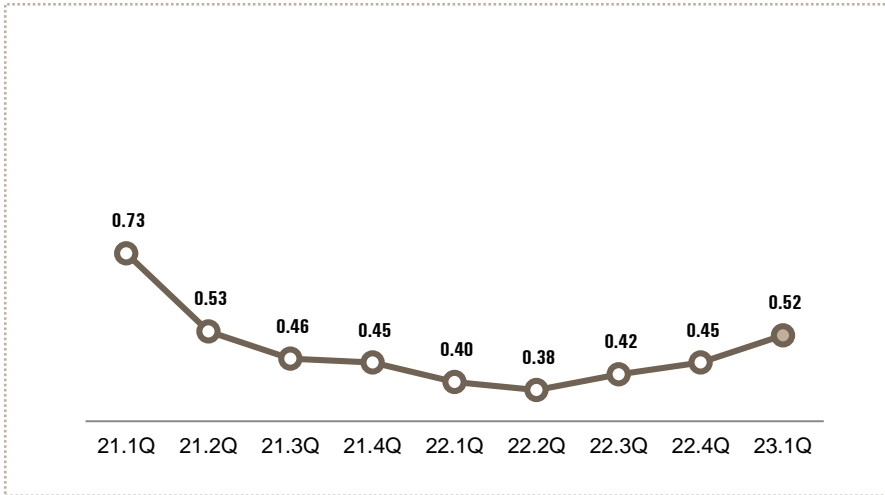


(KRW bn, %, Balance)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>KRW Loans<sup>1)</sup></b>	<b>37,889.2</b>	36,592.9	3.5	37,275.2	1.6
Corporate	25,248.2	23,912.3	5.6	24,789.8	1.9
SME	23,589.6	21,995.1	7.2	23,077.6	2.2
(SOHO) <sup>2)</sup>	7,894.6	7,272.7	8.6	7,689.4	2.7
Large Corps.	1,658.6	1,917.2	-13.5	1,712.2	-3.1
Household	12,247.2	12,201.6	0.4	12,095.7	1.3
Mortgage	9,696.0	9,612.9	0.9	9,584.6	1.2
Public	393.8	479.0	-17.8	389.7	1.1
<b>Foreign Currency Loans<sup>1)</sup></b>	<b>111.8</b>	134.7	-17.0	109.2	2.4
<b>KRW Deposits<sup>1)</sup></b>	<b>36,314.6</b>	36,546.6	-0.6	36,372.9	-0.2
Low Cost Deposits	11,702.0	13,559.8	-13.7	11,851.3	-1.3
Core Deposits	10,324.9	11,609.7	-11.1	10,562.0	-2.2
MMDA	1,377.1	1,950.1	-29.4	1,289.3	6.8

(KRW bn, %, %p, Average Balance)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Low-Cost Deposits(A)</b>	<b>12,016.6</b>	13,454.7	-10.7	13,401.9	-10.3
Core Deposits <sup>2)</sup>	10,618.4	11,520.3	-7.8	11,712.8	-9.3
MMDA	1,398.2	1,934.4	-27.7	1,689.1	-17.2
<b>KRW Deposits(B)</b>	<b>36,367.2</b>	35,739.0	1.8	36,489.0	-0.3
<b>A / B</b>	<b>33.04</b>	37.65	-4.61	36.73	-3.69

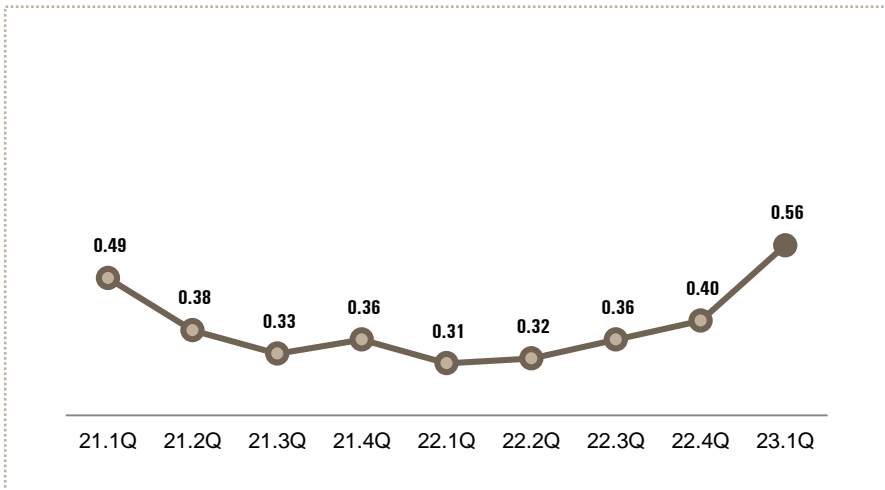
1) Unconsolidated FS, 2) SOHO(≤2 KRW bn), 3) Core Deposits : Demand + Savings(Ex. MMDA)

## ☐ SBL(NPL) Ratio (%)



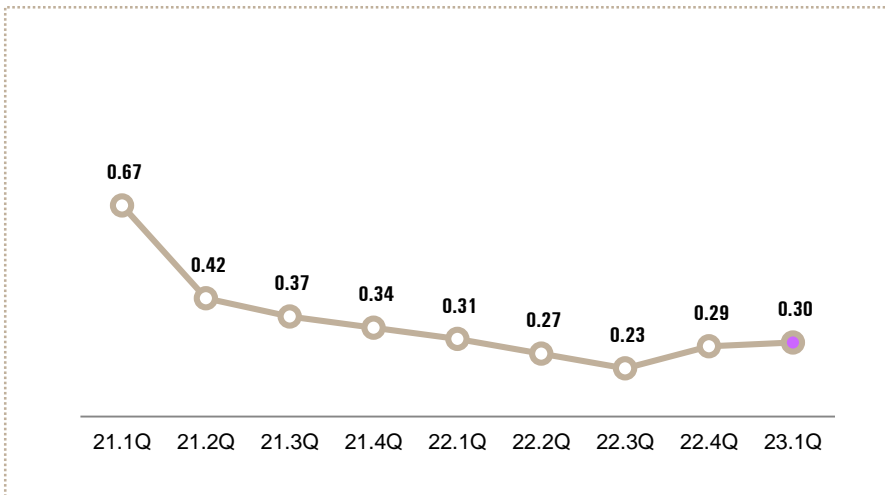
Note) Excluding Overseas subsidiaries, Consolidated SPC etc.

## ☐ Delinquency Ratio (%)

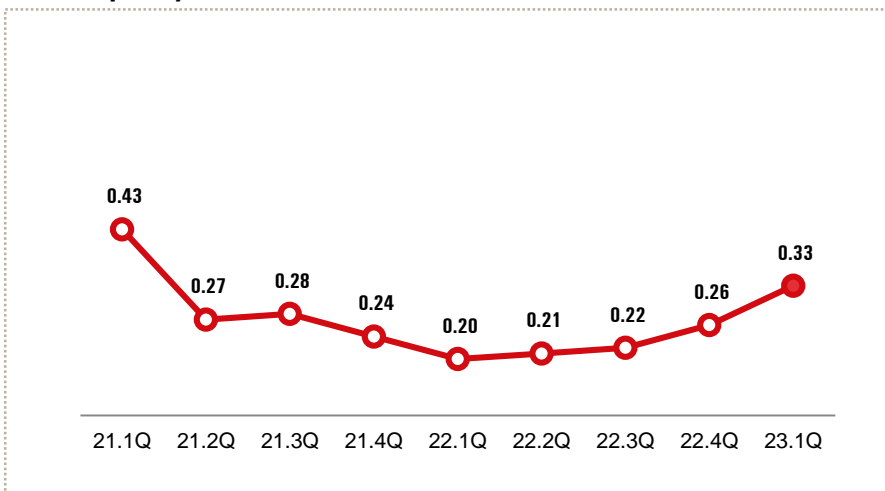


(KRW bn, %, %p)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Total Credits</b>	<b>107,442.7</b>	100,967.4	6.4	106,602.6	0.8
Normal	105,917.4	99,711.4	6.2	105,242.7	0.6
Precautionary	995.5	850.2	17.1	881.8	12.9
Substandard	296.1	209.7	41.2	224.7	31.8
Doubtful	133.0	68.2	95.0	90.5	47.0
Expected Loss	130.7	127.9	2.2	162.9	-19.8
<b>SBL(Substandard &amp; Below Loans)</b>	<b>559.8</b>	405.8	37.9	478.1	17.1
<b>SBL Ratio</b>	<b>0.52</b>	0.40	0.12	0.45	0.07
SBL Coverage Ratio (Ratio before Reserve deduction)	192.13 (269.84)	204.18 (339.64)	-12.05 (-69.80)	219.32 (311.69)	-27.19 (-41.85)
<b>Delinquency Ratio</b>	<b>0.56</b>	0.31	0.25	0.40	0.16
Loan Amount	106,570.7	99,963.1	6.6	105,682.8	0.8
Delinquent Amount	592.5	311.8	90.0	418.4	41.6

## □ SBL(NPL) Ratio (%)

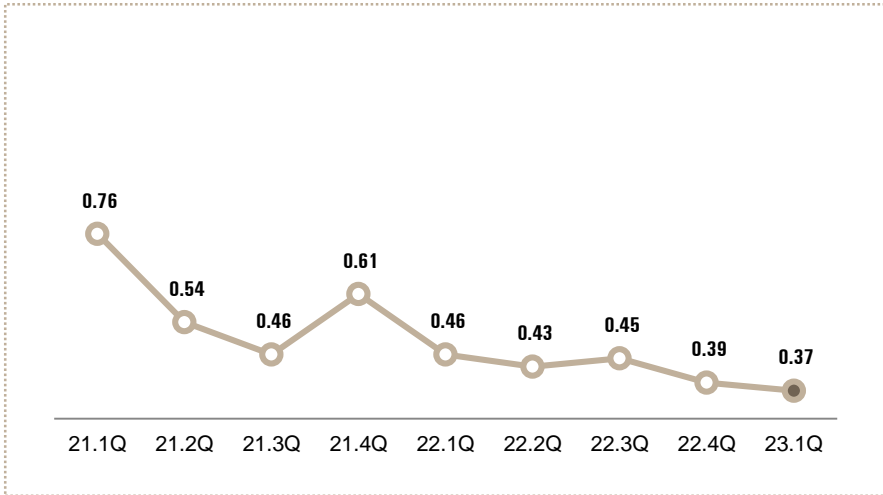


## □ Delinquency Ratio (%)

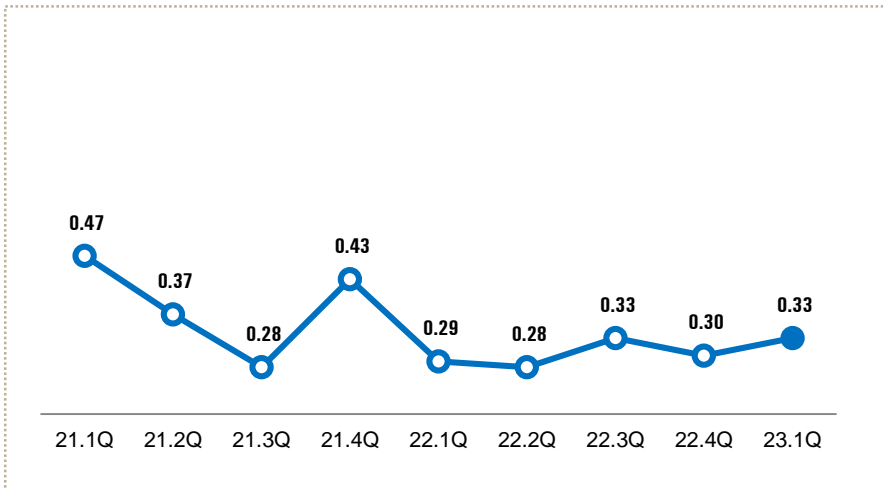


(KRW bn, %, %p)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Total Credits</b>	<b>58,136.6</b>	53,371.1	8.9	57,745.7	0.7
Normal	57,681.4	52,847.4	9.1	57,289.4	0.7
Precautionary	279.9	360.2	-22.3	287.5	-2.6
Substandard	99.8	85.6	16.6	76.0	31.3
Doubtful	18.6	15.0	24.0	15.3	21.6
Expected Loss	56.9	62.9	-9.5	77.5	-26.6
<b>SBL(Substandard &amp; Below Loans)</b>	<b>175.3</b>	163.5	7.2	168.8	3.9
<b>SBL Ratio</b>	<b>0.30</b>	0.31	-0.01	0.29	0.01
SBL Coverage Ratio (Ratio before Reserve deduction)	284.21 (397.50)	251.09 (407.55)	33.12 (-10.05)	294.64 (417.31)	-10.43 (-19.81)
<b>Delinquency Ratio</b>	<b>0.33</b>	0.20	0.13	0.26	0.07
Loan Amount	57,487.9	52,647.2	9.2	57,078.6	0.7
Delinquent Amount	191.5	106.5	79.8	149.3	28.3

## □ SBL(NPL) Ratio (%)



## □ Delinquency Ratio (%)



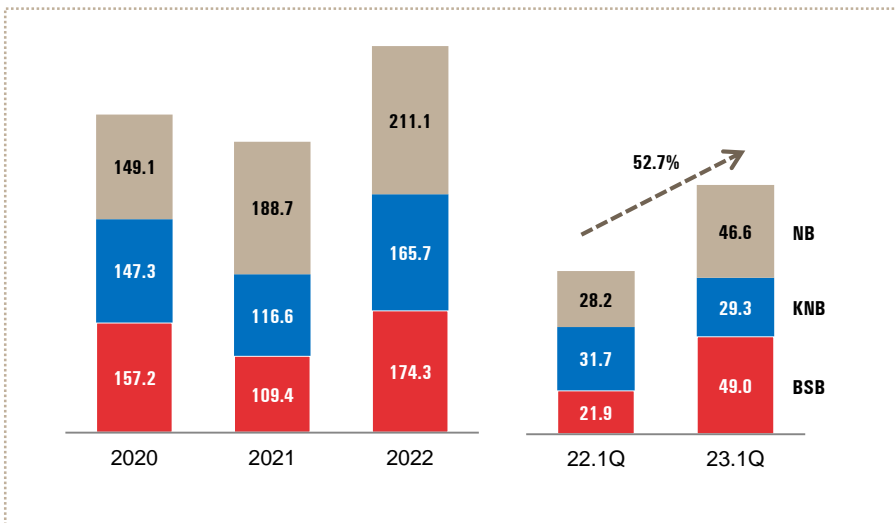
(KRW bn, %, %p)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Total Credits</b>	<b>38,850.3</b>	37,602.9	3.3	38,288.2	1.5
Normal	38,466.8	37,246.3	3.3	37,896.7	1.5
Precautionary	238.2	184.8	28.9	241.3	-1.3
Substandard	91.1	102.2	-10.9	91.9	-0.9
Doubtful	25.0	22.5	11.1	21.9	14.2
Expected Loss	29.2	47.1	-38.0	36.4	-19.8
<b>SBL(Substandard &amp; Below Loans)</b>	<b>145.3</b>	171.8	-15.4	150.2	-3.3
<b>SBL Ratio</b>	<b>0.37</b>	0.46	-0.09	0.39	-0.02
SBL Coverage Ratio (Ratio before Reserve deduction)	212.61 (314.45)	146.04 (270.35)	66.57 (44.10)	203.95 (303.60)	8.66 (10.85)
<b>Delinquency Ratio</b>	<b>0.33</b>	0.29	0.04	0.30	0.03
Loan Amount	38,617.3	37,364.8	3.4	38,055.8	1.5
Delinquent Amount	128.0	109.4	17.0	113.7	12.6

## Provision Expense

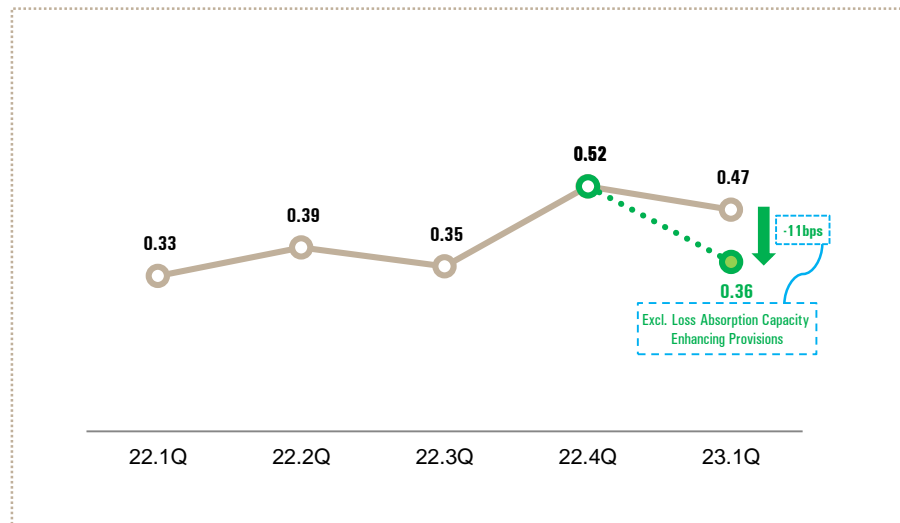
(KRW bn, %)	2023 1Q	2022					2021				
		4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q		
Total Provisions(A)	124.9	551.1	271.4	79.5	118.4	81.8	414.7	127.9	103.0	71.7	112.1
Total Credits(B)	107,442.7	106,602.6	106,602.6	105,843.8	104,585.3	100,967.4	99,416.7	99,416.7	100,217.3	96,597.3	92,616.6
<sup>1)</sup> Credit Cost(A/B)	0.47	0.52	1.01	0.30	0.45	0.33	0.42	0.51	0.41	0.30	0.49

1) Accumulated

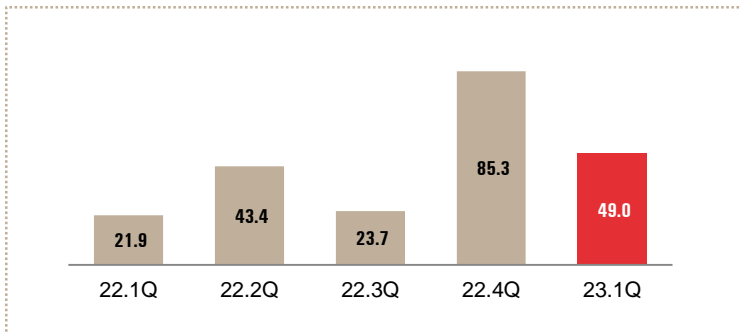
## Banks & Non-Bank Provision Breakdown (KRW bn)



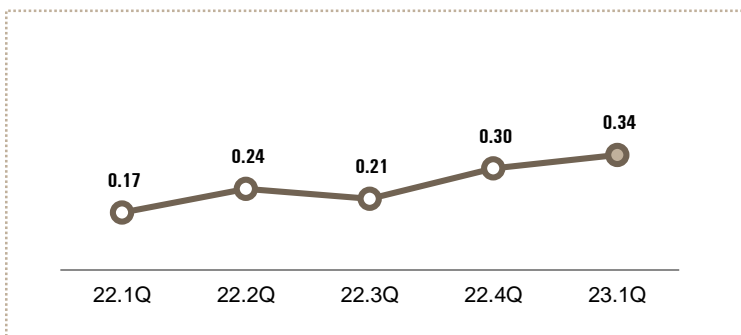
## Credit Cost (%)



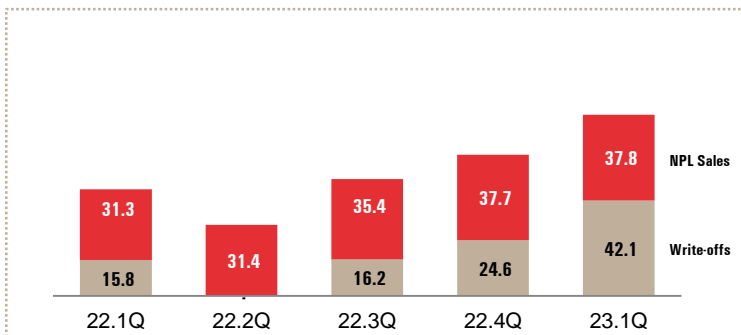
## Provision Expense (KRW bn)



## Credit Cost (%)



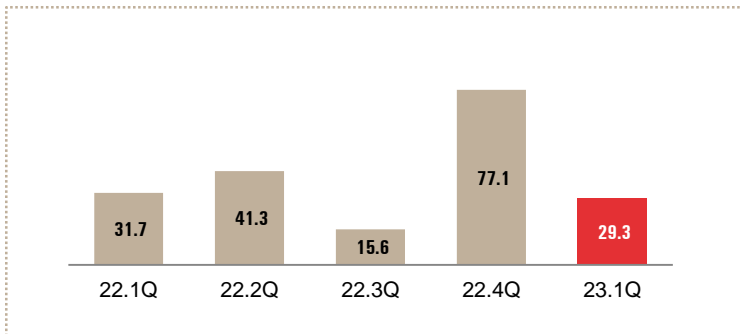
## NPL Sales & Write-offs (KRW bn)



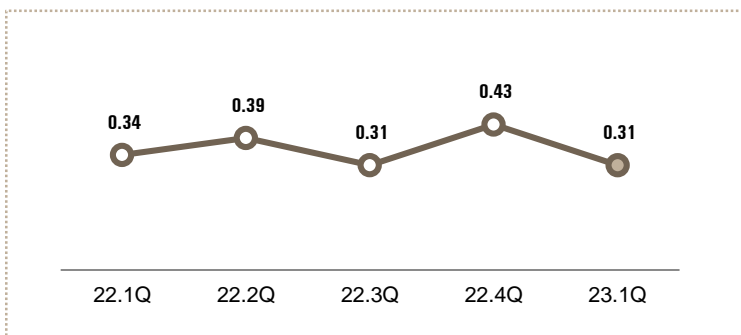
## Provision Expense / Write-offs & NPL Sales

(KRW bn, %)	23.1Q	22.4Q	22.3Q	22.2Q	22.1Q
Corporate	40.2	72.6	15.2	33.7	17.5
Household	6.2	10.5	7.2	6.1	3.0
Credit Card	3.0	3.2	1.3	3.0	1.5
Others	-0.4	-1.0	0.0	0.6	-0.1
<b>Total(A)</b>	<b>49.0</b>	<b>85.3</b>	<b>23.7</b>	<b>43.4</b>	<b>21.9</b>
Total Credits(B)	58,136.6	57,745.7	55,650.3	55,639.6	53,371.1
<b>Credit Cost(A/B)</b>	<b>0.34</b>	0.59	0.17	0.31	0.17
<b>Total Write-Offs</b>	<b>42.1</b>	24.6	16.2	0.0	15.8
Corporate	35.9	14.2	4.8	0.0	10.4
Household	3.6	6.4	5.9	0.0	2.2
Credit Card	2.6	4.0	5.5	0.0	3.2
<b>Total NPL Sales</b>	<b>37.8</b>	37.7	35.4	31.4	31.3
<b>(NPL Sales for SBL Loans)</b>	<b>27.3</b>	28.6	25.4	27.3	27.6
Corporate	35.5	36.6	32.3	27.0	29.2
Household	1.6	0.7	3.0	4.3	1.3
Credit Card	0.7	0.4	0.1	0.1	0.8

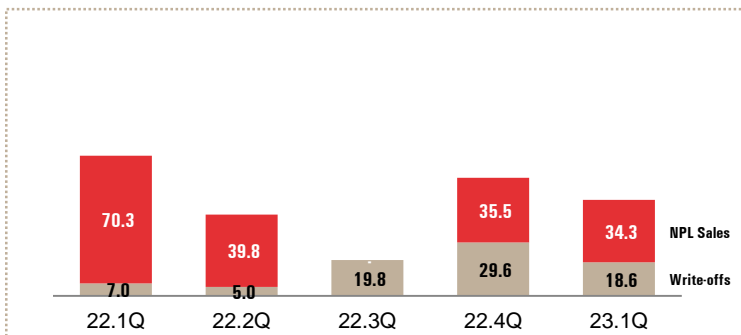
## Provision Expense (KRW bn)



## Credit Cost (%)



## NPL Sales & Write-offs (KRW bn)



## Provision Expense / Write-offs & NPL Sales

(KRW bn, %)	23.1Q	22.4Q	22.3Q	22.2Q	22.1Q
Corporate	16.1	59.3	6.6	28.5	24.3
Household	11.2	12.5	7.0	8.2	6.0
Credit Card	2.0	2.9	1.8	2.5	1.5
Others	0.0	2.4	0.2	2.1	-0.1
<b>Total(A)</b>	<b>29.3</b>	<b>77.1</b>	<b>15.6</b>	<b>41.3</b>	<b>31.7</b>
Total Credits(B)	38,850.3	38,288.2	38,271.6	38,004.9	37,602.9
<b>Credit Cost(A/B)</b>	<b>0.31</b>	<b>0.80</b>	<b>0.16</b>	<b>0.44</b>	<b>0.34</b>
<b>Total Write-Offs</b>	<b>18.6</b>	<b>29.6</b>	<b>19.8</b>	<b>5.0</b>	<b>7.0</b>
Corporate	9.1	19.9	8.1	0.5	1.6
Household	7.8	8.0	9.8	1.5	3.8
Credit Card	1.7	1.7	1.9	3.0	1.6
<b>Total NPL Sales</b>	<b>34.3</b>	<b>35.5</b>	<b>0.0</b>	<b>39.8</b>	<b>70.3</b>
<b>(NPL Sales for SBL Loans)</b>	<b>31.3</b>	<b>34.3</b>	<b>0.0</b>	<b>39.0</b>	<b>66.9</b>
Corporate	33.6	35.2	0.0	39.5	69.8
Household	0.6	0.1	0.0	0.2	0.3
Credit Card	0.1	0.2	0.0	0.1	0.2



# Capital Adequacy

I

II

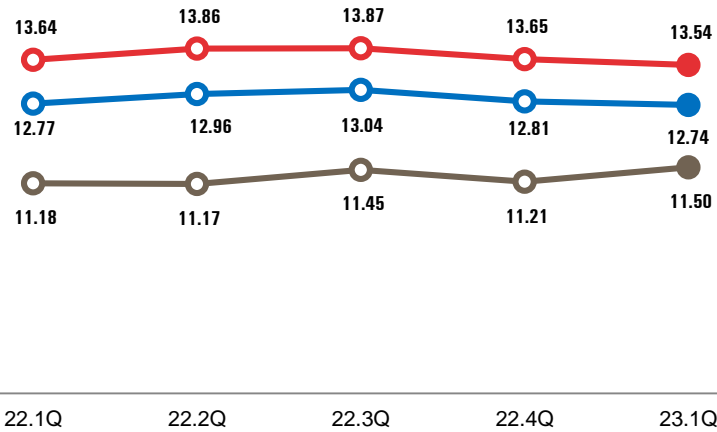
III

IV

V

VI

## Group Capital Adequacy (%)



## Group

(KRW bn, %, %p, BaselIII IRB)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Tot. Risk Adjusted Capital	10,224.9	9,928.3	3.0	10,183.7	0.4
Tier I	9,621.3	9,295.8	3.5	9,556.6	0.7
(CETI)	8,684.4	8,136.4	6.7	8,363.9	3.8
Tot. R.W.A.	75,534.1	72,779.0	3.8	74,596.3	1.3
BIS Capital Ratio	13.54	13.64	-0.10	13.65	-0.11
Tier I	12.74	12.77	-0.03	12.81	-0.07
(CETI)	11.50	11.18	0.32	11.21	0.29

## BSB

(KRW bn, %, %p, BaselIII I.R.B.)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Tot. Risk Adjusted Capital	5,675.8	5,518.2	2.9	5,499.9	3.2
Tier I	5,367.4	5,147.0	4.3	5,179.5	3.6
(CETI)	5,018.4	4,798.2	4.6	4,830.6	3.9
Tot. R.W.A.	33,385.6	32,271.5	3.5	33,225.8	0.5
BIS Capital Ratio	17.00	17.10	-0.10	16.55	0.45
Tier I	16.08	15.95	0.13	15.59	0.49
(CETI)	15.03	14.87	0.16	14.54	0.49

## KNB

(KRW bn, %, %p, BaselIII I.R.B.)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Tot. Risk Adjusted Capital	3,575.8	3,489.8	2.5	3,493.6	2.4
Tier I	3,354.7	3,197.3	4.9	3,252.3	3.1
(CETI)	3,055.6	2,948.1	3.6	2,953.2	3.5
Tot. R.W.A.	22,867.3	22,385.8	2.2	22,559.8	1.4
BIS Capital Ratio	15.64	15.59	0.05	15.49	0.15
Tier I	14.67	14.28	0.39	14.42	0.25
(CETI)	13.36	13.17	0.19	13.09	0.27

# Appendix\_Banks KRW Loans Portfolio

I

II

III

IV

V

VI

## BSB

(KRW bn, %, Balance)	2023 1Q			
	Amount	Ratio	YoY	QoQ
<b>Manufacturing</b>	<b>8,795.7</b>	15.8	-0.1	1.0
Steel Metal Products	2,489.2	4.5	-3.4	1.5
Automobile Parts	1,554.4	2.8	-4.4	-0.9
Machinery	1,268.2	2.3	0.0	1.6
Petroleum, Rubber, etc.	1,007.6	1.8	2.5	1.3
Fabric	305.7	0.5	-9.0	-9.8
Garment & Shoes	359.7	0.6	-3.4	-0.1
Kitchen Units	502.2	0.9	14.8	6.1
Electronics	401.5	0.7	5.9	6.0
Paper, Paper Mills	147.7	0.3	7.3	-2.8
Others	759.5	1.4	10.4	2.6
<b>Non-Manufacturing</b>	<b>29,479.3</b>	52.9	12.5	1.7
Wholesale & Retail	4,903.2	8.8	5.6	1.8
Public	95.8	0.2	620.3	1.3
Construction & Engineering	1,884.3	3.4	24.5	6.4
Real Estate	12,442.4	22.3	15.4	1.2
Insurance & Financing	534.8	1.0	3.7	-5.6
Transportation	1,208.7	2.2	-1.0	-0.9
Hotel & Food	2,712.6	4.9	20.5	3.6
Others	5,697.5	10.2	8.3	1.8
<b>Households</b>	<b>17,413.4</b>	31.3	9.3	0.5
<b>KRW Loans</b>	<b>55,688.4</b>	100.0	9.3	1.2

## KNB

\*Sectors are based on FSS Business Report

(KRW bn, %, Balance)	2023 1Q			
	Amount	Ratio	YoY	QoQ
<b>Manufacturing</b>	<b>10,084.6</b>	26.6	1.7	0.3
Steel Metal Products	2,356.7	6.2	2.2	1.3
Automobile Parts	2,552.8	6.7	-5.8	-2.9
Machinery	2,429.0	6.4	3.1	1.3
Petroleum, Rubber, etc.	396.5	1.0	7.6	1.3
Fabric	126.9	0.3	-2.5	-3.4
Garment & Shoes	24.2	0.1	-6.9	-7.6
Kitchen Units	379.2	1.0	5.4	-1.3
Electronics	620.8	1.6	5.7	2.7
Paper, Paper Mills	107.9	0.3	10.4	1.0
Others	1,090.6	2.9	11.8	3.5
<b>Non-Manufacturing</b>	<b>15,557.4</b>	41.1	7.5	2.8
Wholesale & Retail	3,452.7	9.1	7.3	3.8
Public	7.0	0.0	-82.5	20.7
Construction & Engineering	836.9	2.2	2.8	-0.4
Real Estate	5,159.8	13.6	9.6	3.2
Insurance & Financing	370.1	1.0	-27.0	-6.9
Transportation	670.0	1.8	5.1	2.2
Hotel & Food	1,379.5	3.6	10.9	4.4
Others	3,681.4	9.7	11.3	2.7
<b>Households</b>	<b>12,247.2</b>	32.3	0.4	1.3
<b>KRW Loans</b>	<b>37,889.2</b>	100.0	3.5	1.6

※ KSIC(Korea Standard Industry Classification) Change(July 1,2017) applied

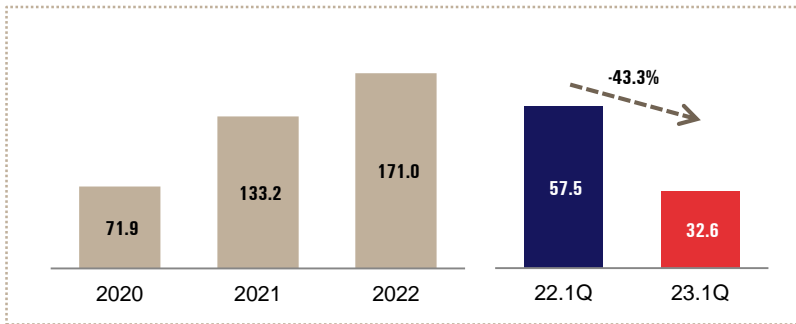
	2023.1Q					
	Steel	Auto	Construction	Shipbuilding	Shipping	Chemical
(KRW bn, %)						
<b>Exposure</b>	<b>3,544.7</b>	<b>2,708.8</b>	<b>2,778.1</b>	<b>1,228.8</b>	<b>301.3</b>	<b>738.1</b>
<b>(% of Total Credits)</b>	<b>3.7</b>	<b>2.8</b>	<b>2.9</b>	<b>1.3</b>	<b>0.3</b>	<b>0.8</b>
<b>Collateral &amp; Provision</b>	<b>2,797.9</b>	<b>2,103.1</b>	<b>1,972.7</b>	<b>984.5</b>	<b>75.1</b>	<b>499.7</b>
<b>Collateral &amp; Provision Coverage</b>	<b>78.9</b>	<b>77.6</b>	<b>71.0</b>	<b>80.1</b>	<b>24.9</b>	<b>67.7</b>
<b>No# of Creditors</b>	<b>2,707</b>	<b>1,821</b>	<b>5,546</b>	<b>1,232</b>	<b>184</b>	<b>681</b>

Note 1) Exposure & Total Credits are the sum of BSB & KNB

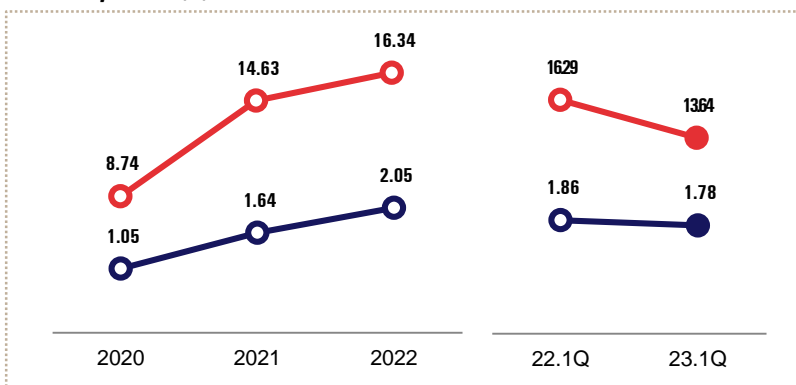
Note 2) Sectors are based on FSS Business Report

Note 3) Construction includes Real Estate PF(Ref. Collateral for Real Estate PFs are evaluated based on future cash flow that does not include land, buildings under construction etc. hence the overall low construction coverage)

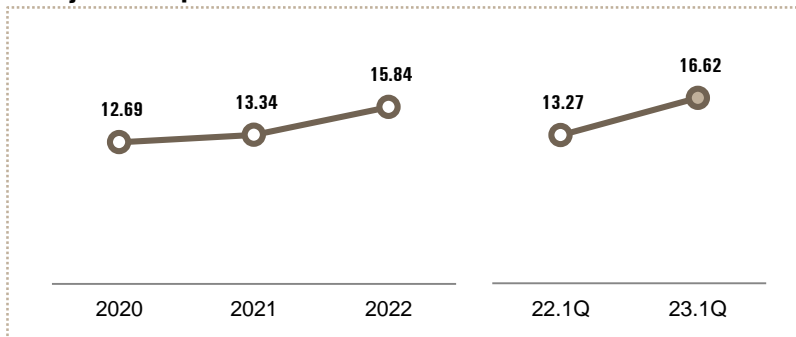
## Net Income (% , KRW bn)



## ROA, ROE (%)



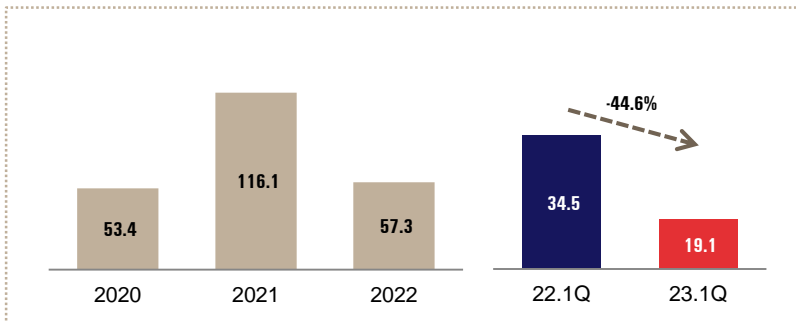
## Adjusted Capital Ratio (%)



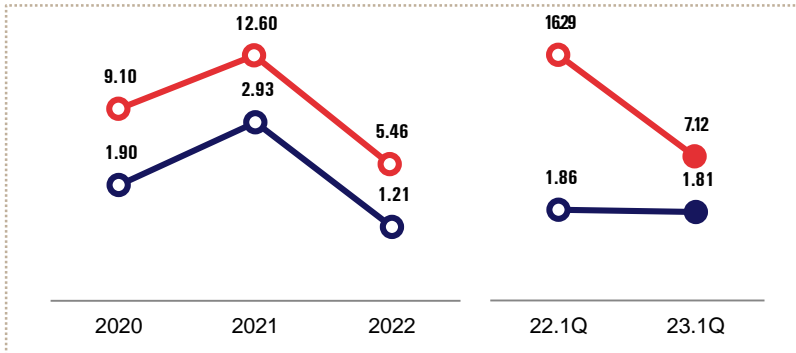
(KRW bn, %, Balance)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Net Interest Income	83.4	85.8	-2.8	89.8	-7.1
Fee Income	6.6	21.0	-68.6	2.7	144.4
Others	13.2	9.6	37.5	18.4	-28.3
SG&A(-)	25.3	22.4	12.9	35.0	-27.7
Provision Expense(-)	34.0	18.7	81.8	62.2	-45.3
Non-Operating Income	-0.1	0.6	Net Loss	1.9	Net Loss
<b>Earnings Before Income Tax</b>	<b>43.8</b>	75.9	-42.3	15.6	180.8
Income Tax Expenses(-)	11.2	18.4	-39.1	4.2	166.7
<b>Net Income</b>	<b>32.6</b>	57.5	-43.3	11.4	186.0

(KRW bn, %, Balance)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Assets</b>	<b>8,697.5</b>	8,647.6	0.6	8,604.3	1.1
Cash and Dues	366.6	46.8	683.3	100.7	264.1
Securities	430.4	385.4	11.7	333.1	29.2
Loans	5,441.0	5,642.7	-3.6	5,594.5	-2.7
Venture Capital Business	21.8	7.0	211.4	21.8	0.0
Durables Installment Financing Assets	402.2	374.4	7.4	415.1	-3.1
Leased Assets	1,854.8	1,949.7	-4.9	1,867.6	-0.7
Fixed Assets	17.5	13.2	32.6	17.5	0.0
Other Assets	163.2	228.4	-28.5	254.0	-35.7
<b>Liability &amp; Shareholder's Equity</b>	<b>8,697.5</b>	8,647.6	0.6	8,604.3	1.1
Borrowings	6,919.3	7,104.1	-2.6	6,888.3	0.5
Other Liabilities	545.1	504.6	8.0	516.8	5.5
Shareholder's Equity	1,233.1	1,038.9	18.7	1,199.2	2.8

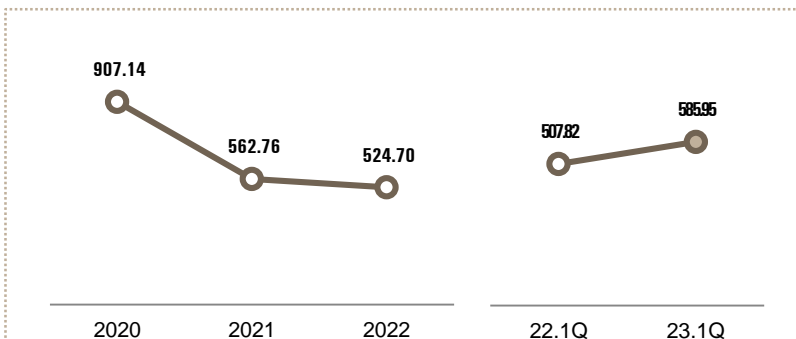
## Net Income (% , KRW bn)



## ROA, ROE (%)



## NCR (%)

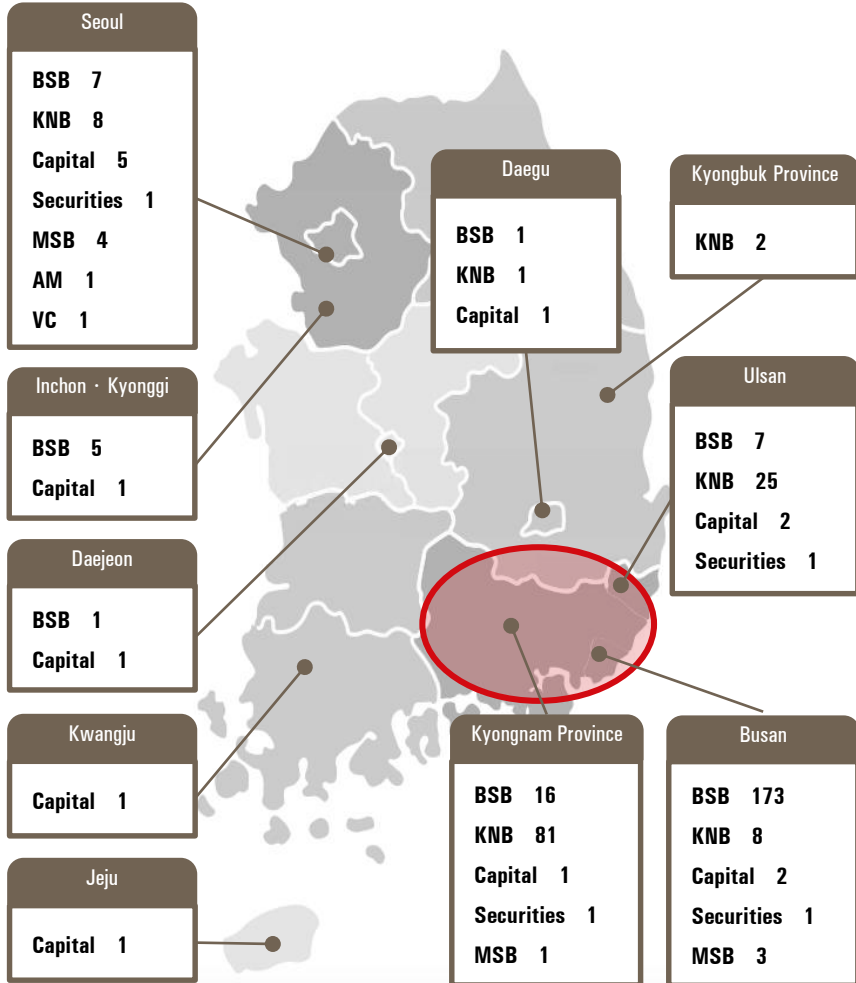


(KRW bn, %, Balance)	23.1Q	22.1Q	YoY	22.4Q	QoQ
Net Interest Income	17.8	12.9	38.0	8.5	109.4
Fee Income	23.3	66.3	-64.9	21.5	8.4
Others	28.0	22.7	23.3	16.0	75.0
SG&A(-)	39.0	52.1	-25.1	22.4	74.1
Provision Expense(-)	4.7	2.7	74.1	28.4	-83.5
Non-Operating Income	0.4	-0.9	Net Gain	0.5	-20.0
<b>Earnings Before Income Tax</b>	<b>25.8</b>	46.2	-44.2	-4.3	Net Gain
Income Tax Expenses(-)	6.7	11.7	-42.7	-0.1	-
<b>Net Income</b>	<b>19.1</b>	34.5	-44.6	-4.2	Net Gain

(KRW bn, %, Balance)	23.1Q	22.1Q	YoY	22.4Q	QoQ
<b>Fee Income</b>	<b>23.3</b>	66.3	-64.9	21.5	8.4
Fee Revenue	31.4	76.8	-59.1	24.2	29.8
Underwriting	4.8	6.4	-25.0	3.6	33.3
Advisory	16.1	59.3	-72.8	12.7	26.8
Brokerage	7.4	9.2	-19.6	7.4	0.0
Others	3.1	1.9	63.2	0.5	520.0
Fee Expense	8.1	10.5	-22.9	2.7	200.0

## Networks (as of March 2022) : 374 Locations

- **BSB 216**(Qingdao/Nanjing/Ho Chi Minh Branch, Yangon/Mumbai/Hanoi Office incl.), **KNB 126**(Tashkent Office), **Capital 19**(incl. Myanmar, Cambodia, Laos, Kazakhstan, Kyrgyzstan), **Securities 4**, **MSB 7**, **AM 1**, **Venture Capital 1**



## Population & Major Industries

- Southeastern Conurbation (7.8 Mn, 15.1% of Total Population), 13.9% of GRDP(2021)
- Exports : 142.8 USD bn(2022)
- Imports : 100.1 USD bn(2022)

