# 2024

## KYOBO LIFE ANNUAL REPORT

KYOBO Life

# Kyobo Life
# Annual Report 2024


## Prologue 001

Prologue 001
CEO Message 002
Financial Highlights 006
FY2024 at a Glance 008

## Corporate Social Responsibility 010

Vision 012
Corporate History 014
Transparent Management 016
Sustainability Management 020
Community Relations 022

## Intangible Value Drivers 026

Customer 028
Brand 030
People 032
Digital Innovation 034

## Market & Strategy 037

Insurance Business 038
Asset Management 039
Risk Management 041

## Financial Section 044

Management's Discussion and Analysis 046

## Appendix 054

Auditor's Report(Consolidated)
Auditor's Report(Seperate)
Business Network

# Prologue

## We aspire to become a leading financial company that delivers value beyond insurance.

Kyobo Life was founded in 1958 with the belief of its founder, Yong-Ho Shin, that 'the future of a nation depends on education.' The company introduced the world's first education insurance, the 'Jinhak Insurance,' and has since embarked on a 67-year journey of challenges and innovations in the life insurance industry. Today, we stand as one of Korea's leading financial institutions.

Despite a challenging business environment marked by high interest rates, inflation, and sluggish consumption and investment following the COVID-19 pandemic, Kyobo Life has remained steadfast in its mission. Under the management directive of "enhancing competency in the insurance business and laying the foundation to drive the success of new businesses," we strive to identify and meet customer needs. Through innovation, we provide differentiated products and services while enhancing asset management capabilities and securing new growth engines.

Kyobo Life has launched the 'Balanced Protection' project to deliver genuine value in customer protection, offering a well-rounded protection for family and health coverage. We have also developed the 'Coverage Analysis AI Supporter' service, leveraging customer data to analyze their insurance coverage. In addition, Kyobo Life has ventured into new business areas by establishing 'Kyobo Dasom Care,' a healthcare subsidiary, to provide customers with exceptional health management services. In 2025, Kyobo Life is committed to becoming a leading financial company that delivers value beyond insurance. With a spirit of compassion for those facing life's adversities and a strong sense of social responsibility, we will continue to serve our customers and society with integrity and innovation.

# CEO Message

To Our Customers, Investors, Government Agencies and Local Community Members:

I wish to extend my heartfelt gratitude for your continued interest and support for Kyobo Life over the past year.

Last year, our economy faced significant challenges amid low growth and high volatility following the Covid-19 pandemic, severe political polarization compounded the problem, and global credit rating agencies have cautioned that if these political conflicts persist, they could undermine economic confidence and adversely affect the nation's credit rating.

This year, we anticipate continued headwinds stemming from geopolitical tensions, protectionist policies, discriminatory monetary policies among nations, and the restructuring of global supply chains. Despite these obstacles, Kyobo Life remains committed to driving voluntary innovation and taking a bold step forward in our evolution.

I would like to share Kyobo Life's 2024 business performance followed by an outline of our key management goals for 2025.

Chairman & CEO
**Chang-Jae Shin**



## The Year In Review

Last year, Kyobo Life placed an even greater emphasis on the customer. We launched the 'Balanced Protection' project to provide optimal coverage across every stage of the customer's lifecycle. We also utilized insights gained from the 'VOC (Voice of Customer)' program to improve our products and services, and established a deducated healthcare subsidiary, 'Kyobo Dasom Care', to offer differenciated health management services.

Meanwhile, to stay in step with Korea's rapidly aging demographic, we entered the property trust business and achieved early success by securing over 100 life insurance claim trust contracts within just one month.

As a result of these efforts, Kyobo Life recorded total asset of KRW 122 trillion, a net income of KRW 698.7 billion, and an ROE of 8.1% on a consolidated basis for FY2024.

In 2024 Kyobo Life maintained its A+ (Stable) credit rating from Fitch for the 12th consecutive year and its A1 (Stable) rating from Moody's for the 10th consecutive year. We also ranked first in the life insurance category of the Korea Sustainability Index for the 15th consecutive year and were named the top among the Most Admired Companies in Korea within insurance industry for the second year running, as well as being included on the All-Star 30 list.

### Insurance Business

In 2024, the Korean insurance market was marked by fierce competition across customers, products, and sales channels for securing new business CSM(contractual service margin). Regulations on short-term payment whole life insurance were tightened, intensifying competition over health insurance products, and the race to scout planners to sell protection-type products also accelerated.

In the long-term health insurance market where non-life insurers hold more than an 80% market share, life insurers sought to strengthen their competitiveness by combining health insurance with annuities or whole life products, as well as by offering diverse riders to differentiate their offerings from the competition.

Against this backdrop, Kyobo Life focused on uncovering customers' latent needs and incorporating these insights into product development to deliver greater value. In particular, we aimed to capture hidden customer demand revealed through various Voice of the Customer (VOC) channels and translate them into new products and add-on services.

We also launched the 'Balanced Protection' project to broaden our lineup of health insurance products, enabling tailored, optimal protection portfolios for each policyholder. At the same time, we introduced a variety of riders and DIY insurance products to address a wide range of needs. From a sales standpoint, we remained committed to growing our exclusive tied agent channel while flexibly utilizing non-exclusive channels to better convey the value of protection and expand our customer touchpoints.

Thanks to these differentiated products and channel strategies, our insurance sales division met its business plan targets in all sectors, including policyholder acquisition, new policy subscriptions, sales channel expansion, and persistency rate. In terms of profitability, we also achieved our goals for both new business CSM and pre-tax earnings.

## Asset Management

In the first half of 2024, global financial markets, led by the United States, benefited from sharply revised economic growth forecasts, fueling hopes of an expansionary monetary policy. However, concerns over a potential economic slowdown intensified in the second half, and coupled with the US Presidential election in November, market volatility remained high throughout the year.

Amid these conditions, Kyobo Life adeptly navigated market fluctuations and delivered strong results in both profitability and risk management.

On the profitability front, we expanded long-term bond investments to secure a stable revenue source and continued to refine our alternative investment portfolio, focusing on high-quality, risk-adjusted opportunities such as infrastructure investments. For loan assets, we increased unsecured retail loan primarily to our prime customers, staying within the government's household debt targets.

As for risk management, we consistently worked to match the cash flows of assets and liabilities from an asset and liability management (ALM) standpoint, reducing capital volatility from interest rate fluctuations and maintaining a stable Korean Insurance Capital Standard (K-ICS) ratio. We also reinforced post-investment oversight of overseas real estate to uphold strong capital adequacy.

Thanks to these efforts, we surpassed our business plan targets in key metrics, including operating asset yields, portfolio yields, and recurring income, achieving meaningful success across all areas of asset management.

## Digital Innovation and New Businesses

Over the past year, Kyobo Life has been working to secure a distinctive competitive edge by utilizing digital technology for customer-centric business innovation.

One notable example is our newly developed 'Coverage Analysis AI Supporter', which uses AI-based data processing to concisely summarize vast amounts of coverage information. The system provides financial planners (FPs) with key insights, accelerating the consultation process and saving on customers' valuable time. Its uniqueness and innovative approach were recognized by the Financial Services Commission (FSC), which designated it as an innovative financial service.

Beyond that, Kyobo Life introduced the 'FP AI Assistant' to boost efficiency of FP work and launched the 'Enterprise GPT Service' to support employee workflows for expanding our digital innovation efforts.

Meanwhile, Kyobo Life has partnered with over 40 promising startups through INNOSTAGE, an open-innovation program focused on external startups that has been running since 2019. Projects have included building a solution that matches FPs to customers based on customer profiles and developing fraud detection models for identifying forged or altered insurance claim documents.

Additionally, Kyobo Life established 'Kyobo Dasom Care' as the demand for healthier lifestyles increases with the advent of an aging society, changing lifestyle habits, and growing interest in health insurance within the industry. The new healthcare services subsidiary will allow us to strengthen our competitiveness in insurance and explore new business opportunities by expanding into adjacent sectors.



# The Year Ahead

Despite a generally accommodative global monetary policy, domestic factors such as rising household debt and the government's commitment to fiscal soundness are dampening expectations for an economic recovery in FY2025. Externally, stronger protectionist measures following the US Presidential election, conflicts in the Middle East, the Russia-Ukraine war, and escalating US-China tensions are expected to negatively impact consumption, investment, and exports across the board.

On top of these challenges, Korea officially became a 'super-aged society' at the end of last year, with those aged 65 and older now exceeding 20% of the total population. Declining birth rates have reduced the working-age population, while slowing consumption and economic growth, along with interest rate cuts to stimulate domestic demand, are likely to decrease new policy sales, increase surrender rates, and reduce investment returns, negatively affecting the financial soundness of insurance companies. As a result, the Korean insurance industry is expected to face a triple whammy of weaker growth, profitability, and soundness in the coming year.

Despite this deteriorating environment, Kyobo Life aims maintain sustainability by pursuing profit-driven growth through sales and marketing innovation. Backed by strong profit-and-loss management, we will closely analyze all our current insurance and non-insurance businesses to accurately identify areas of profit and loss, managing them in detail to enhance overall profitability.

To this regard, Kyobo Life has set the 2025 management directive as 'Strengthen the competitiveness of our core business through business innovation.' Under this directive, we will steadfastly pursue the following key initiatives:

| | |
|---|---|
| First, | we will establish a profitability-oriented performance management system |
| Second, | we will strengthen competitiveness of the insurance business by focusing on family and health-protection products |
| Third, | we will enhance customer-centric marketing and deliver market-leading products and services |
| Fourth, | we will optimize asset holdings to ensure stability and profitability in asset management |
| Fifth, | we will identify new core business areas that will serve as future growth drivers and achieve tangible results |
| Sixth, | we will support affiliated companies in improving profitability and strengthening internal control and risk management frameworks |
| Seventh, | we will implement a quality-based financial consumer protection system |

Since our founding, Kyobo Life has overcome countless challenges and crises through unwavering resolve and continuous innovation, achieving steady growth along the way. Going forward, we will continue to push the boundaries, innovate, and grow together with our customers, investors, government agencies, and local communities. We ask for your continued interest and support in 2025 as we remain true to the essence of the life insurance business and embark on the challenging but vital journey of 'innovation.' Thank you for your continued trust in Kyobo Life.

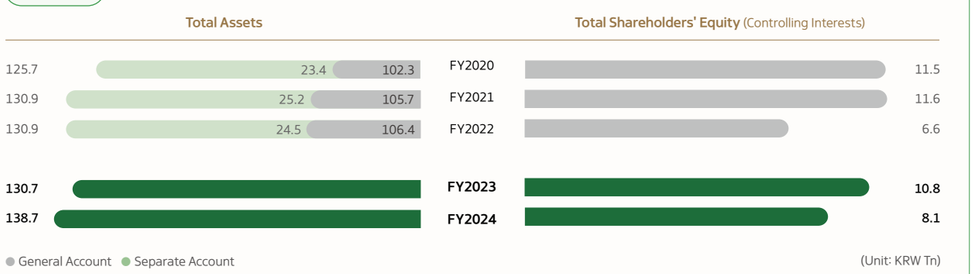
March 2025
Chairman & CEO **Chang-Jae Shin**

# Financial Highlights

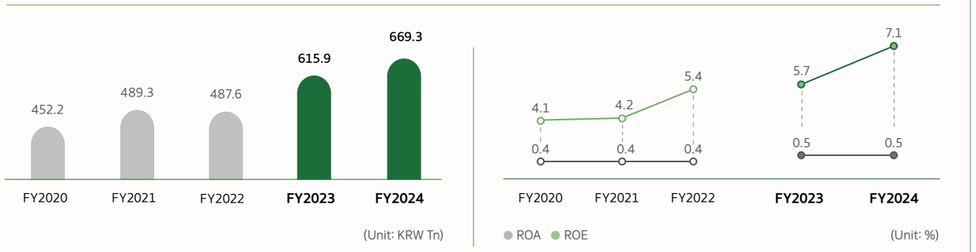
FY2020~FY2022 : Based on IAS39 Financial Instruments
FY2023~ : Based on IFRS9 Financial Instruments

(Based on Consolidated Statements)

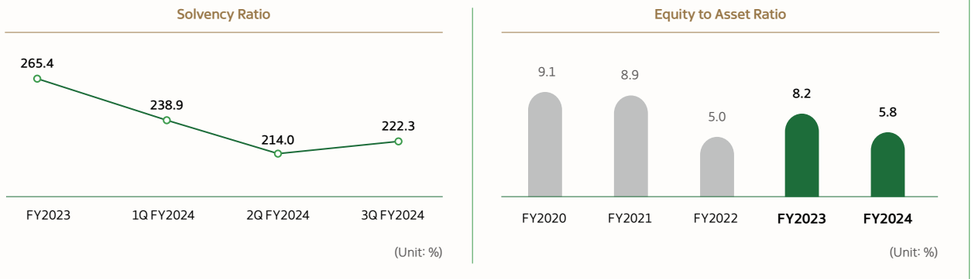
## Growth




## Profitability




## Stability






## Key Figures

### Summary of Income Statement

(Unit: KRW Bn)

| | IFRS4 | | | IFRS17 | |
|---|---|---|---|---|---|
| | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
| Operating Revenues | 18,644.9 | 19,715.1 | 26,195.2 | **16,893.4** | **18,123.4** |
| Operating Expenses | 17,960.6 | 18,999.9 | 25,623.3 | **16,082.5** | **17,220.9** |
| Operating Profit | 684.3 | 715.2 | 572.0 | **810.9** | **902.5** |
| Non-operating Profit | -17.9 | 8.9 | -27.9 | **26.5** | **11.9** |
| Profit before Tax | 666.4 | 724.1 | 544.1 | **837.4** | **914.4** |
| Profit before Tax | 188.6 | 198.4 | 42.8 | **206.4** | **228.2** |
| Net Income | 477.8 | 525.7 | 501.2 | **631.0** | **686.3** |
| Net Income attributable to Controlling Interests | 452.2 | 489.3 | 487.6 | **615.9** | **669.3** |

### Summary of Balance Sheet

(Unit: KRW Bn)

| | IFRS4 | | | IFRS17 | |
|---|---|---|---|---|---|
| | FY2020 | FY2021 | FY2022 | FY 2023 | FY 2024 |
| **Total Assets** | **125,704.7** | **130,934.9** | **130,880.6** | **130,702.1** | **138,723.5** |
| Cash and Deposits | 1,940.6 | 2,897.0 | 2,837.4 | 5,107.3 | 4,803.7 |
| Securities | 70,800.7 | 73,089.0 | 70,267.9 | 96,377.5 | 103,837.2 |
| Loans | 22,353.3 | 23,725.3 | 24,829.9 | 22,273.5 | 22,021.9 |
| Investment in Associates | 36.3 | 71.7 | 85.6 | 149.4 | 160.0 |
| Investment Property | 1,094.7 | 1,058.1 | 1,047.6 | 1,022.8 | 1,005.5 |
| Property and Equipment | 1,378.7 | 1,414.9 | 1,452.0 | 1,444.5 | 1,447.3 |
| Intangible Assets | 296.3 | 257.4 | 269.0 | 237.1 | 143.9 |
| Other Assets | 4,431.1 | 3,249.1 | 5,636.3 | 4,090.1 | 5,303.9 |
| Separate Account Assets | 23,373.0 | 25,172.4 | 24,455.0 | | |
| **Total Liabilities** | **113,925.2** | **118,980.1** | **123,955.1** | **119,669.5** | **130,377.5** |
| Insurance Liabilities (Policy reserve under IFRS4) | 76,686.2 | 79,287.1 | 81,702.0 | 87,824.5 | 95,023.0 |
| Policyholder's Equity Adjustement | 1,461.8 | 719.6 | 163.3 | | |
| Other Liabilities | 11,846.8 | 12,926.4 | 15,725.7 | 31,845.0 | 35,354.5 |
| Separate Account Liabilities | 23,930.4 | 26,046.9 | 26,364.1 | | |
| **Total Shareholders' Equity** | **11,779.5** | **11,954.8** | **6,925.5** | **11,032.6** | **8,346.0** |
| **Total Shareholders' Equity attributable to Controlling Interests** | **11,454.8** | **11,596.5** | **6,552.5** | **10,777.2** | **8,052.8** |

* Other Liabilities for 2023, 2024 include investment contract liabilities and other liabilities.

# FY2024 at a Glance

## The Chairman & CEO, Chang-Jae Shin receives the Global Ethics & Stakeholder Commitment Award!

The Chairman & CEO, Chang-Jae Shin, has been internationally recognized for over two decades of dedication to ethical management by receiving the 2024 Global Ethics & Stakeholder Commitment Award.

This award was established by the Geneve Entrepreneurship Forum to commemorate the United Nations' Micro-, Small and Medium-sized Enterprises Day. It is organized by leading international bodies, including the International Council for Small Business (ICSB), the International Labour Organization (ILO), the United Nations Conference on Trade and Development (UNCTAD), and the International Trade Centre (ITC). The award honors global entrepreneurs who have pursued social justice through ethical management and stakeholder-focused practices. Following nominations from various countries and a rigorous selection process by a panel of judges, Shin was chosen as the inaugural recipient.

In his acceptance speech, Shin remarked, "Since assuming the CEO role in 2000, I've worked to reform unethical sales practices and promote customer-focused, principled business operations. This naturally led me to become more aware of the importance of ethical management and stakeholder-centric management. However, the journey is far from over; we are still striving toward the endless path of ethical leadership." He added, "I firmly believe that adopting proactive ethical management - helping all stakeholders beyond simply adhering to laws and regulations - is the key to even greater corporate success."

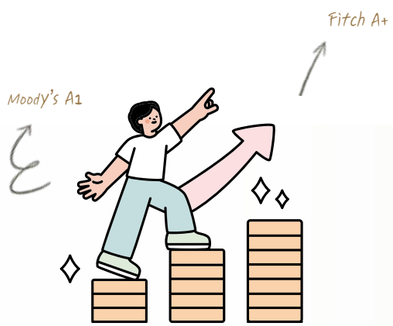
## Securing the Industry's Highest Global Credit Ratings Amid Prolonged Low Growth and Uncertainty

In 2024, the insurance industry faced heightened uncertainty due to high interest rates, rising inflation, economic stagnation driven by reduced consumption and investment, and the implementation of IFRS 17 and new solvency regime, K-ICS.

Despite these challenging circumstances, Kyobo Life maintained its industry-first and highest global credit ratings, achieving Moody's A1 rating for the 10th consecutive year and Fitch A+ rating for the 12th consecutive year. These achievements reflect the company's strong asset management capabilities and proactive risk management, enabling Kyobo Life to sustain solid profitability, capital adequacy, and financial soundness at the highest levels among domestic life insurers.

The credit ratings from Moody's and Fitch assess a company's ability to pay insurance claims, reaffirming Kyobo Life's unwavering commitment to customer coverage under any circumstances.

Notably, even amid a tightening bond market caused by global economic uncertainty, Kyobo Life successfully issued hybrid bond worth KRW 1.3 trillion in 2024, further demonstrating its high credibility and solid market reputation.



## Focusing on Customers to Deliver Customized Solutions for Family Protection, Retirement Security, and Health Coverage

In response to shifting lifestyles driven by low birth rates, an aging population, and the rise of single-person households, Kyobo Life launched the 'Balanced Protection' project. This It expands beyond traditional family and retirement coverage to include comprehensive health protection, enabling customers to live healthier, more balanced lives. By offering personalized, all-in-one solutions for life's risks - birth, aging, illness, and death - Kyobo Life empowers customers to plan for a more secure future.

As part of this effort, the company broadened its scope of healthcare services to include health maintenance and promotion, disease prevention, and treatment. To further enhance its differentiated health management offerings, Kyobo Life established a specialized healthcare subsidiary, Kyobo Dasom Care, which officially launched in November 2024.

Additionally, Kyobo Life revamped its open banking-based Personal Financial Management (PFM) service to deliver more customer-friendly digital solutions. Insights derived from Voice of Customer (VOC) feedback were analyzed and utilized to improve products and services, reflecting the company's commitment to prioritizing customer needs and delivering meaningful, tailored protection for a better quality of life.

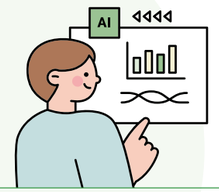
## Strengthening Core Business Competitiveness Through Innovation, Including Generative AI Adoption

Kyobo Life is leading company-wide innovation efforts to respond to the evolving insurance industry landscape and secure sustainable growth drivers.

With a strategic focus on achieving more with fewer resources under the motto "Do more with less," the company has prioritized business, marketing, and process innovation. To support these efforts, Kyobo Life has established the institutional framework needed for innovation and launched an Innovation Portal to encourage collaboration and foster a culture of innovation among employees.

Kyobo Life became the first in the insurance industry to adopt generative AI with the launch of Kyobo GPT. Additionally, the company achieved approval for three innovative financial services that utilize cloud-based generative AI within its internal network. Leveraging AI-powered data processing, Kyobo Life has introduced several advanced solutions to enhance both customer service and employee efficiency including services like the 'Coverage Analysis AI Supporter,' which offers personalized coverage analysis tailored to each customer's needs, the 'FP AI Assistant,' which supports financial planners in their business activities, and the 'Enterprise GPT Service,' an internal AI-driven Q&A platform to assist employees with work-related inquiries.

Kyobo Life will continue to accelerate its ongoing business innovation efforts to secure new growth engines and remain fully committed to delivering greater value to its customers.



# CORPORATE SOCIAL RESPONSIBILITY


## Vision 012

Our constant innovation will not only add value to the insurance sector but also make a significant impact in the fields of finance

## Corporate History 014

We have been growing together with a variety of stakeholders

## Transparent Management 016

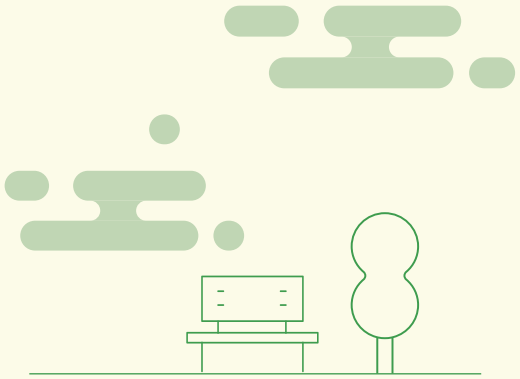
We maintain a clear shareholding structure and transparent decision-making system

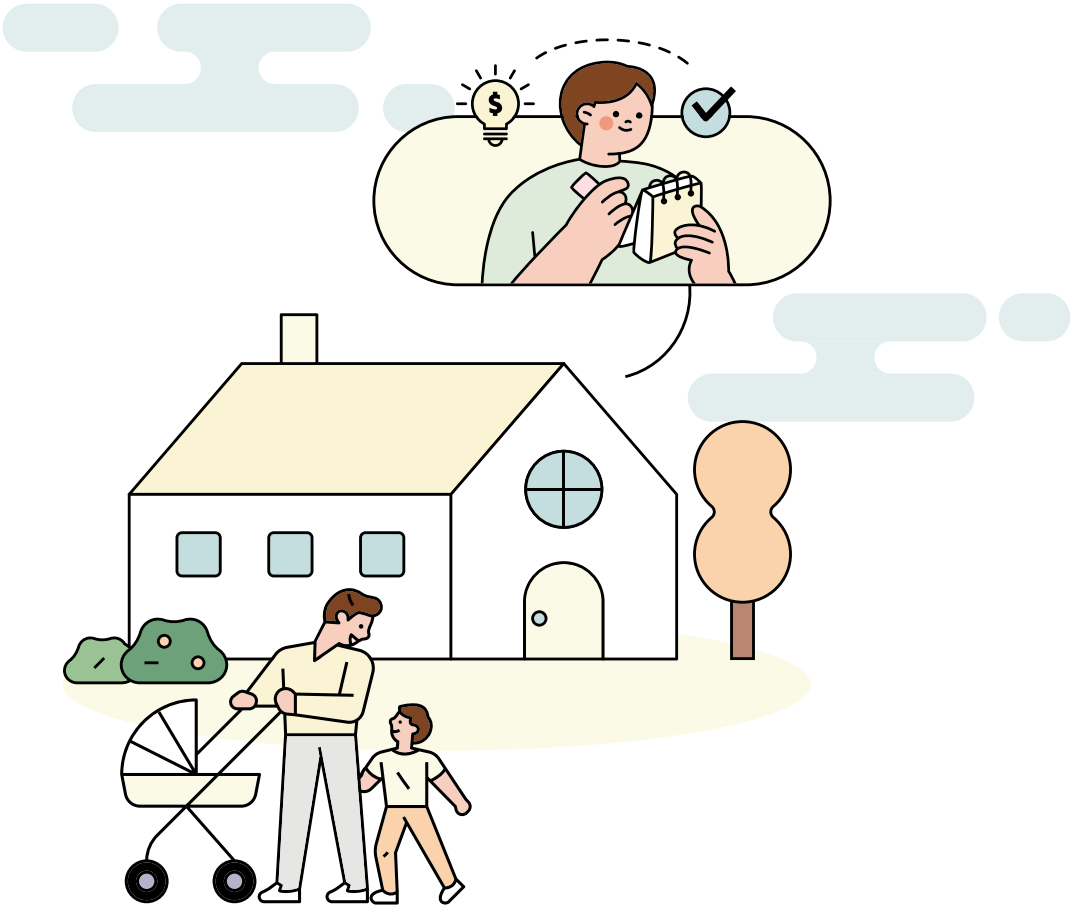
## Sustainability Management 020

We pursue long-term mutual growth with all stakeholders

## Community Relations 022

We help to create a healthy society, a world where we live together



# HONESTY & INTEGRITY

We will always be honest and sincere in every respect

# Vision

**We will deliver new customer experiences and value in the financial and insurance sectors through business innovation.**

Kyobo Life has set its Vision 2025 as becoming a 'leading financial company that delivers value beyond insurance,' ensuring sustainable growth and progress amidst rapid environmental changes. To achieve this, the company will establish a profit-oriented management culture and strengthen its core business competitiveness through sales and marketing innovations across its insurance operations. In addition, Kyobo Life will continue its efforts to secure future growth drivers by advancing AI-DX* capabilities and exploring new strategic businesses. Through comprehensive business innovation across insurance, new ventures, and asset management, Kyobo Life aims to provide unparalleled customer experiences and value faster than competitors.

* **AI-DX(AI-Digitial Transformation)** : Digital transformation by utilizing AI technology

Vision2025

**To become the leading financial company delivering value in insurance and beyond**

To empower everyone to overcome future challenges and achieve their aspirations with lifelong assurance, firmly rooted in financial stability

**Tenacity and Creativity**

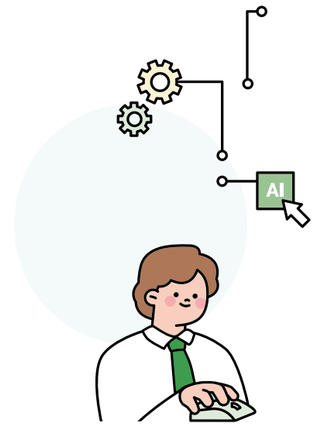
We will always innovate, starting over again if at first we do not succeed.

**Customer-Oriented**

We will always put our customers first in our thoughts and actions.

**Honesty and Integrity**

We will always be honest and sincere in every respect.




## FY2025 Management Directive:

### Strengthen the competitiveness of our core business through business innovation based on a profitability-focused mindset

Kyobo Life is committed to achieving profit-driven growth through business innovation as the foundation for sustainable development. Every employee is encouraged to adopt a clear understanding of profitability and to practice everyday innovation with an entrepreneurial mindset. The company leverages VOC insights to identify the values demanded by customers and the market, striving to deliver differentiated products and services. Furthermore, Kyobo Life is actively exploring and experimenting with innovative new ventures that can complement or replace traditional insurance business models, with the goal of achieving tangible results.

Through its dual focus on strengthening current business competitiveness and reinvesting a portion of today's profits into building a sustainable future, Kyobo Life is implementing ambidextrous management. For 2025, the company has established the management directive of **"strengthen the competitiveness of our core business through business innovation based on a profitability-focused mindset"** and will actively pursue the following key initiatives to drive progress and achieve its vision.

### Major Initiatives

1. Establish a profitability-oriented performance management system
2. Strengthen competitiveness of the insurance business by focusing on family and health-protection products
3. Enhance customer-centric marketing and deliver market-leading products and services
4. Optimize asset holdings to ensure stability and profitability in asset management
5. Identify new core business areas that will serve as future growth drivers and achieve tangible results
6. Support affiliated companies in improving profitability and strengthening internal control and risk management frameworks
7. Implement a quality-based financial consumer protection system

# Corporate History

1950 1960 1970 1980 1990 2000 2010 2020

## 1958~1996

Aug. 7, 1958 Established Daehan Education Insurance Co., Ltd. (now Kyobo Life Insurance Co., Ltd.)
Sept. 21, 1964 Received Presidential Citation on the 1st Savings Day
Sept. 25, 1969 Founder Yong-Ho Shin received Order of Civil Merit
Nov. 15, 1979 Established Kyobo Real Estate Management Co., Ltd. (now Kyobo Realco, Inc.)
Jul. 30, 1980 Moved Head Office to 1, Jongno-1ga, Jongno-gu, Seoul
Dec. 24, 1980 Established Kyobo Book Centre Co., Ltd.
Jun. 27, 1983 Founder Yong-Ho Shin received Founder's Award from International Insurance Society (IIS)
Jun. 1, 1987 Grand opening of Kye Seong Won (HRD training center)
Apr. 1, 1994 Acquired Daehan Securities and renamed it to Kyobo Securities Co., Ltd.
Apr. 3, 1995 Renamed Daehan Education Insurance Co., Ltd. to Kyobo Life Co., Ltd.
Aug. 2, 1995 Acquired Korea Computing Information Co., Ltd. and renamed it to Kyobo Information & Communication Co., Ltd. (now KyoboDTS Co., Ltd.)
Jul. 8, 1996 Founder Yong-Ho Shin became a laureate of the Insurance Hall of Fame by the International Insurance Society (IIS)
Aug. 6, 1996 Founder Yong-Ho Shin became first entrepreneur to receive Geum-gwan Order of Culture Merit

## 1997~2010

Jul. 15, 1997 International Insurance Society (IIS) established the Shin Research Award in the honor of the founder, Yong-Ho Shin
Dec. 8, 1998 Established Saengbo Real Estate Trust Co., Ltd. (now Kyobo Asset Trust Co., Ltd.)
Dec. 1, 2001 Proclaimed Kyobo Vision 2010 and unveiled new Corporate Identity (CI)
Feb. 28, 2002 Established A&D Credit Information Co., Ltd.
Jul. 5, 2002 Established Kyobo Insurance Investigation Co., Ltd (now KCA Claim Adjustment Co., Ltd.)
Dec. 11, 2002 Established Kyobo Dasomi, a special unit dedicated to community service
Jun. 24, 2003 Received 1st Grand Prize at Corporate Ethics Awards by the Korean Ethics Studies Association
Nov. 17, 2004 Won Grand Prize at Korean Customer Satisfaction Management Awards for 5th consecutive year and inducted into Hall of Fame by Korea Management Association
Jul. 11, 2007 Received Consumer Complaints Management System (CCMS) Certification, the first in the insurance industry
Dec. 21, 2007 Obtained approval for and launched trust business
Jan. 8, 2008 Launched Korea's first social enterprise, Dasomi Foundation
May 19, 2008 Received Presidential Citation for Best Family-friendly Company
Jul. 31, 2008 Obtained an A2 credit rating from Moody's Investors Service
Aug. 28, 2008 Established joint venture with AXA Group, Kyobo AXA Investment Managers Co., Ltd.
Nov. 9, 2009 Won Best Life Insurance Company in Asia of 2009 Award at International Reinsurance Conference (IRC)
Sept. 1, 2010 Joined UN Global Compact, an international pact for corporate social responsibility

## 2011~2020

Apr. 15, 2011 Proclaimed Kyobo Vision 2015
Oct. 28, 2012 Chairman & CEO Chang-Jae Shin received Personality of the Year Award 2012 at International Reinsurance Conference (IRC)
Oct. 11, 2013 Received Consumer Grand Prize 2013 by Korean Society of Consumer Studies
Nov. 5, 2013 Obtained an A+ credit rating from Fitch Ratings
Dec. 2, 2013 Established Kyobo Life Planet Life Insurance Company Co., Ltd.
Aug. 20, 2014 Chairman & CEO Chang-Jae Shin received 29th KASBA CEO Grand Prize from Korean Academic Society of Business Administration
Dec. 7, 2015 Credit rating upgraded to A1 by Moody's Investors Service
Jan. 08, 2016 Proclaimed Kyobo Vision 2020
Feb. 18, 2016 Received 12th Transparency Award from the Five Leading Economic Organizations in Korea
Nov. 30, 2017 Chairman & CEO Chang-Jae Shin awarded the highest French Order of Merit, L gion d'Honneur
Dec. 1, 2017 Received Fair Trade Commissioner's Citation at 22nd Consumer Rights Day Awards, hosted by Korea Fair Trade Commission
Jul. 26, 2018 Received Presidential Award at 18th Korea Digital Management Innovation Awards, hosted by Korea Knowledge I nformation Center
Oct. 24, 2018 Chairman & CEO Chang-Jae Shin received Eungwan Order of Culture Merit
Oct. 18, 2019 Inducted into the Korean Sustainability Index (KSI) Hall of Fame
Oct. 18, 2019 Chairman & CEO Chang-Jae Shin received 1st Korean Sustainability Management CEO Award
Oct. 29, 2019 Received Technology Initiative of the Year at 2019 Asia Insurance Industry Awards
Dec. 12, 2019 Chairman & CEO Chang-Jae Shin received Grand Prize at Humane Entrepreneurship Awards from the International Council for Small Business (ICSB)
Dec. 12, 2019 Chairman & CEO Chang-Jae Shin inducted into Consumer Centered Management (CCM) Hall of Fame
Dec. 17, 2019 Received Citation from the Governor of the Financial Supervisory Service for High-performing Institute in Financial Consumer Protection
Mar. 3, 2020 Received High-income Taxpayer (KRW 400 billion) Tower on 54th Taxpayers' Day
Oct. 22, 2020 Received Grand Prize at 7th Korean Reading Management Best Workplace Certification Awards (Minister's Award from the Ministry of Culture, Sports and Tourism)
Dec. 10, 2020 Received Minister's Commendation from Ministry of Science and ICT at 2020 Korea ICT Innovation Awards
Dec. 31, 2020 Selected Best Institution for Financial Consumer Protection in performance assessment by Financial Supervisory Service

## 2021~

Apr. 28, 2021 Proclaimed Kyobo Vision 2025
Jul. 01, 2021 Certified Consumer Centered Management (CCM)
Jan. 28, 2022 Launched financial MyData business (a personal credit information management business)
Aug. 31, 2022 Received ISO 14001 Certification, Environmental Management System international standard
Oct. 28, 2022 Received ISO 37001 Certification, Anti-Bribery Management System international standard
Dec. 2, 2022 Received Family-friendly Company Certification for 15th consecutive year, designated as Best Family-friendly Company
Feb. 22, 2023 Founder Yong-Ho Shin entered Hall of Fame for Honor of Korean Companies by Leading Future Agendas of Business & Society
Mar. 17, 2023 Ranked Most Admired Company in Korea by Korea Management Association Consulting (KMAC)
Apr. 3, 2023 Acquired Pavilion Asset Management Co., Ltd. and rebranded it as Kyobo AIM Asset Management Co., Ltd.
Apr. 11, 2023 Maintained an A+ credit rating from Fitch Ratings for 11th consecutive year
May. 26, 2023 Certified Consumer Centered Management (CCM) for 9th consecutive time
Jun. 8, 2023 Recognized by Minister of Environment for outstanding contributions in environmental education and social contribution
Aug. 25, 2023 Attained ISO45001 certification for Occupational Health and Safety Management System
Sept. 27, 2023 Obtained certification for Personal Information and Information Security Management System (ISMS-P)
Nov. 1, 2023 Named Korea's Best KCPI company by Korea Management Association Consulting (KMAC) for 3rd consecutive year
Nov. 6, 2023 Chairman & CEO Chang-Jae Shin awarded Insurance Hall of Fame by International Insurance Society (IIS)
Nov. 22, 2023 Awarded Minister's Commendation in Green Management category at Global Standard Management Awards, hosted by Korea Management Registrar (KMR)
Nov. 24, 2023 Topped Korean Sustainability Index (KSI) in Life Insurance category for 14th consecutive year
Feb. 27, 2024 Ranked Most Admired Company in Korea by KMAC for 2nd consecutive year, and included in the 'All Star 30'
Mar. 14, 2024 Maintained an A+ credit rating from Fitch Ratings for 12th consecutive year
Jun. 11, 2024 Maintained an A1 credit rating from Moody's for the 10th consecutive year
Jun. 26, 2024 Obtained authorization for trust business operations from the Financial Services Commission
Jun. 27, 2024 Chairman & CEO Chang-Jae Shin received the Global Ethics & Stakeholder Commitment Award at the Geneve Entrepreneurship Forum
Oct. 11, 2024 Established Kyobo Dasom Care Co., Ltd.
Nov. 5, 2024 Named Korea's Best KCPI company by KMAC for 4th consecutive year
Nov. 28, 2024 Topped Korean Sustainability Index (KSI) in Life Insurance category for 15th consecutive year

# Transparent Management

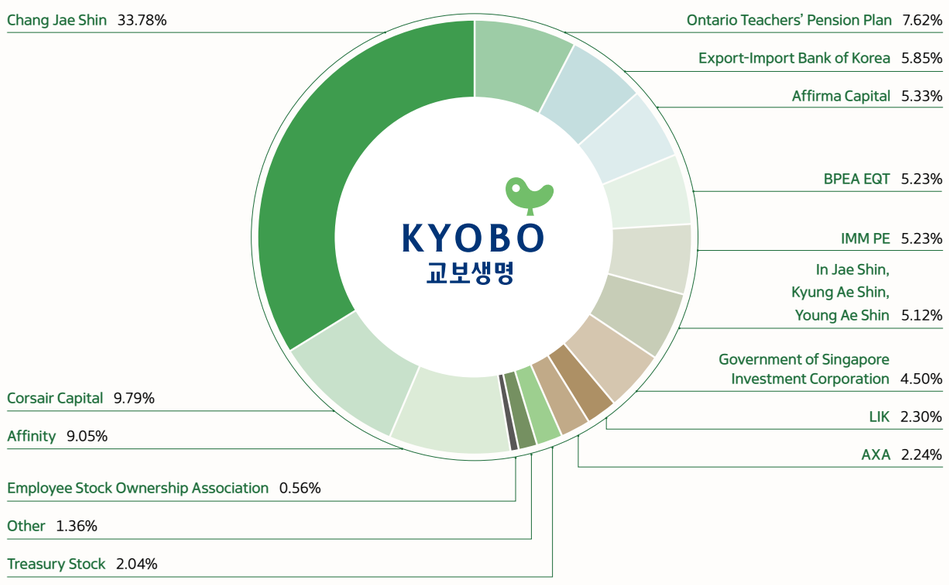
**We maintain a clear shareholding structure and transparent decision-making system.**

## Shareholding Structure

Kyobo Life maintains a robust management system with a transparent and clear shareholding structure, with the principal shareholder, Mr. Chang-Jae Shin, holding a 33.78% stake in the company. In 2007, Corsair Capital, Affirma Capital, and AXA became shareholders through a combination of capital increase and purchasing existing share. In 2012, Ontario Teachers' Pension Plan (OTPP), Affinity, and others became shareholders after acquiring stakes from Daewoo International and the Korea Asset Management Corporation. LIK also joined as a shareholder in 2017, acquiring a portion of OTPP's shares.

In 2023, the company conducted share buyback from minority shareholders, offering them an opportunity to divest their holdings.

### 지분구조




[As of Dec. 31, 2024]

## Board of Directors

The Board of Directors, the final decision-making body that reviews and approves major corporate policies, consists of two inside directors; five outside directors with expertise in finance, management, digital, and law; and one non-standing director. Outside directors make up the majority of the board to ensure effective supervision, ensuring transparent management and a balanced alignment of interests among the company and stakeholders. In addition, efficiency of decision-making process has been improved by assigning all tasks except those related to general meeting of shareholders and those unique to the Board of Directors to committee under the Board.

## Audit Committee

The Audit Committee consists of four outside directors, ensuring independence from the Board of Directors and executive bodies. It is responsible for evaluating and enhancing the appropriateness of the internal control systems and business performance. The Committee develops diverse internal audit plans, encompassing comprehensive and special audits. It evaluates the results of these audits and then provides post-audit measures and improvement recommendations.

## Executive Candidate Recommendation Committee

The Executive Candidate Recommendation Committee plays a key role in promoting transparent management by nominating CEO candidates who embody integrity, qualifications, leadership, and managerial skills required for a CEO of an insurer. The Committee also recommends outside directors who are independent but have competence and expertise required for the company's strategic goals, and Audit Committee Members with capabilities and expertise to conduct overall supervision, including independent audits on the directors and management.

## Risk Management Committee

The Risk Management Committee formulates foundational guidelines and key policies for effective risk management, sanctioning significant corporate strategies while considering various risks. It also performs routine risk analysis, devises risk management plans, and oversees the implementation of risk management practices. Kyobo Life has instituted the Risk Management Committee as an integral part of the Board of Directors, upholding proactive and systematic risk management, with regular reporting of outcomes.

## Remuneration Committee

The Remuneration Committee is responsible for devising the remuneration framework for executives and employees engaged in critical decision-making for corporate management and tasks significantly impacting risks. Its goal is to align the company's performance with its risk structure. In particular, the Committee ensures a fair operation of the remuneration scheme, preventing the management level from engaging in excessive risk-taking solely for the purpose of higher remuneration.

## Management Committee

The Management Committee is responsible for making comprehensive management decisions, encompassing short to long-term management directives, business plans, initiation of new businesses, and financial decisions such as the disposal/transfer of major assets. The outcomes of these decisions are reported to the Board of Directors.

## Sustainable ESG Committee

The Sustainable ESG Committee serves as the ultimate decision-making body for sustainable management, engaging in discussions on key policies and the strategic direction of ESG in pursuit of mutual growth with all stakeholders. It is also accountable for deliberating and deciding on major items related to ESG management.

### Board of Directors

[As of Feb. 28, 2025]

| Chairman & CEO | | |
|---|---|---|
| Chang Jae Shin | | |
| **President & CEO** | | |
| Dae Kyu Cho | | |
| **Outside Director** | | |
| Beom Ha Jee | Hyo Eun Mun | Doo Cheol Kim |
| Doo Bong Lee | Byung Chul Min | |
| **Non-Standing Director** | | |
| Hari R. Rajan | | |

## Management

### Senior Executive Vice President(SEVP)

| | |
|---|---|
| **Jin Ho Park** | Chief Financial Officer / Head of New Business & Digital Transformation / Head of Retirement Pension Consulting Center |
| **Sam Geol Lyoo** | Chief Investment Officer |
| **Gyu Sik Cho** | Head of Channel Distribution Division |

### Executive Vice President(EVP)

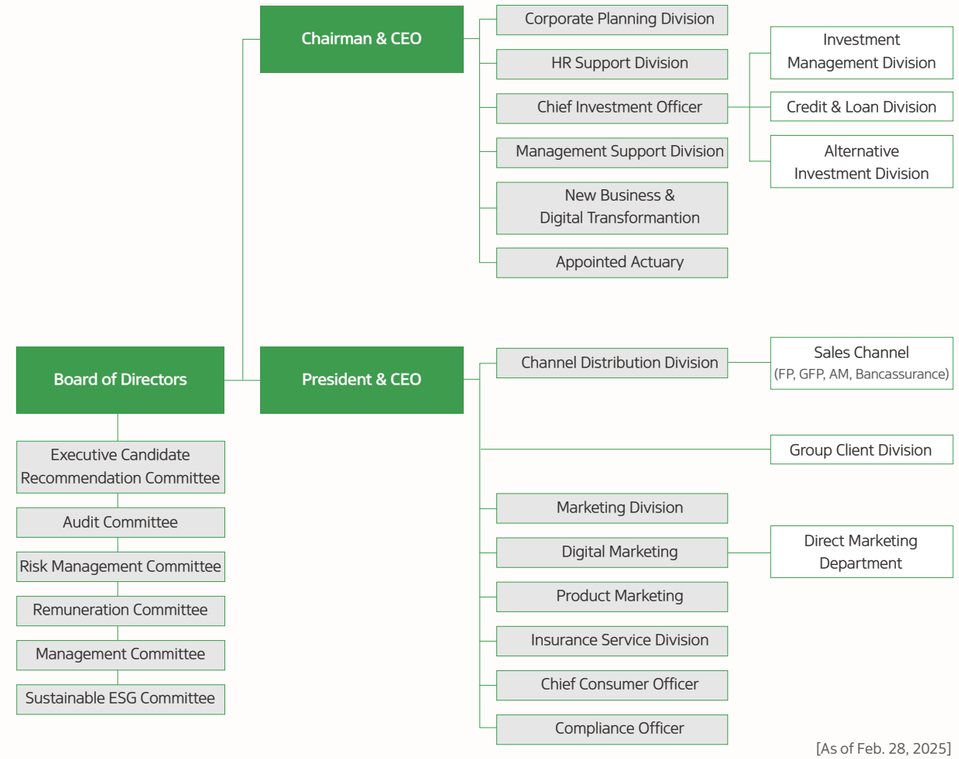
| | |
|---|---|
| **Kyoung Bae Kim** | Head of Corporate Planning Division |
| **Gil Hong Cho** | Head of Group Client Division |
| **Young Kyu Youn** | Head of Insurance Service Division |
| **Jin Mo Jang** | Head of Public Relations |
| **Ki Ryong Cho** | Head of Legal Services Division |
| **Mee Young Lee** | Head of Marketing Division |
| **Byung Doo Noh** | Head of Channel Marketing Support Division |
| **Hyung Gyoo Won** | Healthcare Business TF |
| **Seok Joon Huh** | Head of Global Strategic Investment |

### Senior Vice President(SVP)

| | |
|---|---|
| **Kook Hyun Kim** | Head of Audit Team |
| **Kyong Won Noh** | Chief Risk Officer / Risk Manager |
| **Hang Nam Park** | Head of Financial Management / Internal Accouning Manager / Head of Financial Management Team |
| **Ji Hyun Kim** | Head of Treasury / Head of Business Predictive Modeling Team |
| **Jae Hyuck Jeong** | Head of Credit & Loan Division |
| **Jong Hyuk Paik** | Head of Investment Management Division |
| **Seung Ho Park** | Head of Variable Asset Division |
| **Dong Mo Lee** | Head of Asset Portfolio Management Team |
| **Seung Won Kim** | Head of Human Resource Support Division |
| **Hyun Mo Kang** | Head of Project Management Office Team |
| **Sung Il Moon** | Head of Group Sales Division 1 |
| **Young Mi Moon** | Head of Group Sales Division 2 |
| **Gyoung Jong Suh** | Head of Product Development & Support Division |
| **Heon Jae Kim** | Head of Product Strategy Team |
| **Joong Phil Noh** | Head of Product Development Team |
| **Hong Min Chung** | Compliance Officer / Compliance Program Manager |
| **Young Jae Kim** | Head of Healthcare Center |
| **Nam Kyu Lee** | Chief Information Security Officer(CISO) / Chief Privacy Officer(CPO) / Credit Information Protection Manager |
| **Jung Sik Park** | Chief Customer Officer(CCO) / Head of Customer Care Center / Financial Consumer Protection Manager |
| **Bong Hyun Jeong** | Head of IT Support Division |
| **Hong Yoo** | Head of Labor-Management Support Division |
| **Young Dae Son** | Gangbuk Regional Manager |
| **Kwan Sang Lee** | Gangnam Regional Manager |
| **Kwang Soo Mun** | Gyeongin Regional Manager |
| **Jun Hyun Kim** | Busan Regional Manager |
| **Hyo Young Lee** | Joongbu Regional Manager |
| **Joong Ho Kim** | Daegu Regional Manager |
| **Gi Hwan Jung** | Honam Regional Manager |
| **Gi Beom Kim** | Head of AM Division |
| **Seung Yong Rho** | Head of Bancassurance Division |
| **Si Hyun Sung** | Head of Channel Marketing Team |
| **Chul Gyun Ahn** | Head of Channel Strategy Team |
| **Sang Woo Nam** | Head of Digital Marketing |
| **Myung Hee Kim** | Head of Direct Marketing Department |
| **In Kyu Choi** | Head of Policy Research Support Team |
| **Chul Lee** | Head of New Business & Digital Planning |
| **Seung Hyun Byun** | Head of New Business Planning Team |
| **Sung Soo Kim** | Head of Digital Technology Support |
| **Ji Hyung Cho** | Head of Digital System Development Team 2 |
| **Se Hyun Lim** | Head of Group Data Strategy / Head of Group Data Strategy Team |
| **Choong Ha Shin** | Head of AI/Data Enablement Division / Director of Group Corporate Strategy |
| **Tae Dong Lee** | Head of AI Application Team |
| **Jong Kil Park** | Appointed Actuary |

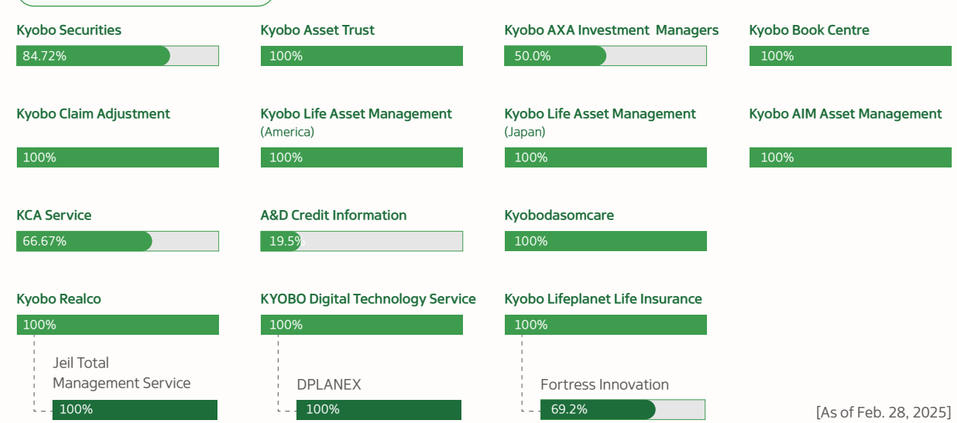
[As of Feb. 28, 2025]

## Organization Chart




[As of Feb. 28, 2025]

## Overview of the Affiliates




[As of Feb. 28, 2025]

# Sustainability Management

**We pursue long-term mutual growth with all stakeholders.**

## Promotion of Sustainable Management

Since its founding, Kyobo Life has pursued sustainable management based on its longstanding human-centered management philosophy. In 2011, the company established its sustainable management system, setting principles and commitments aligned with its philosophy of 'pursuing long-term mutual growth with all stakeholders.'

### Sustainable Management System

**Sustainable Management Philosophy**

**Pursue the Mutual Growth with All Stakeholders**

| Stakeholders | | Customers | Financial Planners | Employees | Investors | Ecosystem Players | Gov't and Local Communities |
|---|---|---|---|---|---|---|---|
| For Stake-holders | Commit-ments | Provide optimum insurance coverage and ongoing services to customers | Succeed together with our financial planners | Grow together with our employees | Be attractive to investors | Cooperate with ecosystem players (affiliates and partners, etc.) | Grow together with the gov't and local communities |
| | Princi-ples | ① We will listen to the customers and manage the company from the customers' perspective.<br>② We will enhance service quality from underwriting to persistency and to benefits payment. | ③ We will respect and trust the Financial Planners as business partners.<br>④ We will establish fair standards and help the Financial Planners engage in their sales and service activities with peace of mind.<br>⑤ We will support the Financial Planners grow into the insurance | ⑥ We will continue our corporate culture of joy, pride, and trust.<br>⑦ We will provide employees equal opportunities and reward them based on fair performance evaluation.<br>⑧ We will help our employees to become the experts. | ⑨ We will continue to produce exceptional profit through good growth.<br>⑩ We will increase the value of the company through preemptive financial and non-financial risk management. | ⑪ We will grow together with our partners through fair transactions.<br>⑫ We will create a sustainable financial ecosystem by supporting out ecosystem layers (affiliates and partners, etc.) | ⑬ We will fulfill our obligation for tax payment and cooperation by complying with the national tax and relevant lows.<br>⑭ We will fulfill our social and environmental responsibilities as corporate citizen. |



Taking this commitment further, Kyobo Life codified its sustainability management philosophy in The preface of its Articles of Association in 2012, reinforcing its dedication to action through a variety of initiatives.

As a pioneer in sustainability efforts, Kyobo Life became the first Korean insurer to join the UN Global Compact in 2010 and the first in the domestic life insurance industry to publish a sustainability report in 2011. Building on these efforts, the company achieved a significant milestone in 2024 by ranking first in the Korea Sustainability Index (KSI) in the life insurance category for the 15th consecutive year at the Korea Sustainability Awards hosted by the Korean Standards Association (KSA).

The Company, as an enterprise in pursuit of long-term common growth with its stakeholders, sets the basics for the Company's management as below.

<The Preface of Kyobo Life's Articles of Association>

## ESG Initiatives

Kyobo Life is dedicated to driving genuine ESG management as an integral part of its sustainable management philosophy. In 2022, the company established and disclosed its ESG Policy, which outlines its strategic response to key ESG issues. Guided by this policy, Kyobo Life has actively pursued a wide range of initiatives across the three pillars of E (Environment), S (Social), and G (Governance).

### Environmental (E)

Kyobo Life has implemented an environmental management system and maintains ISO 14001 certification for environmental management. The company is actively working to reduce green house gas emissions through initiatives like a reusable hand towel campaign and employee plogging volunteer activities. Recognizing the increasing importance of climate risk management for financial institutions, Kyobo Life also measures and manages the climate risks and financed emissions associated with its assets.

### Social (S)

Kyobo Life is committed to addressing various social challenges, such as protecting personal information and promoting employee diversity. The company has established a robust information security framework to safeguard customer data. In 2023, it obtained ISMS-P certification from the Financial Security Institute (FSI), a certification for personal information and information security management system, further solidifying its credibility in security and technology. Kyobo Life also prioritizes initiatives including supporting the growth of female talent and hosting DE&I conferences to raise awareness among employees and promote actionable steps. These efforts reflect the company's commitment to creating a more inclusive and equitable workplace.

### Governance (G)

To ensure ESG management is systematically implemented, Kyobo Life operates the Sustainable ESG Committee under its BOD, along with the ESG Working Level Council, which includes key executives. The company also has a dedicated ESG department to support the execution of ESG initiatives and the operation of these committees. Kyobo Life incorporates ESG considerations into its investment decision-making process by establishing a Sustainable Investment Policy and adopting an ESG Investment Checklist.

### ESG Policy

**Environmental**

- Environmental Policy

**Social**

- Anti-Harassment and Anti-Bullying Policy
- Occupational Safety and Health Policy
- Anyi-Bribery Policy
- Human Right Policy
- Diversity Policy
- Information Security Policy
- Financial Inclusion Policy

**Govermance**

- Board Independence Policy
- Board Diversity Policy
- Sustainable Inverstment Policy
- Tax Policy

# Community Relations

## Community Relations

Kyobo Life respects the values that people hold dear and strives to help them realize those values. The company's social contribution efforts are spearheaded by the Kyobo Dasomi Volunteers, established in December 2002. The focus is on supporting neighbors in overcoming hardships and helping children and youth develop into well-rounded individuals who are physically and mentally healthy, continually growth, and embrace a spirit of giving.

### Principles of Community Relations

**Concentrate on overcoming hardships in life**

Kyobo Life dedicates community relations so that the youth become mature human beings with healthy minds and bodies, practicing self-growth and benefitting themselves and others.

**Enhance efficiency in community relations**

Kyobo Life improves efficiency of community relations by helping beneficiaries overcome hardships on their own through supporting capacity improvement and job creation.

**Long-term partnerships with nonprofit organizations**

Through various partnerships with nonprofits, Kyobo Life focuses on building a sustainable supporting system that may contribute to resolving social issues with long-term perspective

**Conduct evaluations on projects**

Kyobo Life will facilitates long-term development of projects by evaluating social impact and efficiency of each project

## 01 Sharing Healthy Lives with Others

### Wow Dasomi Project for the Hearing-Impaired

The Wow Dasomi Project for the Hearing-Impaired provides timely support for children with congenital hearing impairments to ensure they receive timely treatment. The program covers hearing tests, cochlear implant surgeries, and speech therapy to help children overcome language barriers caused by hearing loss. Most children who benefit from this program grow up healthy and transition to mainstream schools rather than special education institutions. Kyobo Life remains committed to this initiative, ensuring that no child has to give up on their dreams because of their disability.

### Ties of Love

Since 2003, the Ties of Love program has supported marginalized children, such as those from child-headed families, single-parent families, and those from baby boxes, providing them with better learning and living environments. The program is funded by voluntary donations from Kyobo Life employees, who contribute a portion of their monthly salaries. These contributions, combined with company matching funds, create the 'Fund of Love,' which is used to cover the living and educational expenses of the children. By directly matching employees with children, the program fosters a meaningful connection. Kyobo Life is committed to spreading warmth and ensuring more children can live happier lives.

▲ Youth Athletic Competition

### Kyobo Life Cup: Youth Athletic Competition

Since 1985, Kyobo Life has hosted the Kyobo Life Cup Youth Athletic Competition every year to nurture well-rounded youth in body, mind, and intellect. This is the only nationwide multi-sport competition for youth organized by a private corporation in Korea, featuring seven core sports: track and field, judo, table tennis, gymnastics, ice skating, tennis, and swimming. Through this event, Kyobo Life identifies and supports promising young athletes, helping them grow into the stars of tomorrow.

### Kyobo Scholarship Program for Youth Athletics

The Kyobo Scholarship Program for Youth Athletics selects two outstanding athletes from each of the seven sports featured in the Kyobo Life Cup (a total of 14 students) and supports them from middle school through high school (grades 7-12). Each scholar receives an annual scholarship of KRW 2 million, along with access to programs like psychological counseling, rehabilitation therapy, and mentoring.

Kyobo Life is committed to nurturing these young athletes into leaders who can make a positive impact on society and supporting their holistic development as future sports leaders who inspire others.



## 02 Creating Dreams and Hopes Together

### Kyobo Dream Makers

The Kyobo Dream Makers project is Kyobo Life's distinctive ICT education initiative, providing opportunities for youth to enhance their ICT capabilities.

· **ICT future talent cultivation project**
We support the economic independence of young individuals by not only providing education for being a drone pilot, a webtoon creator (as a designer or author), a video expert, and coding but providing guidance on career paths through obtaining nationally recognized certifications, all of which are essential in the digital age.

· **ICT experiential education program**
The ICT experiential education program offers youth chances to explore novel cultural activities, incorporating ChatGPT, drones, AI augmented reality, autonomous RC cars, and design tools. This initiative fosters the development of young individuals' creative talents in the digital era.

### Let's Add Impact to the World! UP!

Let's Add Impact to the World! UP! (Impact UP) is a new social initiative dedicated to identifying and fostering impact enterprises that provide digital-based education and services to underprivileged children and youth, the future leaders of tomorrow.

**What are Impact Enterprises?**

Impact Enterprises support marginalized groups by leveraging products and services to achieve both business growth and financial stability.

**Three Goals of Let's Add Impact to the World! UP!**

① Provide opportunities for marginalized youth to access ICT-based digital services and skills.

② Discover and nurture impact enterprises offering ICT-based services.

③ Overcome funding limitations and establish a new framework for social contribution.

### Hosting the 2nd Earth Festival: Raising National Awareness on Environmental Issues

▲ Earth Festival

Last September, Kyobo Life, in collaboration with the Ministry of Environment, hosted the 2nd Earth Festival, a nationwide campaign aimed at raising public awareness about environmental protection. Held at Gwanghwamun Square in Seoul, the event brought together over 30 organizations, including the Ministry of Environment and the Korea Environmental Conservation Institute (KECI). The festival featured hands-on eco-friendly activities and environmental conservation booths, creating an educational space for environmental awareness. Over two days, more than 5,000 students and citizens participated. A key highlight was the 'Earth Love Hope Tree Donation Ceremony,' where Kyobo Life donated 2,012 'Hope Trees' to impoverished farming families in Vietnam along with participants pledging to practice carbon neutrality in their daily lives.

Additionally, the 'Eco-Mobile Classroom with Kkumi' visited 104 schools and institutions, reaching about 20,000 children and youth to educate them on the importance of environmental conservation and practical ways to take action. This program uses eco-friendly hydrogen-powered vehicles to deliver hands-on environmental education directly to children and youth at schools and community centers. Through an environmental donation campaign, Kyobo Life also contributed to the creation of a 'Forest Playground' at the Seoul National School for the Deaf, donating trees, benches, and other facilities to foster a greener environment.

### Kyobo Life's Dream Goblin Project

▲ Kyobo Life's Dream Goblin Project

The Dream Goblin Project is designed to support children in protective care who face challenges transitioning into society due to a lack of preparation for independent living. Through employee volunteer programs, Kyobo Life provides education in language skills, personal development, emotional well-being, and financial literacy, helping these children build a strong foundation for a healthy and independent life.

One of the key initiatives is basic language education for preschoolers, which offers 1:1 support based on each child's language development stage. This program ensures they take their first steps toward self-sufficiency with confidence.

Kyobo Life is committed to providing detailed and personalized support to help children in protective care adapt to society and thrive as active members of their communities.

### Independent Living Support Program

The Independent Living Support Program helps youth leaving care facilities or foster homes prepare for financial independence. The program includes financial literacy education led by financial experts and life skills mentoring from former recipients of Kyobo Life Hope Dasom Scholarship. Delivered in a consultation-based format, the program evaluates students' financial knowledge, income, and expenses, providing tailored advice to help them better manage their resources.

Participants also receive financial activity support funds and opportunities to experience financial products like savings accounts and funds. Kyobo Life is dedicated to empowering these young adults to overcome the fear of financial independence by equipping them with the right knowledge and experience to succeed.

### Kyobo Leadership Program for Youth, 'CHANGE'

CHANGE stands for Experience-Based Learning, Character Development, and Wisdom Building. It aims to nurture 'well-rounded person' who embody empathy, creativity, and teamwork. These future leaders are taught to care for others, embrace creativity, and rise to challenges to achieve shared goals as a team. Participants take the Creative Leadership and Global Talent Assessment, which helps them identify their strengths in creativity and leadership. They then engage in workshops to develop future-ready skills, participate in team discussions, and deliver presentations to enhance communication and relationship-building abilities. Kyobo Life is committed to developing true leaders who, as beacons of hope for the future, will make a positive impact on the world with their values, talents, and leadership.

## 03 A Beautiful Life of Sharing Together

### Kyobo Dasomi Volunteer Team

The Kyobo Dasomi Volunteer Team is dedicated to spreading kindness and making a meaningful impact by reaching out to those in need. With 178 volunteer teams, we actively participate in a variety of initiatives. We collaborate with local community welfare centers to carry out regular volunteer activities and organize nationwide plogging events every month.

To extend our reach even further, we are developing community-driven programs tailored to local needs, ensuring that our support makes a real difference where it's needed most.

▲ Kyobo Dasomi Volunteer Team



### Social Contribution Projects for Global Society

· **Kyobo Dasomi Global Volunteers**
Since 2011, the Kyobo Dasomi Global Volunteers, made up of our employees, has been actively working to improve educational and living conditions in underdeveloped countries such as Vietnam and Laos. Our volunteers have helped build schools and houses of love, providing safe and comfortable homes for those in need. To support economic independence for impoverished farming families, we've also planted seedlings and provided agricultural resources.

Beyond infrastructure, we've organized small but meaningful events like sports competitions and graduation photo shoots for local children, creating cherished memories for them. We remain committed to improving educational opportunities and building safe homes so that children worldwide can continue their learning journey in a supportive environment.

· **Building Schools and Improving Educational Environment**
We are dedicated to expanding educational opportunities in underprivileged regions across developing Southeast Asian countries, including Myanmar, Vietnam, Laos, and Indonesia. By constructing schools and educational facilities, we aim to provide children with a safe, well-equipped learning environment where they can dream big and build a brighter future.

· **Dasomi Global Tree-planting Project for Economic Independence**
To help impoverished farming families in Vietnam achieve financial independence, we provide grapefruit seedlings, farming equipment, and ongoing agricultural training. This initiative not only helps boost farmers' incomes but also fosters a sustainable cycle of giving and self-sufficiency.

At Kyobo Life, we are committed to supporting struggling communities abroad - not just by providing aid, but by empowering them to stand on their own and pay it forward.

▶ Laos
Global Volunteers

### 'One Branch-One School' Financial Education Program

Kyobo Life's 'One Branch-One School' Financial Education Program aims to bridge the gap in financial literacy among students across different regions and reduce blind spots in financial education. Kyobo Life partners with nearby elementary, middle, and high schools to provide engaging and practical financial education. We use case-based learning materials and interactive games to make lessons more relatable and fun. Additionally, students can participate in hands-on experiences, field trips, and career counseling sessions.

Our goal is to equip young students with the right financial knowledge and skills from an early age, empowering them for a financially responsible future.

## 04 The Beautiful Companionship of Moving Forward Together

**Kyobo Life facilitates specialized and efficient public service projects through its foundations.**

### The Daesan Agriculture Foundation

The Daesan Agriculture Foundation, South Korea's pioneering agricultural support foundation, executes projects like the prestigious Daesan Agriculture Award, nurturing of next-generation agricultural experts, and backing practical agricultural research led by farmers. Through diverse public service initiatives, including elevating the value of agriculture, promoting rural experiences, fostering rural-urban exchanges, and backing local cultural events, the foundation contributes to fostering a joyful, sustainable society where urban and rural areas coexist.

### The Daesan Foundation

The Daesan Foundation is dedicated to cultural projects fostering the growth of our literature, the globalization of Korean literature, youth development, and cultural education. This includes awards such as the Daesan Literary Award, Daesan Creation Fund, Daesan Literary Award for College Students, and Daesan Literary Award for youth. The foundation also supports translation, research and publications for Korean and foreign literature, organizing public cultural activities like the Seoul International Forum for Literature and the Book Love Campaign.

### Kyobo Foundation for Education

The Kyobo Education Foundation, established in 1997 with Kyobo Life's contribution, is an educational foundation focused on Promotion of National Education and Prosperity of Human Culture. With a sincere and dedicated approach, the foundation pursues continuous self-growth, undertaking various educational projects, including the Kyobo Education Awards, character building, leadership training, and education on importance of life.

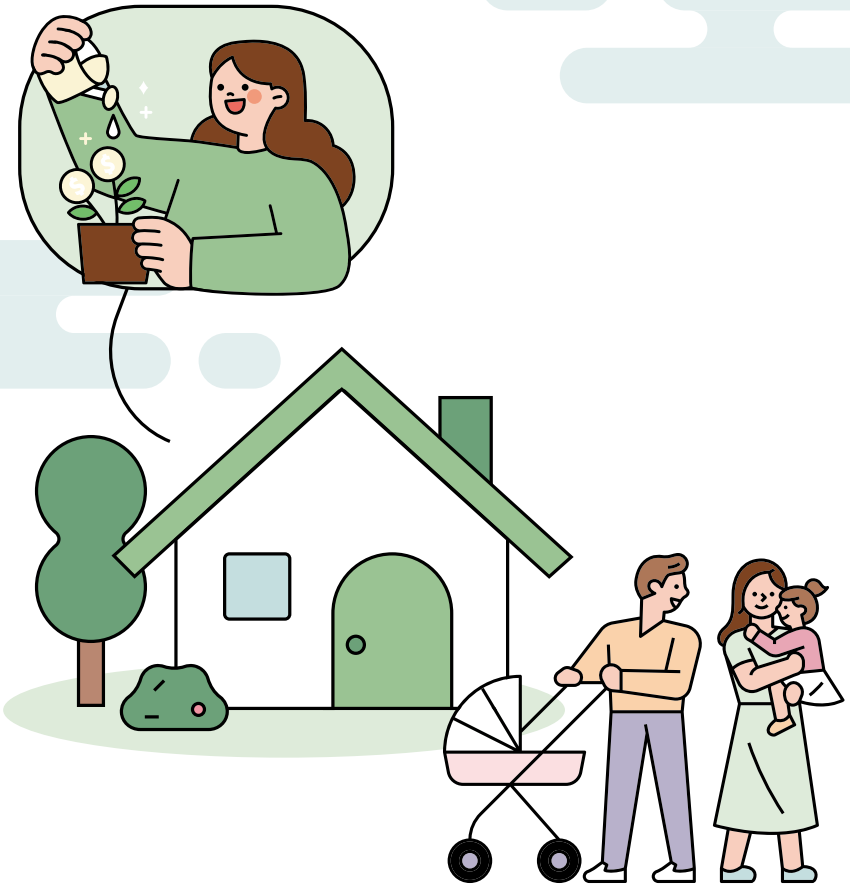
# INTANGIBLE VALUE DRIVERS


**Customer** 028
We place the highest priority on our customer and always strive to innovate customer value

**Brand** 030
Kyobo Life Brand realizes the value of respect for humanity

**People** 032
We aim for mutual growth with all employees

**Digital Innovation** 034
We are seeking digital innovation for strengthening competitiveness of insurance business and securing new growth engines



# CUSTOMER-ORIENTED

We will always put our customers first in out thoughts and actions.

# Customer

**We place the highest priority on our customers and always strive to drive customer value innovation.**

At Kyobo Life, we always put ourselves in our customers' shoes, striving to be the most reliable company when it comes to customer insurance coverage.

We strengthen the competitiveness of our products and channels based on genuine understanding of our customers, providing extended customer value that goes beyond the expected "financial security" and "psychological stability" throughout the entire process of subscription-persistency-payment. We are committed to doing our best to enable customers to lead prosperous and happy lives. Furthermore, we concentrate on creating the intrinsic value of life insurance, aiming to actively support everyone in overcoming future challenges and pursuing their cherished dreams throughout their lifetimes.

## Implementation of 'Lifelong Care Service' to Keep Our Promise on Insurance Coverage for Customers

Kyobo Life is committed to the principle of prioritizing service for existing customers over acquiring new policies. That's why we implemented the Lifelong Care Service, deeply rooted in our customer-centric management approach designed to meet evolving needs, enhance satisfaction, and proactively adapt to market changes - ensuring a win-win relationship between Kyobo Life and our policyholders. Through this service, our financial planners (FPs) regularly visit customers to review their policy details, provide updates on coverage, and inform them about any unclaimed benefits. We also assess their changing financial needs and ensure they maintain the optimal level of coverage. Over the past 14 years, we have successfully provided this service to approximately 2 million customers. Our efforts have not only restored trust in life insurance but have also set a new industry standard for coverage-focused, customer-centric insurance culture, making Kyobo Life a benchmark for others in the industry.

## Customer-Contact-Channels and Advanced IT Systems Based on New Digital Technologies for Greater Customer Value

Kyobo Life is committed to making financial services fast, easy, and accessible for all customers by offering a wide range of support through our Customer PLAZAs and customer centers.

We've built an advanced IT system powered by cutting-edge digital technologies, enabling real-time policy management - from subscription and persistency to benefits payment - through our website and mobile app. To further enhance convenience, we continue to develop our mobile sales support system, allowing FPs to provide one-stop insurance services anytime, anywhere via smartphones and tablet PCs. Additionally, we offer enhanced digital services such as personalized coverage analysis driven by big data and quick access tools to ensure that each customer gets the most suitable coverage.

## Commitment to Consumer Centered Management (CCM)

At Kyobo Life, Consumer Centered Management (CCM) is at the core of our values, and we are dedicated to making it a reality through company-wide efforts. We have implemented various systems and processes that directly incorporate customer feedback (VOC), allowing us to respond more swiftly to consumer needs. To enhance accessibility, we have digitally transformed our VOC system and actively utilize tablet-based consultation tools, ensuring a seamless experience for customers. At the same time, we continue to strengthen customized support for vulnerable groups. These systematic improvements go beyond convenience - they play a crucial role in building trust and maintaining long-term customer relationships.

Kyobo Life places great emphasis preventing complaints before they arise. Every week, we hold VOC Town Hall meetings to quickly identify and address customer concerns, using real-world feedback to refine our company policies and processes with a strong customer-centric approach.

Additionally, our Consumer Protection Working-level Council and the Consumer Protection Committee ensure structured communication and collaboration, which not only enhances consumer protection but also drives innovation and sustainable growth for Kyobo Life. One of our key initiatives, Removing Mis-selling Consulting policy, plays a critical role in ensuring legal compliance and complaint prevention. By promoting a deep understanding of the 'Act on the Protection of Financial Consumers,' we minimize legal risks in customer interactions and deliver a more transparent and trustworthy service experience.

We make a point of listening to customer concerns that arise in the field and providing personalized consulting services to resolve them, strengthening trust at every step of the customer journey. As a leader in consumer protection, Kyobo Life has earned nine consecutive certifications from the Fair Trade Commission (FTC) for Consumer-Centered Management (CCM), a testament to our unwavering commitment. Furthermore, our recognition as an "Excellent Company" in the Korea Financial Consumer Protection Index (KCPI) for four consecutive years highlights how seriously we take customer feedback. This achievement reflects more than short-term success - it proves that Kyobo Life is committed to sustainable consumer protection and long-term customer satisfaction.

Looking ahead, we will continue to enhance our CCM practices, further innovate our business processes, and reinforce proactive complaint prevention and swift, accurate issue resolution. By actively listening to our customers and exceeding their expectations, we aim to lead the consumer protection culture in the industry and solidify our position as the most trusted company in the market.

## Premier Comprehensive Asset Management and Financial Services for Financial Stability

Kyobo Life provides top-tier comprehensive asset management services to help customers grow, manage, and transfer their wealth across generations. Our solutions cover everything from family protection, health coverage, and retirement security through life insurance to specialized financial strategies for high-net-worth individuals, including inheritance, gifting, and real estate planning. For corporate customers, we offer business and financial analysis, executive and shareholder assessments, and tailored corporate management and succession planning services.

To meet the diverse financial needs of our customers, we regularly host asset management seminars, providing insights and best practices for effective asset management. In response to the growing demand for digital financial services post-COVID-19, we have expanded our offerings to include online seminars and virtual asset management consultations.

In 2024 alone, Kyobo Life's specialized Wealth Managers and Wealth Experts conducted over 10,000 financial consultations for 6,700 customers and invited more than 5,000 participants to 380 asset management seminars. These professionals collaborate with lawyers, tax advisors, labor consultants, and accountants to deliver a comprehensive suite of financial services, ensuring our customers' long-term financial stability.

Kyobo Life is taking a leading role in Korea's comprehensive property trust sector, proactively responding to market changes, particularly the rising demand for asset management solutions in an aging society. We offer a variety of trust services, including testamentary trusts, gift trusts, trusts for people with disabilities, and guardianship trusts, designed to help customers preserve, grow, and transfer their wealth while ensuring family protection. Additionally, we provide diverse investment options across stocks, bonds, funds, and deposits, further enhancing our comprehensive financial services portfolio.

As part of our vision to evolve beyond life insurance into a full-scale financial services provider, Kyobo Life expanded its business license in 2024 from monetary trusts to comprehensive property trusts. We are actively promoting testamentary, gift, guardianship trusts, and trusts for people with disabilities to help customers make informed decisions about their financial future. In November 2024, Kyobo Life became the first company in Korea to introduce the Life Insurance Trust, offering this groundbreaking service to over 300 customers, further solidifying our position as a pioneer in the domestic comprehensive trust industry.

## 'DA-Win Service' to Help Partners Grow and Be Successful

Kyobo Life is committed to sharing its know-how in customer satisfaction management with corporate clients, embodying a philosophy of giving back and growing together. To achieve this, we offer the DA-Win Service, a CSV (Creating Shared Value) program that symbolizes 'DA (多) - Many Together' and 'Win' - Mutual Success for both Kyobo Life and our corporate partners.

The DA-Win Service provides customized corporate training programs designed to enhance CS quality, promote internal employee engagement, and fulfill mandatory corporate compliance training.

Since 2005, around 20,000 corporate clients including public institutions, medical institutions, and private enterprises have delivered DA-Win Service to approximately 1.28 million customers. Through this initiative, we continue to prioritize customers and support their success, reinforcing our core management philosophy of customer-first growth and shared prosperity.

## 'Haru It Literature: Weaving Stories, Connecting Time' - A Digital Humanities Experience for a Differentiated Customer Journey

For years, Kyobo Life has provided moments of reflection and inspiration amid the fast-paced modern world through initiatives like the Gwanghwamun Poem Board. Rooted in our brand value of 'Respect for Humanity,' we have long operated the humanities program 'Read, Walk, and Feel in Gwanghwamun.' To make this experience even more accessible, we have now expanded it into the digital space with 'Haru It Literature: Weaving Stories, Connecting Time', offering a variety of humanities-focused content across literature, history, and philosophy. Through videos, comics, illustrations, and poetry, we ensure that customers can engage with humanities content effortlessly, regardless of age or background. By leveraging digital technology, we aim to broaden the cultural and emotional connections that humanities offer, making meaningful content available to more people in a way that is both engaging and inclusive.

# Brand

## Kyobo Life Brand Realizes the Value of Respect for Humanity

Humanity is the most valuable presence in the world, and businesses exist to serve people. Every product and service offered by Kyobo Life stems from a mindset that values the aspirations of individuals. The Kyobo Life brand, founded on a sincere understanding of humanity, is committed to helping everyone support one another, overcome future challenges, and pursue their cherished dreams with unwavering determination throughout their lives.

## Corporate Brand

### Our Pledge to Customers

The brand platform of Kyobo Life is based on the philosophy of our respect for human values. It embraces the vision that "the dearest value a human being pursues should be respected and realized," missions defining the responsibility and methods of the brand, and our pledge describing the values and benefits we wish to deliver to society and our customers.

### Kyobo Life Brand Platform and Expression System

**Brand Philosophy**
Respecting Human Values

**Brand Vision**
The dearest value a human being pursues should be respected and realized

**Brand Mission**
Based on the right understanding of human beings, we make the best effort to help all people overcome hardships so that they can realize the values they have pursued for life.

**Brand Pledge**

- Emotional aspect
  - · Cheering and encouraging
  - · Understanding customers and actively taking care of them
- Functional aspect
  - · Reliable
  - · Equipped with World-class Professionalism

**[Kyobo Life Wordmark]**
The fundamental motif of Kyobo Life is the gemstone, symbolizing the preciousness of life. It visualizes images of life, such as sprouts, birds, and fruits, embodying the essence of life and its significance.

KYOBO
교보생명

**[Kyobo Life Slogan]**
Expressing the brand philosophy

소중한 꿈을
지켜주는



## Practicing Brand Promises Through Systematic Brand Management

Kyobo Life has implemented a brand strategy and brand management system including rules/policies etc. since 2003. Based on the infrastructure needed for systematic brand management, we consistently develop products/services and conduct marketing and communications activities to share the brand value. As a result, Kyobo Life was recognized with a brand value worth of KRW 1,426.9 billion from a credible global brand ratings agency.

(※ As of the 2024, announced by Interbrand)

Kyobo Life's consultants (FP, Financial Planner) get closer to customers in a sincere and holistic manner.

## FP Brand

Recognizing the challenges of contactless interactions, Kyobo Life introduces FP brand to enhance its distinctive competitiveness through emotional marketing at the customer's closest contact point. This initiative reflects a commitment to expanding relationships beyond mere customer-consultant interactions.

### Kyobo Life FP Brand to be 'Your Trusted Companion'

Defined by the unique strengths of Kyobo Life FP, the brand sets its target image and concept, encapsulated in the slogan 'Your Trusted Companion.' To effectively convey the FP brand, design elements like wordmarks and motifs have been developed.

### FP Brand System and Its Visual Expression

**Target Image**

| Basic Image | Special Image | Leading Image |
|---|---|---|
| Be Personalized & Specialized | Be First in Promise | Be Insightful |

**Brand Concept**
Smart Friend
We are smart friends for life who shape our customers' journeys of life to be filled with growth and enrichment.

**Brand Slogan**
Trusted Companion by Your Side, Kyobo Life FP
Kyobo Life financial planners are people who our customers can always trust and rely upon. We are within reach of the lives of our customers. We give the sincerest faith and trust to our customers.

**FB Brand Wordmark**

든든한 내편 하나
교보생명 FP

**FP Brand Design Concept and Motif**

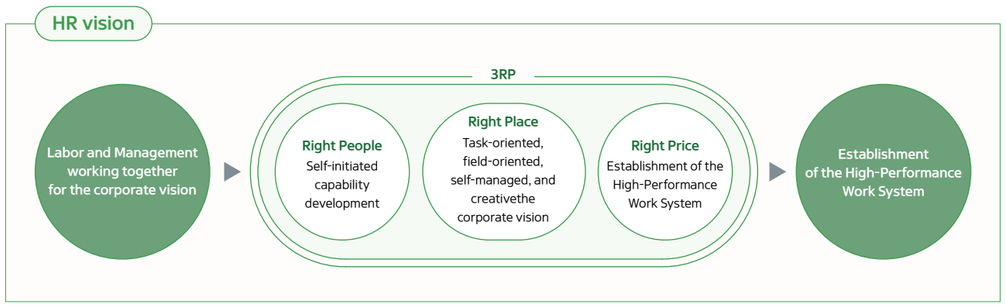
**Connecting Hands**
This design visualizes Kyobo Life's FPs walking hand in hand as partners with its customers

# People

**We aim for mutual growth with all employees.**

At Kyobo Life, we are committed to achieving a vision where both our employees and the company grow together. We strive to create a workplace where people want to stay and thrive, by attracting top talent, rewarding performance, and fostering a culture that supports professional development.

Looking ahead, we will continue to align our company's vision with our employees' personal goals, ensuring a win-win relationship where both Kyobo Life and its people can succeed together so as to be the most desirable workplace for future talent.




## Strengthening the Job-Oriented HR Management System

Since 2010, Kyobo Life has been reinforcing a job-oriented HR system across all areas, including recruitment, promotions, performance evaluation, and compensation. In 2016, we introduced an enhanced job-based selection process to ensure we hire talent that best fits our roles and organizational needs. Further, in 2020, we expanded a job-based pay system, restructuring our compensation framework to reflect job roles more effectively.

Moving forward, we will continue to advance a data-driven, job-focused HR strategy, drive work culture innovation, and secure talent for future growth. By strengthening a fair and objective job-centered HR management system, we aim to create an equitable and high-performing workplace for all.

## Strengthening Performance Management System to Establish an HPWS Culture

At Kyobo Life, we hold heads of all business units, including top management, accountable for performance by clearly defining their responsibilities for each role. We are dedicated to establishing a field-driven High-Performance Work System (HPWS) to ensure that every employee understands their vision, strategy, performance responsibilities, and goals, allowing them to focus on their work with purpose and drive outstanding results.

## Strengthening Key HR Management to Secure Future Corporate Competitiveness

Kyobo Life recognizes that developing top talent is essential for maintaining a competitive edge. Since 2005, we have implemented a structured talent selection and development system, and in 2006, we launched the Kyobo Leader (KL) Session, where top management, the heads and directors of each business unit and the HR team identify and nurture future organizational leaders. Since 2012, we have also focused on motivating and developing specialized professionals in key areas such as product development, actuarial work, risk management, asset management, and digital transformation, ensuring that their expertise drives company success. To further strengthen our talent pipeline, we actively recruit both internally and externally, regularly conducting internal job postings and external hiring to secure top professionals for critical roles.

Additionally, for executive appointments, we run the 'Management Executive Candidate Cultivation Course,' which enhances the leadership and capabilities of potential executives, minimizing management risks and ensuring strong, future-ready leadership.



## Securing Digital Experts and Strengthening Organizational Capabilities

Kyobo Life is leveraging digital technology to create new customer value, focusing on attracting top digital talent and enhancing organizational capabilities to bring these innovations to life.

We are continuously recruiting skilled digital professionals to integrate cutting-edge technologies and expertise into our organization, fostering a culture of creativity and innovation. At the same time, we provide structured training programs to help existing employees develop digital expertise, ensuring that talent across all business areas can evolve alongside the digital transformation.

In addition, we have introduced new HR systems tailored for the digital era, offering employees diverse career growth opportunities.

## Empowering Employees to Strengthen Insurance Competitiveness and Build New Business Foundations

In 2024, Kyobo Life has been dedicated to enhancing insurance business competitiveness and laying the groundwork for future ventures by supporting employee growth and development. We have fostered a culture of proactive innovation and strengthened workforce capabilities through AI-DX training and job-specific skill development. To drive company-wide business innovation, we have offered customer value-focused upstream marketing training and executive and managerial coaching programs to support effective performance management.

For future growth, we have implemented AI and data utilization training, specialized job competency development programs, and role-based training to strengthen expertise at every level. Additionally, we launched the 'Balanced Protection' Project to optimize insurance coverage offerings across the organization and provided specialized training on senior business market insights.

As part of our HR-driven employee experience initiatives, we introduced engagement programs like 'Begin Again' and 'Mindfulness', which received highly positive feedback from employees.

Moving forward, we will continue to promote business innovation by expanding innovation training programs and executive coaching while supporting job-specific skill development and AI-DX competency building.

Beyond company-led training, we offer a variety of self-directed learning opportunities, including mini-classes (peer-to-peer learning), insurance training programs, external courses, and certification support. Through our internal learning platform, Learning Together, employees can create, share, and expand knowledge and expertise across the organization.

Kyobo Life remains committed to helping employees strengthen their core competencies, supporting fast and effective skill development, and fostering a performance-driven workforce that excels in both current and future business landscapes.

## Establishing Advanced Labor-Management Relations and Operating Fringe Benefits that Meets Employees' Needs

Kyobo Life is committed to establishing advanced labor-management relations by upholding laws and principles, promoting open communication, and fostering a culture of mutual respect and trust. As a strategic partner, we continuously strengthen collaboration through regular labor-management councils and HR committees, ensuring that both business growth and employees' quality of life improve in a balanced and sustainable way.

Thanks to these efforts, Kyobo Life has been recognized as a Best Labor-Management Culture Enterprise by the government and was awarded the Transparency Award by the Five Leading Economic Organizations for building a harmonious and cooperative labor-management culture.

Kyobo Life actively champions work-life balance by offering comprehensive support for pregnancy, childbirth, childcare, and flexible work arrangements. As a result of our ongoing commitment, we have maintained Family-Friendly Certification for 16 consecutive years since the system was introduced in 2008. In 2022, we were further honored as Korea's No.1 Family-Friendly Company by the Ministry of Gender Equality and Family.

We also continuously enhance fringe benefits and workplace processes to align with the diverse needs of our workforce, improving both convenience and satisfaction. Additionally, we ensure that the in-house labor welfare fund is managed fairly and efficiently to maximize its impact. Looking ahead, Kyobo Life will continue to foster a stable and cooperative labor-management relationship, enhance working conditions and benefits, and create an environment where employees can thrive - both professionally and personally - while driving meaningful business success.

# Digital Innovation

**We drive customer-centric business innovation and profit-based growth through digital transformation.**

Kyobo Life is transforming its insurance business through digitalization, driving sales and marketing innovation while reinforcing its core competitive edge in life insurance. Our goal is to achieve sustainable, profit-based growth while delivering the value and experiences that customers truly need.

## 01 Strengthening Competitive Edge Through Customer-Centric Sales & Marketing Innovation

### Enhancing Core Insurance Business Competitiveness with AI and VOC* Data

As we enter the AI-DX era, driven by Generative AI, Kyobo Life is leveraging AI to maximize operational efficiency and revolutionize core insurance processes. As an innovative financial services provider, we are accelerating AI-driven digital transformation, ensuring that our technological advancements directly enhance customer value and enable sustainable innovation.

Following the introduction of 'Kyobo GPT' in 2023, the first generative AI in Korea's insurance industry, we launched several AI-powered tools in 2024 to transform sales and internal operations including 'Coverage Analysis AI Supporter' and 'FP AI Assistant' which are designed to assist sales fields with personalized insurance coverage assessments, and 'Enterprise GPT Service,' an AI-powered solution supporting HR, loan delinquency consultations, retirement pensions, legal assistance, and more across 11 internal functions.

To further enhance AI accessibility, we secured regulatory approval for innovative financial services, allowing AI to be seamlessly integrated into our internal IT infrastructure, which previously had limitations on direct AI usage. Additionally, we have been actively supporting employees in building generative AI proficiency, ensuring that AI adoption becomes a core competency of Kyobo Life.

Kyobo Life believes that VOC has the power to reshape the insurance industry. Beyond simply handling complaints and inquiries, we are aggregating and analyzing VOC data collected from various internal and external, online and offline touchpoints, turning it into a valuable business asset. By systematically identifying customer needs, wants, and preferences, we uncover hidden demands that traditional data analysis might overlook. Through the integration of large-scale structured and unstructured VOC data with AI-driven insights, we continuously develop customer-centric business innovation use cases, driving breakthroughs in product development and marketing strategies.

* **VOC(Voice of Customer)**
: Feedback collected from customers regarding their experiences with products or services, including complaints and opinions gathered through both online and offline channels.

### Enhancing Customer Experience and Satisfaction Through Digitalization of Insurance Product & Service

Kyobo Life is committed to business innovation to better respond to the rapidly evolving digital landscape, delivering differentiated insurance products and services. We have digitalized over 130 insurance processes across the entire customer journey - from subscription and persistency to payments - allowing customers to access insurance products and services more conveniently through our digital channels (app). To cater to customers who prefer various consultation methods, we introduced 'Kyobo TalkTalk', a KakaoTalk-based service integrated with our internal system, enabling consultants to provide real-time support and revolutionizing the customer experience.

Building on these advancements, we launched the 'One-stop Claim (Filing) Service' in 2023, extending digital solutions to our FPs. This allows FPs to assist customers in-person with claim submissions, bringing digital innovation to frontline sales and creating new opportunities for customer acquisition. Beyond operational improvements, Kyobo Life continues to introduce unique and customer-centric digital services, including 'MyData Coverage Analysis Service,' a personalized insurance analysis and recommendation tool powered by financial MyData, 'Reading Assurance Insurance,' coverage for posture-related conditions caused by reading habits, 'Haru Routine,' a wellness program promoting healthy lifestyle habits, 'Haru Reading,' a digital service supporting mental well-being and personal growth, and 'Haru It Literature,' a humanities-based content platform enriching customers' lives with intellectual and cultural insights.

By leveraging differentiated products and services, Kyobo Life has strengthened partnerships with big tech and fintech companies to expand its customer base. As a result, by the end of 2024, we successfully grew our digital membership to 2.15 million users. Kyobo Life will continue pioneering digital innovation in insurance, ensuring customers experience cutting-edge and customer-centric products and services.



## 02 Securing New Growth Engines Through Establishing a Business Ecosystem

### Business Innovation Through Open Innovation

Kyobo Life is actively building a business ecosystem to adapt to changing market conditions and secure sustainable growth drivers. By collaborating with a diverse range of partners - including tech-based startups, public institutions, universities, venture capital firms, and global organizations - we are continuously expanding our innovation network. Our focus is on meeting diverse customer needs and identifying new market opportunities, driving strategic investments and open innovation initiatives.

In 2021, Kyobo Life launched the 'Kyobo New Technology Investment Fund No.1 (CVC*)' in partnership with Kyobo Securities, establishing a KRW 200 billion fund. By 2024, we had invested in 23 ventures, supporting high-potential startups shaping the future of the industry. Additionally, we made four direct investments in early-stage companies with high potential and facilitated matching R&D funding through the TIPS** initiative.

Through our open innovation program, 'INNOSTAGE', we actively embrace external ideas and breakthrough technologies to enhance our business. This initiative has led to over 40 successful collaborations with innovative startups, including AI-powered consultant-matching solutions tailored to customer profiles, fraud detection models for identifying forged or altered insurance claim documents, and insurance add-on services such as a youth nutrition management program.

By continuously fostering a business ecosystem and driving open innovation, Kyobo Life is securing sustainable growth while delivering greater value to customers. We remain committed to leading the insurance industry with forward-thinking investments and partnerships.

* **CVC**
: Corporate Venture Capital

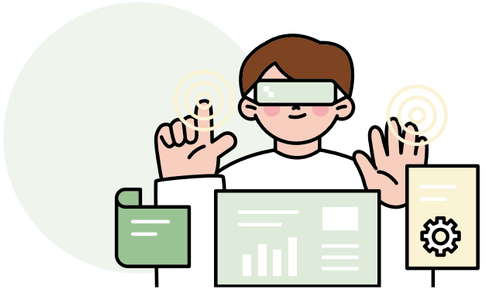
** **TIPS (Tech Incubator Program for Startup)**
: A private investment-led government support program that provides integrated funding for investment, startup development, and R&D matching grants to foster technology-based entrepreneurship.

## 03 Spreading a Culture of Business Innovation Through Challenge and Creativity

### Innovation Lab: A Space for Experimentation and Collaborative Breakthroughs

At Kyobo Life, employees from various departments and external partners come together in our Innovation Lab to experiment with new insurance products, services, and business models. By testing and validating ideas from the customer's perspective, we drive company-wide business innovation. Insights from customers and stakeholders help us identify real challenges and unmet needs, developing solutions that truly resonate with customers and lead to meaningful results.

In 2024, the Innovation Lab worked with industry experts to develop hybrid insurance products by integrating offerings from different industries. Additionally, Kyobo Life introduced new digital services to support FPs in their sales activities, enhancing their efficiency and effectiveness. To further embed an innovation-driven mindset, we conduct collaborative workshops where employees across departments come together to solve challenges with a customer-first approach. This ensures that innovation culture thrives not just at headquarters but also in the field, making business transformation a shared and ongoing effort.



## 04 Building a Digital Innovation Foundation to Drive Business Transformation

### Integrating Kyobo Affiliates' Data for Advanced Analytics and Innovation

To enhance data-driven digital customer experiences, Kyobo Life has established the 'Kyobo Affiliates Online Behavioral Data Integration Platform'. This system consolidates scattered digital customer data across Kyobo's various affiliates, allowing us to analyze behavioral patterns and enable insight-driven digital marketing strategies. Beyond marketing, this platform provides end-to-end visibility into the digital customer journey, tracking conversion rates at each stage and offering deep cross-customer analysis via interactive dashboards. By maximizing the business value of group-wide integrated data, Kyobo Life will drive business performance, accelerate innovation, and unlock new growth opportunities moving forward.

### Building a Digital Innovation Testing Environment and Governance Framework for Business Transformation

Kyobo Life is continuously exploring how digital technology can improve customer experiences. To foster innovation, we are launching the 'Digital Playground', a cloud-based testing environment where employees can experiment with and validate their ideas using emerging digital technologies. Initially available to developers, this platform will gradually expand to business professionals, empowering teams across the company to rapidly test ideas and translate them into real products and services that enhance customer experiences and drive business transformation in the insurance industry.

At the same time, we are establishing robust 'Quality and Risk Management Frameworks' and 'Integrated Monitoring System' to ensure the stable operation of digital services and new technologies. This goes beyond simply optimizing cost and efficiency - it prioritizes ensuring customer data is stored and protected safely (security risks) and meeting all financial regulations and legal requirements (regulatory compliance). By expanding the adoption of secure and reliable digital solutions, Kyobo Life is committed to maintaining its reputation as a trusted leader in both finance and technology.

# MARKET & STRATEGY


## Insurance Business 038

We will pursue innovations in products and distribution channels
with digital transformation

## Asset Management 039

We will stay true to the principles of asset management for life insurers
by creating continued and stable investment profits with long-term perspective

## Risk Management 041

We maximize corporate value with thorough and strategic risk management

# TENACITY&CREATIVITY

We will always innovate, starting over again if at first we do not succeed.

# Insurance Business

**We will strengthen customer-centric marketing and drive product and channel innovation.**

At its core, life insurance exists to help people support one another and overcome life's uncertainties. Kyobo Life takes great pride and responsibility in upholding this fundamental purpose, striving to deliver differentiated products and services that go beyond expectations. To provide both financial security and peace of mind, we are enhancing customer-driven marketing strategies and actively innovating our products and distribution channels. Our ultimate goal is to create a world where no one is left helpless in the face of life's unexpected challenges - a world where people can continue pursuing their dreams with confidence.

## Insurance Market Overview in 2024

In 2024, the insurance market faced intensified competition, marked by economic downturns, low growth rates, and rising inflation. Additionally, shifts in social and demographic structures led to a decline in traditional life insurance, while competition with non-life insurers over product offerings became more intense.

With the rise of longer life expectancy, increased health awareness, and advancements in medical technology, healthcare spending is expected to grow, fueling greater demand for insurance coverage for individuals with pre-existing conditions.

As a result, the market saw a surge in the development of health-related insurance products, including insurance for illness and the elderly. Furthermore, with the full-scale implementation of International Financial Reporting Standard for Insurance Contracts (IFRS17), insurers intensified their focus on selling health insurance to secure Contractual Service Margin (CSM), leading to heightened competition in this segment.

## Insurance Business Performance in 2024

In 2024, we focused on customer-centric marketing, analyzing and understanding our customers to create innovative products and new services that deliver real value. As a result, we expanded protection type products, leading to growth in both existing and new customers compared to the previous year.

To strengthen our sales competitiveness, we carefully selected and recruited qualified FPs, growing our distribution network while enhancing training programs for new FPs. This enabled us to provide more customers with tailored coverage plans and policy management services.

We also accelerated the digitalization of sales support tools, fostering a growth-oriented sales culture. At the same time, we upgraded core insurance processes using digital technology, improving customer experience and enhancing operational efficiency through advanced system upgrades.

## Insurance Market Outlook in 2025

In 2025, the insurance market is expected to face continued challenges due to demographic shifts driven by low birth rates and an aging population, along with high household debt and ongoing inflation, which will likely contribute to prolonged low economic growth.

Following the implementation of IFRS17 and the Korean Insurance Capital Standard (K-ICS), financial regulators are expected to further reinforce consumer protection policies, aiming to strengthen transparency and accountability in the financial sector.

The demand for health insurance, including specialized policies tailored to individuals with pre-existing conditions, is projected to keep growing. As insurers compete to secure CSM, competition in grey zone insurance market is expected to intensify, particularly between life and non-life insurers. Meanwhile, in the traditional life insurance sector, demand for living benefits and survival-focused coverage is expected to diversify, leading to even fiercer market competition.

To stay ahead of changing customer needs and market dynamics, insurers will need to proactively develop new products and services that offer innovative and differentiated customer experiences.

## Insurance Business Strategy in 2025

In 2025, we will focus on strengthening our insurance business competitiveness to achieve our growth targets. As part of this effort, we will advance our 'Balanced Protection' Project, ensuring that our products and services not only provide family life protection but also offer comprehensive coverage throughout all life stages. Additionally, we will leverage digital technology to enhance our competitive edge in the insurance industry.

To drive customer-focused marketing for new and existing policyholders, we will continue expanding targeted marketing efforts by expanding the provision of Customer Tag based Pools.

We will also enhance our product lineup to ensure that customers receive the best possible coverage tailored to their needs. For our exclusive tide agents channel, we will pursue both quantitative and qualitative growth, aligning with our company's business philosophy, organizational culture, and sales strategy. Meanwhile, for non-exclusive channels, we will focus on adapting to market changes and supplementing overall growth opportunities.

Furthermore, we will maximize the use of digital and on-line channels, improving customer experience while also enhancing operational efficiency in the field.



# Asset Management

**As a life insurance company, Kyobo Life is dedicated to a long-term, disciplined approach to asset management, ensuring stable investment returns while adhering to sound financial principles.**

Kyobo Life strives to maintain optimal asset portfolios within the constraints of risk limits, duration gap targets, and other asset management regulations, securing consistent and sustainable investment performance. Kyobo Life's investment strategy is built on Asset Liability Management (ALM), aligning with the long-term nature of life insurance products. Through Strategic Asset Allocation (SAA), we pursue stable, long-term returns, while Tactical Asset Allocation (TAA) allows us to proactively respond to short-term market fluctuations and generate excess returns.

## Financial Market Overview in 2024

In 2024, the global economy remained in an expansion phase for the fifth consecutive year, with economic growth forecasts seeing significant upward revisions, particularly in the US. Early in the year, strong employment and economic indicators fueled expectations that the US economy was entering a "Goldilocks" phase. As a result, the yield on the 10-year US Treasury, which had been below 4% at the start of the year, steadily climbed to around 4.7% by the end of April. Global stock markets also maintained a generally positive upward trend.

In the second half of the year, signs emerged that the overheated US labor market was cooling, and inflation was entering a sustained downward cycle, sparking growing concerns about a potential economic slowdown. In September, the Federal Reserve initiated its first rate cut, but market volatility surged in November following a Republican sweep in the US presidential election, fueling what became known as the "Trump Trade." As a result, the 10-year Treasury yield spiked back up to around 4.5%, while US equities outperformed other regions, driven by expectations of deregulation and corporate tax cuts. The US stock market ended the year up 25%, closing at 5,881.6 points.

In South Korea, economic growth rebounded as inflationary and high-interest-rate pressures eased, with semiconductor-driven export growth providing a key boost. However, domestic consumption remained sluggish, acting as a drag on overall growth. Starting in the second quarter, rate cuts helped push market interest rates lower, but the stock market followed a "high in the first half, lower in the second half" pattern due to global economic conditions and political uncertainty. As a result, the KOSPI remained range-bound between 2,400 and 2,500.

## Kyobo Life's 2024 Asset Management Performance Overview

In fiscal year 2024, our asset management division adeptly navigated a highly volatile financial market, delivering solid performance in both profitability and risk management. On the profitability front, we enhanced portfolio yields by increasing allocations to high-return assets relative to risk, such as credit loans and alternative investments. Additionally, we leveraged interest rate fluctuations to strategically rebalance our bond holdings, ensuring a stable and sustainable source of recurring income for the future. In variable insurance assets, we dynamically adjusted equity and bond portfolio allocations in response to market changes, generating returns that outperformed benchmarks.

From a risk management perspective, we focused on reducing asset-liability cash flow mismatches from an ALM standpoint, aiming to mitigate capital volatility cause by interest rate fluctuations and maintain a stable K-ICS ratio. We also proactively managed credit and market risks through strategic foreign currency hedging and early interventions in high-risk assets. Furthermore, we reinforced post-investment oversight of alternative assets such as overseas real estate and strengthened delinquency rate monitoring to address concerns over household debt deterioration amid a high-interest-rate environment, continuously working to improve the overall quality of our asset portfolio.

## Financial Market Outlook in 2025

The global economy in 2025 is expected to continue its US-led growth trajectory. Despite the cooling of the labor market, stable inflation is likely to support real income growth, sustaining private consumption. Additionally, reduced policy uncertainty and monetary easing are expected to create a favorable environment for increased investment. Optimism surrounding the new administration's fiscal policies may also influence investor sentiment.

However, the strength and timing of the next Trump administration's policies could introduce new variables for the economy and financial markets. If inflationary pressures resurface, the Federal Reserve may halt its planned rate cuts earlier than expected. As a result, the US Treasury yields are likely to fluctuate within a range, while the stock market may experience heightened volatility in the early stages of policy shifts, leading to sector-specific divergence.

In South Korea, the economic growth is expected to slow due to weakening export momentum and sluggish investment. Persistent labor market challenges and the burden of household debt are likely to dampen consumer spending, while investment in manufacturing and construction is projected to remain mixed. Domestic interest rates may see only limited declines due to internal and external uncertainties. While the stock market may continue to face downward pressure, a gradual recovery is anticipated in the latter of the year as uncertainties subside and corporate earnings improve.

## Asset Management Strategies for Kyobo Life in 2025

In 2025, economic polarization is expected to deepen between the US and other regions, with heightened market volatility in the early stages of policy shifts leading to further divergence across asset classes, regions, and industries. Against this backdrop, we will focus on optimizing our asset holdings to ensure both stability and profitability in asset management.

**First,** we will achieve an operating asset yield that exceeds liability funding costs under IFRS17 standards..

**Second,** we will continue our efforts to minimize capital volatility by matching cash flows between assets and liabilities.

**Lastly,** we will manage our asset portfolio with a strategic approach, taking into account the company's liquidity position.



# Risk Management

**We maximize corporate value with thorough and strategic risk management.**

Risk management is one of the core competitive strengths of the insurance industry. Kyobo Life is committed to systematically quantifying and integrating risk management to proactively reduce uncertainty and enhance stability. We have implemented various measures to reduce required capital while expanding available capital and will continue to pursue additional strategies moving forward. As the flagship financial institution of the Kyobo Financial Conglomerate Group, Kyobo Life has established a group-wide risk management system to ensure financial soundness across the entire financial conglomerate. Our rigorous risk management approach serves as the foundation for long-term value creation, staying true to the essence of our business while also unlocking new growth opportunities.

## Strategic Risk Management to Maximize Corporate Value

Kyobo Life actively monitors risk limits that could impact the company's capital to ensure financial soundness and stability. We have adopted an ALM policy that considers both liabilities and assets, supporting long-term corporate value growth. In particular, we incorporate non-financial risks, including operational, strategic, and reputational risks, into our risk management framework. To strengthen company-wide risk control, we conduct risk assessments at the business unit level and continuously enhance related systems and infrastructure to ensure our risk management framework operates effectively across the organization.

## Systematic Risk Management for Management Stability

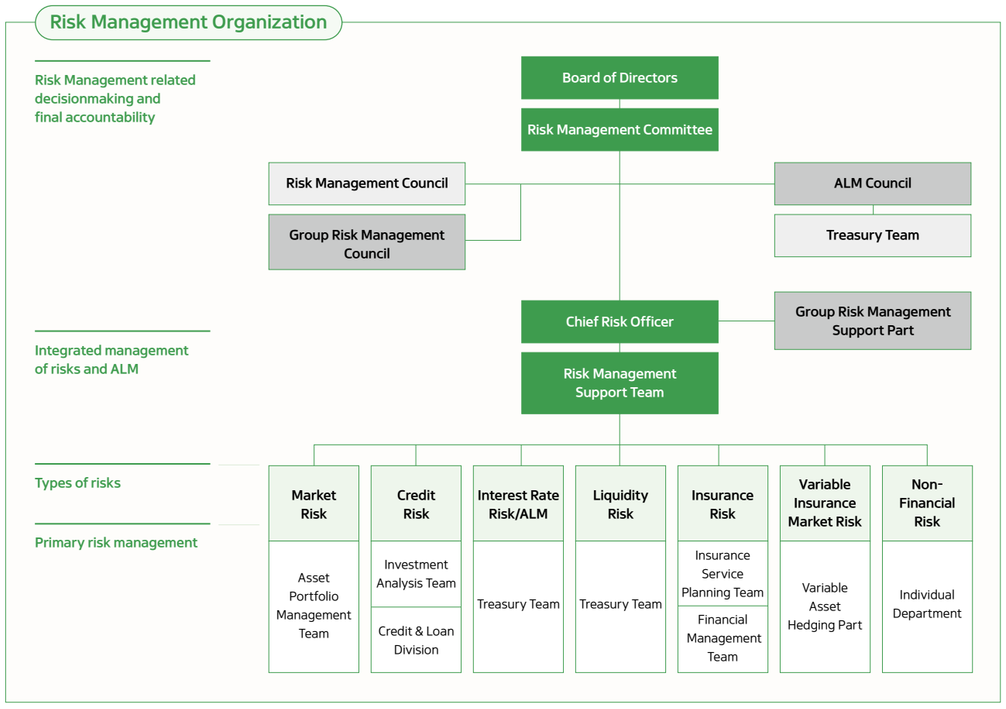
Kyobo Life proactively measures risks that may arise in day-to-day business activities, such as sales activities and asset management, to ensure stable operations within available capital level. We establish an acceptable level of risk and employ preemptive risk management strategies, including risk acceptance, reduction, transfer, and avoidance. Regular monitoring ensures that risk exposure remains within permissible limits.

In addition, Kyobo Life has implemented a proactive risk management system to prevent or minimize potential losses caused by sudden financial market fluctuations. The company's dedicated risk management unit conducts advance risk assessments for key decisions, sets and manages risk limits at various stages, and continuously monitors risk factors to identify and respond to potential threats effectively.

To safeguard business continuity even in extreme market conditions, we develop crisis scenarios for different risk types and establish appropriate response strategies at an enterprise-wide level. We also conduct regular simulation exercises to assess and enhance the effectiveness of these contingency plans.

## Risk Management System

Kyobo Life distinguishes risks into market, credit, interest rate, liquidity, insurance, variable insurance market, and non-financial risks and systematically formulates and manages management strategies for each type of risk.




### Market and Credit Risks

To ensure that asset losses resulting from financial market fluctuations remain within the company's risk tolerance, Kyobo Life establishes asset portfolios with carefully set risk limits. We regularly monitor compliance with various risk thresholds, including market and credit risk limits, exposure limits for high-risk assets, loss limits for securities and derivatives, and transaction limits by borrower, group, and industry.

Additionally, we have implemented a comprehensive monitoring system to track key risk factors in real time, such as interest rate, stock price, and exchange rate fluctuations, as well as deteriorating debt repayment capacity of corporations and households and declines in the collateral value of held assets. This proactive approach helps prevent the realization of market and credit risks that could lead to non-performing assets. We continuously enhance our individual and corporate credit rating models, ensuring a more precise and sophisticated assessment of credit risk management for trading counterparties.

### Interest Rate Risk

To minimize fluctuations in the company's net asset value caused by interest rate changes, Kyobo Life implements a strategy that manages the duration gap within a controlled ranged through asset portfolio management and continuous monitoring of liability duration.

Additionally, we set an annual interest rate risk limit aligned with the company's business plan and have established a structured monitoring and inspection system to ensure the ongoing effectiveness of our interest rate risk reduction policies.

### Insurance Risk

To minimize fluctuations in net asset value caused by changes in risk loss ratio, surrender rates, and expense ratio, Kyobo Life sets insurance risk limits and conducts regular monitoring, and adequacy checks to maintain an appropriate level of insurance risk relative to available capital. We continuously refine underwriting standards and strengthen claims assessment processes to prevent unjust insurance claim payment. Additionally, we perform regular analysis of mortality/morbidity gains to proactively mitigate potential losses, set and manage mortality/morbidity gain targets, and ensure stable profitability in this area.

### Liqudity Risk

To prevent unexpected liquidity shortages due to unavoidable cash outflows such as insurance claim payments and policy loans, Kyobo Life sets and manages a minimum liquidity fund limit. Additionally, we continuously monitor key liquidity indicators, including liquidity gaps, liquidity ratios, and liquidity coverage ratios. In particular, to prepare for potential cash outflows triggered by sudden financial market disruptions, we conduct annual simulation exercises to review and refine our response strategies based on liquidity crisis scenarios.

### Variable Insurance Market Risk

To minimize losses from asset/liability fluctuations gap in variable insurance due to financial market volatility, Kyobo Life sets risk limits and regularly monitors exposures against these thresholds. Additionally, to stabilize profit and losses during market downturns and preserve capital in crises, we employ dynamic hedging strategies using derivative instruments.

### Non-financial Risk

To meet company-wide management goals, Kyobo Life established standard scenarios for non-financial risks, including business environment changes, regulatory risks, and operational risks, at the business unit and department levels. We conduct scenario-based Risk Control Self-Assessment to evaluate potential risks and business environment changes. Additionally, we develop and maintain key risk indicators to enable swift monitoring and response to emerging risks.

### ALM Policy for Long-Term Risk Management

Kyobo Life implements an Asset Liability Management (ALM) policy to effectively manage interest rate risk and minimize capital volatility amid changing financial conditions. We continuously refine the structure of our assets and liabilities to ensure that the duration gap between assets and liabilities remains within target levels. This is achieved by carefully managing the scale and duration of both interest-bearing asset and liability portfolios. Furthermore, we are continuously enhancing our ALM system, with a specific focus on improving the accuracy of cash flow projections for assets and liabilities.

### Climate Risk Response

To systematically manage climate-related risks, Kyobo Life identifies climate risks and conducts scenario analysis to assess their financial impact. We disclose our financed emissions measurements and scenario analysis results through our sustainability report and enhance our climate risk management framework to proactively respond to regulatory developments and strengthened requirements from supervisory authorities.

### Kyobo Life's Regulatory Compliance

· **Korean-Insurance Capital Standard (K-ICS)**

Kyobo Life has established the necessary infrastructure and systems to comply with the implementation of IFRS17 and K-ICS, which took effect in 2023. Even after the introduction of these regulations, we have maintained a stable solvency ratio above the required regulatory threshold. We continuously monitor the impact of changes in financial soundness regulations to minimize potential disruptions. Additionally, we are actively pursuing internal improvement initiatives to enhance our solvency ratio, ensuring financial stability even amid stricter regulatory requirements.

· **Integrated Supervision System for Financial Conglomerates**

Kyobo Life has been designated as part of the Kyobo Financial Conglomerate Group under the 'Act on the Supervision of Financial Conglomerates,' along with its affiliated financial companies. As the group's representative financial institution, Kyobo Life operates a dedicate group risk management department, striving to ensure financial soundness at the conglomerate level. To strengthen internal controls, risk management, and overall financial stability, we have established the Financial Conglomerate Internal Control Standards and the Financial Conglomerate Risk Management Regulations. Additionally, we regularly report and disclose relevant information both internally and externally to ensure transparency and compliance.

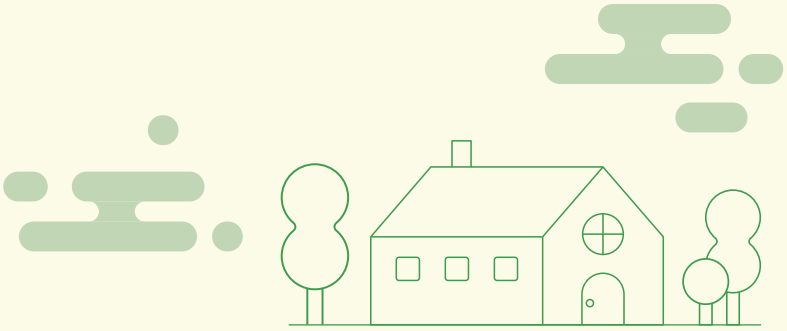
* Major affiliated financial companies of Kyobo Financial Conglomerate Group: Kyobo Life, Kyobo Securities, Kyobo Life Planet Life Insurance, Kyobo AXA Asset Management, Kyobo Asset Trust, Kyobo AIM Asset Management

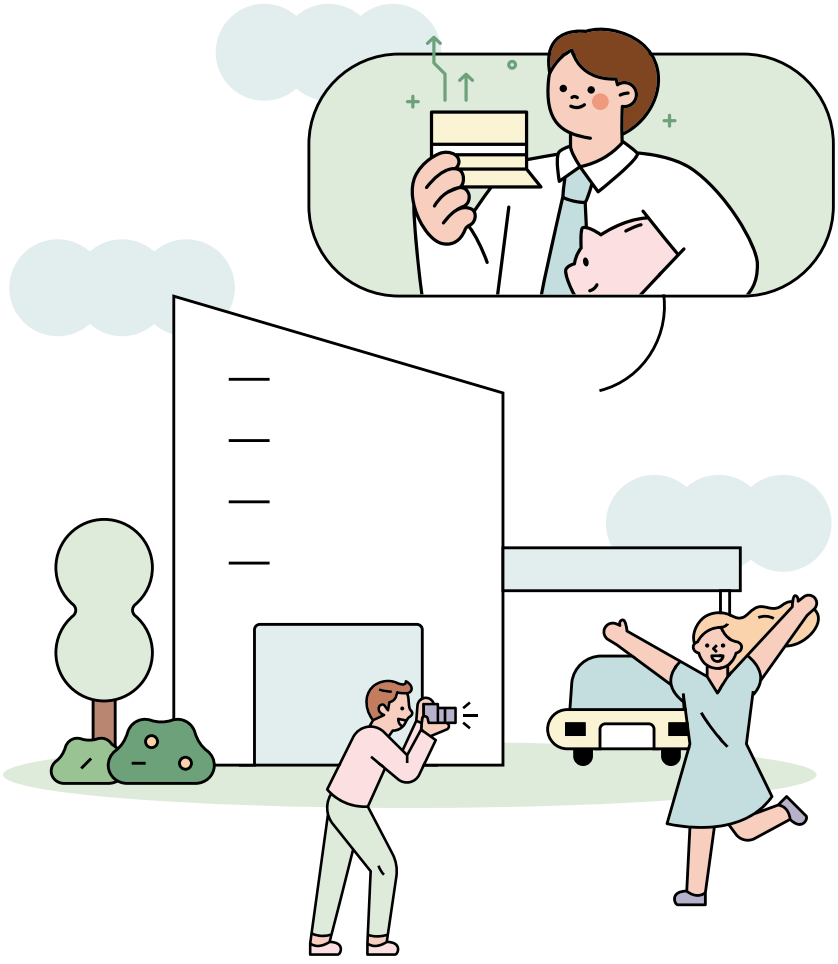
· **The ORSA System**

Kyobo Life operates an Own Risk and Solvency Assessment (ORSA) framework to enhance risk management in the insurance industry. Each year, we conduct a comprehensive self-assessment to identify key risks associated with our business activities, measures these risks using internal models, and evaluate both current and future capital adequacy. The results are reviewed and approved by the Board of Directors and incorporated into our management policies. By integrating ORSA findings into our decision-making process, we ensure that the company's financial soundness remains stable, even in the face of potential risk events.

# FINANCIAL SECTION

Management's Discussion and Analysis 046





# FINANCIAL SECTION

Management's Discussion and Analysis

# Management's Discussion and Analysis

## I. Introduction

The Management's Discussion and Analysis section includes forward-looking statements regarding Kyobo Life's past achievements as well as forward-looking statements, including anticipated shifts in the economic landscape, prospects for the life insurance industry, and Kyobo Life's future goals and strategies. These statements are inherently subject to unpredictable external factors, which may cause actual economic conditions or financial performance of Kyobo Life to differ from the projections stated or implied herein. Thus, readers are advised to carefully consider such possibilities in understanding the content of Management's Discussion and Analysis.

Kyobo Life follows a fiscal year that begins on January 1 and ends on December 31. Thus, in this document, the terms "Fiscal year 2024" and "FY2024" refer to the accounting period from January 1 through December 31, 2024, and the same principle applies to all other years under discussion.

Life insurance companies in Korea adhere to two accounting principles standards: Generally Accepted Accounting Principles (GAAP) and the Statutory Accounting Principles (SAP). Despite the differences in operating profits arising from the distinct classifications of operating and non-operating activities, pre-tax income is identical whether the figure is based on GAAP or SAP. For the purposes of this document, the Management's Discussion and Analysis is based on SAP, under which profits and expenses related to each activity (investment and insurance sales) are clearly distinguished.

## II. Key Financial Performance Overview

### 1. Growth

Kyobo Life has consistently grown over the years by leveraging its excellent asset management capabilities, rigorous risk management practices, market-leading product development expertise, and robust exclusive channels. Kyobo Life has been strategically preparing for the adoption of new accounting standards at an enterprise-level, resulting in minimal asset reductions following the implementation of IFRS17. Total assets increased 6.4% year-on-year to KRW 122.4 trillion during FY2024. Due to the Financial Supervisory Service's discount rate adjustment plan, the decline in the insurance liability discount rate led to an increase in insurance liabilities. Consequently, total capital decreased to KRW 7.3 trillion at the end of FY2024. However, retained earnings increased by KRW 606.9 billion compared to the previous year, reflecting Kyobo Life's ongoing efforts to enhance not only the scale of its capital but also its quality through sustained profit generation.

**Growth Indicators**

(Unit: KRW bn)

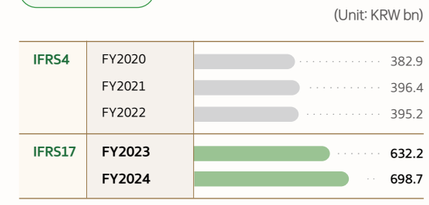
| | IFRS4 | | | IFRS17 | |
|---|---|---|---|---|---|
| | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
| Total Assets | 115,486.1 | 119,149.3 | 117,175.7 | 115,002.5 | 122,409.0 |
| Total Equity | 12,093.9 | 11,024.0 | 5,909.7 | 9,975.8 | 7,305.0 |
| Premium Income | 14,280.0 | 15,808.3 | 20,736.1 | 18,987.0 | 14,548.8 |
| General Accounts | 8,836.6 | 9,560.7 | 12,658.4 | 11,178.7 | 9,952.8 |
| Separate Accounts | 5,443.4 | 6,247.6 | 8,077.7 | 7,808.3 | 4,596.0 |



### 2. Profitability

Kyobo Life has focused on providing optimal coverage for customers, with a focus on securing sustainable long-term profitability over rapid expansion of scale. Even under the new accounting standards, Kyobo Life has strived to sustain profit growth, consequently achieving a solid net income exceeding KRW 600 billion. Importantly, in FY2024, net income reached KRW 698.7 billion, up 10.5% year-on-year. This growth was driven by strong insurance profits, primarily from the amortization of the contractual service margin, and solid investment gains derived from recurring income such as interest income.

**Net Income**




2024 was marked by intense competition among life insurers, non-life insurers, and general agencies, all vying to secure future profits represented by the contractual service margin (CSM) under the new accounting standards. By actively promoting its 'Balanced Protection' project and focusing on sales of protection-type insurance, Kyobo Life successfully secured a stable CSM to ensure a steady stream of future earnings.

At the end of FY2024, Kyobo Life's contractual service margin stood at KRW 6.4 trillion, a 10.5% increase over the previous year. Despite facing a fiercely competitive market environment, Kyobo Life's growing CSM underscores its reinforced capacity to generate stable profits going forward.

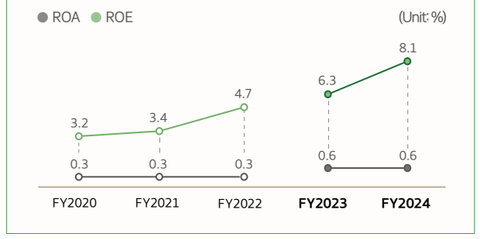
**Contractual Service Margin**

(Unit: KRW bn)

| | FY2023 | FY2024 |
|---|---|---|
| Contractual Service Margin(CSM) | 5,824.9 | 6,438.1 |
| New business CSM | 1,372.9 | 1,371.6 |

ROE in FY2024 increased due to the rise in net income to 8.1%, up 1.8%p from a year earlier.

**Profitability Indicators**




* ROE = Net income / {(Beginning total capital + Ending total capital)/2}
* ROA = Net income / {(Beginning total assets + Ending total assets)/2}

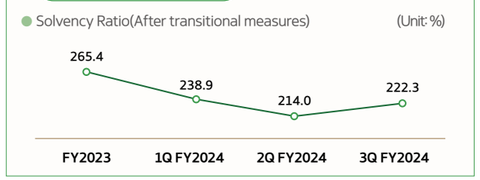
### 3. Stability (Financial Soundness)

Kyobo Life recognizes risk management as a key competitive strength in the insurance industry and consistently works to quantify and systematically integrate risk control, aiming to preemptively reduce or eliminate management uncertainties and enhance stability. Since 2016, necessary infrastructure and systems have been built in preparation for the implementation of International Financial Reporting Standard for Insurance Contracts (IFRS17) and the new solvency regime, Korean Insurance Capital Standard (K-ICS). As a result, Kyobo Life has maintained a stable solvency ratio even under the new regime. Considering heightened volatility of both domestic and global economic conditions and the potential for greater fluctuations in solvency ratio, we applied for transitional measures from the financial authorities in February 2023.

In FY2024, the discount rate on insurance liabilities decreased due to the Financial Supervisory Service's discount rate adjustment plan, leading to a decline in the K-ICS ratio. The discount rate reflects both the time value of money associated with cash flows and financial risk, so a decrease in this rate translates into increased insurance liabilities. As liabilities rise, shareholders' equity is diminished accordingly, causing a drop in the K-ICS ratio, which is a measure of capital adequacy.

Nevertheless, as of the third quarter of 2024, Kyobo Life maintained a K-ICS ratio of 222.3%, demonstrating stability despite the discount rate adjustment.

**Stability Indicators**




* Solvency ratio = Solvency margin / Total K-ICS risk
* Based on consolidated financial statements

## III. Insurance Business Analysis

### 1. Premium Income

In 2024, the insurance market saw intense competition to secure contractual service margin (CSM), a new profitability metric under the new accounting standards. Life insurers strategically prioritized the sale of protection-type products to bolster their CSM. Kyobo Life implemented its 'Balanced Protection' project to maintain robust premium income, concentrating on general protection products. As a result, premium income from protection-type products grew by 9.5% to KRW 6.5 trillion in FY2024 despite the fiercely competitive landscape. Meanwhile, in 2023, Kyobo Life temporarily increased sales of savings and corporate pension products to preemptively secure liquidity during rising interest rates, causing a substantial yet temporary surge in savings and corporate pension premium income. With interest rates stabilizing in 2024 and a shift back to protection-focused products, sales of savings and corporate pension products returned to previous levels.

The reduction in savings and corporate pension products premiums from their temporarily elevated level resulted in 23% of decline in total premium income year-on-year, recording KRW 14.5 trillion.

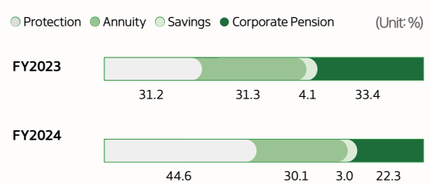
**Premium Income by Product**

(Unit: KRW bn)

| | FY2023 | FY2024 | Change (%) |
|---|---|---|---|
| Protection | 5,922.3 | 6,484.9 | 9.5% |
| Annuity | 5,948.6 | 4,385.8 | -26.3% |
| Savings | 777.7 | 433.2 | -44.3% |
| Corporate Pension | 6,338.5 | 3,244.9 | -48.8% |
| **Total** | **18,987.0** | **14,548.8** | **-23.4%** |

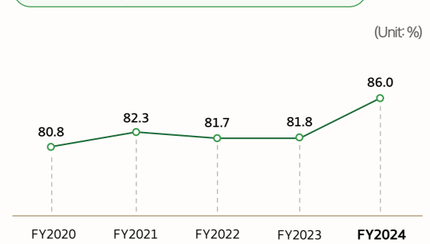
Kyobo Life launched the 'Balanced Protection' project to expand sales of protection-type insurance, which is both profitable and conducive to improved persistency, while simultaneously meeting the growing demand for health insurance driven by demographic shifts. As a result, in 2024, protection-type products accounted for 44.6% of the total premium portfolio, up 9.5% from the previous year.

**Composition of Premium Income by Product**




Kyobo Life has maintained a product portfolio centered on long-term insurance products, such as whole life and health insurance, that typically enjoy high persistency rates. Consequently, the 13th month persistency ratio rose by 4.2%p year over year, improving to 86.0%.

**Persistency Ratio in the 13th month**




* 13th month persistency ratio = persisted contract amount in the 13th month / total subscribed contract amount in the 13th month (overdue twice, accumulation basis)



### 2. New Business

The total annualized premium equivalent (APE) for FY2024 reached KRW 2 trillion. To deliver optimal coverage that extends beyond health to everyday needs, Kyobo Life actively pursued its 'Balanced Protection' project and introduced various new protection-type products, ranging from whole life and caregiving insurance to cancer, brain/heart care, and prenatal insurance, catering to diverse customer needs. We also introduced products such as 'Kyobo MyPlan Health Insurance', which combines comprehensive coverage with competitive premiums, ensuring customers have access to both optimal benefits and reasonable premiums. As a result, APE for protection-type products surged 58.2% to KRW 1.5 trillion in FY2024.

Looking ahead to FY2025, Kyobo Life will continue to strengthen its insurance business competitiveness by focusing on family and health coverage, expanding the lineup of protection-type products and leveraging distinctive offerings and channel capabilities to secure new protection-type policies.

**APE by Product**

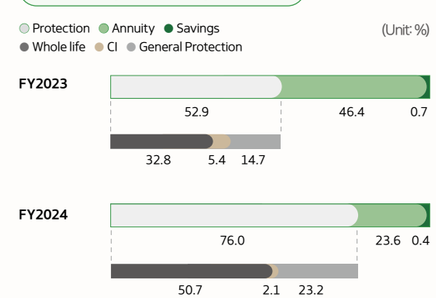
(Unit: KRW bn)

| | FY2023 | FY2024 | Change (%) |
|---|---|---|---|
| Protection | 975.5 | 1,543.4 | 58.2% |
| Whole life | 604.4 | 1,030.1 | 70.4% |
| CI | 99.5 | 42.6 | -57.2% |
| General Protection | 271.6 | 470.7 | 73.3% |
| Annuity | 855.4 | 479.1 | -44.0% |
| Savings | 12.6 | 8.9 | -29.4% |
| Total | 1,843.5 | 2,031.4 | 10.2% |

* Excluding Corporate Pension

In FY2024, fueled by robust sales of protection-type insurance, the share of protection-type APE in total APE increased by 23.1%p to 76.0%.

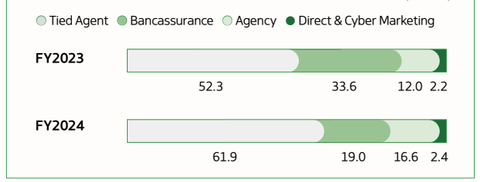
**APE composition by Product**



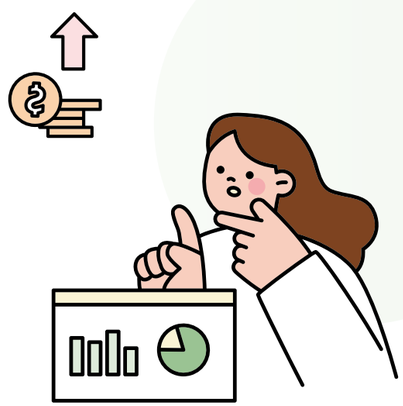

### 3. Sales by Channel

Kyobo Life meets diverse customer needs by offering differentiated products and services through multiple channels, including tied agent channel (FPs, the main sales channel), bancassurance, agency, direct channel, and corporate sales channels. In FY2024, the tied agent channel organization saw a net increase, reflecting the strength of Kyobo Life's proprietary sales channel. Consequently, the tied agent channel's composition of total APE rose by 9.6%p to 61.9%. In addition, efforts to expand sales through the agency channel led to steady growth, with agencies accounting for 16.6% of new business APE. Meanwhile, the bancassurance channel's composition dropped to 19.0% due to a drop in sales of savings products.

**APE composition by Channel**




* Excluding Corporate Pension



### 4. Insurance Operating Income

Kyobo Life's 'Balanced Protection' project to strengthen its protection-type insurance portfolio led to greater long-term insurance sales, resulting in a significant improvement in insurance income.

In FY2024, Kyobo Life recorded KRW 473.6 billion in insurance profit. Difference between actual and expected, which is the deviation between expected and actual insurance claims/expenses totaled KRW 128 billion, mainly due to higher expected operating expenses from expanded new business and lowered actual expanses through efficient management. Under the new accounting standards, Kyobo Life also recognized around KRW 500 billion in stable gain from amortization of contractual service margin. Going forward, Kyobo Life will continue to achieve sustained and stable insurance profits through increasing sales and effective management of difference between actual and expected.

**Insurance Income**

(Unit: KRW bn)

| | FY2023 | FY2024 | Change (%) |
|---|---|---|---|
| **Insurance Revenue** | **3,863.5** | **3,979.4** | **3.0%** |
| Expected Incurred Claims | 1,921.5 | 1,988.9 | 3.5% |
| Expected Operating Expense | 1,048.2 | 1,168.0 | 11.4% |
| Change in the Risk Adjustment | 137.0 | 147.1 | 7.3% |
| Amortization of Contractual Service Margin | 604.2 | 585.6 | -3.1% |
| Other Insurance Profits | 152.5 | 89.9 | -41.0% |
| **Insurance Expenses** | **3,597.8** | **3,462.9** | **-3.8%** |
| Incurred Claims | 1,897.8 | 1,947.9 | 2.6% |
| Actual Operating Expense | 1,022.5 | 1,080.9 | 5.7% |
| Losses on Onerous Contracts | 509.8 | 318.9 | -37.4% |
| Adjustment to Incurred Claims | 1.4 | 12.8 | 814.3% |
| Other Insurance Expenses | 166.3 | 102.4 | -38.4% |
| **Reinsurance Income** | 3.5 | -2.0 | -157.5% |
| **Other Operating Expenses** | 36.4 | 41.0 | 12.5% |
| **Insurance Income** | 232.7 | 473.6 | 103.6% |

## IV. Asset Management Analysis

### 1. Asset Portfolio

Kyobo Life consistently adopts a long-term asset management approach guided by asset liability management (ALM) principles suited for the nature of long-term insurance products. The strategy is to build an optimal portfolio and generate stable profits over time.

Kyobo Life's operating assets totaled KRW 104.2 trillion, having increased investments in both domestic and foreign bonds to capitalize on the high-interest-rate environment and expand long-term high-yield assets.

**Asset Portfolio**

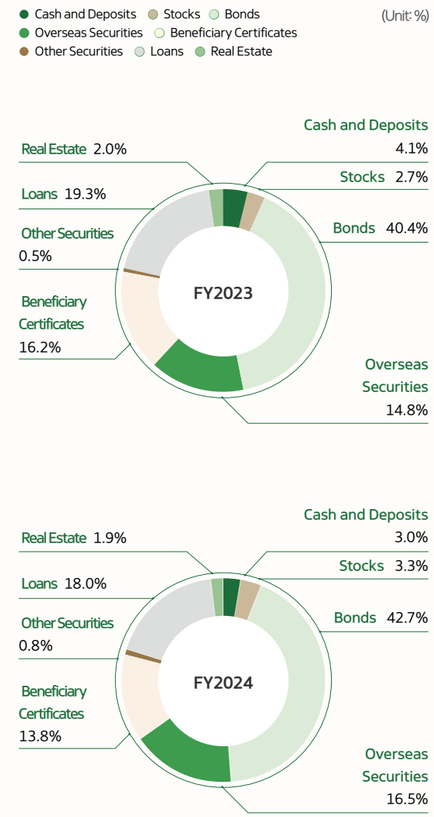
(Unit: KRW bn)

| | FY2023 | FY2024 |
|---|---|---|
| **Operating Assets** | **97,258.9** | **104,248.2** |
| Cash and Deposits | 3,982.7 | 3,101.5 |
| Stocks | 2,628.6 | 3,490.2 |
| Bonds | 39,278.2 | 44,462.5 |
| Overseas Securities | 14,418.3 | 17,252.5 |
| Beneficiary Certificates | 15,761.6 | 14,429.9 |
| Other Securities | 497.7 | 837.3 |
| Loans | 18,736.7 | 18,736.3 |
| Real Estate | 1,955.2 | 1,938.1 |
| **Non-operating Assets** | **2,140.4** | **3,353.4** |
| Derivative Instruments | 659.9 | 597.2 |
| Other Non-operating Assets | 1,480.5 | 2,756.2 |
| **Derivative Instruments** | **99,399.3** | **107,601.7** |

As for the composition of operating asset by asset type, domestic bonds constitute the largest portion at 42.7%, up 2.3%p from the previous year.



**Composition of Operating Asset Portfolio**




### 2. Investment Income

Income from Kyobo Life's investment was KRW 411.4 billion. Kyobo Life is committed to securing stable investment income by focusing on growing recurring income. As a result, the interest income from bonds and loans increased by KRW 277.1 billion on-year, while dividend income primarily from alternative investments rose by KRW 38 billion compared to the previous year.

**Investment Income**

(Unit: KRW bn)

| | FY2023 | FY2024 |
|---|---|---|
| **Recurring Investment Income** | **-1,395.6** | **306.9** |
| Interest Income | 2,896.8 | 3,173.9 |
| Dividend Income | 112.6 | 150.6 |
| Rental Income | 99.3 | 103.3 |
| Commissions Income | 30.1 | 19.1 |
| Insurance Finance Income | -4,287.8 | -2,927.3 |
| Investment Administration Expense | 85.0 | 87.5 |
| Interest Expense | 161.6 | 125.2 |
| **Non-recurring Investment Income** | **1,996.7** | **104.5** |
| Gain/Loss on Disposition | 563.8 | 122.7 |
| Gain/Loss on Valuation | 1,496.6 | 14.5 |
| Gain/Loss on Impairment | -77.4 | -336.0 |
| Gain/Loss on Foreign Exchange and Derivative Instruments | -103.3 | 277.5 |
| Other | 116.9 | 25.8 |
| **Investment Income** | **601.0** | **411.4** |

In FY2024, Kyobo Life undertook bond rebalancing, leveraging its strong net income to strategically switch bond holdings in the high-interest-rate environment. Although bond disposal losses were incurred during the process, we nonetheless achieved solid investment returns, supported by steady recurring income that underpins long-term profitability.

## 3. Domestic Bonds

Kyobo Life's domestic bond balance came to KRW 44.5 trillion with a greater portion of the portfolio in domestic long-term bonds to extend duration and secure stable interest income. Fair Value through Other Comprehensive Income (FVTOCI), focused on generating interest income, rose sharply by 14.5% year over year to KRW 42.3 trillion. It is expected that the proportion of domestic bonds will be maintained without significant changes in the future.

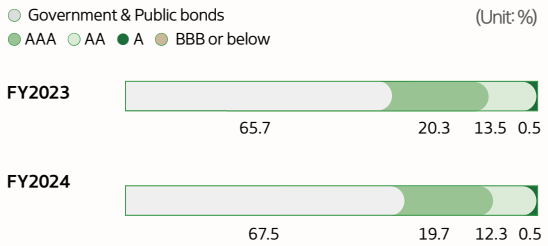
### Investment in Domestic Bonds

(Unit: KRW bn)

| | FY2023 | FY2024 | Change (%) |
|---|---|---|---|
| FVTPL | 1,117.8 | 1,029.3 | -7.9% |
| FVTOCI | 36,916.5 | 42,278.1 | 14.5% |
| AC | 1,243.9 | 1,155.1 | -7.1% |
| **Total** | **39,278.2** | **44,462.5** | **13.2%** |

Looking at domestic bonds by credit rating, 99.5% consist of government/public bonds and bonds rated AA or higher. As part of its efforts to enhance asset soundness in anticipation of an economic slowdown, Kyobo Life increased the share of government/public bonds by 1.8%p compared to the end of the previous year.

### Domestic Bonds by Credit Rating




## 4. Overseas Securities

The balance of overseas securities amounted to KRW 17.2 trillion. In the high-interest-rate environment, expanded investment in higher-yield foreign bonds pushed overseas bond holdings up by 22.4%, reaching KRW 15 trillion, with the overall securities balance also rising due to the impact of a sharp increase in exchange rates.

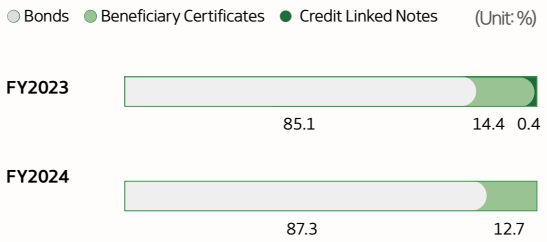
### Investment in Overseas Securities

(Unit: KRW bn)

| | FY2023 | FY2024 | Change (%) |
|---|---|---|---|
| Bonds | 12,272.9 | 15,022.7 | 22.4% |
| Beneficiary Certificates | 2,081.3 | 2,177.9 | 4.6% |
| Credit Linked Notes | 64.0 | 0 | -100.0% |
| **Total** | **14,418.3** | **17,200.6** | **19.3%** |
| **Total** (USD Mn) | **11,182.1** | **11,701.1** | **4.6%** |

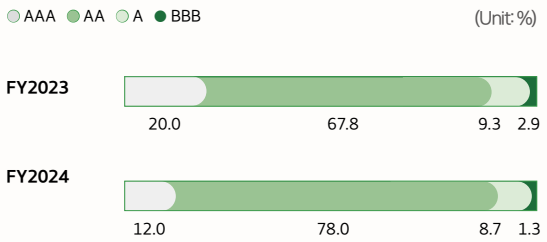
The composition of overseas bonds among overseas securities was 87.3%, up 2.2%p from the previous year, due to expanded investments in high-interest bearing bonds during the interest-rate upcycle. Meanwhile, the proportion of overseas beneficiary certificates was 12.7%, down 1.7%p from the previous year.

### Composition of Overseas Securities




Kyobo Life exclusively held only investment-grade overseas bonds, with 98.7% rated A or higher. The composition of AA rated bonds increased by 10.2%p because the U.S. credit rating was downgraded from AAA to AA+, resulting in U.S. Treasuries being reclassified as AA. In light of potential heightened market volatility following the inauguration of the Trump administration, amid policy uncertainties, Kyobo Life intends to continue concentrating on high-grade bonds.

### Overseas Bonds by Credit Rating

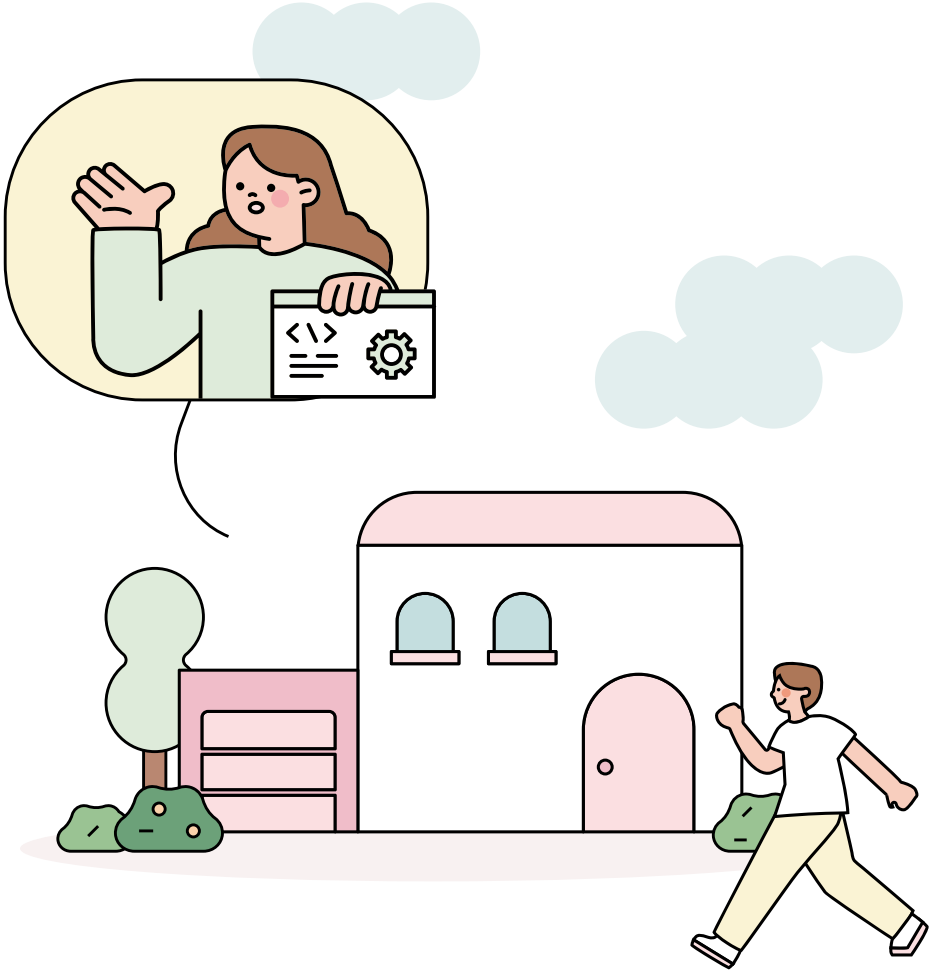


# APPENDIX

**Auditor's Report**(Consolidated)

**Auditor's Report**(Seperate)

**Business Network**



Kyobo Life Insurance Co., Ltd.
and its subsidiaries

Consolidated financial statements

**for the years ended December 31, 2024 and 2023**
**with the independent auditor's report**

# Contents


| | Page |
|---|---|
| Independent auditor's report | |
| Consolidated financial statements | |
| Consolidated statements of financial position | 1 |
| Consolidated statements of comprehensive income (loss) | 2 |
| Consolidated statements of changes in equity | 4 |
| Consolidated statements of cash flows | 6 |
| Notes to the consolidated financial statements | 7 |

**Independent Auditor's Report**

(English Translation of a Report Originally Issued in Korean)

**To the Board of Directors and Shareholders of**
**Kyobo Life Insurance Co., Ltd.**

**Opinion**

We have audited the consolidated financial statements of Kyobo Life Insurance Co., Ltd. and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, 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, 2024 and 2023, 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).

**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.

**Emphasis of Matter**

Without modifying our opinion, we draw attention to Note 46 to the financial statements. As discussed in Note 46, the Group corrected errors in the calculation of the time value for the amortization of the contractual service margin and etc. Therefore, we retrospectively restated the comparative consolidated financial statements by reflecting these adjustments.

**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 consolidated 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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.

March 5, 2025

This report is effective as of March 5, 2025, 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.

# Kyobo Life Insurance Co., Ltd.
# and its subsidiaries

## Consolidated financial statements
## for the years ended December 31, 2024 and 2023

"The accompanying consolidated financial statements, including all footnotes and disclosures, have been prepared by, and are the responsibility of, the Group."

Chang Jae, Shin
Chief Executive Officer
Kyobo Life Insurance Co., Ltd.

(Address) 1, Jong-ro, Jongno-gu, Seoul, Republic of Korea
(Contact) 1588-1001

# Kyobo Life Insurance Co., Ltd. and its subsidiaries

## Consolidated statements of financial position

**As of December 31, 2024, 2023 and January 1, 2023**

| *(In won)* | *Note* | | 31/12/2024 | 31/12/2023 | 1/1/2023 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and due from banks | 4,11,12 | ₩ | 4,803,711,843,557 | 5,107,297,868,564 | 3,859,828,623,983 |
| Financial assets at fair value through profit or loss | 5,11,12 | | 43,755,496,807,742 | 44,501,060,931,792 | 44,045,612,304,337 |
| Derivative assets | 11,12,25 | | 1,417,898,211,875 | 1,395,597,282,005 | 1,376,906,090,303 |
| Financial assets at fair value through other comprehensive income | 6,11,12 | | 58,868,566,094,052 | 50,576,574,453,167 | 40,998,356,906,121 |
| Securities at amortized cost | 7,11,12 | | 1,213,151,580,928 | 1,299,927,415,644 | 1,421,358,908,661 |
| Loan receivables at amortized cost | 8,11,12 | | 22,021,883,801,895 | 22,273,414,255,306 | 21,403,225,387,589 |
| Other financial assets at amortized cost | 9,11,12 | | 1,716,723,834,741 | 1,855,469,017,729 | 1,382,925,088,480 |
| Investments in associates - equity method | 10 | | 160,021,502,083 | 149,405,184,745 | 85,589,962,605 |
| Reinsurance contract assets | 17 | | 195,125,460,005 | 178,129,424,254 | 180,130,516,334 |
| Investment properties | 13 | | 1,005,545,282,814 | 1,022,842,573,321 | 1,047,557,654,643 |
| Property and equipment | 14 | | 1,447,324,617,858 | 1,444,470,607,329 | 1,451,960,254,637 |
| Intangible assets | 15 | | 143,949,056,506 | 237,066,922,086 | 268,994,694,432 |
| Current tax assets | 38 | | 205,981,956,078 | 251,635,222,007 | 31,153,831,729 |
| Deferred tax assets | 38 | | 1,522,107,888,275 | 187,885,896,729 | 75,368,062,396 |
| Other assets | 16 | | 246,017,747,379 | 221,340,210,952 | 184,254,707,370 |
| **Total assets** | | **₩** | **138,723,505,685,788** | **130,702,117,265,630** | **117,813,222,993,620** |
| **Liabilities** | | | | | |
| Insurance contract liabilities | 17 | ₩ | 95,022,959,070,719 | 87,824,479,717,965 | 78,969,235,100,636 |
| Reinsurance contract liabilities | 17 | | 273,252,185,639 | 255,808,267,685 | 218,828,025,425 |
| Investment contract liabilities | 11,12 | | 15,846,521,377,630 | 15,321,085,379,599 | 11,934,585,656,101 |
| Other contract liabilities | 18 | | 195,700,067,408 | 167,435,620,687 | 238,733,856,221 |
| Financial liabilities at fair value through profit or loss | 11,12,19 | | 5,438,807,256,405 | 5,045,132,388,656 | 4,329,486,445,544 |
| Derivative liabilities | 11,12,25 | | 3,654,935,207,927 | 1,859,098,032,542 | 2,584,127,951,420 |
| Borrowings | 11,12,20 | | 6,198,119,810,304 | 5,918,190,920,045 | 5,644,625,427,333 |
| Other financial liabilities | 11,12,21 | | 3,055,227,880,003 | 2,821,006,198,665 | 2,256,761,052,425 |
| Provisions | 22 | | 169,365,406,291 | 56,050,584,307 | 31,201,706,646 |
| Net defined benefit liabilities | 23 | | 159,905,693,492 | 106,608,827,945 | 79,607,817,188 |
| Current tax liabilities | 38 | | 1,504,432,796 | 1,019,302,057 | 192,206,831,970 |
| Deferred tax liabilities | 38 | | 161,279,306,041 | 83,702,974,752 | 98,270,371,610 |
| Other liabilities | 24 | | 199,921,664,654 | 209,865,379,892 | 210,207,166,132 |
| **Total liabilities** | | **₩** | **130,377,499,359,309** | **119,669,483,594,797** | **106,787,877,408,651** |
| **Equity** | | | | | |
| Capital stock | 26 | | 102,500,000,000 | 102,500,000,000 | 102,500,000,000 |
| Hybrid bonds | 26 | | 2,205,726,208,213 | 1,607,440,428,213 | 1,108,898,948,213 |
| Capital surplus | 26 | | 638,071,296,632 | 643,824,180,663 | 513,879,671,872 |
| Capital adjustments | 26 | | (200,823,603,885) | (200,363,103,885) | (116,375,971,377) |
| Accumulated other comprehensive income | 26 | | (2,159,656,360,201) | 1,734,589,074,775 | 2,644,976,807,439 |
| Retained earnings | 26 | | 7,466,935,526,646 | 6,889,223,819,180 | 6,398,745,142,447 |
| Equity attributable to equity holders of the parent company | | | 8,052,753,067,405 | 10,777,214,398,946 | 10,652,624,598,594 |
| **Non-controlling interests** | 26 | | **293,253,259,074** | **255,419,271,887** | **372,720,986,375** |
| **Total equity** | | | **8,346,006,326,479** | **11,032,633,670,833** | **11,025,345,584,969** |
| **Total equity and liabilities** | | **₩** | **138,723,505,685,788** | **130,702,117,265,630** | **117,813,222,993,620** |

*The accompanying notes are an integral part of the consolidated financial statemen*



# Kyobo Life Insurance Co., Ltd. and its subsidiaries

## Consolidated statements of comprehensive income

**For the years ended December 31, 2024 and 2023**

| *(In won)* | *Note* | | 2024 | 2023 |
|---|---|---|---|---|
| **Insurance service incomes and expenses** | | | | |
| **Insurance service incomes** | | | | |
| Insurance income | 17 | ₩ | 3,998,297,763,310 | 3,884,658,564,498 |
| Reinsurance income | 17 | | 31,599,636,964 | 35,954,337,603 |
| | | | **4,029,897,400,274** | **3,920,612,902,101** |
| **Insurance service expenses** | | | | |
| Insurance expenses | 17,32 | | 3,499,587,020,500 | 3,634,915,662,729 |
| Reinsurance premium expenses | 17 | | 35,490,348,378 | 31,269,978,879 |
| Other insurance operating expenses | 32 | | 46,343,531,870 | 37,392,237,980 |
| | | | **3,581,420,900,748** | **3,703,577,879,588** |
| **Investment incomes and expenses** | | | | |
| **Investment incomes** | | | | |
| Insurance finance income | 17 | | 620,008,406 | 619,176,622 |
| Reinsurance finance income | 17 | | 3,050,178,758 | 2,361,191,770 |
| Interest income | 11,27 | | 3,760,585,483,336 | 3,353,828,044,615 |
| Gain on valuation and disposal of financial assets at fair value through profit or loss | 11,28 | | 2,296,104,625,796 | 3,113,267,400,771 |
| Gain on valuation and disposal of financial assets at fair value through other comprehensive income | 11,28 | | 244,445,865,792 | 205,537,434,835 |
| Gain on valuation and disposal of financial assets at amortized cost | 11,28 | | 5,632,515,917 | 12,356,773,992 |
| Gain on valuation and disposal of derivative assets | 11,28 | | 2,647,728,312,752 | 3,303,585,627,178 |
| Gain on foreign currency transaction | 11,36 | | 2,648,568,709,569 | 600,856,885,725 |
| Fee and commission income | 29 | | 351,386,210,795 | 369,102,343,926 |
| Rental income | | | 94,262,408,582 | 89,659,980,870 |
| Dividend income | 11,30 | | 155,170,023,379 | 110,591,997,511 |
| Other operating income | 31 | | 799,069,145,594 | 749,333,810,403 |
| | | | **13,006,623,488,676** | **11,911,100,668,218** |
| **Investment expenses** | | | | |
| Insurance finance expenses | 17 | | 2,946,417,296,864 | 4,307,731,751,679 |
| Reinsurance finance expenses | 17 | | 6,362,363,978 | 6,804,409,201 |
| Interest expenses | 11,33 | | 362,345,452,228 | 352,473,097,848 |
| Loss on valuation and disposal of financial assets at fair value through profit or loss | 11,34 | | 2,164,052,920,026 | 1,316,715,442,618 |
| Loss on valuation and disposal of financial assets at fair value through other comprehensive income | 11,34 | | 257,208,879,421 | 74,206,764,879 |
| Loss on valuation and disposal of financial assets at amortized cost | 11,34 | | 395,592,975,011 | 250,880,522,559 |
| Loss on valuation and disposal of derivative assets | 11,34 | | 4,684,248,581,102 | 3,712,183,787,107 |
| Other financial expenses | 34 | | 707,280,061,923 | 570,278,549,771 |
| Loss on foreign currency transaction | 11,36 | | 389,619,652,797 | 209,607,341,044 |
| Asset management expenses | 32 | | 87,499,136,193 | 84,976,538,414 |
| Other operating expenses | 35 | | 253,367,138,144 | 139,635,097,297 |
| | | | **12,253,994,457,687** | **11,025,493,302,417** |
| **Other operating income and expense** | | | | |
| Other operating income | 31 | | 1,086,892,614,606 | 1,061,643,641,274 |
| Other operating expense | 35 | | 1,385,467,731,828 | 1,353,395,870,253 |
| | | | **(298,575,117,222)** | **(291,752,228,979)** |
| **Operating profit** | | | 902,530,413,293 | 810,890,159,335 |
| Non-operating income | 37 | | 78,110,679,653 | 51,882,755,925 |
| Non-operating expenses | 37 | | 66,191,597,263 | 25,395,737,343 |
| **Profit before income tax expenses** | | | **914,449,495,683** | **837,377,177,917** |
| **Income tax expenses** | 38 | | **228,150,931,145** | **206,394,279,497** |
| **Profit for the period** | | **₩** | **686,298,564,538** | **630,982,898,420** |

*(Continued)*

# Kyobo Life Insurance Co., Ltd. and its subsidiaries

## Consolidated statements of comprehensive income (loss), continued

**For the years ended December 31, 2024 and 2023**

| *(In won)* | *Note* | | 2024 | 2023 |
|---|---|---|---|---|
| **Other comprehensive income (loss)** | | | | |
| **Items that will not be reclassified to profit or loss:** | | | | |
| Gain(loss) on valuation of securities at fair value through other comprehensive income | 26 | ₩ | 19,903,809,402 | (26,647,628,590) |
| Credit risk adjustments of financial liabilities designated at fair value through profit or loss | 26 | | 3,818,987,468 | (2,409,990,414) |
| Revaluation of property and equipment | 26 | | (9,677,634,400) | (14,339,672,365) |
| Remeasurements on defined benefit obligation | 26 | | 275,119,601 | (8,842,907,898) |
| | | | **14,320,282,071** | **(52,240,199,267)** |
| **Items that are or may be reclassified subsequently to profit or loss:** | | | | |
| Gain(loss) on valuation of financial assets at fair value through other comprehensive income | 26 | | 240,755,322,994 | 2,352,731,825,941 |
| Loss allowance of debt instrument at fair value through other comprehensive income | 26 | | (3,115,658,287) | 2,060,374,537 |
| Net financial gain(loss) on insurance contract assets(liabilities) | 26 | | (4,175,206,953,548) | (3,557,117,290,985) |
| Net financial gain(loss) on reinsurance contract assets(liabilities) | 26 | | (8,963,159,546) | (36,310,240,968) |
| Gain(loss) on valuation of investments in associates | 26 | | 791,416 | (18,705,701) |
| Gain(loss) on valuation of derivative instruments for hedging purpose | 26 | | 36,349,574,740 | 357,360,796,277 |
| Foreign currency translation adjustments for foreign operations | 26 | | 1,109,960,383 | 37,980,271 |
| Gain(loss) on valuation of debt instrument at fair value through other comprehensive income | 26 | | (3,115,658,287) | 2,060,374,537 |
| | | | **(3,909,070,121,848)** | **(881,255,260,628)** |
| **Other comprehensive income (loss) for the period, net of income tax** | | | **(3,894,749,839,777)** | **(933,495,459,895)** |
| **Total comprehensive loss for the period** | | ₩ | **(3,208,451,275,239)** | **(302,512,561,475)** |
| **Profit for the period attributable to:** | | | | |
| Owners of the parent company | | ₩ | 669,304,460,271 | 615,868,979,049 |
| Non-controlling interests | | | 16,994,104,267 | 15,113,919,371 |
| | | ₩ | **686,298,564,538** | **630,982,898,420** |
| **Total comprehensive income (loss) for the period attributable to:** | | | | |
| Owners of the parent company | | ₩ | (3,224,700,879,261) | (294,516,059,464) |
| Non-controlling interests | | | 16,249,604,022 | (7,996,502,011) |
| | | ₩ | **(3,208,451,275,239)** | **(302,512,561,475)** |
| **Earnings per share** | | | | |
| Basic and diluted earnings per share | 42 | ₩ | **5,752** | **5,322** |

*The accompanying notes are an integral part of the consolidated financial statements.*



# Kyobo Life Insurance Co., Ltd. and its subsidiaries

## Consolidated statements of changes in equity

**For the years ended December 31, 2024 and 2023**

| *(In won)* | Equity attributable to equity holders of the parent company | | | | | | Non-controlling interests | Total Equity |
|---|---|---|---|---|---|---|---|---|
| | Capital stock | Hybrid bonds | Capital surplus | Capital adjustments | Accumulated other comprehensive income | Retained earnings | Subtotal | | |
| **Balance as of January 1, 2023 (Before error correction and change)** | **102,500,000,000** | **1,108,898,948,213** | **513,879,671,872** | **(116,375,971,377)** | **4,592,969,883,744** | **7,204,719,190,235** | **13,406,591,722,687** | **373,031,811,837** | **13,779,623,534,524** |
| Increase due to error correction | - | - | - | - | 1,031,208,096 | 69,213,151,984 | 70,244,360,080 | - | 70,244,360,080 |
| Effects of changes in accounting policies | - | - | - | - | (1,949,024,284,401) | (875,187,199,772) | (2,824,211,484,173) | (310,825,462) | (2,824,522,309,635) |
| **Balance as of January 1, 2023 (After change)** | **102,500,000,000** | **1,108,898,948,213** | **513,879,671,872** | **(116,375,971,377)** | **2,644,976,807,439** | **6,398,745,142,447** | **10,652,624,598,594** | **372,720,986,375** | **11,025,345,584,969** |
| **Total comprehensive income(loss):** | - | - | - | - | (910,385,038,513) | 615,868,979,049 | (294,516,059,464) | (7,996,502,011) | (302,512,561,475) |
| Profit(loss) for the period | - | - | - | - | - | 615,868,979,049 | 615,868,979,049 | 15,113,919,371 | 630,982,898,420 |
| Other comprehensive income(loss) | - | - | - | - | (910,385,038,513) | - | (910,385,038,513) | (23,110,421,382) | (933,495,459,895) |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income | - | - | - | - | 2,338,130,352,350 | - | 2,338,130,352,350 | (12,046,154,999) | 2,326,084,197,351 |
| Loss allowance of debt instrument at fair value through other comprehensive income | - | - | - | - | 2,060,374,537 | - | 2,060,374,537 | - | 2,060,374,537 |
| Net financial gain(loss) on insurance contract assets(liabilities) | - | - | - | - | (3,557,117,290,985) | - | (3,557,117,290,985) | - | (3,557,117,290,985) |
| Net financial gain(loss) on reinsurance contract assets(liabilities) | - | - | - | - | (36,310,240,968) | - | (36,310,240,968) | - | (36,310,240,968) |
| Gain(loss) on valuation of investments in associates | - | - | - | - | (8,816,552) | - | (8,816,552) | (9,889,149) | (18,705,701) |
| Gain(loss) on valuation of derivative instruments for hedging | - | - | - | - | 357,360,796,277 | - | 357,360,796,277 | - | 357,360,796,277 |
| Foreign currency translation adjustments for foreign operations | - | - | - | - | 37,980,271 | - | 37,980,271 | - | 37,980,271 |
| Credit risk adjustments of financial liabilities designated at fair value through profit or loss | - | - | - | - | (1,643,907,911) | - | (1,643,907,911) | (766,082,503) | (2,409,990,414) |
| Gain(loss) on revaluation of property and equipment | - | - | - | - | (4,662,076,959) | - | (4,662,076,959) | (9,677,595,406) | (14,339,672,365) |
| Remeasurement gain(loss) on defined benefit obligation | - | - | - | - | (8,232,208,573) | - | (8,232,208,573) | (610,699,325) | (8,842,907,898) |
| **Transactions with shareholders:** | - | **498,541,480,000** | **129,944,508,791** | **(83,987,132,508)** | - | **(125,494,916,670)** | **419,003,939,613** | **(109,305,904,284)** | **309,698,035,329** |
| Annual dividends | - | - | - | - | - | (51,250,000,000) | (51,250,000,000) | (3,264,185,800) | (54,514,185,800) |
| Issuance to hybrid bonds | - | 498,541,480,000 | - | - | - | - | 498,541,480,000 | - | 498,541,480,000 |
| Dividends to hybrid bonds | - | - | - | - | - | (74,244,916,670) | (74,244,916,670) | - | (74,244,916,670) |
| Acquisition of Treasury Stock | - | - | - | (84,007,875,600) | - | - | (84,007,875,600) | - | (84,007,875,600) |
| Compensation expense associated with incentive stock options | - | - | - | 20,743,092 | - | - | 20,743,092 | 7,166,710 | 27,909,802 |
| Acquisition of investments in subsidiaries | - | - | 132,496,032,332 | - | - | - | 132,496,032,332 | (108,474,889,782) | 24,021,142,550 |
| Disposal of investments in subsidiaries | - | - | (125,518,953) | - | - | - | (125,518,953) | - | (125,518,953) |
| Unequal dividends paid to subsidiaries | - | - | (2,426,004,588) | - | - | - | (2,426,004,588) | 2,426,004,588 | - |
| **Replacement to retained earnings** | - | - | - | - | **(2,694,151)** | **2,002,344** | **(691,807)** | **691,807** | - |
| **Others:** | - | - | - | - | - | **102,612,010** | **102,612,010** | - | **102,612,010** |
| **Balance as of December 31, 2023** | ₩ **102,500,000,000** | **1,607,440,428,213** | **643,824,180,663** | **(200,363,103,885)** | **1,734,589,074,775** | **6,889,223,819,180** | **10,777,214,398,946** | **255,419,271,887** | **11,032,633,670,833** |

# Kyobo Life Insurance Co., Ltd. and its subsidiaries
## Consolidated statements of changes in equity, continued
**For the years ended December 31, 2024 and 2023**

*(Continued)*

| *(In won)* | Equity attributable to equity holders of the parent company | | | | | | | Non -controlling interests | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| | Capital stock | Hybrid bonds | Capital surplus | Capital adjustments | Accumulated other comprehensive income | Retained earnings | Subtotal | | |
| **Balance as of January 1, 2024** | 102,500,000,000 | 1,607,440,428,213 | 643,824,180,663 | (200,363,103,885) | 1,734,589,074,775 | 6,889,223,819,180 | 10,777,214,398,946 | 255,419,271,887 | 11,032,633,670,833 |
| **Total comprehensive income(loss):** | | - | - | - | (3,894,245,434,976) | 669,544,555,715 | (3,224,700,879,261) | 16,249,604,022 | (3,208,451,275,239) |
| Profit(loss) for the period | | - | - | - | - | 669,304,460,271 | 669,304,460,271 | 16,994,104,267 | 686,298,564,538 |
| Other comprehensive gain(loss) | | - | - | - | (3,894,245,434,976) | 240,095,444 | (3,894,005,339,532) | (744,500,245) | (3,894,749,839,777) |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income | - | - | - | - | 261,186,130,548 | 154,630,592 | 261,340,761,140 | (681,628,744) | 260,659,132,396 |
| Loss allowance of debt instrument at fair value through other comprehensive income | - | - | - | - | (3,115,658,287) | - | (3,115,658,287) | - | (3,115,658,287) |
| Net financial gain(loss) on insurance contract assets(liabilities) | - | - | - | - | (4,175,206,953,548) | - | (4,175,206,953,548) | - | (4,175,206,953,548) |
| Net financial gain(loss) on reinsurance contract assets(liabilities) | - | - | - | - | (8,963,159,546) | - | (8,963,159,546) | - | (8,963,159,546) |
| Gain(loss) on valuation of investments in associates | - | - | - | - | 599,174 | - | 599,174 | 192,242 | 791,416 |
| Gain(loss) on valuation of derivative instruments for hedging | - | - | - | - | 36,349,574,740 | - | 36,349,574,740 | - | 36,349,574,740 |
| Foreign currency translation adjustments for foreign operations | - | - | - | - | 1,109,960,383 | - | 1,109,960,383 | - | 1,109,960,383 |
| Credit risk adjustments of financial liabilities designated at fair value through profit or loss | - | - | - | - | 3,181,296,381 | 85,464,852 | 3,266,761,233 | 552,226,235 | 3,818,987,468 |
| Gain(loss) on revaluation of property and equipment | - | - | - | - | (9,677,634,400) | - | (9,677,634,400) | - | (9,677,634,400) |
| Remeasurement gain(loss) on defined benefit obligation | - | - | - | - | 890,409,579 | - | 890,409,579 | (615,289,978) | 275,119,601 |
| **Transactions with shareholders:** | - | **598,285,780,000** | **(5,752,884,031)** | - | - | **(91,798,742,128)** | **500,734,153,841** | **21,584,383,165** | **522,318,537,006** |
| Annual dividends | - | - | - | - | - | - | - | (4,080,232,250) | (4,080,232,250) |
| Issuance to hybrid bonds | - | 598,285,780,000 | - | - | - | - | 598,285,780,000 | 22,000,000,000 | 620,285,780,000 |
| Dividends to hybrid bonds | - | - | - | - | - | (91,798,742,128) | (91,798,742,128) | - | (91,798,742,128) |
| Acquisition of investments in subsidiaries | - | - | (2,008,129,350) | - | - | - | (2,008,129,350) | 174,385,440 | (1,833,743,910) |
| Disposal of investments in subsidiaries | - | - | (254,524,706) | - | - | - | (254,524,706) | - | (254,524,706) |
| Unequal dividends paid to subsidiaries | - | - | (3,490,229,975) | - | - | - | (3,490,229,975) | 3,490,229,975 | - |
| **Others:** | - | - | - | (460,500,000) | - | (34,106,121) | (494,606,121) | - | (494,606,121) |
| **Balance as of December 31, 2024** | ₩ **102,500,000,000** | **2,205,726,208,213** | **638,071,296,632** | **(200,823,603,885)** | **(2,159,656,360,201)** | **7,466,935,526,646** | **8,052,753,067,405** | **293,253,259,074** | **8,346,006,326,479** |

*The accompanying notes are an integral part of the consolidated financial statements.*



# Kyobo Life Insurance Co., Ltd. and its subsidiaries
## Consolidated statements of cash flows, continued
**For the years ended December 31, 2024 and 2023**

| *(In won)* | *Note* | 2024 | 2023 |
|---|---|---|---|
| **Cash flows from operating activities:** | | | |
| **Profit for the period** | ₩ | **686,298,564,538** | **630,982,898,420** |
| Adjustments | | 257,008,175,313 | 90,070,302,052 |
| Changes in operating assets and liabilities | | (1,204,077,540,360) | 155,111,817,731 |
| Income taxes paid | | (47,450,083,629) | (421,319,360,976) |
| Interest received | | 3,538,829,559,964 | 3,187,748,984,936 |
| Interest paid | | (356,565,386,123) | (340,543,816,702) |
| Dividends received | | 169,792,651,066 | 130,395,676,475 |
| **Net cash provided by operating activities** | | **3,043,835,940,769** | **3,432,446,501,936** |
| **Cash flows from investing activities:** | | | |
| Acquisition of financial assets at fair value through other comprehensive income | | (24,750,497,265,077) | (16,772,946,700,255) |
| Disposal of financial assets at fair value through other comprehensive income | | 18,850,897,346,063 | 10,801,489,196,985 |
| Acquisition of securities at amortized cost | | (95,734,850,700) | (53,425,030,000) |
| Repayment of securities at amortized cost | | 184,474,857,237 | 156,025,450,905 |
| Acquisition of financial assets at fair value through profit or loss | | (10,063,361,793,202) | (6,241,162,738,080) |
| Disposal of financial assets at fair value through profit or loss | | 10,639,893,170,332 | 9,044,396,001,147 |
| Cash inflows from derivatives held for hedging | | 88,168,524,987 | 104,227,327,266 |
| Cash outflows from derivatives held for hedging | | (9,541,772,488) | (29,143,025,947) |
| Acquisition of investments in associates | | (78,841,415,674) | (76,176,179,464) |
| Disposal of investments in associates | | 75,013,480,960 | 48,176,363,629 |
| Dividends from associates | | 36,579,558,875 | 7,257,260,616 |
| Acquisition of property, equipment | | (53,679,065,038) | (42,325,347,203) |
| Disposal of property, equipment | | 8,961,294,499 | 1,442,021,889 |
| Acquisition of investment properties | | (1,446,132,961) | (825,772,561) |
| Disposal of investment properties | | 2,563,960,649 | - |
| Acquisition of intangible assets | | (27,604,151,888) | (26,462,750,048) |
| Disposal of intangible assets | | 3,208,936,900 | 601,832,000 |
| Increase in leasehold deposits | | (26,425,438,613) | (168,789,848,639) |
| Decrease in leasehold deposits | | 28,429,765,852 | 42,558,517,260 |
| Cash inflows from business combinations | | - | 1,096,883,797 |
| Cash outflows from business combinations | | - | (33,501,345,630) |
| **Net cash used in investing activities** | | **(5,188,940,989,287)** | **(3,237,487,882,333)** |

| *(In won)* | *Note* | 2024 | 2023 |
|---|---|---|---|
| **Cash flows from financing activities:** | | | |
| Dividends paid to non-controlling interests | ₩ | (4,080,232,250) | (3,264,185,800) |
| Issuance of hybrid bonds | | 619,825,280,000 | 498,541,480,000 |
| Increase in leasehold deposits received | | 20,748,867,023 | 45,388,043,125 |
| Decrease in leasehold deposits received | | (23,073,040,120) | (45,035,184,595) |
| Dividends paid | | - | (51,250,000,000) |
| Dividends to hybrid bonds | | (87,806,125,000) | (67,806,362,500) |
| Borrowings, net | | 266,196,315,874 | 269,905,502,222 |
| Reimbursement of lease labilities | | (44,812,566,468) | (50,935,857,363) |
| Acquisition of subordinate equity securities without change in control | | (1,833,743,911) | (1,291,981,250) |
| Acquisition of treasury stock | | - | (84,007,875,600) |
| **Net cash provided by financing activities** | | **745,164,755,148** | **510,243,578,239** |
| **Effect of exchange rate fluctuations on cash and cash equivalents held** | | **(4,314,227,908)** | **7,316,256,022** |
| **Net increase (decrease) in cash and cash equivalents** | | **(1,404,254,521,278)** | **712,518,453,864** |
| Cash and cash equivalents at the beginning of the period | | **3,180,531,938,078** | **2,468,013,484,214** |
| **Cash and cash equivalents at the end of the period** | ₩ | **1,776,277,416,800** | **3,180,531,938,078** |

*The accompanying notes are an integral part of the consolidated financial statements.*

**1. Reporting entity**

Kyobo Life Insurance Co., Ltd., the controlling company, and its subsidiaries included in consolidation (collectively referred to as the "Group") are summarized as follows:

**(1) Controlling Company**

Kyobo Life Insurance Co., Ltd. (the "Company") was established on June 30, 1958, and primarily engages in the life insurance business as permitted by the *Insurance Business Law* of the Republic of Korea. The Group's head office is located at Jongno 1, Jongno-gu, Seoul, the Republic of Korea.

As of December 31, 2024, the Group has 7 Financial Planner (FP) offices, 64 supporting offices and 439 branches in the Republic of Korea and engages in the life insurance business and its related reinsurance contracts. The following table lists the number of currently available insurance products and discontinued but currently effective insurance products as of December 31, 2024.

| | Insurance products in effect | | |
|---|---|---|---|
| Type | Available | Discontinued | Total |
| Individual annuity | 16 | 92 | 108 |
| Pure endowment | 42 | 57 | 99 |
| Death | 27 | 206 | 233 |
| Endowment | 3 | 49 | 52 |
| Group insurance | 20 | 26 | 46 |
| | 108 | 430 | 538 |

**(2) Shareholders**

The Company's major shareholders and their respective shareholdings as of December 31, 2024 are as follows:

| | Number of shares | Ownership (%) |
|---|---|---|
| Chang-Jae Shin | 34,627,370 | 33.78 |
| Corsair Korea Investors LLC | 10,038,830 | 9.79 |
| Guardian Holdings Limited | 9,276,250 | 9.05 |
| Tiger Holdings LP | 7,813,250 | 7.62 |
| The Export-Import bank of Korea | 5,995,005 | 5.85 |
| KLI Investors LLC | 5,460,825 | 5.33 |
| KLIC Holdings Limited | 5,355,625 | 5.23 |
| Hoenir Inc. | 5,355,625 | 5.23 |
| Kyobo Life Insurance Co., Ltd. | 2,093,911 | 2.04 |
| Kyung-Ae Shin | 1,450,010 | 1.41 |
| Young-Ae Shin | 1,199,960 | 1.17 |
| Employee's stock ownership association | 571,368 | 0.56 |
| Others | 13,261,971 | 12.94 |
| | 102,500,000 | 100.00 |

**(3) Subsidiaries**

| | County of domicile | Reporting date | Ownership (%) 2024 | Ownership (%) 2023 | Industry |
|---|---|---|---|---|---|
| Kyobo Securities Co., Ltd. | Korea | December 31, 2024 | 84.70 | 84.70 | Stock brokerage |
| Kyobo Book Center Co., Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Retail of books and magazines |
| Kyobo DTS Co., Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Software advisory and development |
| D Planex Co.,Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Data processing and data analysis, provision |
| Kyobo Realco Inc. | Korea | December 31, 2024 | 100.00 | 100.00 | Non-residential property managements |
| Jeil Total Management Co., Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Safety and cleaning service |
| KCA Claim Adjustment Co., Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Service related to insurance and pension |
| KCA Service Co., Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Service |
| Kyobo Life Planet Life Insurance Company | Korea | December 31, 2024 | 100.00 | 100.00 | On-line life insurance |
| Fortress Innovation Co., Ltd | Korea | December 31, 2024 | 94.30 | 69.20 | Actuary software development and sales |
| Kyobo Asset Trust Co., Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Real Estate Trust |
| Kyobo AIM Asset Management Co., Ltd. | Korea | December 31, 2024 | 100.00 | 100.00 | Trust and collective investment |
| Kyobo Dasom Care Co., Ltd. | Korea | December 31, 2024 | 100.00 | - | Maintenance and Promotion of Health or Prevention of Diseases |





| | | | | | |
|---|---|---|---|---|---|
| Kyobo Life Asset Management (USA) Co., Ltd. | USA | December 31, 2024 | 100.00 | 100.00 | Asset management |
| Kyobo Life Asset Management (Japan) Co., Ltd. | Japan | December 31, 2024 | 100.00 | 100.00 | Asset management |
| Kyobo new technology Investment Association No. 1 | Korea | December 31, 2024 | 100.00 | 100.00 | Investment association |
| Kyobo new technology Investment Association No. 2 | Korea | December 31, 2024 | 100.00 | - | Investment association |
| Kyobo Tech Value up Investment Association No. 1 | Korea | December 31, 2024 | 100.00 | 100.00 | Beneficiary certificates |
| Consus BTL Private Special Asset Investment Trust 1 | Korea | December 31, 2024 | 57.20 | 57.20 | Beneficiary certificates |
| Consus Hope BTL Private Special Asset Investment Trust 1 | Korea | December 31, 2024 | 66.70 | 66.70 | Beneficiary certificates |
| Consus New Energy Private Special Asset Investment Trust 2 | Korea | December 31, 2024 | 68.80 | 68.80 | Beneficiary certificates |
| KIAMCO SHIPPING Private Equity Special Asset Investment Trust KX-No.1 | Korea | December 31, 2024 | 100.00 | 100.00 | Beneficiary certificates |
| Kyobo AIM Core General Private Real Estate Investment Trust 1 | Korea | December 31, 2024 | 98.10 | 98.10 | Beneficiary certificates |
| Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1 | Korea | December 31, 2024 | 98.10 | 98.10 | Beneficiary certificates |
| Kyobo AIM Corporate Finance General Private Investment Trust No. 1 | Korea | December 31, 2024 | 99.80 | 99.80 | SPC (*1) |
| F.I Sancheok Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Entrepo Icheon 5th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Entrepo JinCheon 4th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Entrepo JinCheon Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Kyobo Plant 2nd Co.Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Metagreen 3rd Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| BrightStar 4th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Songdo Geoae Jaycha Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Hidream 8th Co.,Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Yangdocube 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| SJgreat 7th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Ujureu 7th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Brandnew Nonhyeon Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Autodream 1st Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| Quad BS 1st Co.,Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Dreamgusam Nonhyeon 2st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Dreamgusam Songlim 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Dreamgusam Siheung 1st Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| Dreamgusam Chungra 1st Co.,Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Easytree 3rd Co,Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Joyce 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Theteras 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Mindfly Co., Ltd. | USA | December 31, 2024 | - | - | SPC (*1) |
| ND 1st Co.,Ltd. | Japan | December 31, 2024 | - | - | SPC (*1) |
| Dreamgusam Dangsan 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Stadblue 4th Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| X-med 9th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| X-med 7th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Intgreen 9th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |

| | | | | | |
|---|---|---|---|---|---|
| Intgreen 2nd Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| K Logistics 2nd Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| K Seongjeong 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| KCQ 4th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| KCQ 3rd Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| K-hotel 1st Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| Phoenix Living 4th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Phoenix Logistics 2nd Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Phoenix Logistics 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Doublerich 5th Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| Doublerich 8th Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| Asan JS 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| H1 1st Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| Yongin Cheoin 2 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Ujur 2nd Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Easyplant 4th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Easy Plant 8th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Easy Plant 9th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| JWD 1st Co.,Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Perfectdream 9th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Highdream 4th Co.,Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Highlightful 2nd Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Highlightful 3rd Co., Ltd | Korea | December 31, 2024 | - | - | SPC (*1) |
| Whitewood 7th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| DK Namhangang Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| BS Amnam 1st Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Dear Buddy 5th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Oblique 5th Co., Ltd. | USA | December 31, 2024 | - | - | SPC (*1) |
| Ujur 5th Co., Ltd. | Japan | December 31, 2024 | - | - | SPC (*1) |
| BrightStar 9th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Dream Spare 6th Co., Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Dream Plant 1st Co.,Ltd. | Korea | December 31, 2024 | - | - | SPC (*1) |
| Kyobo Securities target income solution 2Y General Private Equity Investment Trust U-8 | Korea | December 31, 2024 | 100.00 | 100.00 | Collective investment |
| Kyobo Securities V-Long Short General Private Equity Investment Trust | Korea | December 31, 2024 | 93.70 | - | Collective investment |

(*1) The Group concluded that it has control over these companies, as it has existing rights that give the Group the ability to direct the relevant activities, and is exposed to variable returns and has the ability to affect the variable returns.





**(4) Changes in subsidiaries**

Changes in subsidiaries during the period ended December 31, 2024 are as follows:

| Subsidiaries | Reason |
|---|---|
| Kyobo Dasom Care Co., Ltd. | Newly established |
| Kyobo new technology Investment Association No. 2 | Newly acquisition |
| Kyobo Securities V-Long Short General | |
| Hidream 8th Co.,Ltd. | Provision of purchase commitment (*) |
| Quad BS 1st Co.,Ltd. | |
| Mindfly Co., Ltd. | |
| ND 1st Co.,Ltd. | |
| Dream Plant 1st Co.,Ltd. | |
| WS Segyo Jeilcha Co., Ltd. | |
| Songdo Geoae 2nd Co., Ltd. | |
| Brandnew Nonhyeon Co., Ltd. | |
| Dreamgusam Dangsan 1st Co., Ltd. | |
| DK Namhangang Co., Ltd. | |
| BS Amnam 1st Co., Ltd. | |
| Dear Buddy 5th Co., Ltd. | |
| Districtyangjoo Co., Ltd. | |
| Goeun angol 1st Co.,Ltd. | |
| Atlantisgogyeong 1st Co.,Ltd. | |
| K Logistics 1 Co., Ltd. | |
| Lycos 1st Co., Ltd. | |
| Metagreen 6th Co.,Ltd. | |
| Theflex 1st Co., Ltd. | |
| Perfectdream 2nd Co.,Ltd. | Termination of commitment obligations |
| WS Segyo Jeilcha Co., Ltd. | |
| Great Ocean 2nd Co., Ltd. | |
| Exelstonered 1st Co., Ltd. | |
| Phoenix Living 2nd Co., Ltd. | |
| Phoenix Living 1st Co., Ltd. | |
| Metagreen 8th Co., Ltd. | |
| HW Yeouido 1st Co., Ltd. | |
| Doublerich 1st Co., Ltd | |
| Dear Buddy 4th Co., Ltd. | |
| Metagreen 1st Co., Ltd. | |
| Caba chic 3rd Co., Ltd. | |
| Kyobo Securities target income solution 1Y General Private Equity Investment Trust U-4 | Loss of control due to the full disposal of ownership interest, liquidation, etc. |
| Kyobo Securities target income solution General Private Equity Investment Trust U-6 | |
| Kyobo Securities target income solution 3Y General Private Equity Investment Trust U-9 | |

(*) As a structured company aimed at investing in real estate-related loan bonds, it was determined that the Group was controlled by comprehensively considering the power of the investee's related activities, exposure to variable profits, and the ability to affect the variable returns.

*(In millions of won)*

**(5) Financial information of subsidiaries**

(a) Financial information of subsidiaries as of and for the year ended December 31, 2024 is as follows:

| Company | | Assets | Liabilities | Revenue | Net profit or loss | Total comprehensive income (loss) |
|---|---|---|---|---|---|---|
| Kyobo Securities Co., Ltd. | ₩ | 15,749,082 | 13,875,260 | 3,177,236 | 117,678 | 112,430 |
| Kyobo Book Center Co., Ltd. | | 537,721 | 325,753 | 979,510 | (6,683) | (9,554) |
| Kyobo DTS Co., Ltd. | | 125,619 | 19,049 | 152,257 | 3,031 | 3,888 |
| Kyobo Realco Inc. | | 68,104 | 14,775 | 113,148 | 2,657 | 2,648 |
| Jeil Total Management Co., Ltd. | | 6,403 | 2,287 | 27,666 | 682 | 664 |
| KCA Claim Adjustment Co., Ltd. | | 41,835 | 3,995 | 39,982 | 2,887 | 2,033 |
| KCA Service Co., Ltd. | | 19,960 | 5,422 | 32,193 | 442 | (426) |
| Kyobo Life Planet Life Insurance Company | | 743,311 | 592,679 | 47,994 | (25,624) | (35,061) |
| Fortress Innovation Co., Ltd | | 7,870 | 1,096 | 4,085 | (253) | (253) |
| Kyobo Asset Trust Co., Ltd. | | 989,437 | 465,677 | 117,700 | (242,696) | (241,120) |
| Kyobo AIM Asset Management Co., Ltd. | | 14,797 | 1,920 | 8,292 | (294) | (292) |
| Kyobo Dasom Care Co., Ltd. | | 5,730 | 1,124 | 22 | (634) | (634) |
| Kyobo Life Asset Management (USA) Co., Ltd. | | 11,232 | 128 | 2,188 | 710 | 1,786 |
| Kyobo Life Asset Management (Japan) Co., Ltd. | | 2,495 | 57 | 1,037 | 89 | 153 |
| Kyobo new technology Investment Association No. 1 | | 73,767 | 1,308 | 1,721 | (8,285) | (8,285) |
| D Planex Co.,Ltd. | | 10,341 | 1,249 | 6,800 | 267 | 267 |
| Consus BTL Private Special Asset Investment Trust 1 | | 23,313 | 10,528 | 409 | 214 | 214 |
| Consus Hope BTL Private Special Asset Investment Trust 1 | | 19,085 | 5,886 | 2,347 | 1,469 | 1,469 |
| Consus New Energy Private Special Asset Investment Trust 2 | | 3,543 | 1,194 | 372 | 133 | 133 |
| KIAMCO SHIPPING Private Equity Special Asset Investment Trust KX-No.1 | | 11,880 | 4 | 1,436 | 1,417 | 1,417 |
| Kyobo Tech Value up Investment Association No. 1 | | 41,217 | 974 | 55 | (2,263) | (2,263) |
| Kyobo AIM Core General Private Real Estate Investment Trust 1 | | 136,097 | 6,211 | 4,462 | (1,832) | (1,832) |
| Kyobo AIM Infrastructure General Private Investment Trust 1 | | 283,184 | 8,987 | 8,835 | 5,390 | 5,390 |
| Kyobo AIM Corporate Finance General Private Investment Trust 1 | | 484,760 | 24,949 | 43,397 | 3,795 | 3,795 |
| F.I Sancheok Co., Ltd. | | 2,129 | 2,129 | - | - | - |
| Entrepo Icheon 5th Co., Ltd. | | 20,841 | 20,830 | 575 | (186) | (186) |
| Entrepo JinCheon 4th Co., Ltd. | | 2,213 | 2,229 | - | - | - |
| Entrepo JinCheon Co., Ltd. | | 5,053 | 5,078 | 41 | (3) | (3) |
| Kyobo Plant 2nd Co.Ltd. | | 36,130 | 36,131 | 3,346 | (1) | (1) |
| Metagreen 3rd Co., Ltd. | | 13,315 | 13,336 | 1,463 | (21) | (21) |
| BrightStar 4th Co., Ltd. | | 2,610 | 2,636 | - | (25) | (25) |
| Songdo Geoae Jaycha Co., Ltd. | | 25,977 | 25,977 | 1,518 | - | - |
| Hidream 8th Co.,Ltd. | ₩ | 38,916 | 38,917 | 929 | (1) | (1) |
| Yangdocube 1st Co., Ltd. | | 30,047 | 32,657 | 2 | (1,294) | (1,294) |
| SJgreat 7th Co., Ltd. | | 1,916 | 1,918 | - | (2) | (2) |
| Ujureu 7th Co., Ltd. | | 12,647 | 13,150 | 759 | (490) | (490) |
| Brandnew Nonhyeon Co., Ltd. | | 25,205 | 25,205 | 441 | - | - |
| Autodream 1st Co., Ltd | | 12,186 | 12,185 | 158 | 4 | 4 |
| Quad BS 1st Co.,Ltd. | | 10,160 | 10,089 | 508 | 71 | 71 |
| Dreamgusam Nonhyeon 2st Co., Ltd. | | 10,151 | 10,151 | 1,309 | (410) | (410) |
| Dreamgusam Songlim 1st Co., Ltd. | | 17,629 | 17,689 | 1,876 | (5) | (5) |
| Dreamgusam Siheung 1st Co., Ltd | | 7,568 | 7,835 | (309) | (369) | (369) |
| Dreamgusam Chungra 1st Co.,Ltd. | | 25,581 | 25,577 | 2,058 | (100) | (100) |
| Easytree 3rd Co,Ltd. | | 3,011 | 3,002 | - | - | - |
| Joyce 1st Co., Ltd. | | 31,411 | 31,212 | 2,457 | 248 | 248 |
| Theteras 1st Co., Ltd. | | 6,228 | 6,150 | 681 | (109) | (109) |





*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Mindfly Co., Ltd. | 17,017 | 17,416 | 833 | (400) | (400) |
| ND 1st Co.,Ltd. | 2,340 | 2,517 | 233 | (177) | (177) |
| Dreamgusam Dangsan 1st Co., Ltd. | 13,198 | 13,074 | 134 | 125 | 125 |
| Stadblue 4th Co., Ltd | 1,047 | 1,038 | 82 | (7) | (7) |
| X-med 9th Co., Ltd. | 330 | 404 | (8) | (19) | (19) |
| X-med 7th Co., Ltd. | 10,029 | 10,410 | (704) | (776) | (776) |
| Intgreen 9th Co., Ltd. | 10,010 | 10,154 | 863 | (151) | (151) |
| Intgreen 2nd Co., Ltd. | 10,115 | 10,131 | 910 | (17) | (17) |
| K Logistics 2nd Co., Ltd. | 27,682 | 26,351 | 2,601 | 668 | 668 |
| K Seongjeong 1st Co., Ltd. | 27,794 | 27,460 | 1,766 | 147 | 147 |
| KCQ 4th Co., Ltd. | 1,045 | 1,041 | 60 | (14) | (14) |
| KCQ 3rd Co., Ltd. | 1,034 | 1,028 | 65 | (10) | (10) |
| K-hotel 1st Co., Ltd | 8,082 | 8,212 | 283 | (115) | (115) |
| Phoenix Living 4th Co., Ltd. | 3,014 | 3,198 | 57 | (185) | (185) |
| Phoenix Logistics 2nd Co., Ltd. | 20,671 | 20,174 | 1,441 | 493 | 493 |
| Phoenix Logistics 1st Co., Ltd. | 10,512 | 10,133 | 933 | 130 | 130 |
| Doublerich 5th Co., Ltd | 1,100 | 1,101 | 50 | 5 | 5 |
| Doublerich 8th Co., Ltd | 9,199 | 9,202 | 1,213 | (3) | (3) |
| Asan JS 1st Co., Ltd. | 3,317 | 3,097 | 439 | 263 | 263 |
| H1 1st Co., Ltd | 1,834 | 2,400 | 84 | (36) | (36) |
| Yongin Cheoin 2 1st Co., Ltd. | 3,312 | 3,214 | 420 | (79) | (79) |
| Ujur 2nd Co., Ltd. | 6,117 | 6,117 | 557 | - | - |
| Easyplant 4th Co., Ltd. | 6,318 | 6,320 | 358 | - | - |
| Easy Plant 8th Co., Ltd. | 3,052 | 3,119 | - | (57) | (57) |
| Easy Plant 9th Co., Ltd. | 5,072 | 5,072 | 1,023 | - | - |
| JWD 1st Co.,Ltd. | 25,865 | 25,890 | 2,337 | 120 | 120 |
| Perfectdream 9th Co., Ltd. | 18,570 | 18,734 | 786 | (161) | (161) |
| Highdream 4th Co.,Ltd. | 56,020 | 56,100 | 3,542 | (77) | (77) |
| Highlightful 2nd Co., Ltd. | 6,072 | 6,140 | 874 | (56) | (56) |
| Highlightful 3rd Co., Ltd | 3,543 | 3,582 | 670 | (33) | (33) |
| Whitewood 7th Co., Ltd. | 12,459 | 12,460 | 1,331 | - | - |
| DK Namhangang Co., Ltd. | 4,428 | 4,428 | 101 | - | - |
| BS Amnam 1st Co., Ltd. | 18,478 | 18,535 | 59 | (57) | (57) |
| Dear Buddy 5th Co., Ltd. | 44,205 | 44,205 | 785 | - | - |
| Oblique 5th Co., Ltd. | 708 | 944 | - | (39) | (39) |
| Ujur 5th Co., Ltd. | 17,126 | 17,119 | 1,688 | 66 | 66 |
| BrightStar 9th Co., Ltd. | 20,144 | 20,178 | 1,796 | (33) | (33) |
| Dream Spare 6th Co., Ltd. | 10,371 | 10,371 | 1,201 | - | - |
| Dream Plant 1st Co.,Ltd. | 10,341 | 10,341 | 248 | - | - |
| Kyobo Securities target income solution 2Y General Private Equity Investment Trust U-8 | 88,051 | 60,634 | 17,133 | 9,774 | 9,774 |
| Kyobo Securities V-Long Short General Private Equity Investment Trust | 31,457 | 567 | 1,735 | (1,040) | (1,040) |
| Kyobo new technology Investment Association No. 2 | 1,100 | 19 | - | (19) | (19) |

*(In millions of won)*

(b) Financial information of subsidiaries as of and for the year ended December 31, 2023 is as follows:

| Company | | Assets | Liabilities | Revenue | Net profit or loss | Total comprehensive income (loss) |
|---|---|---|---|---|---|---|
| Kyobo Securities Co., Ltd. | ₩ | 15,441,396 | 13,676,024 | 3,753,383 | 68,735 | 69,789 |
| Kyobo Book Center Co., Ltd. | | 519,966 | 298,443 | 962,622 | (34,463) | (31,332) |
| Kyobo Info. & Comm. Co., Ltd. | | 106,758 | 29,029 | 133,316 | 5,540 | 4,223 |
| Kyobo Realco Inc. | | 68,736 | 18,055 | 114,704 | 4,083 | 3,957 |
| Jeil Total Management Co., Ltd. | | 5,699 | 2,247 | 25,092 | 520 | 512 |
| KCA Claim Adjustment Co., Ltd. | | 38,497 | 2,690 | 40,943 | 902 | 144 |
| KCA Service Co., Ltd. | | 18,803 | 3,839 | 35,203 | 2,143 | 1,622 |
| Kyobo Life Planet Life Insurance Company | | 649,904 | 588,472 | 49,517 | (21,391) | (20,655) |
| Fortress Innovation Co., Ltd | | 1,179 | 146 | 1,572 | (609) | (624) |
| Kyobo Asset Trust Co., Ltd. | | 555,569 | 87,425 | 104,668 | (31,091) | (31,632) |
| Kyobo AIM Asset Management Co., Ltd. | | 15,403 | 2,161 | 4,490 | (1,313) | (1,310) |
| Kyobo Life Asset Management (USA) Co., Ltd. | | 9,323 | 5 | 1,655 | 490 | 646 |
| Kyobo Life Asset Management (Japan) Co., Ltd. | | 2,429 | 143 | 1,172 | 188 | 91 |
| Kyobo new technology Investment Association No. 1 | | 70,962 | 2,001 | 190 | (6,037) | (6,037) |
| D Planex Co.,Ltd. | | 3,629 | 1,701 | 1,776 | (2,618) | (2,618) |
| Consus BTL Private Special Asset Investment Trust 1 | | 26,681 | 11,864 | 1,181 | 970 | 970 |
| Consus Hope BTL Private Special Asset Investment Trust 1 | | 22,600 | 7,609 | 1,577 | 882 | 882 |
| Consus New Energy Private Special Asset Investment Trust 2 | | 8,269 | 2,606 | 724 | 533 | 533 |
| KIAMCO SHIPPING Private Equity Special Asset Investment Trust KX-No.1 | | 12,662 | 831 | 1,338 | 1,320 | 1,320 |
| Kyobo Tech Value up Investment Association No. 1 | | 28,503 | 853 | 50 | (2,061) | (2,061) |
| Kyobo AIM Core General Private Real Estate Investment Trust 1 | | 60,711 | 1,260 | 780 | (1,123) | (1,123) |
| Kyobo AIM Infrastructure General Private Investment Trust 1 | | 34,801 | 704 | 436 | 103 | 103 |
| Kyobo AIM Corporate Finance General Private Investment Trust 1 | | 93,183 | 187 | 216 | (44) | (44) |
| Districtyangjoo Co., Ltd. | | 5,294 | 5,385 | 1,774 | 4 | 4 |
| Caba chic 3rd Co., Ltd. | | 3,594 | 3,595 | 283 | (1) | (1) |
| Goeun angol 1st Co., Ltd. | | 4,052 | 4,049 | 363 | (1) | (1) |
| Exelstonered 1st Co., Ltd. | | 3,050 | 3,049 | 354 | - | - |
| Doublerich 5th Co., Ltd | | 1,142 | 1,148 | 50 | (5) | (5) |
| Doublerich 1st Co., Ltd | | 15,156 | 15,183 | 1,228 | - | - |
| Doublerich 8th Co., Ltd | | 12,418 | 12,418 | 1,487 | - | - |
| Atlantisgogyeong 1st Co., Ltd | | 9,147 | 9,149 | 1,181 | (46) | (46) |
| Autodream 1st Co., Ltd | | 12,209 | 12,213 | 1,091 | (53) | (53) |
| K-hotel 1st Co., Ltd | | 8,208 | 8,223 | 1,084 | (75) | (75) |
| X-med 7th Co., Ltd. | | 10,802 | 10,406 | 882 | 361 | 361 |





*(In millions of won)*

| Company | | Assets | Liabilities | Revenue | Net profit or loss | Total comprehensive income (loss) |
|---|---|---|---|---|---|---|
| K Logistics 1st Co., Ltd. | ₩ | 9,904 | 10,120 | 802 | (23) | (23) |
| Lycos 1st Co., Ltd. | | 10,122 | 10,119 | 757 | - | - |
| Oblique 5th Co., Ltd. | | 707 | 904 | - | (45) | (45) |
| SJgreat 7th Co., Ltd. | | 1,917 | 1,918 | 9 | - | - |
| BrightStar 4th Co., Ltd. | | 2,635 | 2,636 | 241 | (1) | (1) |
| Whitewood 7th Co., Ltd. | | 12,576 | 12,576 | 1,364 | (1) | (1) |
| X-med 9th Co., Ltd. | | 346 | 400 | 15 | (7) | (7) |
| Intgreen 2nd Co., Ltd. | | 10,142 | 10,141 | 1,117 | - | - |
| Yangdocube 1st Co., Ltd. | | 30,141 | 31,457 | 280 | (1,316) | (1,316) |
| Metagreen 3rd Co., Ltd. | | 15,251 | 15,251 | 1,390 | - | - |
| Metagreen 1st Co., Ltd. | | 9,214 | 9,214 | 1,075 | - | - |
| Easytree 3rd Co,Ltd. | | 3,011 | 3,002 | 52 | (10) | (10) |
| Metagreen 6th Co., Ltd. | | 7,087 | 7,087 | 460 | - | - |
| Metagreen 8th Co., Ltd. | | 5,403 | 5,403 | 610 | - | - |
| Theflex 1st Co., Ltd. | | 12,141 | 12,157 | 1,196 | 14 | 14 |
| BrightStar 9th Co., Ltd. | | 20,620 | 20,621 | 1,808 | 5 | 5 |
| Easyplant 4th Co., Ltd. | | 6,395 | 6,396 | 955 | (1) | (1) |
| Ujur 2nd Co., Ltd. | | 6,095 | 6,095 | 480 | - | - |
| Theteras 1st Co., Ltd. | | 6,331 | 6,145 | 700 | (59) | (59) |
| Ujur 5th Co., Ltd. | | 23,188 | 23,246 | 1,529 | 45 | 45 |
| HW Yeouido 1st Co., Ltd. | | 4,257 | 4,282 | 632 | 59 | 59 |
| Phoenix Living 1st Co., Ltd. | | 21,410 | 21,096 | 1,487 | (255) | (255) |
| Phoenix Living 2nd Co., Ltd. | | 10,720 | 10,678 | 1,001 | (6) | (6) |
| Intgreen 9th Co., Ltd. | | 10,109 | 10,102 | 849 | (36) | (36) |
| Entrepo JinCheon Co., Ltd. | | 5,109 | 5,131 | 511 | (22) | (22) |
| Asan JS 1st Co., Ltd. | | 3,085 | 3,128 | 262 | (43) | (43) |
| KCQ 3rd Co., Ltd. | | 1,031 | 1,016 | 74 | 18 | 18 |
| KCQ 4th Co., Ltd. | | 1,034 | 1,015 | 74 | 18 | 18 |
| Stadblue 4th Co., Ltd | | 1,040 | 1,024 | 116 | 16 | 16 |
| Ujureu 7th Co., Ltd. | | 13,025 | 13,038 | 1,246 | (10) | (10) |
| K Seongjeong 1st Co., Ltd. | | 6,537 | 6,351 | 531 | 184 | 184 |
| Perfectdream 2nd Co., Ltd. | | 10,323 | 10,498 | 1,760 | 179 | 179 |
| Dreamgusam Siheung 1st Co., Ltd | | 7,938 | 7,835 | 547 | 106 | 106 |
| Entrepo JinCheon 4th Co., Ltd. | | 2,213 | 2,229 | 70 | (16) | (16) |
| F.I Sancheok Co., Ltd. | | 2,129 | 2,129 | 71 | - | - |
| Entrepo Icheon 5th Co., Ltd. | | 19,493 | 19,296 | 1,257 | (11) | (11) |
| Easy Plant 8th Co., Ltd. | | 3,125 | 3,135 | 570 | (10) | (10) |
| Dream Spare 6th Co., Ltd. | | 10,569 | 10,569 | 1,215 | - | - |
| Great Ocean 2nd Co., Ltd. | | 5,245 | 4,993 | 453 | 14 | 14 |
| Phoenix Logistics 1st Co., Ltd. | | 10,446 | 10,197 | 1,132 | 165 | 165 |

*(In millions of won)*

| Company | | Assets | Liabilities | Revenue | Net profit or loss | Total comprehensive income (loss) |
|---|---|---|---|---|---|---|
| Phoenix Logistics 2nd Co., Ltd. | ₩ | 20,601 | 20,598 | 1,753 | 2 | 2 |
| Easy Plant 9th Co., Ltd. | | 5,075 | 5,076 | 1,031 | - | - |
| Phoenix Living 4th Co., Ltd. | | 3,046 | 3,045 | 240 | - | - |
| K Logistics 2nd Co., Ltd. | | 27,434 | 26,771 | 2,898 | 613 | 613 |
| Dear Buddy 4th Co., Ltd. | | 47,891 | 47,923 | 3,281 | 10 | 10 |
| Perfectdream 9th Co., Ltd. | | 15,691 | 15,694 | 714 | (2) | (2) |
| Highlightful 2nd Co., Ltd. | | 6,260 | 6,272 | 1,032 | (11) | (11) |
| Highlightful 3rd Co., Ltd | | 3,653 | 3,659 | 762 | (6) | (6) |
| H1 1st Co., Ltd | | 1,670 | 2,200 | - | (256) | (256) |
| Dreamgusam Songlim 1st Co., Ltd. | | 14,737 | 14,793 | 1,457 | (55) | (55) |
| Yongin Cheoin 2 1st Co., Ltd. | | 4,470 | 4,294 | 279 | 176 | 176 |
| Dreamgusam Nonhyeon 2st Co., Ltd. | | 10,640 | 10,230 | 659 | 410 | 410 |
| Joyce 1st Co., Ltd. | | 31,283 | 31,332 | 873 | (49) | (49) |
| Kyobo Plant 2nd Co., Ltd. | | 38,653 | 38,653 | 787 | - | - |
| Dreamgusam chungra 1st Co., Ltd. | | 25,525 | 25,421 | 308 | 104 | 104 |
| Hidream 4th Co.,Ltd. | | 35,749 | 35,752 | 278 | (3) | (3) |
| JWD 1st Co.,Ltd. | | 25,986 | 26,131 | 359 | (145) | (145) |
| Kyobo Securities target income solution 1Y General Private Equity Investment Trust U-4 | | 412,882 | 319,699 | 9,283 | 5,198 | 5,198 |
| Kyobo Securities target income solution General Private Equity Investment Trust U-6 | | 620,138 | 478,733 | 13,959 | 6,823 | 6,823 |
| Kyobo Securities target income solution 2Y General Private Equity Investment Trust U-8 | | 540,107 | 367,240 | 9,023 | (7,683) | (7,683) |
| Kyobo Securities target income solution 3Y General Private Equity Investment Trust U-9 | | 133,852 | 95,113 | 939 | (1,271) | (1,271) |





*(In millions of won)*

**2. Basis of preparation and significant accounting policies**

The following are significant accounting policies applied in the preparation of the consolidated financial statements. These policies are applied consistently throughout the accounting periods presented, unless otherwise stated.

**2.1 Basis of preparation**

The consolidated financial statements have been prepared in accordance with Korean International Financial Reporting Standards (“KIFRS”), as prescribed in the Act on External Audits of Stock Companies.

KIFRS refer to the standards and interpretations published by the International Accounting Standards Board ("IASB") that have been adopted by the Republic of Korea.

The consolidated financial statements have been prepared on a historical cost basis, except for

- Certain financial assets and financial liabilities (including derivatives)
- Defined benefit plans and external plan assets measured at fair value
- Insurance contract liabilities and reinsurance contract assets (including liabilities)

KIFRS allow the use of significant accounting estimates in preparing financial statements and require management to exercise judgment in applying accounting policies. Parts that require more complex and higher level judgments or parts that require significant assumptions and estimates are explained in Note 3.

The consolidated financial statements of the Group were approved by the Board of Directors on March 5, 2025 and are subject to approval for amendment at the Annual General Meeting of Shareholders scheduled for March 21, 2025.

**2.2 Basis of consolidation**

The consolidated financial statements comprise the consolidated financial statements of the Group and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

If the investee has less than a majority of the voting rights, the Group considers all facts and circumstances when assessing whether it has power over the investee:

- Contractual arrangements between investors and other voting rights holders
- Rights arising from other contractual arrangements
- Voting rights and potential voting rights of the Group

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, the subsidiary's assets (including goodwill), liabilities, non-controlling interests and other items of equity are derecognized on the date of loss of control, and the resulting gain or loss is recognized in profit or loss. Residual investments in previous subsidiaries are recognized at fair value.

**2.3 Significant accounting policies**

**2.3.1 Investment in associates and a joint venture**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group’s investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The consolidated statement of comprehensive income reflects the Group’s share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group’s share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The consolidated financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognizes the loss as 'Valuation of investments in associates' in the consolidated statement of comprehensive income.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

**2.3.2 Fair value measurement**

The Group measures financial instruments and partial non-financial assets at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Financial instruments measured at quoted prices from active markets are classified as fair value level 1.
- Level 2: Financial instruments measured using valuation techniques where all significant inputs are observable market data are classified as level 2.
- Level 3: Financial instruments measured using valuation techniques where one or more significant inputs are not based on observable market data are classified as level 3.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.
For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**2.3.3 Foreign currencies**

The Group's consolidated financial statements are presented in Korean won, which is also the Group's functional currency.

(1) Transactions and balances
Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss is also recognized in other comprehensive income or profit or loss, respectively).

(2) Foreign operations
On consolidation, the assets and liabilities of foreign operations are translated into Korean won at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in profit or loss.

**2.3.4 Property and equipment**

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the current income when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.





The estimated useful lives and depreciation methods of the Group's property and equipment are as follows:

| Descriptions | Useful lives | Depreciation method |
|---|---|---|
| Buildings | 50 years | Straight-line |
| Structures | 50 years | Straight-line |
| Vehicles | 5 years | Reducing-balance / Straight-line |
| Equipment | 5 years | Reducing-balance / Straight-line |
| Others | 5 years | Straight-line |

**2.3.5 Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(1) Group as a lessee

Upon adoption of KIFRS 1116, the Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Group recognized lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

1) Right-of-use asset

The Group recognizes the right-of-use asset at the commencement date (i.e. the date on which the underlying asset is available). Right-of-use assets are measured at cost and the Group measures the right-of-use assets applying a cost model after the commencement date. To apply a cost model, the Group measured with deductions of any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The cost of a right-of-use asset includes the amount of the lease liability recognized and the amount of initial direct costs, less any incentives received or lease payments made at or before the commencement date of the lease. The cost of a right-of-use asset also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The right-of-use assets are depreciated on a straight-line basis over the earlier of the estimated useful life or the lease term.

If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use assets are depreciated from the commencement date to the estimated useful life of the underlying asset. The Group performs an impairment review of the right-of-use assets.

Right-of-use assets of the Group are included in property and equipment (See Note 14).

2) Lease liabilities

At the commencement date, the Group measures the lease liability at the present value of the lease payments over the lease term. Lease payments comprise of fixed lease payments (including in-substance fixed lease payments), variable lease payments that depend on the index or rate, and the amount expected to be paid under the residual value guarantee, excluding the lease incentives to be received. In addition, if the Group is reasonably certain to exercise the purchase option, the exercise price of the purchase option and if the lease term reflects the Group exercising an option to terminate the lease, then the payments of penalties for terminating the lease are included in the lease payments. Fluctuations that do not depend on the index or rate are recognized(If it is not incurred in the production of inventory assets) as an expense for the period in which the event of the lease payment occurs.

In calculating the present value of the lease, the Group uses the incremental borrowing rate at inception if it is not readily possible to determine the implicit interest rate of the lease. The Group increases the carrying amount of the lease liability by reflecting interest on the lease liability after the commencement date of the lease, and reduces the carrying amount of the lease liability by reflecting the lease payments. In addition, the Group shall remeasure the lease liability to reflect the change in the lease, reflect the change in the lease term, or change in the valuation of the underlying asset purchase option.

Lease liabilities of the Group are included in other financial liabilities (See Note 21).

3) Short-term leases and leases for which the underlying asset is of low value

The Group elects to apply exemptions of recognition for both short-term leases which are a lease term of 12 months or less and without purchase option and leases of low-value assets. The Group recognizes the lease payments associated with short-term leases and leases of low-value assets as an expense on a straight-line basis over the lease term.

(2) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The Group recognizes lease payments from operating leases as income on a straight-line basis and initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

**2.3.6 Investment properties**

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

losses.

Investment properties is depreciated on a basis over estimated useful lives that appropriately reflect the pattern in which the asset's future economic benefits are expected to be consumed.

The estimated useful lives and depreciation methods of the Group's investment properties are as follows:

| Descriptions | Useful lives | Depreciation method |
|---|---|---|
| Buildings | 50 years | Straight-line |
| Structures | 50 years | Straight-line |

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and accounted for on a prospective basis in case of the effect of any changes in estimation.
In the event that it is no longer possible to expect future economic benefits through the disposal or use of investment properties, the Group removes them from its consolidated financial statements, and the resulting difference between the disposal amount and the carrying amount is reflected in profit or loss at the time of derecognition. In addition, if the purpose of the asset's use has changed, the Group reclassifies to another account or to Investment properties from another account.

**2.3.7 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.
Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of comprehensive income as the expense category that is consistent with the function of the intangible assets.

| Descriptions | Useful lives | Amortization method |
|---|---|---|
| Software | 5 years | Straight-line |
| Development costs | 5 years | Straight-line |
| Other intangible assets | 5 years | Straight-line |
| Membership | Indefinite | - |

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of comprehensive income when the asset is derecognized.
Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate that the technical feasibility of completing the intangible asset so that the asset will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset, the ability to measure reliably the expenditure during development and the ability to use the intangible asset generated.
Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

**2.3.8 Inventories**

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. On the other hand, acquisition cost by inventory includes purchase cost, conversion cost and other costs incurred in bringing inventory to its current location and condition. Unit cost of inventories is determined using the first-in, first-out method and the retail inventory method. On the other hand, net realizable value is calculated by deducting estimated additional costs of completion and selling expenses from the estimated selling price in the normal course of business.

**2.3.9 Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.
Impairment losses of continuing operations, including impairment on inventories, are recognized in the consolidated statement of comprehensive income in expense categories consistent with the function of the impaired asset.
For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of





depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.
The following assets have specific characteristics for impairment testing:

1) Goodwill
Goodwill is tested for impairment annually as of December 31 and when circumstances indicate that the carrying value may be impaired.
Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

2) Intangible assets
Intangible assets with indefinite useful lives are tested for impairment annually as of December 31 at the CGU level and when circumstances indicate that the carrying value may be impaired.

**2.3.10 Cash and cash equivalents**

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts.

**2.3.11 Financial instruments**

(1) Classification

Financial assets are classified as

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Financial assets at amortized cost

Financial assets are classified based on the business model and the contractual cash flow characteristics of the financial assets.
Gains and losses on financial assets measured at fair value are recognized in profit or loss or other comprehensive income. Investments in debt instruments are recognized in profit or loss or other comprehensive income depending on the business model that holds the asset. The Group reclassifies debt instruments only when the Group changes the business model that manages financial assets.
For investments in equity instruments that are not held for trading, an irrevocable election may be made upon initial recognition to designate that subsequent changes in fair value be presented in other comprehensive income. Changes in the fair value of investments in undesignated equity instruments are recognized in profit or loss.

(2) Measurement
Financial assets are recognized initially at fair value and in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. Transaction costs for financial assets measured at fair value through profit or loss are recognized in profit or loss.
For hybrid contracts including embedded derivatives, the entire contract is considered when determining whether the cash flows under the contract consist solely of principal and interest.

1) Debt instruments

The subsequent measurement of a financial asset is based on the contractual cash flow characteristics of the financial asset and the business model that manages the financial asset and classified three categories as follows:

(a) Financial asset at amortized cost

Financial asset held under a business model where the purpose is to hold the asset to receive contractual cash flows and assets of which contractual cash flows consist solely of principal and interest are measured at amortized cost. Gains and losses on financial assets at amortized cost that are not subject to a hedging relationship are recognized in profit or loss when the financial asset is derecognized or impaired. Interest income from financial assets recognized according to the effective interest rate method is included in 'interest income'.

(b) Financial assets at fair value through other comprehensive income

Financial assets held under a business model that achieves the purpose through both receiving contractual cash flows and selling financial assets, and financial assets of which contractual cash flows consist only of principal and interest are measured at fair value through other comprehensive income. Except for impairment losses (reversals), interest income, and foreign exchange gains and losses, valuation gains and losses on financial assets measured at fair value are recognized in other comprehensive income. When derecognizing a financial asset, the recognized accumulated other comprehensive income is reclassified from equity to profit or loss. Interest income from financial assets recognized according to the effective interest rate method is included in 'financial income'. Foreign exchange gains and losses are expressed as 'foreign exchange transaction gains' or 'foreign exchange transaction losses', and impairment losses are expressed as 'other comprehensive income – losses related to financial instruments measured at fair value.'

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

Debt instruments that are not financial assets at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. Gains and losses on debt instruments measured at fair value through profit or loss that are not subject to the hedging relationship are recognized in profit or loss and is presented in the statement of comprehensive income as 'profit or loss - profit related to financial instrument measured at fair value' or 'profit or loss - loss related to financial instrument measured at fair value'.

2) Equity instruments

The Group subsequently measures its investments in all equity instruments at fair value.
Amounts recognized as other comprehensive income for equity instruments for long-term or strategic investment purposes that choose to report changes in fair value as other comprehensive income are not reclassified to current profit or loss even when the equity instruments are derecognized. Dividend income from such equity instrument is recognized in profit or loss as 'dividend income' when the Group's right to receive dividends is confirmed.

Changes in the fair value of financial assets at fair value through profit or loss are presented in the income statement as ‘gains related to financial instruments at fair value through profit or loss’ or ‘losses related to financial instruments at fair value through profit or loss’. Impairment losses (reversals) on equity instruments measured at fair value through other comprehensive income are not recognized separately.

(3) Impairment
The Group evaluates expected credit losses on debt instruments measured at amortized cost or fair value through other comprehensive income based on the information of forward-looking criteria and impairment is determined by considering whether there is a significant increase in credit risk.

(4) Recognition and derecognition
Regular purchases or sales of financial assets are recognized on the transaction date on which the purchase or sale of the financial asset is agreed and confirmed. Financial assets are derecognized when the contractual rights to cash flows expire or when the financial asset is transferred and substantially all of the risks and rewards of ownership have been transferred.
Even in cases where financial assets are transferred, the Group does not remove most of the risks and rewards of owning the transferred financial assets and retains all of the transferred assets if the Group retains most of the risks and rewards of ownership of the transferred financial assets due to the right of recourse in case of default by the debtor and the consideration received is recognized as a financial liability and classified as ‘other financial liabilities’ in the statement of financial position.

(5) Offset
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. A legally enforceable right of offset does not depend on future events and is enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy.

**2.3.12 Derivatives and hedge accounting**

Derivatives are initially recognized at fair value at the time the derivatives contract is entered into and are subsequently remeasured at fair value. Changes in the fair value of a derivative are accounted for differently depending on whether the derivative is designated as a hedging instrument and the nature of the hedged item.

(1) Derivatives held for trading
Derivatives that do not meet the requirements for hedge accounting are classified as trading purposes, and changes in the fair value of the derivatives are recognized in the statement of comprehensive income as 'derivatives-related gains' or 'derivatives-related losses'.

(2) Derivatives held for hedging
The Group designates the following hedging relationship as a hedging instrument.
- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

At inception of the hedge, the Group documents the economic relationship between the hedging instrument and the hedged item, including whether the hedging instrument is expected to offset the changes in the cashflow of hedged item. The Group documents the risk management objectives and strategies for conducting hedging transactions.

1) Fair value hedge
Changes in the fair value of derivatives that are designated as fair value hedge and meet the application requirements are recognized in profit or loss for the current period, and changes in the fair value of the hedged item due to the hedged risk are also recognized in profit or loss for the current period.





Changes in the fair value of the hedging instrument and changes in the fair value of the hedged item due to the hedged risk are all recognized in the statement of comprehensive income as profit or loss. Fair value hedge accounting is discontinued when the Group no longer designates a hedging relationship, when the hedging instrument expires, is sold, liquidated or exercised, or when it no longer meets the requirements for fair value hedge accounting. The adjustment to the carrying amount of the hedged item due to the hedged risk is amortized from the date hedge accounting and recognized in current profit or loss.

2) Cashflow hedge
The effective portion of changes in the fair value of derivatives that are designated as cash flow hedges and meet the application requirements are recognized as other comprehensive income, and the ineffective portion is recognized immediately in the statement of comprehensive income as current profit or loss. The amount accumulated in accumulated other comprehensive income is recognized in the statement of comprehensive income as profit or loss during the period in which the hedged item affects profit or loss (for example, when the expected sales that are the hedged item occur).

In case the hedging instrument expires or is sold, or if it no longer meets the requirements for hedge accounting,
cumulative valuation gains and losses recognized as other comprehensive income are recognized in current profit or loss when expected transactions are recognized in the comprehensive income statement. If the expected transaction is no longer expected to occur, the accumulated profit or loss recognized in equity is immediately recognized in the statement of comprehensive income as current profit or loss.

(3) Embedded derivatives

If the embedded derivative is not closely related to the economic characteristics and risk of the host contract and a separate product with the same conditions as the embedded derivative meets the definition of a derivative, the embedded derivative is separated from the host contract and accounted for separately if the host contract of a hybrid financial product does not constitute a financial asset and is not designated as an item measured at fair value through profit or loss. Changes in the fair value of embedded derivatives that are separate from the host contract are recognized as part of the net profit or loss of financial instruments at fair value through profit or loss.

**2.3.13 Non-current assets and disposal groups held for sale**

The Group classifies non-current assets and disposal groups as held-for-sale if their carrying amounts will be recovered principally through a sale or distribution rather than through continuing use. Such non-current assets and disposal groups classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets and liabilities are not depreciated or amortized once classified as held-for-sale or as held for distribution. Also, assets and liabilities classified as held-for-sale or for distribution are presented as separate in the consolidated statement of financial position.

**2.3.14 Employee benefits**

The Group operates both defined benefit pension plan and defined contribution pension plan, which the Group makes contributions to the separately administered funds, respectively.
The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.
Past service costs are recognized in profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Group recognizes restructuring-related costs or redundancy payments

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under ‘cost of sales’, ‘operating and administrative expenses’ and ‘asset management expenses’ in consolidated statement of comprehensive income.

(1) Retirement benefits: defined contribution plans
When an employee has rendered service to the Group during a period, the Group recognizes the contribution payable to a defined contribution plan in exchange for that service as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Group recognizes that excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

(2) Retirement benefits: 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.

The discount rate is the yield at the reporting date on corporate bonds that have maturity dates approximating the terms of the Group’s obligations and that are denominated in the same currency in which the benefits are expected to be paid. The Group recognizes all actuarial gains and losses arising from actuarial assumption changes and experiential adjustments in profit and loss when incurred.

If the net amount that is calculated by subtracting the fair value of the plan assets from the present value of the defined benefit pension plans is an asset, the Group measures at lower of an excess contribution to the defined benefit pension plans or the upper limit recognized as an asset that is calculated by using the interest rate of the corporate bonds of a companies with high credit ratings at the end of an annual reporting period.

(3) 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 an accounting period, the Group recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service.

(4) Other long-term employee benefits
Other long-term employee benefits for the vested employees who have rendered services for a long-term period of time with regard to considerations for the employees who have rendered services for a long period of time, if the employees’ benefits are not expected to be paid within 12 months after the end of an annual reporting period, the Group recognizes the net sum of service costs for long-term services and net interests on net defined benefit liabilities (assets) as a current profit or loss.

(5) Redundancy payments
The Group recognizes an expense for termination benefits when an employee accepts the offer or when

a restriction on the Bank's ability to withdraw the offer takes effect. If employees are laid off upon a request from the Group, the Group can give more retirement benefits in comparison to when the employees voluntarily leave the Group. With regard to the redundancy payment that is a difference between the amount that the Group pays to the employee who voluntarily leaves the Group and the amount that the Group pays to the employee who is dismissed by the Group, the Group recognizes the liability and the expense of the redundancy payment earlier of when the Group cannot withdraw a proposal for the redundancy payment or when it recognizes restructuring costs accompanied by the redundancy payment.

**2.3.15 Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

**2.3.16 Insurance contracts**

(1) Classification: Insurance contracts and investment contracts
The Group considers the actual rights and obligations of all insurance contracts and determines whether to assume significant insurance risks from policyholders. As a result, if significant insurance risk is acquired from the policyholder, it is classified as an insurance contract, and if there is no significant transfer of insurance risk, it is classified as an investment contract even if it takes the legal form of an insurance contract. Depending on the classification of the contract, KIFRS 1117 'Insurance Contracts' applies to insurance contracts and investment contracts with discretionary participation features, and KIFRS 1109 'Financial Instruments' applies to investment contracts without discretionary participation features. The Group classifies non-dividend retirement insurance and retirement pension products as investment contracts without discretionary participation features. There are no embedded derivative elements embedded in insurance contracts held by the Group that meet the requirements for separation.

The Group measures insurance contracts with direct participation characteristics by applying the variable fee approach in accordance with KIFRS 1117, 'Insurance Contracts'. Insurance contracts that do not have direct participation characteristics are measured using the general model, and the premium allocation approach, which is a simplified method of the general model, is not applied.

(2) Insurance contract liabilities

1) Level of aggregation
The Group divides insurance contracts into groups and portfolios based on the likelihood of loss, similarity of risk, and management level. The possibility of bearing losses in an insurance contract is determined based on the risk adjustment and ratio of contractual service margin ratio at the time of initial recognition of the insurance contract. The Group determines the minimum unit of insurance contract group at the time of initial recognition and does not subsequently re-evaluate the composition of the group. Except for exceptions according to the provisions at the time of transition, Insurance contracts with a difference in issuance time of more than one year are not included within the same set of insurance contracts.

2) Recognition
The Group recognizes a group of insurance contracts at the earliest of the start of the coverage period for the group of insurance contracts, when the first premium is payable by the policyholder, or when the group of insurance contracts is expected to bear a loss. If the reinsurance contract held provides proportional coverage, it is recognized at the later of the start of the coverage period of the group of reinsurance contracts held or the initial recognition of the group of original insurance contracts, and in all other cases, the beginning of the coverage period. A group of reinsurance contracts is recognized at the time of the transaction.

3) Contract boundary
The measurement of a group of insurance contracts includes future cash flows within the boundaries of the contracts in the group. If the cash flows arise from substantive rights and obligations that exist in the reporting period, where policyholders can be forced to pay premiums, or when there is a substantive obligation to provide services to policyholders, the cash flows are within the boundaries of the insurance contract. The Group determines the boundaries of insurance contracts based on whether it has the actual ability to re-evaluate the risks of a particular policyholder or a particular portfolio and whether the results of that reevaluation can be reflected in the price or level of benefits. Until the risk is reevaluated, the pricing of premiums does not take into account the risk at any time after the reevaluation. Contract boundaries are remeasured at each reporting point.

The Group determines the boundaries of the contract at the insurance contract level, which integrates the main contract and rider. Therefore, the boundary of the contract is judged based on the expiration of the main contract, not the renewal time of the renewable rider. In addition, the interim additional option guaranteed by the Group was judged to be a future cash flow within the boundary of the contract. The boundary of the reinsurance contract is determined according to the rights and obligations of the Group and the reinsurer, and it was determined that the boundary of the reinsurance contract is severed when both parties to the reinsurance contract have a cancellation option at the same time.

4) Initial measurement of insurance contract
Upon initial recognition, the Group measures a group of insurance contracts as the sum of fulfillment cash flows and contractual service margin. Fulfillment cash flows consist of estimates of future cash flows, related to future cash flows, and risk adjustments for non-financial risks.
- Estimates of future cash flows

The purpose of estimation of future cash flow is to determine the expected value of all possible scenarios using available reasonable and valid information without excessive cost or effort and discounted cash flow results for each scenario are measured using a probability-weighted average. In addition, the current assumptions are estimated by reflecting significant interconnections between cash flows and market variables and reflecting reasonable and objectively supported information excluding the convenience of future cash flows, but are measured in a manner consistent with market prices. Until revisions to laws and regulations are actually enacted, the effects of changes in laws and regulations are not reflected, and cash flow within the contract boundary is directly related to the performance of contractual obligations and includes discretionary effects on the timing and amount of payment.
The main input variables when estimating future cash flows are insurance premiums, payments, contract conclusion costs, contract maintenance costs, costs related to providing investment services, investment activities and costs related to investment activities performed to increase insurance coverage, and taxes and costs explicitly charged to policyholders.
The method the Group uses to distinguish between changes in future cash flow estimates due to the exercise of discretion and other changes in future cash flow estimates for contracts without direct participation features is as follows. To identify changes in discretionary cash flows, the rate of return implied in the performance cash measurement upon initial recognition is considered a contractual commitment (e.g., published interest rate) and is updated each reporting period to reflect current





financial risk assumptions. Changes in discretionary cash flow determined through this procedure are related to future services and are reflected in the contractual service margin.
- Adjustments to reflect financial risk and time value of money

All cash flows are discounted in the risk-free yield curve by reflecting the characteristics of the cash flows and the liquidity of the insurance contract. The risk-free rate uses government bonds, etc., and the yield curve uses as much observable market information as possible and interpolates to arrive at the final forward rate maturity. To reflect the liquidity characteristics of insurance contracts, the risk-free yield curve is adjusted by an illiquidity premium, and illiquidity risk is typically measured by taking into account corporate bond spreads and equivalent CDS costs under same condition. In addition, cash flow linked to asset performance is measured by reflecting the degree of linkage through risk-neutral measurement.
- Risk adjustments for non-financial risks

Risk adjustment for non-financial risks is determined by reflecting the compensation required by the issuing company for assuming the risk. Risk adjustment reflects the diversification effect of risk and is measured using the confidence level method. Risk adjustment of cedant insurance is measured by considering the transfer of risk before and after ceded, and when measuring risk adjustment through the confidence level method, the expected future cash flow distribution is measured, and the confidence level is calculated as 75th percentile. When measuring risk adjustment for non-financial risks, major input variables include death, longevity, disease, business operation expenses, and termination risk.
The Group presents the changes in risk adjustment for non-financial risks by dividing these into insurance service components and insurance finance components.
- Contractual service margin

Contractual service margin is the unrealized profit that will be recognized through the provision of insurance service in a future period and if the fulfilment cash flow at the time of initial recognition of a group of insurance contracts is a net inflow, the contractual service margin is measured to ensure that no revenue or expense is generated at the time of initial recognition for the group of insurance contracts. Meanwhile, if the fulfillment cash flow at the time of initial recognition of a group of insurance contracts is a net outflow, the group of insurance contracts is classified as a onerous contract group, the expected net outflow amount is recognized as profit or loss, and it is subsequently measured as a loss element.

5) Subsequent measurement of insurance contract
The carrying amount of the group of insurance contracts as of the end of the reporting period is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage consists of fulfilment cash flows and contractual service margin related to future services allocated to the group of insurance contracts as of the end of the reporting period. The liability for incurred claims consists of fulfilment cash flows for insurance claims and insurance costs that have not yet been paid, and fulfilment cash flows include unreported incurred losses and dividend reserves in accordance with supervisory regulations.

6) Reinsurance contract
The Group applies the same accounting policies applied to the measurement of groups of insurance contracts to the measurement of groups of reinsurance contracts, except for the following.
The Group includes the effects of all risks related to default by the issuer of reinsurance contracts (including the effects of collateral and losses resulting from disputes) when measuring the group of reinsurance contracts.
The effect of the reinsurer's default risk is remeasured at the end of each reporting period, and the effect of changes in default risk are recognized in profit or loss. The Group calculates risk adjustments for non-financial risks to reflect the risks transferred to the reinsurer.
Considering the characteristics of reinsurance contracts, even if the fulfilment cash flow at the time of initial recognition is a net outflow, the contract is not classified as onerous group of contracts or the expected net outflow amount is not recognized as profit or loss.

7) Derecognition and modification
The Group derecognizes insurance contracts when the obligations specified in the insurance contract extinguished due to expiration, fulfilment, or cancellation. Additionally, if the contract terms are changed and the accounting treatment would have been significantly different if the new contract terms had already existed, the contract is derecognized and recognized as a new contract.
If the contract terms are changed but the contract is not derecognized, it is treated as a change in the estimate of fulfilment cash flows.

8) Policyholder's equity adjustments
According to KIFRS 1117, cash flows related to dividends to be generated from par insurance contracts are estimated and insurance liabilities are measured using a discount rate that reflects assumptions and risks.
Unlike the existing accounting practices recognized under KIFRS 1104, the requirements do not adequately represent the potential obligations to the policyholder for par insurance and it is judged that it may cause misunderstanding of users of financial statements due to conflict with the "purpose of financial statements" set forth in the "conceptual framework". For future potential obligations that are expected to arise from the valuation gains and losses of unrealized assets as of the end of the reporting period, the Group calculated insurance liabilities by the method specified in Article 2 of Article 4-1 of the Enforcement Rules for Insurance Industry Supervision
The management judged that the Group's financial statements, including the above, fairly represent the financial position at the end of the reporting period, the end of the previous year, and the beginning of the previous year, as well as the financial performance and cash flow for the reporting period and previous year.
Policyholders' equity adjustment consists of the following:
- Other comprehensive income - valuation gains and losses on financial assets measured at fair value, etc. : The amount corresponding to the policyholder's equity adjustment calculated based on the composition ratio of investment resources by each investment year (investment profits and losses arising from existing assets acquired before applying the investment year method is based on the composition ratio of par and non-par insurance average liability reserves in the relevant reporting period)among the differences between the acquisition cost and fair value as of the end of the reporting period.
- Public service contribution fund:, the accumulated amount corresponding to the policyholder's equity among the revaluation reserves. Every year, the amount calculated by multiplying this amount by the average asset management rate of return for the last three fiscal years is to be contributed as public service funds.

**2.3.17 Equity capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.
When the Group repurchases its share capital, the amount of the consideration paid is recognized as a deduction from equity and classified as treasury shares. The profits or losses from the purchase, disposal, reissue, or retirement of treasury shares are not recognized as current profit or loss. If the Group acquires and retains treasury shares, the consideration paid or received is directly recognized in equity.

**2.3.18 Recognition of revenue and expenses**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.
The Group recognizes the income when the followings criteria are met.

(1) Insurance revenue
The Group recognizes insurance revenue as it fulfills its obligations to provide insurance contract services for a group of insurance contracts or to provide other services. Insurance revenue related to insurance services provided during the reporting period represents changes in the liability for remaining coverage related to the consideration the Group expect to receive. The investment component of an insurance contract is determined by the amount paid to the policyholder in all scenarios with economic substance, including cases where an insured event occurs, upon expiration, or without an insured event occurring. Insurance contracts such as whole life insurance have an explicit surrender value (investment component), and the investment component is excluded from insurance profits and insurance service expenses and if there is no amount to pay to the policyholder in any one scenario, it is not classified as an investment component.

The amount of contractual service margin recognized as insurance revenue during the reporting period is recognized as the amount distributed to the coverage units provided during the reporting period after proportional allocation of the remaining contractual service margin at the end of the amortization period to the coverage units provided during the reporting period and subsequent coverage units. The number of coverage units is the quantitative unit of insurance contract services provided by the insurance contract, and is determined by considering the quantitative units and expected duration of insurance coverage services, investment return services, and investment-related services.

In determining the amount of benefits provided by an insurance contract in order to recognize the contractual service margin of the insurance contract issued by the Group and the cedant insurance contract held in the current profit or loss, the method for calculating the relative proportion of benefits provided by insurance coverage and investment return services or insurance coverage and investment-related services among insurance contract services is as follows.

| | Calculation method |
|---|---|
| Insurance coverage and investment return services (Insurance contracts without direct participation feature) | - The amount of benefits provided in the contract takes into account the subscription amount for insurance benefits paid upon death, etc.<br>- Calculated by applying the same standards as the coverage unit provided in the insurance contract for cedant insurance contracts. |
| Insurance coverage and investment related services (Insurance contracts with direct participation feature) | - For contracts providing insurance coverage and investment services, investment services (e.g. insurance policyholder reserve - investment service, risk insurance claims payment - insurance coverage, etc.) are considered in calculating the coverage unit. |

Insurance acquisition cash flows are allocated to each reporting period in a systematic manner over time, and the current portion is recognized as insurance revenue and insurance expenses in equal amounts. Loss component is allocated to each reporting period in a systematic way in the ratio of the balance of the basic loss component to the present value of the expected cash flow outflows at the beginning and the risk adjustment amount for basic non-financial risks. Among the loss component allocations, the current portion is excluded from recognition in the same amount as insurance revenue and insurance expense.

(2) Insurance finance profit and loss
Insurance finance profit and loss consist of changes in the carrying amount of a group of insurance contracts and a group of reinsurance contracts resulting from the time value of money and financial risk effects. The Group selects and decides on a portfolio-by-portfolio basis whether to systematically allocate insurance finance profits and losses to current profit or loss and other comprehensive income. Systematic allocation systematically allocates the expected total insurance finance profit or loss over the duration of the contract group, recognizing the current portion as profit or loss and the remaining portion as other comprehensive income.

In the case of a group of insurance contracts with direct participation features that hold basic items, the Group includes in profit or loss the amount that eliminates accounting discrepancies with the profit or loss on the basic items held included in profit or loss for the current period. Insurance finance profits and losses are subdivided by applying the book return method. In addition, for a set of insurance contracts with direct participation features that do not hold the underlying item and for a set of insurance contracts where changes in financial risk have a significant impact on the amount paid to the policyholder, the effective interest rate method is applied to systematically allocate insurance financial profit or loss. For other groups of insurance contracts, insurance finance profit or loss is calculated by applying the discount rate at the time of initial recognition.

Insurance finance gains and losses arising from contractual service margins are determined in a consistent distribution method with future cash flows for a set of insurance contracts with direct participation features, and in a set of insurance contracts without direct participation features, the discount rate at the time of initial recognition is applied and systematically distributed.

When the Group transfers an insurance contract to a third party or eliminates it due to changes in the terms of the insurance contract, the accumulated other comprehensive income (loss) of the relevant insurance contract is reclassified to current profit or loss.

(3) Reinsurance profit and loss
Reinsurance profit and loss is recognized separately from reinsurance premium expenses and amounts recovered from the reinsurer. The Group recognizes the portion of the group of reinsurance contracts in which coverage or other services are provided as reinsurance premium expenses. Reinsurance expenses related to services provided during the reporting period for reinsurance contracts represent changes in remaining coverage reinsurance assets related to services for which the Group have provided coverage. Reinsurance revenue is recognized on amounts recovered from the reinsurer.

(4) Interest income and expense
Interest accruing from all financial instruments and available-for-sale financial assets measured at amortized cost is recognized as interest income or expense using the effective interest rate method. The effective interest rate is the interest rate that exactly equalizes the present value of the expected future cash outflows and inflows over the expected life of the financial instrument or, if appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. Interest income is included in financial income in the statement of comprehensive income.

(5) Fee and commission income
The Group applied the following five-step revenue recognition model for the fee and commission income in accordance with KIFRS 1115.

- identify the contracts with a customer.
- identify the performance obligations in the contract
- determine the transaction price
- allocate the transaction price to each performance obligation
- recognize revenue when a performance obligation is satisfied





The Group recognizes its financial service fees and commissions based on its objectives, and in conformity with accounting standards of related financial instruments as below.

1) Fees and commissions earned by performance of meaningful action
Fees and commissions earned by delivering meaningful performances such as negotiating on behalf of third parties' transactions, such as stock or other securities transactions and underwriting of business settlements, or as a consideration for participating in negotiation are recognized as revenue upon completion of the delivery of services.

2) Fees and commissions earned by providing services
Fees and commissions levied as a consideration for providing services for a certain period of time, such as asset management fees, trust fees, guarantee service fees, are recognized as revenue when the service is provided. Also, when it is not probable that a specific loan commitment will be entered into, and when the loan commitment does not fall under the scope of KIFRS1039 Financial instruments: recognition and measurement, related commitment fee is recognized over the commitment period.

3) Fees forming a part of effective interest income of financial instrument
Fees forming a part of effective interest of financial instruments are generally recognized as adjustments to effective interest rates. These fees include costs incurred for activities such as the valuation of the financial status of borrowers, guarantee, collaterals and other commitments, administrative expenditures, and expenditures made for issuance of financial liabilities. However, if the financial instrument is recognized at fair value through profit or loss, related fees and commissions are recognized in profit or loss at the initial recognition of the financial instrument.

(6) Sale of goods
1) Identify the performance obligations in the contract
Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.
2) Price concession
The Group provides to customer a price concession at the time of sale. In accordance with KIFRS 1115, if consideration payable to a customer is not a payment for a distinct good or service from the customer, the Group accounts for all of the consideration payable to the customer as a reduction of the transaction price.
3) Obligations for returns and refunds
The Group recognizes a refund liability if the Group expects to refund some or all of that consideration to the customer and adjusts revenue for the transferred products. The Group recognizes as an asset for the Group's right to recover products from a customer when the customer exercises a right of return and adjusts cost of sales for any expected costs to recover those products. The amount expected to be refunded to the customer and the amount of the right to recover the goods shall be measured applying the return experience rate based on the past practice.
4) Customer loyalty program
Under the customer loyalty program, the Group provides to customer the points that entitle the customers to future discounted purchases. The Group allocates part of the consideration received to the customer loyalty program and the amount of allocation is measured based on the relative stand-alone selling prices. The amount allocated under the customer loyalty program is deferred and recognized as revenue when the points are used or extinguished.
(7) Rendering of services
Revenue from services rendered is recognized in profit or loss when recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, in proportion to the stage of completion of the transaction at the reporting date. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.
(8) Dividends
Revenue is recognized when the consolidated Group's right to receive dividends is established.
(9) Rental income
Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

**2.3.19 Income tax**

(1) Current income tax
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.
Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of comprehensive income.

(2) Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future
Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax

rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss.
Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.
Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**2.3.20 Correction of errors**

The Group corrects potential errors identified during the current period before the issuance authorization date of the financial statements. However, if a material error is discovered in a subsequent period, such prior period errors are corrected by restating the comparative financial information presented in the financial statements of that subsequent period. When it is impracticable to determine the effect of an error on comparative information for one or more prior periods presented, the entity restates the beginning amounts of assets, liabilities and equity as of the earliest accounting period for which retrospective restatement is practicable.

**2.4 Changes in accounting policies and disclosures**

**2.4.1 New and amended standards and interpretations adopted**

The Group has newly applied the following revised standards and interpretations for the accounting period beginning on January 1, 2024.

**(1) Amendments to KIFRS 1001 'Presentation of Financial Statements' – Classification of Liabilities as Current or Non-current, Non-current liabilities with commitments**

The classification is made as current or non-current depending on the substantive rights that exist at the end of the reporting period, and the possibility of exercising the right to defer payment of liabilities or management's expectations are not taken into account. In addition, the transfer of own equity instruments is included in the settlement of liabilities, except when options to settle with equity instruments in compound financial instruments meet the definition of equity instruments and are recognized separately from liabilities. Additionally, covenants with which an entity must comply after the end of the reporting period do not affect the classification of the liability, and if liabilities that must comply with agreements within 12 months after the reporting period are classified as non-current liabilities, and information regarding the risk that the liabilities may be repaid within 12 months after the reporting period must be disclosed. The Group does not expect this amendment to have a material impact on the financial statements.

**(2) Amendments to KIFRS 1007 'Statement of Cash flows', Amendments to KIFRS 1107 'Financial instruments - Disclosures' – Disclosure of information on supplier finance arrangement**
When applying a supplier finance arrangement, information on the supplier finance arrangement must be disclosed so that users of financial statements can evaluate the impact of the supplier finance arrangement on the Group's liabilities, cash flow, and liquidity risk exposure. There is no impact on the interim financial statements in accordance with the transitional provision that the relevant details do not need to be disclosed during the interim reporting period within the year in which this amendment is first applied.

**(3) Amendments to KIFRS 1116 'Lease' – Lease liabilities arising from sale and leaseback**
When subsequently measuring the lease liability arising from sale and leaseback, the lease fee or modified lease fee is calculated in a manner that does not recognize the profit or loss related to the usage rights held by the seller-lessee. The Group does not expect that the amendment will have a material impact on the consolidated financial statements.

**(4) Amendments to KIFRS 1001 'Presentation of Financial Statements' – Virtual asset Disclosure**
Additional disclosure requirements are stipulated when holding virtual assets, when holding virtual assets on behalf of a customer, and when issuing virtual assets. The Group does not expect this amendment to have a material impact on the financial statements.

**2.4.2. Standards issued but not yet effective**

The standard and interpretation that is issued, but has not yet been implemented and has not been adopted by the Group as of December 31, 2024 are follows:

**(1) Amendments to KIFRS 1021 'The effects of changes in foreign exchange rates' and KIFRS 1101 'First-time Adoption of International Financial Reporting Standards' - Lack of exchangeability**
The amendments are required to assess the convertibility of a currency and, if not convertible with another currency, estimate the spot exchange rate and disclose related information. These amendments are effective for the year beginning on or after January 1, 2025, with early adoption permitted. The Group is reviewing the impact of these amendments on its financial statements.

**(2) Amendment to KIFRS 1109 'Financial Instruments' and KIFRS 1107 'Financial Instruments: Disclosure'**
To address questions raised in practice and to include new requirements, KIFRS 1109, Financial Instruments, and KIFRS1107 Financial Instruments: Disclosure, have been amended. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The key amendments are as follows: The Group is reviewing the impact of the amendments on its financial statements.

·Allows financial liabilities to be considered settled (derecognized) through electronic payment systems before the due date, if certain criteria are met.
·Clarifies and adds additional guidance for assessing whether financial assets meet the criteria for consisting solely of principal and interest payments.
·Disclose the impact on the Group of contractual terms that change the timing or amount of cash flows under the contract and the extent to which the Group is exposed to each type of financial instrument.
·Additional disclosure on FVOCI designated equity instrument.

**(3) Annual Improvement of KIFRS Volume 11**
Annual Improvement to KIFRS Volume 11 is effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Group does not expect the amendments to have a material impact on its financial statements.

·KIFRS 1101, 'First time Adoption of KIFRS': Application of hedge accounting upon first adoption of KIFRS
·KIFRS 1107, 'Financial Instruments: Disclosure': Derecognition of gains and losses, practical application guidelines ·
·KIFRS 1109, 'Financial Instruments': Accounting for derecognition of lease liabilities and definition of transaction price ·
·KIFRS 1110, 'Consolidated Financial Statements': Determination of de facto agent ·
·KIFRS 1007, 'Cash Flow Statement': Cost accounting method





**3. Significant accounting judgments, estimates and assumptions**

**3.1 Accounting estimates and changes**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(1) Fair value of financial instruments
The fair value of financial instruments without an active market was calculated by applying valuation techniques including the discounted cash flow method. When observable market information is not available for the inputs used in these valuation techniques, significant estimates are required to determine fair value. This judgment includes consideration of input variables such as liquidity risk, credit risk, and volatility. Changes to these factors may affect the fair value of financial instruments.

(2) Impairment on financial instruments
Loss allowance for financial assets is measured based on assumptions about default risk and expected loss rate.
When setting these assumptions and selecting input variables used in the impairment model, the Group considers its past experience, current market conditions, and forward-looking information as of the financial reporting date.

(3) Impairment on non-financial assets
The Group tests non-financial assets for impairment at the end of every reporting period. The intangible assets with goodwill and indefinite useful lives are tested for impairment whenever there is an indication that the intangible asset may be impaired. Other non-financial assets are tested for impairment whenever there is an indication that the carrying value cannot be recovered. The value in use calculation is based on the management's assumption on future expected cash flows generated from CGU or asset. For the calculation of present value of future expected cash flows, adequate discount rate should be chosen.

(4) Deferred tax asset
If it is probable that future taxable income will be available against which the tax loss can be used, a deferred tax asset is recognized for the unused tax loss to the extent that such loss can be used. Management of the Group exercises significant judgment to determine the amount of deferred tax assets that can be recognized based on future tax strategy and the timing and level of tax benefits.

(5) Development costs

Development costs are capitalized in accordance with the accounting policy as mentioned in Note 2.2. Initial capitalization of costs is based on management's judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

(6) Defined benefit plans

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'A+' rating or above, as set by an internationally acknowledged rating agency. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

(7) Lease period of a contract with options to extend and terminate

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, and any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Group consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. If the Group possesses such options, the Group applies judgment in evaluating whether it is reasonably certain to exercise the option to renew. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

(8) Provision for decommissioning

The Group has recognized a provision for decommissioning obligations associated with a leased building. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

(9) Income tax

There are different kinds of transactions and calculation methods which make final tax determination uncertain. Based on an estimate of the additional taxes to be imposed, if there is a difference between final tax amount and initially recognized tax amount, the difference will affect current income tax and deferred income tax assets and liabilities at the period when such determinations is made.

(10) Special Taxation for Facilitation of Investment and Mutually Beneficial Cooperation

The Group shall pay an additional surtax where the use of corporate earnings on qualifying investments, wage increase and mutually beneficial cooperation fall below a certain portion of its taxable income for 3 years from 2015. As the Group considers the Special Taxation for Facilitation of Investment and Mutually-Beneficial Cooperation on its undistributed earnings when computing its corporate income tax, the Group's income tax may change arising from changes in investment, wage growth, or mutually-beneficial cooperation.

(11) Insurance Contract Liabilities

The Group calculates current neutral estimates of future cash flows, adjustments to the time value of money and financial risks associated with future cash flows, and adjustments to non-financial risks to measure the current value of the cash flows of the liabilities for remaining coverage and the liabilities for incurred claims, and the current value measurement of these fulfillment cash flows is determined by the estimation of relevant market variables, the determination of uncertainty about the amount and timing of future cash flows, the accounting assumptions and economic assumptions and other risks.

The Group calculates the profit earned during the period by providing insurance contract margin services based on the number of coverage units in the insurance contract group.
The number of coverage units in a group of insurance contracts is determined by the quantitative unit of insurance contract services of individual contract benefits and the expected duration.

**4. Cash and due from banks**

(1) Cash and cash equivalent as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash | ₩ | 906 | 1,094 |
| Current deposits | | 6,461 | 1,881 |
| Demand deposits | | 170,874 | 191,801 |
| Time deposits | | - | 140,000 |
| MMDA | | 564,373 | 1,914,592 |
| Other deposits | | 1,033,664 | 931,164 |
| | ₩ | 1,776,278 | 3,180,532 |

(2) Due from banks as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Time deposits | ₩ | 1,441,290 | 527,690 |
| Margin on futures | | 85,887 | 167,576 |
| Reserve for claims of customers' deposits | | 607,232 | 271,429 |
| Other deposits | | 894,107 | 960,740 |
| Allowance for loss | | (1,082) | (669) |
| | ₩ | 3,027,434 | 1,926,766 |

(3) Bank deposits that are restricted in use as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 | Details |
|---|---|---|---|---|
| Separate deposits | ₩ | 2,613 | - | Partially seized, etc. |
| Demand deposits | | 50 | - | Court Seizure |
| Guarantee deposits for current deposits | | 22 | 22 | Guarantee deposits for checking accounts |
| Time deposits | | 600 | 600 | Payment settlement of micro payment etc. |
| Margin on futures, etc. | | 214,148 | 204,174 | In relation to derivatives transactions |
| Reserve for claims of customers' deposits | | 607,232 | 271,429 | Reserve for return of customer deposits |
| Other deposits | | 387,414 | 197,177 | Customers' deposits of overseas futures FX margin, deposits for loan transactions, etc. |
| | ₩ | 1,212,079 | 673,402 | |





(4) Changes in the loss allowance for deposits at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 669 | - | - | 669 |
| Changes due to significant increases and decreases in credit risk | | | - | - | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| | | - | - | - | - |
| Charge for the period(reversal), net | | 413 | - | - | 413 |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 1,082 | | | 1,082 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance(*) | ₩ | 181 | - | - | 181 |
| Changes due to significant increases and decreases in credit risk | | | - | - | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| | | - | - | - | - |
| Charge for the period(reversal), net | | 488 | - | - | 488 |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 669 | | | 669 |

(*) The beginning balance is the amount after applying KIFRS 1109.

(5) Changes in the total carrying amount of deposits at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | | Lifetime expected credit loss measurement | | |
| | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ 1,927,435 | - | - | 1,927,435 |
| Replaced by 12-month expected credit loss | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | 1,101,081 | | | 1,101,081 |
| Ending balance | ₩ 3,028,516 | | | 3,028,516 |

| | 2023 | | | |
|---|---|---|---|---|
| | | Lifetime expected credit loss measurement | | |
| | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ 1,391,996 | - | - | 1,391,996 |
| Replaced by 12-month expected credit loss | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | 535,439 | | | 535,439 |
| Ending balance | ₩ 1,927,435 | | | 1,927,435 |

**5. Financial assets at fair value through profit or loss**

(1) Financial assets at fair value through profit or loss as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Shares | ₩ 4,304,466 | 4,503,999 |
| Equity investments | 189,551 | 183,752 |
| Beneficiary certificates (*) | 18,504,217 | 19,301,541 |
| Government and public bonds | 7,429,082 | 6,687,693 |
| Special bonds | 3,231,014 | 4,007,522 |
| Financial institutions bonds | 2,950,949 | 3,003,215 |
| Corporate bonds | 1,976,329 | 1,647,706 |
| Foreign securities | 4,638,442 | 3,663,192 |
| Other securities | 531,401 | 1,502,395 |
| Loan receivables | 46 | 46 |
| | ₩ 43,755,497 | 44,501,062 |

(*) Amounts of the Corsair-related fund, which is the major shareholder of the Group, includes ₩263,593 million as of December 31, 2024, and dividend income recognized from the fund for the period ended December 31, 2024 is ₩1,686 million. In addition, the additional acquisition amount is ₩6,072 million and the disposal amount is ₩3,517 million for the period ended December 31, 2024.

(2) Financial assets at fair value through profit or loss pledged as collateral as of December 31, 2024 and 2023 are as follows:

| Purpose | 2024 | 2023 | Counter party |
|---|---|---|---|
| Related to deposit and sale with repurchase agreement, etc. | ₩ 7,045,232 | 7,346,915 | KSFC, etc. |
| Providing collateral for derivative contracts | 865,930 | 755,536 | KSD, etc. |





(3) As a transfer transaction that does not meet the derecognition requirements of KIFRS 1109, the details of securities lent in relation to financial assets at fair value through profit or loss as of December 31, 2024 and 2023 are as follows.:

| | | 2024 | 2023 |
|---|---|---|---|
| Shares | Financial assets at fair value through profit or loss | ₩ 301,143 | 173,843 |
| Government and public bonds | Financial assets at fair value through profit or loss | 136,255 | - |

**6. Financial assets at fair value through other comprehensive income**

(1) Financial assets at fair value through other comprehensive income as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Equity securities: | | |
| Shares | ₩ 327,401 | 317,862 |
| Overseas equity investments | 46,051 | 27,729 |
| Other securities | 835,368 | 496,317 |
| | 1,208,820 | 841,908 |
| Debt securities: | | |
| Equity investments | 310 | 310 |
| Government and public bonds | 30,000,705 | 26,050,272 |
| Special bonds | 6,372,769 | 5,237,371 |
| Financial institutions bonds | 1,720,506 | 1,681,111 |
| Corporate bonds | 4,857,690 | 4,624,646 |
| Overseas debt instruments | 14,707,766 | 12,140,956 |
| | 57,659,746 | 49,734,666 |
| | ₩ 58,868,566 | 50,576,574 |

(2) Details and reasons for equity instruments designated as fair value through other comprehensive income as of December 31, 2024 and 2023 are as follows:

| | 2024 |
|---|---|
| SK telecom Hybrid 3 | ₩ 171,846 |
| IBK CoCo bonds | 154,732 |
| Korea Exchange | 148,295 |
| KB FG CoCo bonds 12 | 62,606 |
| Shinhan FG CoCo bonds 14 | 53,756 |
| DGB FG CoCo bonds 7 | 53,568 |
| Woori FG CoCo bonds 16 | 52,369 |
| Hana FG CoCo bonds 14 | 52,314 |
| Shinhan Bank CoCo bonds 28-04 | 51,248 |
| Others | 408,086 |
| | ₩ 1,208,820 |

(*) The fair value option in other comprehensive income was exercised for reasons such as retention as required by policy.

| | 2023 |
|---|---|
| Korea Exchange | ₩ 154,172 |
| SK Telecom New Capital Securities 3 | 153,509 |
| Emart Hybrid Capital Securities 3 | 65,659 |
| SK E&S Hybrid Capital Securities 3 | 63,611 |
| DGBFG conditional(upper)7(new type permanent-5 call) | 51,451 |
| Shinhan Financial Conditional (upper) 14 (new type permanent-5 call) | 51,274 |
| South-East Power New Capital Securities 1-2 | 49,173 |
| Macquarie Infra | 46,403 |
| Agricultural Finance Bond (Bank) 2023-07E-A (New Type) | 30,889 |
| Others | 175,767 |
| | ₩ 841,908 |

(*) The fair value option in other comprehensive income was exercised for reasons such as retention as required by policy.

*(In millions of won)*

(3) Dividend income recognized from equity instruments designated as fair value through other comprehensive income for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Shares | ₩ | 15,683 | 7,012 |
| Overseas equity securities | | 668 | 1,010 |
| Other securities | | 36,043 | 18,306 |
| | ₩ | 52,394 | 26,328 |

(4) Equity securities in financial assets at fair value through other comprehensive income disposed of during for the year ended December 31, 2024 and 2023 are as follows:

| | | Fair value at disposal | Accumulation valuation gain or loss | Details |
|---|---|---|---|---|
| E-mart Hybrid 3 | ₩ | 70,000 | - | Early redemption |
| SK E&S Hybrid Capital Securities 3(*) | | 69,993 | (7) | Sale of shares |
| E-mart everyday(*) | | 17 | (145) | Sale of shares |
| Tongyang Leisure | | 640 | 306 | Sale of shares |
| | ₩ | 140,650 | 154 | |

(*) Losses of ₩ 7 million and ₩ 145 million incurred when selling SK E&S Hybrid Capital Securities and E-Mart everyday stocks and the loss on disposal was transferred from other comprehensive income to retained earnings within equity at the time of disposal.

There was no equity instruments designated as financial assets at fair value through other comprehensive income disposed of for the year ended December 31, 2023.

(5) Changes in the loss allowance for financial assets at fair value through other comprehensive income for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance (*) | ₩ | 12,209 | - | - | 12,209 |
| Changes due to significant increases and decreases in credit risk | | | - | | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| | | - | - | - | - |
| Charge for the period(reversal), net | | (4,319) | | - | (4,319) |
| Write off, etc | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 7,890 | - | - | 7,890 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance (*) | ₩ | 7,909 | - | 1,501 | 9,410 |
| Changes due to significant increases and decreases in credit risk | | | - | - | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged | | - | - | - | - |





*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| financial assets | | | | | |
| | | - | - | - | - |
| Charge for the period(reversal), net | | 4,300 | | (1,501) | 2,799 |
| Write off, etc | | - | - | - | |
| Effective interest amortization | | - | - | - | |
| Recovery of amortized Receivables | | - | - | - | |
| Ending balance | ₩ | 12,209 | - | - | 12,209 |

(*) This amount is applied to KIFRS1109.

(6) Changes in the carrying amount of debt securities measured at fair value through other comprehensive income for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | Total |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | |
| Beginning balance | ₩ | 49,734,665 | - | 1 | 49,734,666 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | 7,925,080 | - | - | 7,925,080 |
| Ending balance | ₩ | 57,659,745 | - | 1 | 57,659,746 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | Total |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | |
| Beginning balance (*) | ₩ | 40,472,625 | - | 3,210 | 40,475,835 |
| Increased in a business combination | | 1,325 | | | 1,325 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | 9,260,715 | - | (3,209) | 9,257,506 |
| Ending balance | ₩ | 49,734,665 | - | 1 | 49,734,666 |

(*) This amount is applied to KIFRS1109.

(7) As a transaction that does not meet the requirements for derecognition under KIFRS 1109, the details of loaned securities related to financial assets at fair value through other comprehensive income as of December 31, 2024 and 2023 are as follows:

| | | Classification | 2024 | 2023 |
|---|---|---|---|---|
| Government and public bonds | ₩ | Financial assets at fair value through other comprehensive income | 715,889 | 503,371 |

*(In millions of won)*

(8) Financial assets pledged as collateral as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 | Counterparty |
|---|---|---|---|---|
| Collateral for derivative contracts | ₩ | 2,399,956 | 779,387 | BNP Paribas, etc. |
| CCP-IRS substitute securities | | 240,198 | 225,114 | NH investment & securities, etc. |
| Futures substitute securities | | 13,693 | 13,519 | Hanwha Investment & Securities, etc. |
| Sale of repurchase agreement bonds, etc. | | 109,229 | 120,129 | Korea Securities Finance, etc. |
| Borrowing of institutional operating funds | | 148,295 | 154,172 | Korea Exchange |

(9) Total profit and loss related to financial assets at fair value through other comprehensive income and its allocation to policyholder's equity adjustment, deferred tax liability and accumulated other comprehensive income are as follows as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Total profit and loss related to financial assets at fair value through other comprehensive income | ₩ | (4,542,475) | (4,910,185) |
| Amount allocated to policyholder's equity adjustment | | (116,802) | (134,298) |
| Amount allocated to deferred tax liabilities | | (1,167,798) | (1,256,826) |
| Amount allocated to accumulated other comprehensive income | | (3,257,875) | (3,519,061) |

**7. Financial assets at amortized cost**

(1) Financial assets at amortized cost as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Debt securities: | | | |
| Government and public bonds | ₩ | 2 | 36,407 |
| Special bonds | | 586,901 | 656,068 |
| Corporate bonds | | 568,200 | 587,819 |
| Overseas securities | | 58,063 | 19,660 |
| | | 1,213,166 | 1,299,954 |
| Loss allowances | | (14) | (27) |
| | ₩ | 1,213,152 | 1,299,927 |

(2) Changes in the loss allowance for financial assets at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 27 | - | - | 27 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| | | - | - | - | - |
| Charge for the period(reversal), net | | (13) | - | - | (13) |
| Write off, etc | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 14 | - | - | 14 |





*(In millions of won)*

(2) Changes in the loss allowance for financial assets at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance (*) | ₩ | 23 | - | - | 23 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| | | - | - | - | - |
| Charge for the period(reversal), net | | 4 | - | - | 4 |
| Write off, etc | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 27 | - | - | 27 |

(*) This amount is applied to KIFRS1109.

(3) Changes in the carrying amount of financial assets at amortized for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance | ₩ | 1,299,954 | - | - | 1,299,954 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss) | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | (86,788) | - | - | (86,788) |
| Ending balance | ₩ | 1,213,166 | - | - | 1,213,166 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance (*) | ₩ | 1,421,381 | - | - | 1,421,381 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | (121,426) | (1) | - | (121,427) |
| Ending balance | ₩ | 1,299,955 | (1) | - | 1,299,954 |

(*) This amount is applied to KIFRS1109.

(4) Financial assets at amortized cost pledged as collateral as of December 31, 2024, 2023 are as follows:

| Purpose | | 2024 | 2023 | Counter party |
|---|---|---|---|---|
| Loan execution | ₩ | - | 19,852 | Kookmin bank |

*(In millions of won)*

**8. Loan receivables at amortized cost**

(1) Loan receivables at amortized cost as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Loan receivables secured by investment | ₩ | 681,602 | 730,575 |
| Loan receivables secured by real estate | | 7,739,672 | 7,366,724 |
| Unsecured loan receivables | | 10,940,688 | 10,897,501 |
| Guaranteed loan receivables | | 1,210,563 | 1,126,745 |
| Other loan receivables | | 2,099,713 | 2,495,380 |
| | | 22,672,238 | 22,616,925 |
| Less: Present value discount | | (1,756) | (4,269) |
| Less: Deferred loan origination costs and fees | | (54,504) | (64,243) |
| Less: Allowance for loss on loan receivables | | (594,094) | (274,999) |
| | ₩ | 22,021,884 | 22,273,414 |

(2) Changes in loss allowance for loan receivables at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 22,210 | 52,043 | 200,746 | 274,999 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | 6,228 | (6,218) | (10) | - |
| Replaced by lifetime expected credit loss | | (2,481) | 11,428 | (8,947) | - |
| Replacing credit-damaged financial assets | | (1,575) | (27,715) | 29,290 | - |
| | | 2,172 | (22,505) | 20,333 | - |
| Charge for the period(reversal), net | | 10,190 | 22,405 | 345,545 | 378,140 |
| Write off, etc | | - | (1,521) | (70,966) | (72,487) |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | 13,442 | 13,442 |
| Ending balance | ₩ | 34,572 | 50,422 | 509,100 | 594,094 |





*(In millions of won)*

(2) Changes in loss allowance for loan receivables at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance (*) | ₩ | 19,265 | 21,987 | 37,528 | 78,780 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | 1,820 | (1,820) | - | - |
| Replaced by lifetime expected credit loss | | (2,548) | 2,695 | (147) | - |
| Replacing credit-damaged financial assets | | (2,013) | (8,514) | 10,527 | - |
| | | (2,741) | (7,639) | 10,380 | - |
| Charge for the period(reversal), net | | 5,695 | 39,611 | 181,727 | 227,033 |
| Write off, etc | | (9) | (118) | (43,791) | (43,918) |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | (1,798) | 14,902 | 13,104 |
| Ending balance | ₩ | 22,210 | 52,043 | 200,746 | 274,999 |

(*) This amount is applied to KIFRS1109.

(3) Changes in loan receivables at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance | ₩ | 21,062,858 | 1,221,412 | 332,655 | 22,616,925 |
| Replaced by 12-month expected credit loss | | 119,861 | (119,849) | (12) | - |
| Replaced by lifetime expected credit loss | | (409,128) | 421,923 | (12,795) | - |
| Replaced by lifetime expected credit loss of impaired receivables | | (82,863) | (140,385) | 223,248 | - |
| Purchases or removals, etc. (net increase or decrease) | | (130,668) | (167,838) | 353,819 | 55,313 |
| Ending balance | ₩ | 20,560,060 | 1,215,263 | 896,915 | 22,672,238 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance (*) | ₩ | 20,936,452 | 528,759 | 72,533 | 21,537,744 |
| Increased in a business combination | | 50 | - | - | 50 |
| Replaced by 12-month expected credit loss | | 97,464 | (97,464) | - | - |
| Replaced by lifetime expected credit loss | | (676,653) | 679,565 | (2,912) | - |
| Replaced by lifetime expected credit loss of impaired receivables | | (114,004) | (33,086) | 147,090 | - |
| Purchases or removals, etc. (net increase or decrease) | | 819,549 | 143,638 | 115,944 | 1,079,131 |
| Ending balance | ₩ | 21,062,858 | 1,221,412 | 332,655 | 22,616,925 |

(*) This amount is applied to KIFRS1109.

*(In millions of won)*

(4) Changes in deferred loan origination costs and fees for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Beginning balance | ₩ | (64,243) | (45,472) |
| Loan originations | | (23,545) | (33,387) |
| Amortization | | 33,284 | 14,616 |
| Ending balance | ₩ | (54,504) | (64,243) |

(5) There are no loan receivable of which contractual cash flow has changed for the year ended December 31, 2024 among the loans for which the allowance for bad debts has been measured as lifetime expected credit losses.

(6) Among the loans of which contractual cash flow has changed, the allowance for bad debts was measured by the lifetime expected credit loss, but there is no loan that has changed to measure the allowance for bad debts by the 12-month expected credit loss after initial recognition for the year ended December 31, 2024.

(7) Contractual uncollected amount of the loan receivables which have been amortized as of December 31, 2024 but are still being collected is ₩147,757 million as of December 31, 2024.

**9. Other financial assets at amortized cost**

(1) Other financial assets at amortized cost as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Insurance receivables: | | | |
| Premiums transferred automatically | ₩ | 802 | 42,262 |
| Insurance settlement adjustments | | 3,842 | 3,899 |
| Other insurance receivables | | 31 | 9,623 |
| | | 4,675 | 55,784 |
| Accounts receivables | | 452,780 | 611,600 |
| Guarantee deposits | | 206,614 | 304,083 |
| Accrued income | | 1,000,059 | 845,302 |
| Finance lease receivables | | 7,231 | 4,627 |
| Others | | 102,523 | 84,241 |
| | | 1,773,882 | 1,905,637 |
| Less: Present value discount | | (1,926) | (4,015) |
| Less: Allowance for other receivables | | (55,232) | (46,154) |
| | ₩ | 1,716,724 | 1,855,468 |

(2) Changes in allowance for losses other financial assets at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance | ₩ | 2,756 | 1,907 | 41,491 | 46,154 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | 30 | (30) | - | - |
| Replaced by lifetime expected credit loss | | (13) | 17 | (4) | - |
| Replacing credit-damaged financial assets | | (262) | (231) | 493 | - |
| | | (245) | (244) | 489 | - |
| Charge for the period(reversal), net | | 935 | 1,867 | 10,411 | 13,213 |
| Write off, etc | | 1,186 | - | (5,321) | (4,135) |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 4,632 | 3,530 | 47,070 | 55,232 |





*(In millions of won)*

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance (*) | ₩ | 3,983 | 1,230 | 24,396 | 29,609 |
| Increased in a business combination | | - | 11 | - | 11 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | 17 | (17) | - | - |
| Replaced by lifetime expected credit loss | | (8) | 47 | (39) | - |
| Replacing credit-damaged financial assets | | (2,369) | (20) | 2,389 | - |
| | | (2,360) | 10 | 2,350 | - |
| Charge for the period(reversal), net | | 1,159 | 661 | 17,115 | 18,935 |
| Write off, etc | | (26) | (5) | (2,370) | (2,401) |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Others | | | | | |
| Ending balance | ₩ | 2,756 | 1,907 | 41,491 | 46,154 |

(*) This amount is applied to KIFRS1109.

(3) Changes in other financial assets at amortized cost for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance | ₩ | 1,738,591 | 54,427 | 112,619 | 1,905,637 |
| Replaced by 12-month expected credit loss | | 100,873 | (45,490) | (55,383) | - |
| Replaced by lifetime expected credit loss | | (7,978) | 874 | 7,104 | - |
| Replaced by lifetime expected credit loss of impaired receivables | | (107) | (50) | 157 | - |
| Purchases or removals, etc. (net increase or decrease) | | (149,344) | 1,536 | 16,053 | (131,755) |
| Ending balance | ₩ | 1,682,035 | 11,297 | 80,550 | 1,773,882 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
| | | | Non impaired | Impaired | |
| Beginning balance (*) | ₩ | 1,293,008 | 44,522 | 80,292 | 1,417,822 |
| Increase due to business combination | | 2,827 | - | - | 2,827 |
| Replaced by 12-month expected credit loss | | 536 | (254) | - | 282- |
| Replaced by lifetime expected credit loss | | (14,046) | 1,820 | 12,226 | - |
| Replaced by lifetime expected credit loss of impaired receivables | | (15,945) | (177) | 16,122 | - |
| Purchases or removals, etc. (net increase or decrease) | | 472,211 | 8,516 | 3,979 | 484,706 |
| Ending balance | ₩ | 1,738,591 | 54,427 | 112,619 | 1,905,637 |

(*) The beginning balance is the amount after applying KIFRS 1109.

(4) Gross investment and present value of minimum lease payment of Finance lease receivables as of December 31, 2024 and 2023 are as follows:

*(In millions of won)*

| | 2024 | |
|---|---|---|
| | Gross investment | Present value of minimum lease payment |
| Not later than 1 year | ₩ 2,974 | 3,350 |
| 1 ~5 years | 3,659 | 6,330 |
| Later than 5 years | - | - |
| Ending balance | ₩ 6,633 | 9,680 |

| | 2023 | |
|---|---|---|
| | Gross investment | Present value of minimum lease payment |
| Not later than 1 year | ₩ 3,312 | 3,126 |
| 1 ~5 years | 3,043 | 3,053 |
| Later than 5 years | - | - |
| Ending balance | ₩ 6,355 | 6,179 |

(5) The unrealized interest income of gross investment from finance lease receivable is ₩312 million as of December 31, 2024.





*(In millions of won)*

**10. Investments in associates and joint ventures**

(1) Investments in associates and joint ventures as of December 31, 2024 and 2023 are as follows:

| | | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| | Country of domicile | Reporting date | Book value | Owner -ship (%) | Book value | Owner -ship (%) |
| **Associates:** | | | | | | |
| A&D Credit Information Co., Ltd.(*2) | Korea | December 31, 2024 | ₩ 3,554 | 19.50 | 3,519 | 19.50 |
| Songsan Industrial Complex Development Co., Ltd. (*1, *3, *7) | Korea | September 30, 2024 | - | 14.12 | - | 14.12 |
| Pusan Millak PFV (*6) | Korea | December 31, 2024 | - | - | 306 | 5.00 |
| Guri Galmae REIT Co., Ltd. (*1) | Korea | December 31, 2024 | 14 | 0.14 | 19 | 0.14 |
| Yeouido H2 PFV .(*1) | Korea | December 31, 2024 | 286 | 5.00 | - | 5.00 |
| Pusan Eco delta city PFV(*1,*4) | Korea | December 31, 2024 | - | - | - | - |
| Logistec Yangsan Co., Ltd. (*1) | Korea | December 31, 2024 | 221 | 19.90 | 266 | 19.90 |
| Incheon Gundam 3rd PFV(*1,*4) | Korea | December 31, 2024 | - | - | - | - |
| Hera Park City development PFV (*1) | Korea | December 31, 2024 | 531 | 19.50 | 724 | 19.50 |
| Hera Park City development AMC (*1,*3) | Korea | December 31, 2024 | - | 19.50 | 40 | 19.50 |
| Incheon Yeongjong PFV(*1,*4) | Korea | December 31, 2024 | - | - | - | - |
| Dongdaemoon Urban PFV(*1,*4) | Korea | December 31, 2024 | - | - | - | - |
| Chungju Biz Core City Co., Ltd. (*1,*3) | Korea | December 31, 2024 | - | 10.00 | - | 10.00 |
| Chungnam Naepo 1 PFV(*1,*4) | Korea | December 31, 2024 | - | - | - | - |
| Yangjuhoechun PFV(*5) | Korea | December 31, 2024 | - | - | - | - |
| Peco-city Co., Ltd. (*1, *7) | Korea | September 30, 2024 | 91 | 12.50 | 35 | 12.50 |
| Incheon Yeongjong 1st PFV(*1,*4) | Korea | December 31, 2024 | - | - | - | - |
| Changwon gapo PFV(*5) | Korea | December 31, 2024 | - | - | - | - |
| Osong Smart Valley Co., Ltd.(*5) | Korea | December 31, 2024 | - | - | 7 | 10.00 |
| Jinjeop District 2 REIT Co., Ltd.(*1) | Korea | December 31, 2024 | 46 | 0.44 | 57 | 0.44 |
| Kyobo 11 Special Purpose Acquisition Company (*6) | Korea | December 31, 2024 | - | - | 20 | 0.23 |
| Kyobo 12 Special Purpose Acquisition Company (*6) | Korea | December 31, 2024 | - | - | 20 | 0.17 |
| Kyobo 13 Special Purpose Acquisition Company (*1) | Korea | December 31, 2024 | 21 | 0.25 | 20 | 0.25 |
| Kyobo 14 Special Purpose Acquisition Company (*1) | Korea | December 31, 2024 | 20 | 0.24 | 20 | 0.24 |
| Kyobo 15 Special Purpose Acquisition Company (*1) | Korea | December 31, 2024 | 20 | 0.26 | 20 | 0.26 |
| Kyobo 16 Special Purpose Acquisition Company (*1) | Korea | December 31, 2024 | 20 | 0.16 | - | - |
| Kyobo 17 Special Purpose Acquisition Company (*1) | Korea | December 31, 2024 | 14 | 0.14 | - | - |
| Kyobo NH Healthcare New Technology Investment Association 1 (*5) | Korea | December 31, 2024 | - | - | 2,502 | 13.89 |
| Kyobo Kiwoom New Materials & Technology Investment Association (*5) | Korea | December 31, 2024 | - | - | 1,200 | 12.50 |
| Kyobo Axis Future & New Technology Investment Association 1st (*2) | Korea | December 31, 2024 | 1,212 | 9.43 | 1,153 | 9.43 |
| Kyobo-YG Ilguimu new Technology Investment Association(*5) | Korea | December 31, 2024 | - | - | 694 | 11.49 |
| KB Kyobo New Mobility New Technology Investment Association(*5) | Korea | December 31, 2024 | - | - | 1,766 | 19.05 |
| Kyobo Advanced Materials & Technology Investment Association(*5) | Korea | December 31, 2024 | - | - | 1,893 | 19.42 |
| NH Daishin Kyobo Healthcare 1(*5) | Korea | December 31, 2024 | - | - | 2,963 | 18.75 |
| KYOBO-SP Advanced Materials New Technology Investment Association | Korea | December 31, 2024 | 2,446 | 21.69 | 2,328 | 21.69 |
| Kyobo OSAT New Technology Investment Association(*5) | Korea | December 31, 2024 | - | - | 15,404 | 14.00 |
| Kyobo-Mark New Technology Investment Association 1(*2) | Korea | December 31, 2024 | 296 | 18.75 | 268 | 18.75 |
| Kyobo Healthcare New Technology Investment Association 1 (*2) | Korea | December 31, 2024 | 1,862 | 19.05 | 1,868 | 19.05 |
| K&T-Kyobo ESG New Technology Investment Association (*2) | Korea | December 31, 2024 | 1,663 | 14.78 | - | - |
| Kyobo-H Square UTG New Technology Investment Association | Korea | December 31, 2024 | 1,530 | 25.81 | - | - |
| Kyobo IBK Advanced Materials New Technology Business Investment Association (*2) | Korea | December 31, 2024 | 1,812 | 19.05 | - | - |
| Kyobo Mobility Advanced Materials New Technology Business Investment Association | Korea | December 31, 2024 | 1,702 | 21.51 | - | - |
| Kyobo-NBH-Alpenroot Sports Innovation Investment Association (*2) | Korea | December 31, 2024 | 632 | 9.95 | - | - |
| SBI-NTU-Kyobo Digital Innovation Fund(*2, *7) | Singapore | December 31, 2024 | 72 | 0.75 | 56 | 0.75 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery 4(*5) | Korea | December 31, 2024 | - | - | 30,869 | 4.91 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery 5(*5) | Korea | December 31, 2024 | - | - | 8,652 | 2.60 |
| Kyobo Securities Champion Inc. Solutions 3Y General | Korea | December 31, 2024 | 65 | 0.07 | 59 | 0.07 |

*(In millions of won)*

| | | | | | | |
|---|---|---|---|---|---|---|
| Private Equity Trust(*2) | | | | | | |
| Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5 (*2) | Singapore | December 31, 2024 | 61,292 | 16.75 | - | - |
| Kyobo Securities Hi-Public Stock General Private Investment Trust (*2) | Korea | December 31, 2024 | 204 | 0.98 | - | - |
| The Givers | Korea | December 31, 2024 | 6,280 | 29.80 | 9,644 | 29.80 |
| Marston General Private Real Estate Investment Trust 61 | Korea | December 31, 2024 | 38,560 | 32.79 | 28,084 | 32.78 |
| Spiderlab | Korea | December 31, 2024 | 2,242 | 22.97 | 2,501 | 22.97 |
| | | | 126,708 | | 116,977 | |
| **Joint venture:** | | | | | | |
| Kyobo AXA Investment Management Co., Ltd. | Korea | December 31, 2024 | 33,315 | 50.00 | 32,427 | 50.00 |
| | | | ₩ 160,023 | | 149,404 | |

(*1) The entities are classified as associates even though the Group holds less than 20% of shares since members of the Group's Board of Directors are also the members of the entities' board and thus have significant influence over the entities.

(*2) The entities are classified as associates even though the Group holds less than 20% of shares. Since the Group can participate in decision-making related to the investees' financial and operating policies as a general manager, and thus has significant influence over the entities.

(*3) The Group recognized equity method losses and therefore has no book value for invested stocks, and discontinued to recognize its shares of profit or loss of the associate.

(*4) By investing in preferred stocks issued by an investee company with significant influence, it was determined that the profits associated with the ownership stake in the affiliated company could not be substantially accessed through the relevant financial instruments. In accordance with KIFRS 1109, it is classified as a financial asset measured at fair value through profit or loss.

(*5) The entities are excluded from associates because the investment shares were recovered for the year ended December 31, 2024.

(*6) The entities are excluded from associates due to loss of significant influence for the year ended December 31, 2024.

(*7) As the financial statements for the year ending December 2024 were not available, the equity method was applied using the financial statements as of September 30, 2024. Significant transactions or events occurring between the reporting period end of the associate and the reporting period end of the consolidated entity have been appropriately reflected.

(2) Changes in investments in associates and joint ventures the year ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning balance | Acquisition | Disposal | Gain (loss) on equity-method accounting | Dividend | Capital change | Ending balance |
| **Associates:** | | | | | | | |
| A&D Credit Information Co., Ltd. | ₩ 3,519 | - | - | 84 | (49) | - | 3,554 |
| Songsan Industrial Complex Development Co., Ltd. (*1) | - | - | - | - | - | - | - |
| Pusan Millak PFV (*3) | 306 | - | - | (306) | - | - | - |
| Guri Galmae REIT Co., Ltd. . | 19 | - | - | (5) | - | - | 14 |
| Yeouido H2 PFV . | - | - | - | 286 | - | - | 286 |
| Logistec Yangsan Co., Ltd. | 266 | - | - | (45) | - | - | 221 |
| Hera Park City development PFV | 724 | - | - | (193) | - | - | 531 |
| Hera Park City development AMC (*1) | 40 | - | - | (40) | - | - | - |
| Chungju Biz Core City Co., Ltd. (*1) | - | - | - | - | - | - | - |
| Peco-city Co., Ltd. | 35 | 63 | - | (7) | - | - | 91 |
| Osong Smart Valley Co., Ltd. (*2) | 7 | - | (10) | 3 | - | - | - |
| Jinjeop District 2 REIT Co., Ltd. | 57 | - | - | (11) | - | - | 46 |
| Kyobo 11 Special Purpose Acquisition Company (*3) | 20 | - | (12) | - | - | (8) | - |
| Kyobo 12 Special Purpose Acquisition Company (*3) | 20 | - | (9) | - | - | (11) | - |
| Kyobo 13 Special Purpose Acquisition Company | 20 | - | - | 1 | - | - | 21 |
| Kyobo 14 Special Purpose Acquisition Company | 20 | - | - | - | - | - | 20 |
| Kyobo 15 Special Purpose Acquisition Company | 20 | - | - | - | - | - | 20 |
| Kyobo 16 Special Purpose Acquisition Company | - | 10 | - | (5) | - | 15 | 20 |
| Kyobo 17 Special Purpose Acquisition Company | - | 7 | - | (3) | - | 10 | 14 |
| Kyobo NH Healthcare New | 2,502 | - | (2,500) | 808 | (810) | - | - |





*(In millions of won)*

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Technology Investment Association 1st (*2) | | | | | | | |
| Kyobo Kiwoom New Materials & Technology Investment Association (*2) | 1,200 | - | (1,113) | (87) | - | - | - |
| Kyobo Axis Future & New Technology Investment Association 1 | 1,153 | - | - | 59 | - | - | 1,212 |
| Kyobo-YG Ilguimu newTechnology Investment Association (*2) | 694 | - | (694) | - | - | - | - |
| KB Kyobo New Mobility New Technology Investment Association (*2) | 1,766 | - | (1,899) | 133 | - | - | - |
| Kyobo Advanced Materials & Technology Investment Association (*2) | 1,893 | - | (1,951) | 58 | - | - | - |
| NH Daishin Kyobo Healthcare 1 (*2) | 2,963 | - | (2,900) | (63) | - | - | - |
| KYOBO-SP Advanced Materials New Technology Investment Association | 2,328 | - | - | 118 | - | - | 2,446 |

| | 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Beginning balance | Acquisition | Disposal | Gain (loss) on equity-method accounting | Dividend | Impairment | Capital change | Ending balance |
| **Associates:** | | | | | | | | |
| Kyobo OSAT New Technology Investment Association (*2) | ₩ 15,404 | - | (7,000) | (2,302) | (6,102) | - | - | - |
| Kyobo-Mark New Technology Investment Association No. 1 | 268 | - | - | 28 | - | - | - | 296 |
| Kyobo Healthcare New Technology Investment Association 1 | 1,868 | - | - | (6) | - | - | - | 1,862 |
| K&T-Kyobo ESG New Technology Investment Association | - | 1,700 | - | (37) | - | - | - | 1,663 |
| Kyobo-H Square UTG New Technology Investment Association | - | 1,600 | - | (70) | - | - | - | 1,530 |
| Kyobo IBK Advanced Materials New Technology Business Investment Association | - | 2,000 | - | (188) | - | - | - | 1,812 |
| Kyobo Mobility Advanced Materials New Technology Business Investment Association | - | 2,000 | - | (298) | - | - | - | 1,702 |
| Kyobo-NBH-Alpenroot Sports Innovation Investment Association | - | 640 | - | (8) | - | - | - | 632 |
| SBI-NTU-Kyobo Digital Innovation Fund | 56 | 23 | - | (2) | - | - | (5) | 72 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 4 (*2) | 30,869 | - | (29,400) | 21,278 | (22,747) | - | - | - |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 5 (*2) | 8,652 | 8,000 | (18,000) | 8,291 | (6,943) | - | - | - |
| Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust | 59 | - | - | 6 | - | - | - | 65 |
| Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5 | - | 60,000 | - | 1,292 | - | - | - | 61,292 |
| Kyobo Securities Hi-Public Stock General Private Investment Trust | - | 200 | - | 4 | - | - | - | 204 |

| 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Beginning balance | Acquisition | Disposal | Gain (loss) on equity-method | Dividend | Impairment | Capital change | Ending balance |

*(In millions of won)*

| | | | | accounting | | | | |
|---|---|---|---|---|---|---|---|---|
| **Associates:** | | | | | | | | |
| The Givers | 9,644 | - | - | (364) | - | (3,000) | - | 6,280 |
| Marston General Private Real Estate Investment Trust No. 61 | 28,084 | - | - | 11,197 | (721) | - | - | 38,560 |
| Spiderlab | 2,501 | - | - | (259) | - | - | - | 2,242 |
| | 116,977 | 76,243 | (65,488) | 39,347 | (37,372) | (3,000) | 1 | 126,708 |
| **Joint ventures:** | | | | | | | | |
| Kyobo AXA Investment Management Co., Ltd. | 32,427 | - | - | 7,038 | (6,150) | - | - | 33,315 |
| ₩ | 149,404 | 76,243 | (65,488) | 46,385 | (43,522) | (3,000) | 1 | 160,023 |

(*1) The Group recognized equity method losses and therefore has no book value for invested stocks, and discontinued to recognize its shares of profit or loss of the associate.

(*2) The Group recognized equity method losses and therefore has no book value for invested stocks, and sold its investment shares and was excluded from associate companies.

(*3) The Group are excluded from associates due to loss of significant influence and was replaced by financial assets at fair value through profit or loss for the year ended December 31, 2023.

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning balance | Acquisition | Disposal | Gain (loss) on equity-method accounting | Dividend | Capital change | Ending balance |
| **Associates:** | | | | | | | |
| A&D Credit Information Co., Ltd. ₩ | 3,403 | - | - | 165 | (49) | - | 3,519 |
| Songsan Industrial Complex Development Co., Ltd. (*1) | - | 180 | - | (180) | - | - | - |
| Pusan Millak PFV | 724 | - | - | (418) | - | - | 306 |
| Jinjeop2 REIT Co., Ltd. .(*2) | 59 | - | (59) | - | - | - | - |
| Guri Galmae REIT Co., Ltd. . | 20 | - | - | (1) | - | - | 19 |
| Yeouido H2 PFV .(*1) | - | - | - | - | - | - | - |
| Logistec Yangsan Co., Ltd. | 272 | - | - | (6) | - | - | 266 |
| Hera Park City development PFV | 591 | - | - | 133 | - | - | 724 |
| Hera Park City development AMC | 26 | - | - | 14 | - | - | 40 |
| Chungju Biz Core City Co., Ltd. (*1) | - | - | - | - | - | - | - |
| Peco-city Co., Ltd. | 15 | - | - | 20 | - | - | 35 |
| Osong Smart Valley Co., Ltd. | 8 | - | - | (1) | - | - | 7 |
| Jinjeop District 2 REIT Co., Ltd. | - | 59 | - | (2) | - | - | 57 |
| Private Rental Hub No. 8 Consignment Management Real Estate Investment Company(*2) | - | 59 | (59) | - | - | - | - |
| Kyobo 10 Special Purpose Acquisition Company (*3) | 118 | - | (70) | - | - | (48) | - |
| Kyobo 11 Special Purpose Acquisition Company | 20 | - | - | - | - | - | 20 |
| Kyobo 12 Special Purpose Acquisition Company | 20 | - | - | - | - | - | 20 |
| Kyobo 13 Special Purpose Acquisition Company | 20 | - | - | - | - | - | 20 |
| Kyobo 14 Special Purpose Acquisition Company | - | 10 | - | 2 | - | 8 | 20 |
| Kyobo 15 Special Purpose Acquisition Company | - | 10 | - | - | - | 10 | 20 |
| Kyobo NH Healthcare New Technology Investment Association 1st | 2,635 | - | - | (133) | - | - | 2,502 |
| NH Kyobo AI solution New Technology Investment Association (*2) | 1,110 | - | (1,000) | 494 | (604) | - | - |
| Kyobo Kiwoom New | 1,988 | - | (861) | 73 | - | - | 1,200 |





*(In millions of won)*

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Materials & Technology Investment Association | | | | | | | |
| Kyobo Hanyang ESG New Technology Investment Association (*2) | 1,289 | - | (1,000) | (46) | (243) | - | - |
| Kyobo Axis Future & New Technology Investment Association 1 | 1,504 | - | (674) | 323 | - | - | 1,153 |
| Kyobo-YG Ilguimu newTechnology Investment Association | 946 | - | (280) | 28 | - | - | 694 |
| KB Kyobo New Mobility New Technology Investment Association | 1,849 | - | - | (83) | - | - | 1,766 |

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning balance | Acquisition | Disposal | Gain (loss) on equity-method accounting | Dividend | Capital change | Ending balance |
| **Associates:** | | | | | | | |
| Kyobo Advanced Materials & Technology Investment Association ₩ | 1,808 | - | - | 85 | - | - | 1,893 |
| NH Daishin Kyobo Healthcare 1 | 2,548 | - | - | 415 | - | - | 2,963 |
| KYOBO-SP Advanced Materials New Technology Investment Association | 2,417 | - | - | (89) | - | - | 2,328 |
| Kyobo OSAT New Technology Investment Association | - | 7,000 | - | 8,404 | - | - | 15,404 |
| Kyobo-Mark New Technology Investment Association No. 1 | - | 300 | - | (32) | - | - | 268 |
| Kyobo NH Healthcare New Technology Investment Association 1 | - | 2,000 | - | (132) | - | - | 1,868 |
| SBI-NTU-Kyobo Digital Innovation Fund | 5 | 58 | - | (7) | - | - | 56 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 1(*2) | - | 5,000 | (5,000) | - | - | - | - |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 2(*2) | - | 5,000 | (5,000) | - | - | - | - |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 3(*2) | - | 10,000 | (10,000) | - | - | - | - |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 4 | - | 29,400 | - | 1,469 | - | - | 30,869 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 5 | - | 10,000 | - | (1,348) | - | - | 8,652 |
| Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust | - | 100 | - | (41) | - | - | 59 |
| Kyobo Securities Safe-Up Bond Investment Type General Private Equity Investment Trust No. 4(*2) | - | 5,000 | (5,000) | - | - | - | - |
| The Givers | 9,916 | - | - | (272) | - | - | 9,644 |
| Marston General Private Real Estate Investment Trust No. 61 | 19,980 | - | - | 8,366 | (262) | - | 28,084 |
| Spiderlab | - | 2,501 | - | - | - | - | 2,501 |
| | 53,291 | 76,677 | (29,003) | 17,200 | (1,158) | (30) | 116,977 |
| **Joint ventures:** | | | | | | | |
| Kyobo AXA Investment Management Co., Ltd. | 32,298 | - | - | 6,228 | (6,099) | - | 32,427 |
| ₩ | 85,589 | 76,677 | (29,003) | 23,428 | (7,257) | (30) | 149,404 |

(*1) The Group recognized equity method losses and therefore has no book value for invested stocks, and discontinued to recognize its shares of profit or loss of the associate.

(*2) The Group recognized equity method losses and therefore has no book value for invested stocks, and sold its investment shares and was excluded from associate companies for the year ended December 31, 2023.

(*3) The Group are excluded from associates due to loss of significant influence and was replaced by financial assets at fair value through profit or loss for the year ended December 31, 2023.

(2) Accumulated unrecognized change in equity due to discontinued use of the equity method as of December 31, 2024 and 2023 are as follows:

| | 2024 | |
|---|---|---|
| | Unrecognized losses | Accumulated unrecognized losses |
| Songsan Industrial Complex Development Co., Ltd. | ₩ 301 | 2,525 |
| Yeouido H2 PFV | (9) | - |
| Hera Park City development PFV | 63 | 63 |
| Chungju Biz Core City Co., Ltd. | 22 | 92 |
| | ₩ 377 | 2,680 |

| | 2023 | |
|---|---|---|
| | Unrecognized losses | Accumulated unrecognized losses |
| Songsan Industrial Complex Development Co., Ltd. | ₩ 920 | 2,224 |
| Yeouido H2 PFV | (205) | 9 |
| Chungju Biz Core City Co., Ltd. | 46 | 70 |
| | ₩ 761 | 2,303 |

(4) Condensed financial information of the Group's associates and joint ventures as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Assets | Liabilities | Operating profit | Net income (loss) |
| **Associates:** | | | | |
| A&D Credit Information Co., Ltd. | ₩ 28,723 | 10,495 | 46,422 | 431 |
| Songsan Industrial Complex Development Co., Ltd. | 28,433 | 46,321 | - | (850) |
| Guri Galmae REIT Co., Ltd. | 74,542 | 64,407 | - | (3,899) |
| Yeouido H2 PFV . | 34,564 | 28,844 | 48,652 | 5,783 |
| Logistec Yangsan Co., Ltd. | 10,225 | 9,115 | 360 | (87) |
| Hera Park City development PFV | 17,867 | 15,141 | - | (176) |
| Hera Park City development AMC | 310 | 631 | 284 | (446) |
| Chungju Biz Core City Co., Ltd. | 395 | 1,415 | - | (405) |
| Peco-city Co., Ltd. | 725 | - | - | (40) |
| Jinjeop District 2 REIT Co., Ltd. | 51,937 | 41,513 | - | (2,372) |
| Kyobo 13 Special Purpose Acquisition Company | 10,356 | 1,980 | - | 161 |
| Kyobo 14 Special Purpose Acquisition Company | 10,162 | 1,770 | - | 141 |
| Kyobo 15 Special Purpose Acquisition Company | 9,070 | 1,479 | - | 145 |
| Kyobo 16 Special Purpose Acquisition Company | 14,904 | 2,687 | - | 39 |
| Kyobo 17 Special Purpose Acquisition Company | 11,858 | 1,585 | - | (16) |
| Kyobo Axis Future & New Technology Investment Association 1 | 12,930 | 84 | 955 | 625 |
| KYOBO-SP Advanced Materials New Technology Investment Association | 11,310 | 35 | 704 | 543 |
| Kyobo-Mark New Technology Investment Association No. 1 | 1,588 | 8 | 174 | 153 |
| Kyobo Healthcare New Technology Investment Association 1 | 9,806 | 44 | 131 | (46) |
| K&T-Kyobo ESG New Technology Investment Association | 11,260 | 8 | - | (247) |
| Kyobo-H Square UTG New Technology Investment Association | 5,932 | 5 | - | (273) |
| Kyobo IBK Advanced Materials New Technology Business Investment Association | 9,521 | 5 | - | (985) |
| Kyobo Mobility Advanced Materials New Technology Business Investment Association | 7,918 | 5 | - | (1,387) |
| Kyobo-NBH-Alpenroot Sports Innovation Investment Association | 6,357 | 6 | 42 | (79) |
| SBI-NTU-Kyobo Digital Innovation Fund | 9,573 | 31 | 12 | (228) |
| Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust | 388,461 | 299,840 | 8,436 | 7,990 |





| | | | | |
|---|---|---|---|---|
| **Associates:** | | | | |
| Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5 | 1,692,087 | 1,326,166 | 8,232 | 7,659 |
| Kyobo Securities Hi-Public Stock General Private Investment Trust | 39,340 | 18,635 | 457 | 406 |
| The Givers | 8,154 | 583 | 715 | (1,220) |
| Marston General Private Real Estate Investment Trust No. 61 | 230,167 | 146,820 | 47,428 | 34,847 |
| Spiderlab | 840 | 688 | 1,970 | (1,128) |
| **Joint ventures:** | | | | |
| Kyobo AXA Investment Management Co., Ltd. | 81,339 | 14,709 | 43,516 | 14,075 |

| | 2023 | | | |
|---|---|---|---|---|
| | Assets | Liabilities | Operating profit | Net income (loss) |
| **Associates:** | | | | |
| A&D Credit Information Co., Ltd. | ₩ 27,315 | 9,269 | 47,695 | 844 |
| Songsan Industrial Complex Development Co., Ltd. | 38,234 | 53,990 | 9,807 | (705) |
| Pusan Millak PFV | 48,070 | 41,943 | 2 | (8,138) |
| Guri Galmae REIT Co., Ltd. . | 78,321 | 64,390 | - | (72) |
| Yeouido H2 PFV . | 71,515 | 71,686 | 20,270 | 579 |
| Logistec Yangsan Co., Ltd. | 9,351 | 8,015 | 222 | (125) |
| Hera Park City development PFV | 18,715 | 15,000 | 72 | (165) |
| Hera Park City development AMC | 271 | 66 | 735 | 71 |
| Chungju Biz Core City Co., Ltd. | 192 | 896 | - | (451) |
| Peco-city Co., Ltd. | 336 | 56 | - | (8) |
| Osong Smart Valley Co., Ltd. | 82 | 13 | - | (14) |
| Jinjeop2 REIT Co., Ltd. | 54,426 | 41,592 | - | (498) |
| Kyobo 11 Special Purpose Acquisition Company | 11,146 | 2,253 | 371 | 201 |
| Kyobo 12 Special Purpose Acquisition Company | 14,251 | 2,145 | 368 | 232 |
| Kyobo 13 Special Purpose Acquisition Company | 10,133 | 1,918 | 332 | 188 |
| Kyobo 14 Special Purpose Acquisition Company | 9,955 | 1,704 | 143 | 36 |
| Kyobo 15 Special Purpose Acquisition Company | 8,840 | 1,379 | - | 25 |
| Kyobo NH Healthcare New Technology Investment Association 1 | 18,062 | 46 | 1 | (959) |
| Kyobo Kiwoom New Materials & Technology Investment Association | 9,643 | 44 | 754 | 582 |
| Kyobo Axis Future & New Technology Investment Association 1 | 12,306 | 85 | 3,754 | 3,420 |
| Kyobo-YG Ilguimu new Technology Investment Association | 6,087 | 45 | 429 | 248 |
| KB Kyobo New Mobility New Technology Investment Association | 9,311 | 40 | 1 | (437) |
| Kyobo Advanced Materials & Technology Investment Association | 9,750 | - | 522 | 438 |
| NH Daishin Kyobo Healthcare 1 | 15,804 | - | 2,295 | 2,055 |
| KYOBO-SP Advanced Materials New Technology Investment Association | 10,733 | - | 9 | (409) |
| Kyobo OSAT New Technology Investment Association | 110,031 | - | 60,440 | 60,031 |
| Kyobo-Mark New Technology Investment Association 1 | 1,427 | - | - | (173) |
| Kyobo NH Healthcare New Technology Investment Association 1 | 9,807 | - | - | (693) |
| SBI-NTU-Kyobo Digital Innovation Fund | 7,509 | 28 | - | (687) |
| Kyobo Securities Safe-Up Bond Investment Type General Private Equity Investment Trust 4 | 2,943,936 | 2,315,064 | 33,594 | 26,645 |
| Kyobo Securities Safe-Up Bond Investment Type General Private Equity Investment Trust 5 | 1,153,606 | 820,694 | 5,002 | 4,907 |
| Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust | 343,397 | 262,766 | 5,130 | (59,469) |
| The Givers | 8,880 | 89 | 821 | (920) |
| Marston General Private Real Estate Investment Trust 61 | 202,083 | 150,538 | 30,912 | 25,480 |
| Spiderlab | 2,037 | 644 | 820 | 971 |
| **Joint ventures:** | | | | |
| Kyobo AXA Investment Management Co., Ltd. | 77,560 | 12,705 | 41,145 | 12,456 |

(5) The market value for associates and joint ventures which are publicly traded as of December 31, 2024 and 2023 are as follows:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Fair value | Book value | Fair value | Book value |
| Kyobo 11 Special Purpose Acquisition Company | ₩ - | - | 30 | 20 |

*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| (*1) | | | | |
| Kyobo 12 Special Purpose Acquisition Company (*1) | - | - | 21 | 20 |
| Kyobo 13 Special Purpose Acquisition Company | 21 | 21 | 21 | 20 |
| Kyobo 14 Special Purpose Acquisition Company | 21 | 20 | 21 | 20 |
| Kyobo 15 Special Purpose Acquisition Company | 21 | 20 | 21 | 20 |
| Kyobo 16 Special Purpose Acquisition Company | 20 | 20 | - | - |
| Kyobo 17 Special Purpose Acquisition Company | 14 | 14 | - | - |

(*1) The entities are excluded from associates due to loss of significant influence and was replaced by financial assets at fair value through profit or loss for the year ended December 31, 2024.





*(In millions of won)*

**11. Classification by categories of financial instruments**

(1) The carrying amounts of each category of financial assets and financial liabilities as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Financial assets at fair value through profit or loss | Financial assets at fair value through OCI | Securities at amortized cost | Loan receivables and other receivables at amortized cost | Hedging purpose derivatives | Financial liabilities at fair value through profit or loss | Financial liabilities at amortized cost | Total |
| Financial assets: | | | | | | | | |
| Cash and due from banks | ₩ - | - | - | 4,803,712 | - | - | - | 4,803,712 |
| Financial assets at fair value through profit or loss | 43,755,497 | - | - | - | - | - | - | 43,755,497 |
| Derivative assets | 1,113,427 | - | - | - | 304,471 | - | - | 1,417,898 |
| Financial assets at fair value through other comprehensive income | - | 58,868,566 | - | - | - | - | - | 58,868,566 |
| Securities at amortized cost | - | - | 1,213,152 | - | - | - | - | 1,213,152 |
| Loan receivables at amortized cost | - | - | - | 22,021,884 | - | - | - | 22,021,884 |
| Other financial assets at amortized cost | - | - | - | 1,716,724 | - | - | - | 1,716,724 |
| | ₩ 44,868,924 | 58,868,566 | 1,213,152 | 28,542,320 | 304,471 | - | - | 133,797,433 |
| Financial liabilities: | | | | | | | | |
| Investment contract liabilities | ₩ - | - | - | - | - | - | 15,846,521 | 15,846,521 |
| Financial liabilities designated at fair value through profit or loss | - | - | - | - | - | 4,839,246 | - | 4,839,246 |
| Financial liabilities at fair value through profit or loss | - | - | - | - | - | 599,561 | - | 599,561 |
| Derivative liabilities | - | - | - | - | 1,766,644 | 1,888,291 | - | 3,654,935 |
| Borrowings | - | - | - | - | - | - | 6,198,120 | 6,198,120 |
| Other financial liabilities | - | - | - | - | - | - | 3,055,228 | 3,055,228 |
| | ₩ - | - | - | - | 1,766,644 | 7,327,098 | 25,099,869 | 34,193,611 |

*(In millions of won)*

| | 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Financial assets at fair value through profit or loss | Financial assets at fair value through OCI | Securities at amortized cost | Loan receivables and other receivables at amortized cost | Hedging purpose derivatives | Financial liabilities at fair value through profit or loss | Financial liabilities at amortized cost | Total |
| Financial assets: | | | | | | | | |
| Cash and due from banks | ₩ - | - | - | 5,107,298 | - | - | - | 5,107,298 |
| Financial assets at fair value through profit or loss | 44,501,061 | - | - | - | - | - | - | 44,501,061 |
| Derivative assets | 1,008,805 | - | - | - | 386,792 | - | - | 1,395,597 |
| Financial assets at fair value through other comprehensive income | - | 50,576,574 | - | - | - | - | - | 50,576,574 |
| Securities at amortized cost | - | - | 1,299,927 | - | - | - | - | 1,299,927 |
| Loan receivables at amortized cost | - | - | - | 22,273,414 | - | - | - | 22,273,414 |
| Other financial assets at amortized cost | - | - | - | 1,855,469 | - | - | - | 1,855,469 |
| | ₩ 45,509,866 | 50,576,574 | 1,299,927 | 29,236,181 | 386,792 | - | - | 127,009,340 |
| Financial liabilities: | | | | | | | | |
| Investment contract liabilities | ₩ - | - | - | - | - | - | 15,321,085 | 15,321,085 |
| Financial liabilities designated at fair value through profit or loss | - | - | - | - | - | 4,787,659 | - | 4,787,659 |
| Financial liabilities at fair value through profit or loss | - | - | - | - | - | 257,473 | - | 257,473 |
| Derivative liabilities | - | - | - | - | 628,801 | 1,230,297 | - | 1,859,098 |
| Borrowings | - | - | - | - | - | - | 5,918,191 | 5,918,191 |
| Other financial liabilities | - | - | - | - | - | - | 2,821,006 | 2,821,006 |
| | ₩ - | - | - | - | 628,801 | 6,275,429 | 24,060,282 | 30,964,512 |





*(In millions of won)*

(2) Gain or loss on categories of financial instruments for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Net profit and loss(*3) | | | | | | Other comprehensive income (expense) (*2) |
| | Interest income (expense) | Gain (loss) on disposal | Gain (loss) on valuation | Impairment loss | Other operating income (expense) (*1) | Subtotal | |
| Financial assets at fair value through profit or loss | ₩ 618,828 | 169,506 | 60,507 | - | 1,369,594 | 2,218,435 | - |
| Financial assets at fair value through other comprehensive income | 1,805,962 | (17,082) | - | 4,319 | 1,978,871 | 3,772,070 | 257,543 |
| Securities at amortized cost | 38,704 | (518) | - | 13 | 11,313 | 49,512 | - |
| Loan receivables at amortized cost | 1,099,669 | 646 | - | (378,141) | 50,409 | 772,583 | - |
| Other receivables at amortized cost | 176,284 | - | - | (13,626) | 1,135 | 163,793 | - |
| Derivatives | (91,152) | 8,823 | (2,045,343) | - | (43,727) | (2,171,399) | 36,350 |
| Investment contract liabilities | - | - | - | - | (703,470) | (703,470) | - |
| Financial liabilities designated at fair value through profit or loss | - | (154,923) | 13,031 | - | (120,482) | (262,374) | 3,819 |
| Financial liabilities at fair value through profit or loss | - | (10,296) | 54,226 | - | - | 43,930 | - |
| Financial liabilities at amortized cost | (250,055) | - | - | - | (51,806) | (301,861) | - |
| | ₩ 3,398,240 | (3,844) | (1,917,579) | (387,435) | 2,491,837 | 3,581,219 | 297,712 |

(*1) Including gain or loss from foreign currency transaction, dividend income and other financial expenses.
(*2) Accumulated other comprehensive income after adjustment for income tax effect.
(*3) Including gain or loss from performance dividends.

| 2023 | | Net profit and loss(*3) | | | | | Other comprehensive income (expense) (*2) |
|---|---|---|---|---|---|---|---|
| | | Interest income (expense) | Gain (loss) on disposal | Gain (loss) on valuation | Impairment loss | Other operating income (expense) (*1) | Subtotal | |
| Financial assets designated at fair value through profit or loss | ₩ | - | 814 | - | - | - | 814 | - |
| Financial assets at fair value through profit or loss | | 577,529 | 483,819 | 1,679,691 | - | 917,551 | 3,658,590 | - |
| Financial assets at fair value through other comprehensive income | | 1,607,269 | 134,130 | - | (2,799) | 308,903 | 2,047,503 | 2,342,949 |
| Securities at amortized cost | | 42,072 | - | - | (5) | 9,161 | 51,228 | - |
| Loan receivables at amortized cost | | 973,745 | 7,462 | - | (227,033) | 13,559 | 767,733 | - |
| Other receivables at amortized cost | | 114,500 | - | - | (19,286) | 392 | 95,606 | - |
| Derivatives | | (83,659) | (391,811) | (16,787) | - | (4,771) | (497,028) | 357,361 |
| Investment contract liabilities | | - | - | - | - | (509,880) | (509,880) | - |
| Financial liabilities designated at fair value through profit or loss | | - | (202,498) | (128,977) | - | (9,273) | (340,748) | (2,410) |
| Financial liabilities at fair value through profit or loss | | - | (18,648) | (17,650) | - | - | (36,298) | - |
| Financial liabilities at amortized cost | | (230,101) | - | - | - | 1,963 | (228,138) | - |
| | ₩ | 3,001,355 | 13,268 | 1,516,277 | (249,123) | 727,605 | 5,009,382 | 2,697,900 |

(*1) Including gain or loss from foreign currency transaction, dividend income and other financial expenses.
(*2) Accumulated other comprehensive income after adjustment for income tax effect.
(*3) Including gain or loss from performance dividends.





**12. Fair value of financial assets and liabilities**

(1) The book value and fair value of financial assets and liabilities as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | | Book value | Fair value | Book value | Fair value |
| Financial assets: | | | | | |
| Cash and due from banks | ₩ | 4,803,712 | 4,803,712 | 5,107,298 | 5,107,298 |
| Financial assets at fair value through profit or loss | | 43,755,497 | 43,755,497 | 44,501,061 | 44,501,061 |
| Derivative assets | | 1,417,898 | 1,417,898 | 1,395,597 | 1,395,597 |
| Financial assets at fair value through other comprehensive income | | 58,868,566 | 58,868,566 | 50,576,574 | 50,576,574 |
| Securities at amortized cost | | 1,213,152 | 1,148,751 | 1,299,927 | 1,159,165 |
| Loan receivables at amortized cost | | 22,021,884 | 22,132,574 | 22,273,414 | 21,882,280 |
| Other financial assets at amortized cost | | 1,716,724 | 1,716,587 | 1,855,469 | 1,855,032 |
| | ₩ | 133,797,433 | 133,843,585 | 127,009,340 | 126,477,007 |
| Financial liabilities: | | | | | |
| Investment contract liabilities | ₩ | 15,846,521 | 15,846,521 | 15,321,085 | 15,321,085 |
| Financial liabilities designated at fair value through profit or loss | | 4,839,246 | 4,839,246 | 4,787,659 | 4,787,659 |
| Financial liabilities at fair value through profit or loss | | 599,561 | 599,561 | 257,473 | 257,473 |
| Borrowings | | 6,198,120 | 6,215,000 | 5,918,191 | 5,918,191 |
| Derivative liabilities | | 3,654,935 | 3,654,935 | 1,859,098 | 1,859,098 |
| Other financial liabilities | | 3,055,228 | 3,054,414 | 2,821,006 | 2,818,748 |
| | ₩ | 34,193,611 | 34,209,677 | 30,964,512 | 30,962,254 |

(2) Financial instruments measured at the fair value

The Group classifies and discloses fair value of the financial instruments into the following three-level hierarchy:

- Level 1: Financial instruments measured at quoted prices from active markets(unadjusted) are classified as fair value level 1.
- Level 2: Financial instruments measured using valuation techniques where all significant inputs are observable market data are classified as level 2.
- Level 3: Financial instruments measured using valuation techniques where one or more significant inputs are not based on observable market data are classified as level 3.

The Group recognizes transfers between levels of fair value hierarchy at the end of the reporting period.

Financial instruments measured at fair value as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | |
| Financial assets at fair value through profit or loss | ₩ | 12,538,912 | 16,350,473 | 14,866,112 | 43,755,497 |
| Financial assets at fair value through other comprehensive income | | 33,387,758 | 25,245,982 | 234,826 | 58,868,566 |
| Derivative assets | | 8,775 | 1,288,589 | 120,534 | 1,417,898 |
| | ₩ | 45,935,445 | 42,885,044 | 15,221,472 | 104,041,961 |
| Financial liabilities: | | | | | |
| Financial liabilities designated at fair value through profit or loss | ₩ | - | - | 4,839,246 | 4,839,246 |
| Financial liabilities at fair value through profit or loss | | 599,561 | - | - | 599,561 |
| Derivative liabilities | | 15,969 | 2,875,102 | 763,864 | 3,654,935 |
| | ₩ | 615,530 | 2,875,102 | 5,603,110 | 9,093,742 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | |
| Financial assets at fair value through profit or loss | ₩ | 12,193,483 | 17,711,276 | 14,596,302 | 44,501,061 |

*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| Financial assets at fair value through other comprehensive income | 27,125,398 | 23,229,619 | 221,557 | 50,576,574 |
| Derivative assets | 2,299 | 1,300,862 | 92,436 | 1,395,597 |
| ₩ | 39,321,180 | 42,241,757 | 14,910,295 | 96,473,232 |
| Financial liabilities: | | | | |
| Financial liabilities designated at fair value through profit or loss ₩ | - | - | 4,787,659 | 4,787,659 |
| Financial liabilities at fair value through profit or loss | 257,473 | - | - | 257,473 |
| Derivative liabilities | 8,164 | 1,179,914 | 671,020 | 1,859,098 |
| ₩ | 265,637 | 1,179,914 | 5,458,679 | 6,904,230 |

(3) Changes in level 3 fair value hierarchy for the year ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Financial assets designated at fair value through profit or loss | Financial assets at fair value through profit or loss | Financial assets at fair value through other comprehensive income | Derivatives, net | Total |
| Beginning balance ₩ | (4,787,659) | 14,596,302 | 221,557 | (578,584) | 9,451,616 |
| Purchases/issuance | (3,508,482) | 1,647,119 | 396 | (150,679) | (2,011,646) |
| Settlements/disposals | 3,559,409 | (1,806,445) | (640) | 220,388 | 1,972,712 |
| Others | - | 21,511 | - | - | 21,511 |
| Total income: | (102,514) | 407,625 | 13,513 | (134,456) | 184,168 |
| Profit or loss | (107,450) | 407,625 | - | (134,456) | 165,719 |
| Other comprehensive income(loss) | 4,936 | - | 13,513 | - | 18,449 |
| Ending balance ₩ | (4,839,246) | 14,866,112 | 234,826 | (643,330) | 9,618,362 |

| | 2023 | | | | |
|---|---|---|---|---|---|
| | Financial assets designated at fair value through profit or loss | Financial assets at fair value through profit or loss | Financial assets at fair value through other comprehensive income | Derivatives, net | Total |
| Beginning balance ₩ | (4,231,097) | 13,543,307 | 213,800 | (622,128) | 8,903,882 |
| Increased in a business combination | - | - | 313 | - | 313 |
| Purchases/issuance | (4,092,183) | 2,006,368 | 29,695 | (48,792) | (2,104,912) |
| Settlements/disposals | 3,676,221 | (1,210,732) | (3) | 29,849 | 2,495,335 |
| Total income: | (140,600) | 257,359 | 2,752 | 62,487 | 181,998 |
| Profit or loss | (138,250) | 257,359 | - | 62,487 | 181,596 |
| Other comprehensive income(loss) | (2,350) | - | 2,752 | - | 402 |
| Transfer from level 1 | - | - | (25,000) | - | (25,000) |
| Ending balance ₩ | (4,787,659) | 14,596,302 | 221,557 | (578,584) | 9,451,616 |

During the current period, there were no transfers into or out of Level 3 of the fair value hierarchy. However, equity securities that were measured at Level 3 in the prior period were transferred to Level 1 as they became listed.

(4) Total gains or losses for the year ended December 31, 2024 and 2023 recognized in profit or loss and gains or losses relating to financial instruments in level 3 at the end of the reporting period are presented in the statement of comprehensive income as follows:

| | 2024 | |
|---|---|---|
| | Total Gains or losses | Gains or losses relating to financial instruments held at the end of the reporting period |
| Recognized in profit or loss relating to financial instruments in level 3 ₩ | (92,921) | 165,719 |

| | 2023 | |
|---|---|---|
| | Total Gains or losses | Gains or losses relating to financial instruments held at the end of the reporting period |
| Recognized in profit or loss relating to financial instruments in level 3 ₩ | 62,601 | 181,596 |





*(In millions of won)*

(5) Valuation techniques and inputs used in measuring fair value of financial instruments classified as level 2 as of December 31, 2024 and 2023 are as follows:

| Type of financial instrument | Valuation technique | Input variables |
|---|---|---|
| **Financial assets:** | | |
| Financial assets at fair value through profit or loss | Discounted cash flow, Dividend discount model, Net worth method | Interest rate, foreign exchange rate, stock price, net worth etc. |
| Derivative assets | Discounted cash flow, Option pricing model | Interest rate, foreign exchange rate, stock price, etc. |
| Financial assets at fair value through other comprehensive income | Discounted cash flow, Dividend discount model | Interest rate, foreign exchange rate, stock price, etc. |
| **Financial liabilities:** | | |
| Derivative liabilities | Discounted cash flow, Option pricing model | Interest rate, foreign exchange rate, stock price, etc. |
| Borrowings | Discounted cash flow | Interest rate, etc. |

(6) There are no transfer between level 1 and level 2 fair value measurement for the years ended December 31, 2024 and 2023.

(7) Information about significant unobservable inputs in measuring financial instruments categorized within level 3 as of December 31, 2024 is as follows:

| 2024 | | | | |
|---|---|---|---|---|
| Type of financial instrument | Valuation technique | Input variables | Range of estimates for unobservable inputs | Fair value measurement sensitivity to unobservable inputs |
| **Financial assets:** | | | | |
| Financial assets at fair value through profit or loss | Binomial model, DCF model, Net worth method, Price formulas | Growth rate | 0%~1% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 4.55%~22.18% | A significant increase in discount rate would result in a lower fair value |
| | | The volatility of liquidation value rate | 0%~1% | A significant increase in the volatility of liquidation value rate would result in a higher fair value |
| | | Correlation coefficient | -0.99~0.99 | Not standardized but depends on the structure of financial instrument |
| Financial assets at fair value through other comprehensive income | DCF model, Residual profit model, Net worth method, etc. | Growth rate | 0%~2% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 11.74%~16.70% | A significant increase in discount rate would result in a lower fair value |
| Derivative assets | Price formulas, Simulation, 1-factor Gaussian Copular model | Volatility | 0%~99% | For CDS, increase in correlation coefficient would result in a higher fair value. For ELW, increase in volatility would result in higher fair value. Stock derivative option is not standardized but depends on the structure of financial instrument. |
| | | Correlation coefficient | -0.99~0.99 | |
| **Financial liabilities:** | | | | |
| Financial liabilities designated at fair value through profit or loss | Price formulas, Simulation | Volatility | 0%~99% | Not standardized but depends on the structure of financial instrument |
| | | Correlation coefficient | -0.99~0.99 | |
| Derivative liabilities | DCF model, Price formulas, Simulation, 1-factor Gaussian Copular model | Volatility | 0%~99% | For CDS, increase in correlation coefficient would result in a higher fair value. For ELW, increase in volatility would result in higher fair value. Stock derivative option is not standardized but depends on the structure of financial instrument. |
| | | Correlation coefficient | -0.99~0.99 | |

*(In millions of won)*

(7) Information about significant unobservable inputs in measuring financial instruments categorized within level 3 as of December 31, 2023 is as follows, continued:

| 2023 | | | | |
|---|---|---|---|---|
| Type of financial instrument | Valuation technique | Input variables | Range of estimates for unobservable inputs | Fair value measurement sensitivity to unobservable inputs |
| **Financial assets:** | | | | |
| Financial assets at fair value through profit or loss | Binomial model, DCF model, Net worth method, | Growth rate | 0%~1% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 5.05%~15.69% | A significant increase in discount rate would result in a lower fair value |
| | | The volatility of liquidation value rate | 0%~1% | A significant increase in the volatility of liquidation value rate would result in a higher fair value |
| | | Correlation coefficient | -0.99~0.99 | Not standardized but depends on the structure of financial instrument |
| Financial assets at fair value through other comprehensive income | DCF model, Residual profit model, Net worth method | Growth rate | 0%~2% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 8.35%~16.4% | A significant increase in discount rate would result in a lower fair value |
| Derivative assets | Price formulas, Simulation, 1-factor Gaussian Copular model | Volatility | 0%~99% | For CDS, increase in correlation coefficient would result in a higher fair value. For ELW, increase in volatility would result in higher fair value. Stock derivative option is not standardized but depends on the structure of financial instrument. |
| | | Correlation coefficient | -0.99~0.99 | |
| **Financial liabilities:** | | | | |
| Financial liabilities designated at fair value through profit or loss | Price formulas, Simulation | Volatility | 0%~99% | Not standardized but depends on the structure of financial instrument |
| | | Correlation coefficient | -0.99~0.99 | |
| Derivative liabilities | DCF model, Price formulas, Simulation, 1-factor Gaussian Copular model | Discount rate | 2.00%~3.89% | A significant increase in discount rate would result in a lower fair value |
| | | Volatility | 0%~99% | For CDS, increase in correlation coefficient would result in a higher fair value. For ELW, increase in volatility would result in higher fair value. Stock derivative option is not standardized but depends on the structure of financial instrument. |
| | | Correlation coefficient | -0.99~0.99 | |

(8) A sensitivity analysis for fair value measurement arising from changes in the significant unobservable inputs as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Profit or loss | | Other comprehensive income | |
| | | Favorable change | Unfavorable change | Favorable change | Unfavorable change |
| Financial assets: | ₩ | | | | |
| Financial assets at fair value through profit or loss (*1) | | 168,566 | (159,866) | - | - |
| Financial assets at fair value through other comprehensive income (*2) | | - | - | 9,343 | (7,126) |
| Derivative assets | | 9,093 | (21,474) | - | - |
| Investments in associates | | | | | |
| Financial liabilities: | | | | - | - |
| Financial liabilities designated at fair value through profit or loss | ₩ | 20,708 | (10,406) | - | - |
| Derivative liabilities | | 17,482 | (16,873) | - | - |

(*1) A change in fair value is calculated by increasing or decreasing underlying assets' price (-1%~1%), volatility (-1%~1%), and discount rate (-1%~1%).
(*2) A change in fair value is calculated by increasing or decreasing the correlation of permanent growth rate (-1% ~1%), liquidation value rate (-1% ~1%) and discount rate (-1%~1%).

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Profit or loss | | Other comprehensive income | |
| | | Favorable change | Unfavorable change | Favorable change | Unfavorable change |
| Financial assets: | ₩ | | | | |
| Financial assets at fair value through profit or loss (*1) | | 174,412 | (118,326) | - | - |
| Financial assets at fair value through other comprehensive income (*2) | | - | - | 11,305 | (12,131) |





*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Derivative assets | | 1,742 | (3,794) | - | - |
| | | | | - | - |
| Financial liabilities: | | | | | |
| Financial liabilities designated at fair value through profit or loss | ₩ | 14,298 | (12,417) | - | - |
| Derivative liabilities | | 66,711 | (56,774) | | -- |

(*1) A change in fair value is calculated by increasing or decreasing underlying assets' price (-1%~1%), volatility (-1%~1%), and discount rate (-1%~1%).
(*2) A change in fair value is calculated by increasing or decreasing the correlation of permanent growth rate (-1% ~1%), liquidation value rate (-1% ~1%) and discount rate (-1%~1%).

(9) The fair value hierarchy of financial instruments which are not measured at fair value in the consolidated statement of financial position as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | |
| Cash and due from banks | ₩ | 906 | 4,802,806 | - | 4,803,712 |
| Securities at amortized cost | | - | 1,148,751 | - | 1,148,751 |
| Loan receivables at amortized cost | | - | - | 22,132,574 | 22,132,574 |
| Other financial assets at amortized cost | | - | - | 1,716,587 | 1,716,587 |
| | ₩ | 906 | 5,951,557 | 23,849,161 | 29,801,624 |
| Financial liabilities: | | | | | |
| Investment contract liabilities | | - | - | 15,846,521 | 15,846,521 |
| Borrowings | ₩ | - | 714,960 | 5,500,040 | 6,215,000 |
| Other financial liabilities | | - | - | 3,054,414 | 3,054,414 |
| | ₩ | - | 714,960 | 24,400,975 | 25,115,935 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | |
| Cash and due from banks | ₩ | 1,094 | 5,106,204 | - | 5,107,298 |
| Securities at amortized cost | | - | 1,157,340 | 1,825 | 1,159,165 |
| Loan receivables at amortized cost | | - | - | 21,882,280 | 21,882,280 |
| Other financial assets at amortized cost | | - | - | 1,855,032 | 1,855,032 |
| | ₩ | 1,094 | 6,263,544 | 23,739,137 | 30,003,775 |
| Financial liabilities: | | | | | |
| Investment contract liabilities | | - | - | 15,321,085 | 15,321,085 |
| Borrowings | ₩ | - | - | 5,918,191 | 5,918,191 |
| Other financial liabilities | | - | - | 2,818,748 | 2,818,748 |
| | ₩ | - | - | 24,058,024 | 24,058,024 |

*(In millions of won)*

(10) The Group is subject to enforceable master commercial agreements such as derivatives clearing agreement, international standard repurchase agreement, international standard securities lending agreement and financial collateral, or similar agreements in relation to derivatives, repurchase agreement bond trading, securities lending transactions, etc.

Financial assets and financial liabilities subject to offsetting, enforceable master netting agreements and similar agreements as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | |
|---|---|---|---|---|---|---|
| | | | | Amount not offsetting in the statements of financial position | | |
| | Financial assets and liabilities recognized | Offsetting financial assets and liabilities recognized | Financial assets and liabilities recognized after offset | Financial instruments | Cash collateral received | Net amounts |
| Financial assets: | | | | | | |
| Derivative assets | ₩ 1,477,975 | - | 1,477,975 | 969,376 | 253,044 | 255,555 |
| Receivables from KRX | 285,963 | 177,256 | 108,707 | - | - | 108,707 |
| Securities lending agreement | 696,937 | - | 696,937 | 696,937 | - | - |
| Others | 25,544 | - | 25,544 | - | - | 25,544 |
| | ₩ 2,486,419 | 177,256 | 2,309,163 | 1,666,313 | 253,044 | 389,806 |
| Financial liabilities: | | | | | | |
| Securities sold | ₩ 599,561 | - | 599,561 | 599,561 | - | - |
| Derivative liabilities | 3,752,536 | - | 3,752,536 | 969,376 | 1,806,666 | 976,494 |
| Bonds sold under repurchase agreements | 2,721,268 | - | 2,721,268 | 2,721,268 | - | - |
| Payables to KRX | 256,953 | 177,256 | 79,697 | - | - | 79,697 |
| | ₩ 7,330,318 | 177,256 | 7,153,062 | 4,290,205 | 1,806,666 | 1,056,191 |

| | 2023 | | | | | |
|---|---|---|---|---|---|---|
| | | | | Amount not offsetting in the statements of financial position | | |
| | Financial assets and liabilities recognized | Offsetting financial assets and liabilities recognized | Financial assets and liabilities recognized after offset | Financial instruments | Cash collateral received | Net amounts |
| Financial assets: | | | | | | |
| Derivative assets | ₩ 1,421,145 | - | 1,421,145 | 907,541 | 113,491 | 400,113 |
| Receivables from KRX | 342,514 | 295,989 | 46,525 | 41,243 | - | 5,282 |
| Securities lending agreement | 535,129 | - | 535,129 | 535,129 | - | - |
| | ₩ 2,298,787 | 295,989 | 2,002,799 | 1,483,912 | 113,491 | 405,396 |
| Financial liabilities: | | | | | | |
| Securities sold | ₩ 257,473 | - | 257,473 | 257,473 | - | - |
| Derivative liabilities | 1,997,098 | - | 1,997,098 | 907,541 | 336,233 | 753,324 |
| Bonds sold under repurchase agreements | 3,485,904 | - | 3,485,904 | 3,485,904 | - | - |
| Payables to KRX | 442,490 | 295,989 | 146,501 | 41,243 | - | 105,258 |
| | ₩ 6,182,965 | 295,989 | 5,886,977 | 4,692,161 | 336,233 | 858,582 |





*(In millions of won)*

**13. Investment property**

(1) Investment property as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 744,448 | - | (5,918) | 738,530 |
| Buildings | 464,863 | (191,019) | (11,866) | 261,978 |
| Structures | 8,919 | (3,642) | (263) | 5,014 |
| Right of use asset | 199 | (176) | - | 23 |
| | ₩ 1,218,429 | (194,837) | (18,047) | 1,005,545 |

| | 2023 | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 753,387 | - | (6,744) | 746,643 |
| Buildings | 465,087 | (182,350) | (11,775) | 270,962 |
| Structures | 8,891 | (3,450) | (262) | 5,178 |
| Right of use asset | 199 | (139) | - | 60 |
| | ₩ 1,227,564 | (185,940) | (18,781) | 1,022,843 |

(2) Changes in investment property for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning balance | Acquisitions | Disposals | Depreciation | Impairment | Others (*) | Ending balance |
| Land | ₩ 746,643 | - | (1,684) | - | - | (6,428) | 738,531 |
| Buildings | 270,962 | 1,446 | (146) | (10,327) | (18) | 61 | 261,978 |
| Structures | 5,178 | - | - | (172) | - | 8 | 5,014 |
| Right of use asset | 60 | - | - | (37) | - | - | 23 |
| | ₩ 1,022,843 | 1,446 | (1,830) | (10,536) | (18) | (6,359) | 1,005,546 |

(*) Others include transfers to or from property and equipment, construction in progress, etc.

| | 2023 | | | | | |
|---|---|---|---|---|---|---|
| | Beginning balance | Increased in a business combination | Acquisitions | Depreciation | Others (*) | Ending balance |
| Land | ₩ 747,266 | - | - | - | (623) | 746,643 |
| Buildings | 294,977 | - | 826 | (10,191) | (14,650) | 270,962 |
| Structures | 5,315 | - | - | (172) | 36 | 5,179 |
| Right of use asset | - | 248 | - | (39) | (149) | 60 |
| | ₩ 1,047,558 | 248 | 826 | (10,402) | (15,386) | 1,022,844 |

(*) Others include transfers to or from property and equipment, etc.

(3) Gain or loss on investment properties for the years ended December 31, 2024 and 2024 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Rental income | ₩ 101,105 | 113,704 |
| Direct operating expenses for investment properties: | | |
| Generated from rental income | 50,490 | 49,797 |
| Not generated from rental income | 5,282 | 4,778 |

(4) The fair value of investment properties as of December 31, 2024 and 2023 are ₩2,707,010 million and ₩2,522,115 million, respectively. The fair value is estimated by qualified and independent appraiser. The fair value of investment properties is classified as level 3.

Valuation techniques and inputs used in measuring investment properties as of December 31, 2024 are as follows:

| Valuation technique | Input variables | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|

| | | | |
|---|---|---|---|
| Cost approach, sales comparison, income approach | Discount rate, vacancy rate, operating expenses rate, etc. | An increase in discount rate, vacancy rate, operating expenses rate would result in a lower fair value |

(5) Investment property pledged as collaterals as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 | Purpose |
|---|---|---|---|---|
| Woori Bank, etc. | Book value | ₩ 54,012 | 51,164 | Establishment of the right to collateral security |
| | Maximum credit amount | 63,880 | 60,386 | |
| Korea ratings, etc. | Book value | ₩ 5,230 | 6,988 | Establishment of the right to rental deposit |
| | Maximum credit amount | 5,230 | 6,988 | |

**14. Property and equipment**

(1) Property and equipment as of December 31, 2024 and 2023 are as follows:

| 2024 | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
|---|---|---|---|---|
| Land | ₩ 838,393 | - | (4,830) | 833,563 |
| Buildings | 694,206 | (278,949) | (33,666) | 381,591 |
| Structures | 21,312 | (9,677) | (261) | 11,374 |
| Vehicles | 1,907 | (1,761) | - | 146 |
| Equipment | 340,999 | (264,815) | - | 76,184 |
| Construction in progress | 3,188 | - | - | 3,188 |
| Right-of-use asset (Real estate) | 127,349 | (37,183) | - | 90,166 |
| Right-of-use asset (Vehicles) | 8,916 | (4,665) | - | 4,251 |
| Others | 95,734 | (48,467) | (405) | 46,862 |
| | ₩ 2,132,004 | (645,517) | (39,162) | 1,447,325 |

| 2023 | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
|---|---|---|---|---|
| Land | ₩ 831,886 | - | (4,835) | 827,051 |
| Buildings | 691,427 | (264,048) | (33,798) | 393,582 |
| Structures | 21,119 | (8,961) | (262) | 11,895 |
| Vehicles | 2,241 | (1,995) | - | 246 |
| Equipment | 314,883 | (240,127) | - | 74,756 |
| Construction in progress | 4,759 | - | - | 4,759 |
| Right-of-use asset (Real estate) | 129,063 | (47,771) | - | 81,292 |
| Right-of-use asset (Vehicles) | 7,971 | (4,381) | - | 3,590 |
| Others | 92,455 | (44,751) | (405) | 47,299 |
| | ₩ 2,095,804 | (612,033) | (39,300) | 1,444,471 |





(2) Changes in property and equipment for year ended December 31, 2024 is as follows:

| 2024 | Beginning balance | Acquisitions | Disposals/ Termination | Depreciation | Impairment | Others (*) | Ending balance |
|---|---|---|---|---|---|---|---|
| Land | ₩ 827,051 | 84 | - | - | - | 6,428 | 833,563 |
| Buildings | 393,582 | 1,181 | - | (13,347) | (64) | 239 | 381,591 |
| Structures | 11,895 | 230 | - | (743) | - | (8) | 11,374 |
| Vehicles | 246 | - | - | (100) | - | - | 146 |
| Equipment | 74,756 | 26,718 | (1,404) | (32,971) | - | 9,084 | 76,183 |
| Construction in progress | 4,759 | 13,954 | (1,194) | - | - | (14,331) | 3,188 |
| Right-of-use assets (Real estate) | 81,292 | 91,082 | (19,934) | (62,273) | - | - | 90,167 |
| Right-of-use assets (Vehicles) | 3,590 | 3,200 | (241) | (2,297) | - | - | 4,252 |
| Others | 47,299 | 8,576 | (7,232) | (6,729) | - | 4,947 | 46,861 |
| | ₩ 1,444,470 | 145,025 | (30,005) | (118,460) | (64) | 6,359 | 1,447,325 |

(*) Others include transfers to or from investment properties and construction in progress.

(2) Changes in property and equipment for year ended December 31, 2023 is as follows:

| 2023 | Beginning balance | Increased in a business combination | Acquisitions | Disposals/ Termination | Depreciation | Others (*) | Ending balance |
|---|---|---|---|---|---|---|---|
| Land | ₩ 825,265 | - | 1,162 | - | - | 624 | 827,051 |
| Buildings | 391,771 | - | 605 | - | (13,454) | 14,660 | 393,582 |
| Structures | 11,867 | - | 712 | - | (649) | (36) | 11,895 |
| Vehicles | 410 | - | 22 | (27) | (159) | - | 246 |
| Equipment | 72,512 | 25 | 29,905 | (201) | (29,874) | 2,390 | 74,756 |
| Construction in progress | 29,047 | - | 4,596 | - | - | (28,884) | 4,759 |
| Right-of-use assets (Real estate) | 96,526 | - | 80,790 | (30,526) | (65,499) | - | 81,292 |
| Right-of-use assets (Vehicles) | 2,082 | 1,067 | 2,285 | (168) | (1,824) | 148 | 3,590 |
| Others | 22,479 | 69 | 5,323 | (400) | (6,749) | 26,577 | 47,299 |
| | ₩ 1,451,960 | 1,161 | 125,400 | (31,322) | (118,208) | 15,478 | 1,444,471 |

(*) Others include transfers to or from investment properties, advanced payments and others.





(3) Changes in asset revaluation of land accounted in other comprehensive income and policyholder's equity adjustments and deferred tax liabilities as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Revaluation reserves | ₩ 884,923 | 884,960 |
| Amount allocated into policyholder's equity adjustment | 142,439 | 129,327 |
| Deferred tax liabilities | 192,429 | 195,901 |
| Amount allocated into other comprehensive income | 550,055 | 559,732 |

(4) Reserve for revaluation as of December 31, 2024 is as follows:

| Revaluation date | Amount |
|---|---|
| January 1, 1981 | ₩ 165 |
| April 1, 1989 | 300 |
| April 1, 1999 | 23,900 |
| | 24,365 |
| Deferred tax effect | (19,863) |
| | ₩ 4,502 |

As of April 1, 1999, a certain portion of the Group's property and equipment was revalued in accordance with the Korean Asset Revaluation Law. As a result, a revaluation difference of ₩ 478,550 million occurred, of which ₩47,800 million, excluding ₩430,750 million of policyholders' equity, was recorded as revaluation reserve, of which ₩23,900 million was capitalized during the year ended December 31, 2002. Of the ₩430,750 million in the policyholders' equity, ₩64,000 million was appropriated as the policyholders' special dividend reserve and paid in the year ended December 31, 2002 and the remaining balances of ₩1,986 million and ₩63,750 million were appropriated as public project contribution funds and of the remaining amount of ₩303,000 million, ₩126,438 million was used for the year ended December 31, 2001, policyholder dividend, and the remaining ₩176,562 million was accumulated as policyholder dividend stabilization reserve.

Meanwhile, As of April 1, 1989, a certain portion of the Group's property and equipment was revalued in accordance with the Korean Asset Revaluation Law., resulting in a revaluation difference of ₩226,500 million, and ₩131,823 million, excluding the policyholder's equity of ₩87,882 million and after paying– ₩6,796 million of revaluation tax , was recorded as revaluation reserve and of this, ₩65,600 million was transferred to capital. Of the ₩87,882 million in the policyholders' equity, ₩54,151 million was accounted for as a policyholder special dividend reserve, and the remaining balances of ₩3,731 million and ₩30,000 million were appropriated as public project contribution funds and among the asset revaluation reserve, ₩65,923 million of internal reserve was accumulated as the policyholder dividend stabilization reserve for the year ended December 31, 2019. Of the policyholder dividend stabilization reserve, ₩171,894 million was used as a policyholder dividend fund, and the policyholder dividend stabilization reserve is ₩70,591 million as of December 31, 2024.

**15. Intangible assets**

(1) Intangible assets as of December 31, 2024 and 2023 are as follows:

| 2024 | Acquisition cost | Accumulated amortization | Accumulated impairment losses | Book value |
|---|---|---|---|---|
| Goodwill | ₩ 81,896 | - | (54,870) | 27,026 |
| Software | 148,954 | (128,804) | - | 20,150 |
| Development costs (*) | 382,429 | (312,795) | - | 69,634 |
| Memberships | 18,382 | (74) | (1,515) | 16,793 |
| Customer relationships | 2,582 | (904) | - | 1,678 |
| Others | 13,354 | (4,686) | - | 8,668 |
| | ₩ 647,597 | (447,263) | (56,385) | 143,949 |

| 2023 | Acquisition cost | Accumulated amortization | Accumulated impairment losses | Book value |
|---|---|---|---|---|
| Goodwill | ₩ 81,896 | - | (15,160) | 66,736 |
| Software | 143,497 | (115,746) | - | 27,752 |
| Development costs (*) | 374,461 | (262,050) | - | 112,411 |
| Memberships | 19,342 | (56) | (940) | 18,347 |
| Customer relationships | 28,443 | (23,662) | - | 4,781 |
| Others | 10,184 | (3,144) | - | 7,040 |
| | ₩ 657,824 | (404,658) | (16,100) | 237,067 |

(*) Amounts of ₩27,666 million of development costs related to the new generation system are included as of December 31, 2023 and the remaining useful life of the development cost is 0.75 years.

(2) Changes in intangible assets for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning balance | Acquisitions | Disposals | Amortization | Impairment | Others (*) | Ending balance |
| ₩ | | | | | | | |
| Goodwill | 66,736 | - | - | - | (39,711) | - | 27,025 |
| Software | 27,752 | 5,699 | (219) | (14,923) | - | 1,841 | 20,150 |
| Development costs | 112,411 | 6,700 | (2,129) | (52,296) | - | 4,948 | 69,634 |
| Memberships | 18,347 | 378 | (1,881) | (36) | (15) | - | 16,793 |
| Customer relationships | 4,781 | - | - | (3,103) | - | - | 1,678 |
| Others | 7,040 | 3,374 | - | (998) | - | (748) | 8,668 |
| ₩ | 237,067 | 16,151 | (4,229) | (71,356) | (39,726) | 6,041 | 143,948 |

(*) Others include transfers from advanced payments and others.

| | 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Beginning balance | Increased in a business combination | Acquisitions | Disposals | Amortization | Impairment | Others (*) | Ending balance |
| ₩ | | | | | | | | |
| Goodwill | 47,752 | - | 18,985 | - | - | - | - | 66,736 |
| Software | 37,693 | - | 6,291 | - | (16,130) | - | (103) | 27,752 |
| Development costs | 153,817 | - | 6,945 | - | (56,976) | - | 8,626 | 112,411 |
| Memberships | 14,846 | - | 4,162 | (613) | (36) | (31) | 20 | 18,347 |
| Customer relationships | 7,758 | 2,582 | - | - | (5,560) | - | - | 4,781 |
| Others | 7,129 | - | 718 | - | (1,031) | - | 224 | 7,040 |
| ₩ | 268,995 | 2,582 | 37,099 | (613) | (79,732) | (31) | 8,768 | 237,067 |

(*) Others include transfers from advanced payments and others.

(3) Impairment assessment of goodwill

Management reviews sales performance based on types of products by regions. Management of the Group allocates and manages goodwill by segments (legal entity) as follows:

| | | Beginning balance | Acquisitions | Impairment loss | Ending balance |
|---|---|---|---|---|---|
| Kyobo Hottracks Co., Ltd. | ₩ | 7,600 | - | - | 7,600 |
| Kyobo Asset Trust Co., Ltd. | | 39,711 | - | (39,711) | - |
| Fortress Innovation Co., Ltd | | 440 | - | - | 440 |
| Kyobo AIM asset management | | 18,985 | - | - | 18,985 |
| | ₩ | 66,736 | - | (39,711) | 27,025 |





Major assumptions, permanent growth rate and discount rate used in the calculation of value in use with regards to significant goodwill allocated to cash generating unit are as follows:

| | Kyobo Hottracks Co., Ltd. | | | | | |
|---|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Operating profit rate | 15.75% | 2.25% | 5.20% | 4.61% | 3.69% | 3.65% |
| Permanent growth rate | | | | | | 0.00% |
| Discount rate | | | | | | 14.91% |
| Recoverable amount of cash-generating unit | | | | | | 20,523 |

Estimated sales on a yearly basis was calculated by analyzing and reviewing the Group's sales environment and middle and long-term sales plan based on sales results and data predicting future market volumes up to December 2024. Sales costs were estimated based on the past performance results and future business plan. Selling and administrative expenses comprise of expenses related to sales, labor costs, expenses related to labor, fixed expenses, depreciation expenses and amortization expenses on intangible assets. As a result of estimating sales and sales costs, the average yearly operating profit rate for the estimation period was 5.86%, and weighted average cost of capital, calculated by using average beta and liability ratio of the companies in the same industry listed on KOSPI and KOSDAQ, were 14.91%. The Group calculated recoverable amount using the DCF model.

Major assumptions, permanent growth rate and discount rate used in the calculation of value in use with regards to significant goodwill allocated to cash generating unit are as follows:

| | Kyobo Asset Trust Co., Ltd. | | | | | |
|---|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Operating profit rate | -179.05% | 18.18% | 98.97% | 52.74% | 49.73% | 46.49% |
| Permanent growth rate | | | | | | 0.00% |
| Discount rate | | | | | | 8.30% |
| Recoverable amount of cash-generating unit | | | | | | 370,986 |

Operating income was estimated by reflecting past sales trends, external agency forecasts, and expert agency analysis based on the business plan provided by the company subject to impairment assessment. Operating expenses are estimated by dividing into personnel expenses, variable expenses, fixed expenses, amortization expenses for tangible and intangible assets, and bad debt expenses. As a result of the Group's estimation of sales and cost of sales, the average annual operating margin for the estimated period was 14.51%, and the weighted average cost of capital calculated using the average beta and debt ratio of the same industry listed on the KOSPI and KOSDAQ was 8.3%. The Group used the DCF model to calculate the recoverable value.

Major assumptions, permanent growth rate and discount rate used in the calculation of value in use with regards to significant goodwill allocated to cash generating unit are as follows:

| | Fortress Innovation Co., Ltd | | | | | |
|---|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Operating profit rate | 2.58% | -10.14% | -8.50% | 5.05% | 11.67% | 13.44 % |
| Permanent growth rate | | | | | | 0.00% |
| Discount rate | | | | | | 10.07% |
| Recoverable amount of cash-generating unit | | | | | | 4,208 |

Operating income was estimated by reflecting Variable Guarantee Reserve System, IFRS17 System, ALM System, Pathwise Conversion related to past sales trends, external agency forecasts, and expert agency analysis based on the business plan provided by the company subject to impairment assessment. Operating expenses are estimated by dividing into personnel expenses, variable expenses, fixed expenses. As a result of the Group's estimation of sales and cost of sales, the

average annual operating margin for the estimated period was 2.35%, and the weighted average cost of capital calculated using the average beta and debt ratio of the same industry listed on the KOSPI and KOSDAQ was 10.70%. The Group used the DCF model to calculate the recoverable value.

Major assumptions, permanent growth rate and discount rate used in the calculation of value in use with regards to significant goodwill allocated to cash generating unit are as follows:

| | Kyobo AIM asset management Co.,Ltd. | | | | | |
|---|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| Operating profit rate | 3.11% | -10.27% | 10.17% | 15.19% | 22.86% | 24.42% |
| Permanent growth rate | | | | | | 1.00% |
| Discount rate | | | | | | 10.91% |
| Recoverable amount of cash-generating unit | | | | | | 38,680 |

Sales were calculated based on business performance up to September 2024, and estimated sales by year were calculated by analyzing and reviewing the company's business environment. Cost of sales was estimated based on past performance data. Selling and administrative expenses were estimated by dividing them into sales-related expenses, labor expenses, labor-related expenses, fixed expenses, depreciation expenses, and intangible asset amortization expenses. As a result of estimating sales, cost of sales, and selling and administrative expenses, the average annual operating profit ratio during the estimation period was 10.91% the weighted average cost of capital calculated using the beta and debt ratio of similar companies was 10.91%. The Group used the DCF model to calculate the recoverable value.

**16. Other assets**

(1) Other assets as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Prepaid expense | | 26,911 | 27,924 |
| Advanced payments | | 82,887 | 49,257 |
| Inventories | | 125,307 | 123,300 |
| Others | | 10,913 | 20,860 |
| | ₩ | 246,018 | 221,340 |

(2) Inventories as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Merchandise | ₩ | 117,032 | 117,126 |
| Finished goods | | 9,578 | 7,140 |
| Supplies | | 247 | 259 |
| Sub-materials | | - | 16 |
| Merchandise in transit | | 25 | - |
| | | 126,882 | 124,541 |
| Accumulated impairment loss, merchandise | ₩ | (1,401) | (1,148) |
| Accumulated impairment loss, finished goods | | (174) | (93) |
| | | (1,575) | (1,241) |
| | ₩ | 125,307 | 123,300 |





(3) The amounts of inventories recognized as an expense which is included in cost of sales for the years ended December 31, 2024 and 2023 are ₩644,340 million and ₩615,103 million, respectively.

(4) Contract assets included in other assets as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Refund assets (estimated return assets) | ₩ | 2,657 | 2,178 |
| Due from customers | | - | - |
| | ₩ | 2,657 | 2,178 |

**17. Insurance contract liabilities and reinsurance contract liabilities**

(1) Insurance contract liabilities and reinsurance contract assets held for insurance contracts issued by portfolio as of December 31, 2024 and 2023 are as follows:

| | | Assets | | Liabilities | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| Insurance contract portfolio: | ₩ | | | | |
| Death | | - | - | 27,329,826 | 23,257,713 |
| Health_ | | - | - | 9,943,638 | 9,583,000 |
| Annuity saving | | - | - | 57,285,361 | 54,487,945 |
| Other | | - | - | 464,134 | 495,822 |
| | | - | - | 95,022,959 | 87,824,480 |
| Reinsurance contract portfolio: | | | | | |
| Death | | 15,946 | 13,681 | 148,733 | 131,236 |
| Health_ | | 101,286 | 85,995 | 62,334 | 52,169 |
| Compound | | 77,894 | 78,453 | 62,185 | 72,403 |
| | ₩ | 195,125 | 178,129 | 273,252 | 255,808 |

(2) Changes in insurance contract liabilities for years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Remaining coverage component | | Liability for incurred claims | Insurance contract liabilities (assets) |
| | | Excluding loss component | Including loss component | | |
| 1. Beginning balance of Insurance contract assets and liabilities | ₩ | 84,267,655 | 857,240 | 2,699,584 | 87,824,480 |
| (1) Insurance contact assets | | - | - | - | - |
| (2) Insurance contract liabilities | | 84,267,655 | 857,240 | 2,699,584 | 87,824,480 |
| Insurance contract liabilities (assets), net | | 84,267,655 | 857,240 | 2,699,584 | 87,824,480 |
| 2. Insurance revenue | | (3,998,298) | - | - | (3,998,298) |
| (1) Insurance contracts under full retrospective approach | | (400,865) | - | - | (400,865) |
| (2) Insurance contracts under fair value approach | | (2,389,894) | - | - | (2,389,894) |
| (3) Others | | (1,207,539) | - | - | (1,207,539) |
| 3. Insurance service expense | | 349,086 | 150,275 | 3,000,227 | 3,499,587 |
| (1) Claims and other insurance service expenses incurred | | 52,087 | - | 3,072,350 | 3,124,437 |
| (2) Amortization of insurance acquisition cash flow | | 296,999 | - | - | 296,999 |
| (3) Changes in the fulfillment cash flow in the liability for incurred claims | | - | - | (72,124) | (72,124) |
| (4) Losses(reversal) of group of onerous contracts | | - | 150,275 | - | 150,275 |
| 4. Investment components | | (7,674,951) | - | 7,674,951 | - |
| 5. Cash flow | | 10,002,858 | - | (10,789,197) | (786,339) |
| (1) Premium received | | 11,408,401 | - | - | 11,408,401 |
| (2) Insurance acquisition cash flow | | (1,405,543) | - | - | (1,405,543) |
| (3) Claims and other insurance service expenses incurred | | - | - | (10,789,197) | (10,789,197) |
| 6. Insurance finance income(expense) | | 8,501,453 | 76,453 | 32,718 | 8,610,624 |
| (1) Profit or loss | | 2,888,755 | 30,270 | 26,772 | 2,945,797 |
| (2) Other comprehensive income | | 5,612,697 | 46,183 | 5,946 | 5,664,826 |
| 7. Others | | (128,664) | (253) | 1,822 | (127,095) |

*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| (1) Adjustments not related to movements | (128,664) | (253) | 1,822 | (127,095) |
| 8. Ending balance of Insurance contract assets and liabilities | 91,319,139 | 1,083,715 | 2,620,105 | 95,022,959 |
| (1) Insurance contract assets | - | - | - | - |
| (2) Insurance contract liabilities | 91,319,139 | 1,083,715 | 2,620,105 | 95,022,959 |
| Insurance contract liabilities (assets), net ₩ | 91,319,139 | 1,083,715 | 2,620,105 | 95,022,959 |

| | 2023 | | | |
|---|---|---|---|---|
| | Remaining coverage component | | Liability for incurred claims | Insurance contract liabilities (assets) |
| | Excluding loss component | Including loss component | | |
| 1. Beginning balance of Insurance contract assets and liabilities ₩ | 75,813,035 | 518,373 | 2,637,826 | 78,969,234 |
| (1) Insurance contact assets | - | - | - | - |
| (2) Insurance contract liabilities | 75,813,035 | 518,373 | 2,637,826 | 78,969,234 |
| Insurance contract liabilities (assets), net | 75,813,035 | 518,373 | 2,637,826 | 78,969,234 |
| 2. Insurance revenue | (3,884,659) | - | - | (3,884,659) |
| (1) Insurance contracts under full retrospective approach | (458,220) | - | - | (458,220) |
| (2) Insurance contracts under fair value approach | (2,363,291) | - | - | (2,363,291) |
| (3) Others | (1,063,148) | - | - | (1,063,148) |
| 3. Insurance service expense | 258,887 | 504,828 | 2,871,201 | 3,634,916 |
| (1) Claims and other insurance service expenses incurred | 66,159 | - | 2,948,464 | 3,014,623 |
| (2) Amortization of insurance acquisition cash flow | 192,728 | - | - | 192,728 |
| (3) Changes in the fulfillment cash flow in the liability for incurred claims | - | - | (77,264) | (77,264) |
| (4) Losses(reversal) of group of onerous contracts | - | 504,828 | - | 504,828 |
| 4. Investment components | (8,873,370) | - | 8,873,370 | - |
| 5. Cash flow | 11,848,228 | - | (11,717,265) | 130,963 |
| (1) Premium received | 12,869,318 | - | - | 12,869,318 |
| (2) Insurance acquisition cash flow | (1,021,090) | - | - | (1,021,090) |
| (3) Claims and other insurance service expenses incurred | - | - | (11,717,265) | (11,717,265) |
| 6. Insurance finance income(expense) | 9,109,256 | 10,325 | 30,446 | 9,150,027 |
| (1) Profit or loss | 4,262,513 | 19,158 | 25,442 | 4,307,113 |
| (2) Other comprehensive income | 4,846,743 | (8,833) | 5,004 | 4,842,914 |
| 7. Others | (179,858) | (152) | 4,007 | (176,002) |
| (1) Adjustments not related to movements | (179,858) | (152) | 4,007 | (176,002) |
| 8. Ending balance of Insurance contract assets and liabilities | 84,091,519 | 1,033,375 | 2,699,584 | 87,824,479 |
| (1) Insurance contract assets | - | - | - | - |
| (2) Insurance contract liabilities | 84,091,520 | 1,033,375 | 2,699,584 | 87,824,480 |
| Insurance contract liabilities (assets), net ₩ | 84,091,520 | 1,033,375 | 2,699,584 | 87,824,480 |

(3) Changes in reinsurance contract liabilities for the year ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Remaining coverage component | | Liability for incurred claims | Reinsurance contract assets (liabilities) |
| | Excluding loss component | Including loss component | | |
| 1. Beginning balance of reinsurance contract assets and liabilities ₩ | (207,544) | 3,766 | 126,099 | (77,679) |
| (1) Reinsurance contract assets | 72,239 | 3,616 | 102,275 | 178,129 |
| (2) Reinsurance contract liabilities | 279,783 | (150) | (23,824) | 255,808 |
| Reinsurance contract assets (liabilities), net | (207,544) | 3,766 | 126,099 | (77,679) |
| 2. Reinsurance service expenses | (33,033) | (1,328) | (1,129) | (35,490) |
| 3. Reinsurance service income | - | (167) | 31,766 | 31,600 |
| 4. Investment components | (151,629) | - | 151,629 | - |
| 5. Cash flow | 191,072 | - | (183,134) | 7,938 |
| (1) Reinsurance premium paid | 191,072 | - | - | 191,072 |
| (2) Reinsurance claim received and other reinsurance service income | - | - | (183,134) | (183,134) |
| 6. Reinsurance finance income and expenses | (16,489) | 62 | 1,213 | (15,215) |





*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| (1) Profit or loss | (3,559) | 62 | 1,210 | (2,287) |
| (2) The effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded | (1,015) | - | (10) | (1,025) |
| (3) Other comprehensive income | (11,916) | - | 13 | (11,903) |
| 7. Others | 11,806 | - | (1,086) | 10,720 |
| 8. Ending balance of reinsurance contract assets and liabilities | (205,816) | 2,332 | 125,357 | (78,127) |
| (1) Reinsurance contract assets | 87,828 | 2,178 | 105,119 | 195,125 |
| (2) Reinsurance contract liabilities | 293,645 | (155) | (20,238) | 273,252 |
| Ending balance of reinsurance contract assets (liabilities),net ₩ | (205,816) | 2,332 | 125,357 | (78,127) |

| | 2023 | | | |
|---|---|---|---|---|
| | Remaining coverage component | | Liability for incurred claims | Reinsurance contract assets (liabilities) |
| | Excluding loss component | Including loss component | | |
| 1. Beginning balance of reinsurance contract assets and liabilities ₩ | (164,517) | 6,127 | 119,693 | (38,698) |
| (1) Reinsurance contract assets | 74,645 | 6,135 | 99,351 | 180,131 |
| (2) Reinsurance contract liabilities | 239,162 | 8 | (20,342) | 218,828 |
| Reinsurance contract liabilities (assets), net | (164,517) | 6,127 | 119,693 | (38,698) |
| 2. Reinsurance service expenses | (29,882) | (763) | (624) | (31,270) |
| 3. Reinsurance service income | 4,400 | (1,594) | 33,148 | 35,954 |
| 4. Investment components | (150,405) | - | 150,405 | - |
| 5. Cash flow | 193,944 | - | (175,731) | 18,214 |
| (1) Reinsurance premium paid | 193,944 | - | - | 193,944 |
| (2) Reinsurance claim received and other reinsurance service income | - | - | (175,731) | (175,731) |
| 6. Reinsurance finance income and expenses | (54,987) | (3) | 1,195 | (53,796) |
| (1) Profit or loss | (5,547) | (3) | 1,180 | (4,369) |
| (2) The effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded | (73) | - | (1) | (74) |
| (3) Other comprehensive income | (49,367) | - | 15 | (49,353) |
| 7. Others | (6,096) | - | (1,987) | (8,083) |
| 8. Ending balance of reinsurance contract assets and liabilities | (207,544) | 3,766 | 126,099 | (77,679) |
| (1) Reinsurance contract assets | 72,239 | 3,616 | 102,275 | 178,129 |
| (2) Reinsurance contract liabilities | 279,783 | (150) | (23,824) | 255,808 |
| Ending balance of reinsurance contract assets (liabilities),net ₩ | (207,544) | 3,766 | 126,099 | (77,679) |

*(In millions of won)*

(4) Changes in insurance contract liabilities (assets) for the years ended December 31, 2024 and 2023 by element, other than insurance contracts to which the premium allocation approach was applied, are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Contractual Service Margin | | | | |
| | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | Insurance contract liabilities (assets) |
| 1.Beginning balance of insurance contract assets and liabilities | ₩ 80,698,426 | 1,251,799 | 1,744,312 | 2,177,237 | 1,952,706 | 5,874,255 | 87,824,480 |
| (1) Insurance contract assets | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | 80,698,426 | 1,251,799 | 1,744,312 | 2,177,237 | 1,952,706 | 5,874,255 | 87,824,480 |
| Insurance contract liabilities(assets), net | 80,698,426 | 1,251,799 | 1,744,312 | 2,177,237 | 1,952,706 | 5,874,255 | 87,824,480 |
| 2. Changes related to future service | (932,583) | 194,101 | (39,027) | 641,339 | 479,721 | 1,082,033 | 343,551 |
| (1) Change in estimate adjusting contractual service margin | 251,022 | 39,957 | (39,027) | 641,339 | (893,291) | (290,979) | - |
| (2) Losses(reversal) of group of onerous contracts | 268,086 | 4,233 | - | - | - | - | 272,319 |
| (3) Effect of initially recognized contracts | (1,451,691) | 149,912 | - | - | 1,373,012 | 1,373,012 | 71,233 |
| 3. Changes related to current service | (10,203) | (156,795) | (151,609) | (173,694) | (277,838) | (603,140) | (770,138) |
| (1) Contractual service margin recognized in profit or loss to reflect service transfers | - | - | (151,609) | (173,694) | (277,838) | (603,140) | (603,140) |
| (2) Changes in risk adjustment for non-financial risk | - | (156,795) | - | - | - | - | (156,795) |
| (3) experience adjustments | (10,203) | - | - | - | - | - | (10,203) |
| 4. Changes in the fulfillment cash flow in the liability for incurred claims | (71,960) | (164) | - | - | - | - | (72,124) |
| 5. Cash flow | (786,339) | - | - | - | - | - | (786,339) |
| (1) Premium received | 11,408,401 | - | - | - | - | - | 11,408,401 |
| (2) Insurance acquisition cash flow | (1,405,543) | - | - | - | - | - | (1,405,543) |
| (3) Claims and other insurance service expenses | (10,789,197) | - | - | - | - | - | (10,789,197) |
| 6. Insurance finance income or loss | 8,441,513 | 64,002 | 42,344 | (45,708) | 108,473 | 105,109 | 8,610,624 |
| (1) Profit or loss | 2,797,914 | 42,774 | 42,344 | (45,708) | 108,473 | 105,109 | 2,945,797 |
| (2) Other comprehensive income | 5,643,599 | 21,228 | - | - | - | - | 5,664,826 |
| 7. Others | (127,095) | - | - | - | - | - | (127,095) |
| 8.Ending balance of insurance contract assets and liabilities | 87,211,759 | 1,352,943 | 1,596,020 | 2,599,175 | 2,263,062 | 6,458,257 | 95,022,959 |
| (1) Insurance contract assets | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | 87,211,759 | 1,352,943 | 1,596,020 | 2,599,175 | 2,263,062 | 6,458,257 | 95,022,959 |
| Ending balance of insurance contract liabilities (assets), net | ₩ 87,211,759 | 1,352,943 | 1,596,020 | 2,599,175 | 2,263,062 | 6,458,257 | 95,022,959 |





*(In millions of won)*

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Contractual Service Margin | | | | |
| | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | Insurance contract liabilities (assets) |
| 1.Beginning balance of insurance contract assets and liabilities | ₩ 72,145,126 | 1,327,432 | 1,905,610 | 2,568,990 | 1,022,077 | 5,496,677 | 78,969,235 |
| (1) Insurance contract assets | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | 72,145,126 | 1,327,432 | 1,905,610 | 2,568,990 | 1,022,077 | 5,496,677 | 78,969,235 |
| Insurance contract liabilities(assets), net | 72,145,126 | 1,327,432 | 1,905,610 | 2,568,990 | 1,022,077 | 5,496,677 | 78,969,235 |
| 2. Changes related to future service | 1,013,489 | (42,636) | (27,606) | (1,507,317) | 1,089,518 | (445,406) | 525,447 |
| (1) Change in estimate adjusting contractual service margin | 1,997,101 | (173,840) | (27,606) | (1,507,317) | (288,338) | (1,823,261) | - |
| (2) Losses(reversal) of group of onerous contracts | 482,006 | 7,607 | - | - | - | - | 489,613 |
| (3) Effect of initially recognized contracts | (1,465,618) | 123,597 | - | - | 1,377,855 | 1,377,855 | 35,834 |
| 3. Changes related to current service | 68,375 | (134,195) | (195,952) | (205,556) | (230,598) | (632,107) | (697,926) |
| (1) Contractual service margin recognized in profit or loss to reflect service transfers | - | - | (195,952) | (205,556) | (230,598) | (632,107) | (632,107) |
| (2) Changes in risk adjustment for non-financial risk | - | (134,195) | - | - | - | - | (134,195) |
| (3) experience adjustments | 68,375 | - | - | - | - | - | 68,375 |
| 4. Changes in the fulfillment cash flow in the liability for incurred claims | (77,181) | (83) | - | - | - | - | (77,264) |
| 5. Cash flow | 130,963 | - | - | - | - | - | 130,963 |
| (1) Premium received | 12,869,318 | - | - | - | - | - | 12,869,318 |
| (2) Insurance acquisition cash flow | (1,021,090) | - | - | - | - | - | (1,021,090) |
| (3) Claims and other insurance service expenses incurred | (11,717,265) | - | - | - | - | - | (11,717,265) |
| 6. Insurance finance income or loss | 7,593,656 | 101,280 | 62,260 | 1,321,121 | 71,709 | 1,455,091 | 9,150,027 |
| (1) Profit or loss | 2,806,962 | 45,060 | 62,260 | 1,321,121 | 71,709 | 1,455,091 | 4,307,113 |
| (2) Other comprehensive income | 4,786,694 | 56,220 | - | - | - | - | 4,842,914 |
| 7. Others | (176,002) | - | - | - | - | - | (176,002) |
| 8.Ending balance of insurance contract assets and liabilities | 80,698,426 | 1,251,799 | 1,744,312 | 2,177,237 | 1,952,706 | 5,874,255 | 87,824,480 |
| (1) Insurance contract assets | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | 80,698,426 | 1,251,799 | 1,744,312 | 2,177,237 | 1,952,706 | 5,874,255 | 87,824,480 |
| Ending balance of insurance contract liabilities (assets), net | ₩ 80,698,426 | 1,251,799 | 1,744,312 | 2,177,237 | 1,952,706 | 5,874,255 | 87,824,480 |

*(In millions of won)*

(5) Changes in ceded reinsurance contract assets(liabilities) for the years ended December 31, 2024 and 2023, by element, to which the premium allocation approach is not applied, are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Contractual Service Margin | | | | |
| | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | Reinsurance contract assets (liabilities) |
| 1.Beginning balance of reinsurance contract assets and liabilities | ₩ (30,038) | 15,819 | (5,313) | (84,499) | 26,351 | (63,461) | (77,679) |
| (1) Reinsurance contract assets | 171,969 | 6,677 | (6,254) | (12,703) | 18,441 | (516) | 178,129 |
| (2) Reinsurance contract liabilities | 202,007 | (9,143) | (941) | 71,795 | (7,910) | 62,944 | 255,808 |
| Reinsurance contract liabilities(assets), net | (30,038) | 15,819 | (5,313) | (84,499) | 26,351 | (63,461) | (77,679) |
| 2. Changes related to future service | (5,756) | (7,108) | 4,603 | 13,752 | (5,209) | 13,145 | 281 |
| (1) Change in estimate adjusting contractual service margin | (318) | (7,467) | 4,603 | 13,752 | (10,569) | 7,785 | - |
| (2) Losses(reversal) of group of onerous contracts | 141 | 140 | - | - | - | - | 281 |
| (3) Effect of initially recognized contracts | (5,579) | 219 | - | - | 5,360 | 5,360 | - |
| 3. Changes related to current service | 1,713 | (1,121) | (1,912) | 4,748 | (8,102) | (5,266) | (4,674) |
| (1) Contractual service margin recognized in profit or loss to reflect service transfers | - | - | (1,912) | 4,748 | (8,102) | (5,266) | (5,266) |
| (2) Changes in risk adjustment for non-financial risk | - | (1,221) | - | - | - | - | (1,221) |
| (3) experience adjustments | 1,713 | 99 | - | - | - | - | 1,813 |
| 4. Changes in the fulfillment cash flow in the liability for incurred claims | 595 | (92) | - | - | - | - | 502 |
| 5. Cash flow | 7,938 | - | - | - | - | - | 7,938 |
| (1) Reinsurance premium paid | 191,072 | - | - | - | - | - | 191,072 |
| (2) Reinsurance claim received and other reinsurance service income | (183,134) | - | - | - | - | - | (183,134) |
| 6. Effect of changes in the risk of non-performance of the issuer of the reinsurance contract ceded | (1,025) | - | - | - | - | - | (1,025) |
| 7. Reinsurance finance income or expenses | (14,450) | 2,004 | (248) | (2,362) | 867 | (1,743) | (14,190) |
| (1) Profit or loss | (972) | 428 | (248) | (2,362) | 867 | (1,743) | (2,287) |
| (2) Other comprehensive income | (13,478) | 1,575 | - | - | - | - | (11,903) |
| 8. Others (financial settlement slip) | 10,720 | - | - | - | - | - | 10,720 |
| 9.Ending balance of Reinsurance contract assets and liabilities | (30,303) | 9,501 | (2,871) | (68,361) | 13,907 | (57,325) | (78,127) |
| (1) Reinsurance contract assets | 141,011 | 4,531 | 14,297 | 19,116 | 16,171 | 49,584 | 195,125 |
| (2) Reinsurance contract liabilities | 171,314 | (4,970) | 17,168 | 87,477 | 2,264 | 106,909 | 273,252 |
| Ending balance of reinsurance contract assets (liabilities), net | ₩ (30,303) | 9,501 | (2,871) | (68,361) | 13,907 | (57,325) | (78,127) |





*(In millions of won)*

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Contractual Service Margin | | | | Reinsurance contract assets (liabilities) |
| | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | |
| 1.Beginning balance of reinsurance contract assets and liabilities | ₩ (111,183) | 19,864 | 3,254 | 45,574 | 3,794 | 52,622 | (38,698) |
| (1) Reinsurance contract assets | 138,954 | 12,801 | (3,971) | 32,409 | (62) | 28,375 | 180,131 |
| (2) Reinsurance contract liabilities | 250,137 | (7,062) | (7,226) | (13,166) | (3,856) | (24,247) | 218,828 |
| Reinsurance contract liabilities(assets), net | (111,183) | 19,864 | 3,254 | 45,574 | 3,794 | 52,622 | (38,698) |
| 2. Changes related to future service | 120,460 | (9,086) | (5,681) | (130,613) | 27,990 | (108,304) | 3,070 |
| (1) Change in estimate adjusting contractual service margin | 137,777 | (16,831) | (5,681) | (130,613) | 15,349 | (120,946) | - |
| (2) Losses(reversal) of group of onerous contracts | 3,162 | (92) | - | - | - | - | 3,070 |
| (3) Effect of initially recognized contracts | (20,479) | 7,838 | - | - | 12,642 | 12,642 | - |
| 3. Changes related to current service | 6,934 | 1,745 | (2,844) | 1,034 | (5,594) | (7,404) | 1,275 |
| (1) Contractual service margin recognized in profit or loss to reflect service transfers | - | - | (2,844) | 1,034 | (5,594) | (7,404) | (7,404) |
| (2) Changes in risk adjustment for non-financial risk | - | 1,745 | - | - | - | - | 1,745 |
| (3) experience adjustments | 6,934 | - | - | - | - | - | 6,934 |
| 4. Changes in the fulfillment cash flow in the liability for incurred claims | 377 | (38) | - | - | - | - | 339 |
| 5. Cash flow | 18,214 | - | - | - | - | - | 18,214 |
| (1) Reinsurance premium paid | 193,944 | - | - | - | - | - | 193,944 |
| (2) Reinsurance claim received and other reinsurance service income | (175,731) | - | - | - | - | - | (175,731) |
| 6. Effect of changes in the risk of non-performance of the issuer of the reinsurance contract ceded | (74) | - | - | - | - | - | (74) |
| 7. Reinsurance finance income or expenses | (56,681) | 3,334 | (43) | (493) | 161 | (375) | (53,722) |
| (1) Profit or loss | (4,724) | 729 | (43) | (493) | 161 | (375) | (4,369) |
| (2) Other comprehensive income | (51,958) | 2,605 | - | - | - | - | (49,353) |
| 8. Others (financial settlement slip) | (8,083) | - | - | - | - | - | (8,083) |
| 9.Ending balance of Reinsurance contract assets and liabilities | (30,038) | 15,819 | (5,313) | (84,499) | 26,351 | (63,461) | (77,679) |
| (1) Reinsurance contract assets | 171,9690 | 6,677 | (6,254) | (12,703) | 18,441 | (516) | 178,129 |
| (2) Reinsurance contract liabilities | 202,007 | (9,143) | (941) | 71,795 | (7,910) | 62,944 | 255,808 |
| Ending balance of reinsurance contract assets (liabilities), net | ₩ (30,038) | 15,819 | (5,313) | (84,499) | 26,351 | (63,461) | (77,679) |

*(In millions of won)*

(6) The effect on the statement of financial position at the time of initial recognition of new insurance contracts for the years ended December 31, 2024 and 2023 are as follows

| | 2024 | | |
|---|---|---|---|
| | Insurance contract issued | | Insurance contract liabilities (assets) |
| | Exclusive of onerous contracts | Onerous contracts | |
| 1. Estimate of the present value of future cash outflows | ₩ 10,458,218 | 1,175,166 | 11,633,385 |
| (1) Expected claims and other insurance service expenses | 9,138,768 | 1,015,762 | 10,154,531 |
| (2) Insurance acquisition cash flow | 1,319,450 | 159,404 | 1,478,854 |
| 2. Estimate of the present value of future cash inflows | 11,971,016 | 1,114,060 | 13,085,076 |
| 3. Estimate of the present value of future cash flows | (1,512,798) | 61,107 | (1,451,691) |
| 4. Risk adjustment for non-financial risk | 139,786 | 10,126 | 149,912 |
| 5. Contractual service margin | 1,373,012 | - | 1,373,012 |
| * Loss component at initial recognition | ₩ - | 71,233 | 71,233 |

| | 2023 | | |
|---|---|---|---|
| | Insurance contract issued | | Insurance contract liabilities (assets) |
| | Exclusive of onerous contracts | Onerous contracts | |
| 1. Estimate of the present value of future cash outflows | ₩ 9,689,401 | 336,068 | 10,025,469 |
| (1) Expected claims and other insurance service expenses | 8,772,850 | 303,379 | 9,076,229 |
| (2) Insurance acquisition cash flow | 916,551 | 32,689 | 949,240 |
| 2. Estimate of the present value of future cash inflows | 11,187,470 | 303,617 | 11,491,087 |
| 3. Estimate of the present value of future cash flows | (1,498,069) | 32,451 | (1,465,618) |
| 4. Risk adjustment for non-financial risk | 120,214 | 3,383 | 123,597 |
| 5. Contractual service margin | 1,377,855 | - | 1,377,855 |
| * Loss component at initial recognition | ₩ - | 35,834 | 35,834 |





*(In millions of won)*

(7) The effect on the statement of financial position at the time of initial recognition of new reinsurance contracts ceded for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | |
|---|---|---|---|
| | Reinsurance contract ceded held | | Reinsurance contract assets(liabilities) |
| | Exclusive of onerous contracts | Onerous contracts | |
| 1. Estimate of the present value of future cash outflows | ₩ 9,583 | 43,548 | 53,131 |
| 2. Estimate of the present value of future cash inflows | 8,985 | 38,566 | 47,551 |
| 3. Estimate of the present value of future cash flows | (598) | (4,981) | (5,579) |
| (1) New contract_onerous | - | (4,981) | (4,981) |
| (2) New contract_non onerous | (598) | - | (598) |
| 4. Risk adjustment for non-financial risk | 71 | 149 | 219 |
| (1) New contract_onerous | - | 149 | 149 |
| (2) New contract_non onerous | 71 | - | 71 |
| 5. Contractual service margin | 527 | 4,833 | 5,360 |
| * Loss recovery component | ₩ - | 2,640 | 2,640 |

| | 2023 | | |
|---|---|---|---|
| | Reinsurance contract ceded held | | Reinsurance contract assets(liabilities) |
| | Exclusive of onerous contracts | Onerous contracts | |
| 1. Estimate of the present value of future cash outflows | ₩ 22,282 | 33,484 | 55,767 |
| 2. Estimate of the present value of future cash inflows | 20,502 | 14,785 | 35,287 |
| 3. Estimate of the present value of future cash flows | (1,780) | (18,699) | (20,479) |
| (1) New contract_onerous | | (18,699) | (18,699) |
| (2) New contract_non onerous | (1,780) | - | (1,780) |
| 4. Risk adjustment for non-financial risk | 7,763 | 75 | 7,838 |
| (1) New contract_onerous | - | 75 | 75 |
| (2) New contract_non onerous | 7,763 | - | 7,763 |
| 5. Contractual service margin | (5,982) | 18,624 | 12,642 |
| * Loss recovery component | ₩ - | 977 | 977 |

*(In millions of won)*

(8) Contractual service margin by expected amortization period for insurance contracts issued and reinsurance contracts held as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | | | |
|---|---|---|---|---|---|---|---|
| | | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | 5~10 years | Over 10 years | Total |
| Underlying contracts | ₩ | 573,812 | 500,025 | 451,042 | 408,532 | 369,317 | 1,425,677 | 2,729,852 | 6,458,257 |
| Contractual service margin of reinsurance contracts ceded | | 3,906 | 3,832 | 3,467 | 3,188 | 2,904 | 11,663 | 28,365 | 57,325 |

| | | 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | 5~10 years | Over 10 years | Total |
| Underlying contracts | ₩ | 572,234 | 495,176 | 443,623 | 399,023 | 359,465 | 1,354,309 | 2,250,425 | 5,874,255 |
| Contractual service margin of reinsurance contracts ceded | | 3,277 | 2,798 | 2,641 | 2,197 | 2,264 | 9,230 | 41,054 | 63,461 |





*(In millions of won)*

(9) Total amount recognized as insurance finance income and expenses, the amount recognized as other comprehensive income among insurance finance income and expenses and investment gains and losses on assets for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| 1. Investment income and expense | ₩ | 4,343,387 | 8,858,940 |
| (1) Interest income | | 3,760,585 | 3,353,828 |
| (2) Other investment income and expense | | 165,828 | 1,924,864 |
| (3) Other comprehensive income and expense | | 416,973 | 3,580,248 |
| 2. Insurance finance income and expense | | (8,610,624) | (9,150,027) |
| (1) Profit or loss | | (2,945,797) | (4,307,113) |
| (2) Other comprehensive income | | (5,664,826) | (4,842,914) |
| 3. Reinsurance finance income and expense | | (15,215) | (53,796) |
| (1) Profit or loss | | (3,312) | (4,443) |
| (2) Other comprehensive Income | | (11,903) | (49,353) |
| 4. Total finance income and expense | ₩ | (4,282,452) | (344,883) |

(10) The fair values of the underlying items of contracts with direct participation features among insurance contracts issued by the Group as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash and deposits | ₩ | 384,153 | 263,862 |
| Securities | | 13,746,163 | 14,435,021 |
| Loan receivable | | 428,762 | 572,015 |
| Derivative assets | | 364 | 4,440 |
| Other assets | | 211,684 | 286,932 |
| | ₩ | 14,771,126 | 15,562,270 |

(11) Group of insurance contracts to which the VFA model is applied, the effect of financial risk on the amount corresponding to the Group's share among underlying items is mitigated by related derivatives and reinsurance contracts ceded. These economic offsets are specified in the relevant documents, and credit risk is believed not be dominant over economic offsets. In this situation, among the changes in the fulfillment cash flow of the group of contracts to which the VFA model is applied, the amount that does not adjust the contractual service margin are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Unrecognized amount of change | ₩ | (181,717) | 43,272 |

(12) Insurance revenue recognized for insurance contracts issued by the Group for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| 1.Amount related to changes in the liability for remaining coverage | ₩ | 3,701,299 | 3,691,931 |
| (1) Insurance service expenses incurred | | 2,982,182 | 2,964,332 |
| a. Expected claim (insurance component) | | 1,993,968 | 1,925,827 |
| b. Expected maintenance expense, etc. | | 1,180,917 | 1,058,844 |
| c. Allocation of loss component | | (192,702) | (20,340) |
| (2) Change in risk-adjustment for non-financial risk | | 149,366 | 139,735 |
| a. RA amortization | | 148,365 | 138,004 |
| b. Allocation of loss component | | (574) | (279) |
| c. Cancelled contracts | | 1,576 | 2,011 |
| (3) Contractual service margin recognized in profit or loss | | 603,140 | 632,107 |
| a. CSM amortization | | 587,774 | 608,628 |
| b. Cancelled contracts | | 15,367 | 23,479 |
| (4) Others | | (33,390) | (44,243) |
| a. Cancelled contracts | | (33,390) | (44,243) |
| 2. Allocation of Insurance acquisition cash flow | | 296,999 | 192,728 |
| a. Contract conclusion expense amortization | | 296,999 | 192,728 |
| Total | ₩ | 3,998,298 | 3,884,659 |

(13) Reinsurance revenue recognized for insurance contracts held by the Company for the period ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Incurred reinsurance | ₩ | 31,809 | 28,606 |
| Adjustment of Reinsurance incurred accident factors | | (43) | 7,007 |
| Revenue related to loss recovery factors | | (167) | 342 |
| | ₩ | 31,600 | 35,954 |

(14) Insurance service cost recognized for insurance contracts issued by the Company for the period ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| 1. Insurance costs for insurance contracts | ₩ | 3,499,587 | 3,634,916 |
| Actual insurance premium | | 1,951,973 | 1,900,986 |
| Actual contract maintenance costs | | 1,010,924 | 952,441 |
| Actual investment management expenses | | 88,172 | 86,196 |
| Expenses related to loss-bearing contracts | | 343,551 | 525,447 |
| Adjustment of accident factors | | 13,728 | 1,686 |
| Depreciation of cash flow obtained from insurance | | 296,999 | 192,728 |
| Amount of loss factor allocation | | (193,277) | (20,619) |
| Other insurance service expenses | | (12,483) | (3,950) |
| 2. Other insurance operating expense | | 46,344 | 37,392 |
| | ₩ | 3,545,931 | 3,672,308 |

(15) Reinsurance cost recognized for insurance contracts held by the Company for the period ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Estimated reinsurance | ₩ | 22,672 | 20,023 |
| Adjustment of Reinsurance estimated accident factors | | 6,029 | 4,544 |
| Change in risk adjustment | | 1,221 | (1,174) |
| Depreciation of insurance contract margin | | 5,266 | 7,404 |
| Loss Recovery Factor Distribution Reinsurance Cost Reduction | | (448) | (264) |
| Other reinsurance expenses | | 750 | 737 |
| | ₩ | 35,490 | 31,270 |

**18. Other contract liabilities**

Other contract liabilities as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Reserve for policyholder dividend stabilization | ₩ | 70,591 | 72,936 |
| Policyholder's equity adjustment | | 125,109 | 94,500 |
| | ₩ | 195,700 | 167,436 |

**19. Financial liabilities at fair value through profit or loss**

(1) Financial liabilities at fair value through profit or loss as of December 31, 2024 is as follows:





| Basis for designation | | | 2024 |
|---|---|---|---|
| Compound instruments | Equity-linked securities for sale | ₩ | 660,021 |
| | Other sold derivatives-linked securities | | 101,618 |
| | Derivatives-linked bonds | | 3,982,178 |
| | Credit risk adjustment | | (6,246) |
| | Trading day valuation adjustment | | 101,675 |
| | | ₩ | 4,839,246 |

(2) Financial liabilities at fair value through profit or loss as of December 31, 2023 is as follows:

| Basis for designation | | | 2023 |
|---|---|---|---|
| Compound instruments | Equity-linked securities for sale | ₩ | 1,325,081 |
| | Other sold derivatives-linked securities | | 102,246 |
| | Derivatives-linked bonds | | 3,233,939 |
| | Credit risk adjustment | | (4,404) |
| | Trading day valuation adjustment | | 130,797 |
| | | ₩ | 4,787,659 |

**19. Financial liabilities at fair value through profit or loss, continued**

(1) Financial liabilities at fair value through profit or loss as of December 31, 2024 is as follows:

| | | | 2024 |
|---|---|---|---|
| Securities for sale | Shares | ₩ | 340,920 |
| | National and local government bonds | | 258,641 |
| | | ₩ | 599,561 |

(2) Financial liabilities at fair value through profit or loss as of December 31, 2023 is as follows:

| | | | 2023 |
|---|---|---|---|
| Securities for sale | Shares | ₩ | 174,741 |
| | National and local government bonds | | 82,732 |
| | | ₩ | 257,473 |

**20. Borrowings**

(1) Borrowings as of December 31, 2024 and 2023, are as follows:

| | Creditors | | 2024 | 2023 |
|---|---|---|---|---|
| Bonds sold under repurchase Agreements (*) | Public offerings, Institutions | ₩ | 2,781,275 | 3,484,515 |
| Subordinated debt securities | Hidden Palace, etc. | | 6,598 | 7,651 |
| Call money | Samsung Asset Management | | 100,000 | 100,000 |
| Borrowings from KSFC | KSFC | | 256,470 | 273,969 |
| Borrowings for general purpose | Kookmin Bank, etc. | | 182,500 | 57,400 |
| Borrowings for equipment | Kookmin Bank, etc. | | 35,000 | 35,000 |
| Debenture | Individuals, etc. | | 448,389 | 432,845 |
| Unsecured Subordinated Debunture | Individuals, etc. | | 698,080 | - |
| Electronic Short-Term Bond | Individuals, etc. | | 940,008 | 784,311 |
| Other Borrowings | Individuals, etc. | | 749,800 | 742,500 |
| | | | 6,198,120 | 5,918,191 |

(*) This transaction falls under an agreement to repurchase securities at a specific price on the contract expiration date at the same time as the sale and is a financial instrument for which the conditions for derecognition are not met.

(2) Debentures and unsecured subordinated debentures as of December 31 2023 and 2024, are summarized as follows:

*(In millions of won)*

| | | Interest rate (%) | Issue date | Maturity date | 2024 | 2023 |
|---|---|---|---|---|---|---|
| Kyobo Securities Co., Ltd. | Non-guaranteed bonds | 1.75 | August 9, 2019 | August 9, 2024 | - | 100,000 |
| Kyobo Securities Co., Ltd. | Non-guaranteed bonds | 1.56 | April 6, 2021 | April 5, 2024 | - | 300,000 |
| Kyobo Securities Co., Ltd. | Non-guaranteed bonds | 6.89 | November 7, 2022 | May 7, 2024 | - | 33,000 |
| Kyobo Securities Co., Ltd. | Non-guaranteed bonds | 3.92 | April 8, 2024 | April 8, 2026 | 200,000 | - |
| Kyobo Securities Co., Ltd. | Non-guaranteed bonds | 3.94 | April 8, 2024 | April 8, 2027 | 100,000 | - |
| Kyobo Asset Trust Co., Ltd. | Non-guaranteed bonds | 7 | March 28, 2024 | September 28, 2025 | 72,000 | - |
| Kyobo Asset Trust Co., Ltd. | Non-guaranteed private straight bond | 6.80 | June 7, 2024 | December 7, 2025 | 28,000 | - |
| Kyobo Asset Trust Co., Ltd. | Non-guaranteed private straight bond | 6.80 | July 29, 2024 | January 29, 2026 | 50,000 | - |
| Total face value | | | | ₩ | 450,000 | 433,000 |
| Discount on bonds | | | | | (1,611) | (155) |
| | | | | ₩ | 448,389 | 432,845 |
| Kyobo Securities Co., Ltd. | Non-guaranteed subordinated bonds | 4.30 | August 6, 2024 | August 6, 2034 | 700,000 | - |
| Discount on bonds | | | | | (1,920) | - |
| | | | | ₩ | 698,080 | - |

(3) Details of contractual remaining maturities of the borrowings as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 ~ 5 years | More than 5 years | |
| Non-guaranteed bonds | ₩ 100,000 | 350,000 | - | 450,000 |
| Non-guaranteed subordinated bonds | - | - | 700,000 | 700,000 |

| | 2023 | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 ~ 5 years | More than 5 years | |
| Non-guaranteed bonds | ₩ 433,000 | - | - | 433,000 |

**21. Other financial liabilities**

(1) Other financial liabilities as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Insurance payables: | 27,680 | 35,828 |
| Dormant policies | ₩ 24,074 | 32,416 |
| Insurance settlement adjustments | 3,606 | 3,412 |
| Accounts payable | 525,889 | 884,646 |
| Accrued expenses | 518,594 | 366,472 |
| Leasehold deposits received | 98,520 | 98,966 |
| Less: Present value discount | (7,227) | (6,632) |
| Dividends payable | 19 | 20 |
| Trust accounts liabilities | 168,405 | 105,050 |
| Customers' deposits | 1,323,679 | 978,834 |
| Securities deposit received | 6,124 | 9,578 |
| Other depository liabilities | 3,458 | 3,354 |
| Financial guarantee contract | 1,694 | 1,285 |
| Non-controlling interest liabilities (*1) | 37,879 | 46,241 |
| Lease liabilities (*2) | 88,436 | 79,089 |





*(In millions of won)*

| | | |
|---|---|---|
| Others | 262,078 | 218,275 |
| ₩ | 3,055,228 | 2,821,006 |

(*1) Non-controlling interest liabilities are the accumulated non-controlling interest amount of consolidated investment associations and beneficiary securities
(*2) Lease liabilities are recognized and measured in accordance with KIFRS 1116.

(2) Lease expenses for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Short-term lease expenses (*) | ₩ 5,837 | 4,131 |
| Lease for which the underlying asset is of low value (*) | 521 | 503 |
| Interest expenses of lease liabilities | 3,060 | 3,085 |
| | ₩ 9,418 | 7,719 |

(*) The Group recognized lease payments as an expense on a straight-line basis over the lease term.

(3) Details of lease liabilities by the maturity according to remaining lease terms as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 ~ 5 years | More than 5 years | Total |
| Real estates | ₩ 45,887 | 59,992 | 9,051 | 114,930 |
| Vehicles | 688 | 3,142 | - | 3,830 |
| | ₩ 46,575 | 63,134 | 9,051 | 118,760 |

| | 2023 | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 ~ 5 years | More than 5 years | Total |
| Real estates | ₩ 31,099 | 75,260 | 12,142 | 118,501 |
| Vehicles | 994 | 1,641 | - | 2,635 |
| | ₩ 32,094 | 76,902 | 12,142 | 121,138 |

(4) Details of lease payments related to lease liabilities are ₩51,171 million and ₩50,924 million for the years ended December 31, 2024 and 2023, respectively.

**22. Provisions**

(1) Changes in provisions for the years ended December 31, 2024 and 2023 are as follows:

Changes in provisions for the years ended December 31, 2024, and 2023, are as follows:

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Restoration cost | Litigation | Unused commitments | Others(*1) | Total |
| Beginning balance | ₩ 14,280 | 4,934 | 22,680 | 14,156 | 56,050 |
| Increase | 10,367 | - | - | 7,620 | 17,987 |
| Utilized | (813) | (2,246) | - | (4,793) | (7,852) |
| Charge (reversal) for the period, net | (9,227) | 2,043 | (907) | 114,999 | 106,908 |
| Other | - | - | 240 | (3,968) | (3,728) |
| Ending balance | ₩ 14,607 | 4,731 | 22,013 | 128,014 | 169,365 |

(*1) Amounts of refund liability corresponding to the contract liability ₩2,931 million are included.

| | 2023 | | | | |
|---|---|---|---|---|---|
| | Restoration cost | Litigation | Unused commitments | Others(*1) | Total |

*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Beginning balance | ₩ 14,423 | 1,312 | 8,594 | 6,873 | 31,202 |
| Increase | 10,622 | 4,011 | 3,308 | 2,425 | 20,366 |
| Utilized | (1,048) | (70) | - | (1,553) | (2,671) |
| Charge (reversal) for the period, net | (9,792) | (318) | 10,778 | 6,411 | 7,079 |
| Other | 76 | - | - | - | 76 |
| Ending balance | ₩ 14,280 | 4,934 | 22,680 | 14,156 | 56,051 |

(*1) Amounts of refund liability corresponding to the contract liability ₩2,460 million are included.

(2) The nature of the provisions and the timing of the expected outflow of economic benefits as of December 31, 2024 is as follows:

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 ~ 3 years | 3 ~ 5 years | More than 5 years | Total |
| Restoration | ₩ 4,685 | 6,473 | 969 | 2,480 | 14,607 |
| Litigation | 4,731 | - | - | - | 4,731 |
| Unused commitment | 19,514 | 1,798 | 702 | - | 22,014 |
| Others | 14,523 | 113,448 | 43 | - | 128,014 |
| | ₩ 43,453 | 121,719 | 1,714 | 2,480 | 169,366 |

**23. Defined benefit liabilities**

(1) The Group operates a defined benefit plan based on compensation for pension of the employees and the period of services rendered. The Group has entrusted the plan assets of defined benefit obligations at Kookmin Bank and others.

Defined benefit plan assets and liabilities as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Present value of defined benefit obligations | ₩ 414,268 | 397,022 |
| Fair value of plan assets | (254,363) | (290,413) |
| Defined benefit liabilities | ₩ 159,905 | 106,609 |

(2) Changes in the present value of defined benefit obligations for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Beginning balance | ₩ 397,022 | 353,042 |
| Business combination | - | 622 |
| Current service costs | 73,109 | 67,694 |
| Interest expenses | 16,737 | 16,337 |
| Remeasurement | (2,103) | 16,124 |
| Change in financial assumptions | 20,144 | 21,186 |
| Change in population statistics | 48 | (4,834) |
| Experience adjustments | (22,295) | (228) |
| Benefits paid by the plan | (70,450) | (56,809) |
| Past service cost | (48) | 12 |
| Ending balance | ₩ 414,267 | 397,022 |

(3) Changes in the fair value of plan assets for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Beginning balance | ₩ 290,413 | 273,434 |
| Business combination | - | 769 |
| Interest income | 16,851 | 20,210 |
| Remeasurements | (1,227) | 4,152 |





*(In millions of won)*

| | | |
|---|---|---|
| Contributions paid into the plan | 22,200 | 29,345 |
| Benefits paid by the plan | (30,564) | (48,271) |
| Other management costs | (256) | 10,774 |
| Other | (43,054) | - |
| Ending balance | ₩ 254,363 | 290,413 |

(4) The composition of plan assets as of December 31, 2024 and 2023 are as follows:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Amount | Ratio (%) | Amount | Ratio (%) |
| Fixed deposit | ₩ 123,941 | 48.73 | 167,933 | 57.83 |
| Equity securities | 2,396 | 0.94 | 1,863 | 0.64 |
| Debt securities | 54,014 | 21.24 | 52,910 | 18.22 |
| Beneficiary certificates | 74,011 | 29.10 | 67,707 | 23.31 |
| | ₩ 254,362 | 100.00 | 290,413 | 100.00 |

(5) Actuarial assumptions as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Discount rate (*) | 3.42%~5.08% | 4.04%~5.49% |
| Future salary increasing rate | 2%~6% | 2%~7% |

(*) Considering the timing of the payments of retirement benefits, the Group applied a rate of return of unsecured debenture bonds with a rating of AA+.

(6) Sensitivity analysis

Sensitivity analysis of the present value of defined benefit obligation as of December 31, 2024 is as follows:

| | 2024 | |
|---|---|---|
| | 1% Point Increase | 1% Point Decrease |
| Discount rate | ₩ (24,373) | 27,703 |
| Future salary increasing rate | 28,605 | (25,589) |

(7) The weighted average maturity of the defined benefit obligation is 5.50~10.42 years for the year ended December 31, 2024.

**24. Other liabilities**

Other liabilities as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Advanced receipts | ₩ 30,543 | 24,446 |
| Unearned income (*1) | 69,571 | 71,922 |
| Withholdings | 72,770 | 84,354 |
| Value added tax withheld | 10,975 | 13,244 |
| Others(*2) | 16,062 | 15,900 |
| | ₩ 199,921 | 209,865 |

(*1) The Group provided a certain portion of the customer's purchase amounts as points, and the points awarded are accounted as deferred revenue to be recognized as sales at the time of use of the points in the future and deducted from sales. Amounts of customer loyalty programs are ₩14,132 million and ₩12,101 million as of December 31, 2024 and 2023, respectively.
(*2) Others include the amount estimated to be paid in the future to the policyholder of the immediate annuity inheritance maturity type.

*(In millions of won)*

**25. Derivatives**

1. Derivative instruments held for trading

(1) Unsettled commitments and fair values of derivative instruments held for trading as of December 31, 2024, and 2023 are as follows

| | Type | | 2024 | | |
|---|---|---|---|---|---|
| | | | | Cumulative valuation gains and losses | |
| | | | Unsettled commitment | Asset | Liability |
| Currency related: | Currency forward | ₩ | 9,729,952 | 163,169 | 348,902 |
| | Currency futures | | 44,960 | - | - |
| | Currency swap | | 5,546,371 | 381,856 | 545,193 |
| | | | 15,321,283 | 545,025 | 894,095 |
| Equity related: | Stock index futures | | 1,523,303 | - | - |
| | Warrant | | - | - | - |
| | Stock index options | | 17,588 | 5,921 | 11,595 |
| | Equity linked warrant | | 92,500 | - | 6,132 |
| | Equity derivatives | | 1,270,303 | 100,082 | 191,723 |
| | Others | | 1,610,629 | 18,077 | 551,317 |
| | | | 4,514,323 | 124,080 | 760,767 |
| Credit related: | Credit default swap | | 10,835,034 | 96,917 | 68,647 |
| Commodity related: | Commodity swaps | | 22,668 | 86 | 82 |
| Interest related: | Interest rate futures | | 3,888,509 | - | - |
| | Interest rate forward | | 6,800,528 | 132,432 | 44,156 |
| | Interest rate swap | | 55,750,232 | 217,239 | 116,988 |
| | Interest rate option | | 524,485 | - | 10,145 |
| | | | 66,963,754 | 349,671 | 171,289 |
| Credit risk adjustments | | | - | (2,352) | (6,589) |
| | | ₩ | 97,657,062 | 1,113,427 | 1,888,291 |

| | Type | | 2023 | | |
|---|---|---|---|---|---|
| | | | | Cumulative valuation gains and losses | |
| | | | Unsettled commitment | Asset | Liability |
| Currency related: | Currency forward | ₩ | 4,388,839 | 84,518 | 13,287 |
| | Currency futures | | 60,542 | - | - |
| | Currency swap | | 8,083,815 | 286,112 | 354,421 |
| | | | 12,533,196 | 370,630 | 367,708 |
| Equity related: | Stock index futures | | 1,354,666 | - | - |
| | Preemptive rights | | 1,588 | 7 | - |
| | Stock index options | | 3,269 | - | 5,299 |
| | Equity linked warrant | | 15,000 | - | 3,518 |
| | Stock derivatives | | 1,031,725 | 88,960 | 155,871 |
| | Others | | 1,474,397 | 30,599 | 486,888 |
| | | | 3,880,645 | 119,566 | 651,576 |
| Credit related: | Credit default swap | | 11,852,646 | 133,733 | 112,115 |
| Commodity related: | Commodity swaps | | 24,157 | 138 | 134 |
| Interest related: | Interest rate futures | | 2,279,017 | - | - |
| | Interest rate forward | | 7,164,102 | 216,246 | 26,974 |
| | Interest rate swap | | 42,235,499 | 169,959 | 66,213 |
| | Interest rate option | | 23,865 | - | 9,364 |
| | | | 51,702,483 | 386,205 | 102,551 |
| Credit risk adjustments | | | - | (1,467) | (3,787) |
| | | ₩ | 79,993,127 | 1,008,805 | 1,230,297 |





*(In millions of won)*

(2) Gains and losses on valuation of derivative instruments held for trading for the years ended December 31, 2024 are as follows

| | | | 2024 | |
|---|---|---|---|---|
| | | | Gain | Loss |
| Currency related: | Currency forward | ₩ | 171,138 | 393,296 |
| | Currency futures | | 191,762 | 111,577 |
| | Currency swap | | 74,283 | 227,940 |
| | | | 437,183 | 732,813 |
| Equity related: | Stock index futures | | 7,278 | 23,865 |
| | Warrant | | - | - |
| | Stock index options | | 9,488 | 1,772 |
| | Equity linked warrant | | 403 | 1,177 |
| | Others | | 11,494 | 11,079 |
| | | | 37,081 | 55,659 |
| | | | 65,744 | 93,552 |
| Credit related: | Credit default swap | | 37,079 | 109,036 |
| Commodity related: | Commodity swaps | | 61 | 122 |
| Interest related: | Interest rate futures | | 18,533 | 12,174 |
| | Interest rate forward | | 47,842 | 51,910 |
| | Interest rate swap | | 103,198 | 160,341 |
| | Interest rate option | | 531 | - |
| | | | 170,104 | 224,425 |
| Credit risk adjustments | | | 3,409 | 1,495 |
| | | ₩ | 713,580 | 1,161,443 |

| | | | 2023 | |
|---|---|---|---|---|
| | | | Gain | Loss |
| Currency related: | Currency forward | ₩ | 34,819 | 13,661 |
| | Currency futures | | 4,024 | 7,737 |
| | Currency swap | | 82,405 | 90,176 |
| | | | 121,248 | 111,574 |
| Equity related: | Stock index futures | | 32,848 | 12,622 |
| | Warrant | | - | 119 |
| | Stock index options | | 24,595 | 24,996 |
| | Equity linked warrant | | 144 | 125 |
| | Others | | 34,818 | 52,441 |
| | | | 92,405 | 90,303 |
| Credit related: | Credit default swap | | 114,983 | 65,393 |
| Commodity related: | Commodity swaps | | 325 | 7 |
| Interest related: | Interest rate futures | | 30,532 | 7,766 |
| | Interest rate forward | | 134,116 | 80,042 |
| | Interest rate swap | | 188,945 | 69,560 |
| | Interest rate option | | - | 873 |
| | | | 353,593 | 158,241 |
| Credit risk adjustments | | | 812 | 1,449 |
| | | ₩ | 683,366 | 426,967 |

2. Fair value hedge

(1) Fair value hedged items as of December 31, 2024, and 2023, and changes in fair value for the years ended December 31, 2024, and 2023, are as follows:

| | Type | | 2024 Book value | Accumulated fair value adjustment | Change in fair value during the period |
|---|---|---|---|---|---|
| Interest rate related: | Foreign debt securities | ₩ | - | - | - |
| Foreign exchange related: | Foreign debt securities | | 86,396 | 6,564 | 5,535 |
| | Foreign loan securities | | 237,555 | (48,347) | (48,347) |
| | Foreign beneficiary certificate | | 2,537,611 | 335,943 | 230,792 |
| | | ₩ | 2,861,562 | 294,160 | 187,980 |

| | Type | | 2023 Book value | Accumulated fair value adjustment | Change in fair value during the period |
|---|---|---|---|---|---|
| Interest rate related: | Foreign debt securities | ₩ | 817,533 | 12,892 | 12,892 |
| Foreign exchange related: | Foreign debt securities | | 94,328 | 9,194 | 1,837 |
| | Foreign loan securities | | - | - | - |
| | Foreign beneficiary certificate | | 1,849,166 | 130,511 | 52,395 |
| | | ₩ | 2,761,027 | 152,597 | 67,124 |

(2) Derivatives designated as fair value hedging instruments as of December 31, 2024, and 2023, and changes in fair value for the years ended December 31, 2024, and 2023, are as follows:

| | | 2024 Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
|---|---|---|---|---|---|
| Interest rate forward | ₩ | 239,219 | 10,091 | - | 10,091 |
| Interest rate futures | | - | - | - | - |
| Currency forward | | 3,131,542 | 35,983 | 249,451 | (214,817) |
| Currency swap | | 476,864 | - | 26,837 | (26,869) |
| | ₩ | 3,847,625 | 46,074 | 276,288 | (231,595) |

| | | 2023 Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
|---|---|---|---|---|---|
| Interest rate forward | ₩ | 50,013 | - | 2,036 | (2,036) |
| Interest rate futures | | 1,000,385 | - | - | - |
| Currency forward | | 2,446,110 | 39,461 | 36,664 | (25,302) |
| Currency swap | | 114,870 | 343 | - | 343 |
| | ₩ | 3,611,378 | 39,804 | 38,700 | (26,995) |

(3) The amount recognized in profit or loss due to the ineffectiveness of fair value hedge for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 Risk | Profit and loss related to fair value hedge designation (hedged item) | Profit and loss related to fair value hedge designation (hedging instrument) | Ineffective portion of hedge recognized in profit or loss (*) |
|---|---|---|---|---|---|
| Fair value hedge | ₩ | Market price | (12,146) | 10,091 | (2,055) |
| | | Foreign exchange | 254,784 | (265,632) | (10,848) |
| | | | 242,638 | (255,541) | (12,903) |

(*) The ineffectiveness of the hedge is the difference between the hedging gain and loss between the hedging instrument and the hedged item.

| | | 2023 Risk | Profit and loss related to fair value hedge designation (hedged item) | Profit and loss related to fair value hedge designation (hedging instrument) | Ineffective portion of hedge recognized in profit or loss (*) |
|---|---|---|---|---|---|
| Fair value hedge | ₩ | Market price | 12,892 | (13,419) | (527) |
| | | Foreign exchange | 70,043 | (67,646) | 2,397 |
| | | | 82,935 | (81,065) | 1,870 |

(*) The ineffectiveness of the hedge is the difference between the hedging gain and loss between the hedging instrument and the hedged item.





3. Cash flow hedge

(1) Derivatives designated as cash flow hedging instruments as of December 31, 2024 and 2023 and changes in fair value for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
|---|---|---|---|---|---|
| Interest rate forward | ₩ | 4,978,600 | 244,245 | 179,986 | (19,216) |
| Interest rate swap | | 56,008 | - | 1,681 | 133 |
| Currency forward | | 2,124,305 | - | 160,153 | (174,972) |
| Currency swap | | 9,085,319 | 14,152 | 1,148,536 | (1,057,355) |
| | ₩ | 16,244,232 | 258,397 | 1,490,356 | (1,251,410) |

| | | 2023 Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
|---|---|---|---|---|---|
| Interest rate forward | ₩ | 5,640,000 | 207,690 | 159,156 | 452,956 |
| Interest rate swap | | 64,171 | - | 1,815 | 839 |
| Currency forward | | 1,512,549 | 12,240 | 27,034 | (39,221) |
| Currency swap | | 9,059,514 | 127,059 | 402,096 | (120,963) |
| | ₩ | 16,276,234 | 346,989 | 590,101 | 293,611 |

(2) Changes in the value of hedged items and cash flow hedge reserve used as a basis for recognizing the ineffectiveness of hedge for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 Change in fair value used to calculate hedge ineffectiveness | Cash flow hedge reserve |
|---|---|---|---|
| Foreign exchange risk: | | | |
| Foreign securities | ₩ | 1,323,347 | 393,148 |
| Overseas loan receivable | | 31,533 | 3,362 |
| | | 1,354,880 | 396,510 |
| Interest rate risk: | | | |
| Bond prospective purchase transaction | | - | 18,011 |
| Domestic loan receivable | | - | (1,681) |
| | | - | 16,330 |
| | ₩ | 1,354,880 | 412,840 |

| | | 2023 Change in fair value used to calculate hedge ineffectiveness | Cash flow hedge reserve |
|---|---|---|---|
| Foreign exchange risk: | | | |
| Foreign securities | ₩ | 235,804 | 342,571 |
| Overseas loan receivable | | 12,431 | 3,185 |
| | | 248,235 | 345,756 |
| Interest rate risk: | | | |
| Bond prospective purchase transaction | | - | 48,534 |
| Domestic loan receivable | | - | (1,815) |
| | | - | 46,719 |
| | ₩ | 248,235 | 392,475 |

(3) Profit or loss and other comprehensive income affected from the ineffectiveness of cash flow hedge for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Risk | | Hedge gain and loss recognized in other comprehensive income (*1) | Ineffectiveness of hedge recognized in profit or loss (*2) | Reclassified from cash flow hedge reserve to profit or loss |
| Cash flow hedge | Interest rate | ₩ | (19,083) | - | (2,302) |
| | Foreign exchange | | 131,964 | (10,326) | (1,332,088) |
| | | ₩ | 112,881 | (10,326) | (1,334,390) |

(*1) Other comprehensive income on the statement of comprehensive income before income tax effect.
(*2) The ineffectiveness of hedge is the difference between the hedge gain and loss of the hedging instrument and the hedged item.

| | 2023 | | | | |
|---|---|---|---|---|---|
| | Risk | | Hedge gain and loss recognized in other comprehensive income (*1) | Ineffectiveness of hedge recognized in profit or loss (*2) | Reclassified from cash flow hedge reserve to profit or loss |
| Cash flow hedge | Interest rate | ₩ | 453,795 | - | - |
| | Foreign exchange | | 86,499 | (3,063) | (239,059) |
| | | ₩ | 540,294 | (3,063) | (239,059) |

(*1) Other comprehensive income on the statement of comprehensive income before income tax effect.
(*2) The ineffectiveness of hedge is the difference between the hedge gain and loss of the hedging instrument and the hedged item.





**26. Equity**

(1) Equity as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Capital stock: | | | |
| Common stock | ₩ | 102,500 | 102,500 |
| Hybrid bonds: | | | |
| Hybrid bonds | | 2,205,726 | 1,607,440 |
| Capital surplus: | | | |
| Share premium | | 359,937 | 359,937 |
| Asset revaluation surplus | | 4,502 | 4,502 |
| Others | | 273,632 | 279,385 |
| | | 638,071 | 643,824 |
| Capital adjustments: | | | |
| Negative equity changes in equity method adjustments | | (15,995) | (15,995) |
| Others | | (101,125) | (100,664) |
| Stock option | | 304 | 304 |
| Treasury stock | | (84,008) | (84,008) |
| | | (200,824) | (200,363) |
| Accumulated other comprehensive income, net of tax: | | | |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income | | (3,257,875) | (3,519,061) |
| Allowance of debt instrument at fair value through other comprehensive income | | 5,879 | 8,994 |
| Profit or loss – credit risk of financial liabilities designated at fair value through profit or loss | | 4,883 | 1,702 |
| Other comprehensive income - financial gain of insurance contract assets (liabilities) net | | 200,073 | 4,375,280 |
| Other comprehensive income - financial gain of reinsurance contract assets (liabilities) net | | 3,893 | 12,856 |
| Gain (loss) on valuation of cash flow hedge derivatives | | 301,368 | 265,018 |
| Gain on valuation of investment in associates | | 20 | 19 |
| Foreign currency translation adjustments for foreign operations | | 1,679 | 569 |
| Gain on revaluation of property and equipment | | 550,055 | 559,732 |
| Remeasurement loss related to defined benefit plan | | 30,370 | 29,480 |
| | | (2,159,655) | 1,734,589 |
| Retained earnings: | | | |
| Legal reserve | | 51,842 | 51,493 |
| Other legal reserves | | 275,996 | 1,096,736 |
| Regulatory reserve for loan loss | | 135,279 | 164,659 |
| Retained earnings | | 7,000,819 | 5,573,337 |
| Voluntary reserve | | 3,000 | 3,000 |
| | | 7,466,936 | 6,889,225 |
| Non-controlling interests | | 293,253 | 255,419 |
| | ₩ | 8,346,007 | 11,032,634 |

(2) Capital stock

Capital stock as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Number of authorized shares | | 300,000,000 shares | 300,000,000 shares |
| Par value per share in won | ₩ | 1,000 | 1,000 |
| Number of issued common stocks outstanding | | 102,500,000 shares | 102,500,000 shares |
| Capital stock | ₩ | 102,500 | 102,500 |

(3) Hybrid bond as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Issue date | Maturity date | Interest rate (%) | | Amount in foreign currency | | Amount of KRW equivalent |
| Overseas hybrid bonds (*1) | June 15, 2022 | June 15, 2052 | 5.90 | $ | 500,000 | ₩ | 644,850 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | - | | (4,567) |
| | | | | $ | 500,000 | ₩ | 640,283 |
| Domestic hybrid bonds (*2) | Sept. 10, 2021 | Sept. 10, 2051 | 3.72 | $ | - | ₩ | 470,000 |
| Domestic hybrid bonds (*2) | May 12, 2023 | May 12, 2053 | 5.80 | $ | - | ₩ | 500,000 |
| Domestic hybrid bonds (*2) | Nov 12, 2024 | Nov 12, 2054 | 4.60 | $ | - | ₩ | 600,000 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | | | (4,557) |
| | | | | | | | 1,565,443 |
| | | | | $ | 500,000 | ₩ | 2,205,726 |





| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Issue date | Maturity date | Interest rate (%) | | Amount in foreign currency | | Amount of KRW equivalent |
| Overseas hybrid bonds (*1) | June 15, 2023 | June 15, 2052 | 5.90 | $ | 500,000 | ₩ | 644,850 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | - | | (4,567) |
| | | | | $ | 500,000 | ₩ | 640,283 |
| Domestic hybrid bonds (*2) | Sept. 10, 2021 | Sept. 10, 2051 | 3.72 | $ | - | ₩ | 470,000 |
| Domestic hybrid bonds (*2) | May 12, 2024 | May 12, 2053 | 5.80 | $ | - | ₩ | 500,000 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | | | (2,843) |
| | | | | | | | 967,157 |
| | | | | $ | 500,000 | ₩ | 1,607,440 |

(*1) Hybrid bonds above can be redeemed early after 5 years from the date of issuance and interest rate can be adjusted only once after 10 years from the date of issuance. Upon maturity date, the Group has the unconditional right to extend the maturity under the same condition.
(*2) Hybrid bonds above can be redeemed early after 5 years from the date of issuance and standard interest rate and spread can be adjusted only once after 5 &10 years from the date of issuance. Upon maturity date, the Group has the unconditional right to extend the maturity under the same condition.

(4) Hybrid bonds of ₩ 22,000 million issued by Kyobo Asset Trust Co., Ltd. are recognized as non-controlling interests and can be redeemed early after five years from the date of issuance. The standard interest rate is adjusted and reset every five years based on the reference rate, which is calculated as the standard rate plus a 2% spread. Upon maturity, the entity can extend the securities under the same terms.

*(In millions of won)*

(5) Accumulated other comprehensive income

Changes in accumulated other comprehensive income for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gain (loss) on valuation of financial assets at fair value through other comprehensive income | Loss allowance for debt instruments at fair value through other comprehensive income | Gain (loss) on valuation of financial liabilities designated at fair value | Financial gain (loss) on insurance contract assets (liabilities), net | Financial gain (loss) on reinsurance contract assets (liabilities), net | Valuation gain (loss) on cash flow hedge | Gain (loss) on valuation of investment of associates | Gain (loss) on revaluation of property and equipment | Foreign currency translation adjustments for foreign operations | Remeasurement gain (loss) related to defined benefit plan | Total |
| Beginning balance ₩ | (3,519,061) | 8,994 | 1,702 | 4,375,280 | 12,856 | 265,018 | 19 | 559,732 | 569 | 29,480 | 1,734,589 |
| Fair value evaluation | 225,804 | (4,319) | 4,743 | (5,664,826) | (11,903) | 1,383,778 | 20 | (37) | - | 3,044 | (4,063,312) |
| Realization of income or loss | 141,380 | - | - | - | - | (1,334,390) | (19) | - | - | - | (1,193,029) |
| Policyholder's equity adjustment (*) | (17,496) | - | - | - | - | - | (1) | (13,112) | - | - | (30,609) |
| Income tax effects | (89,028) | 1,204 | (924) | 1,489,619 | 2,940 | (13,038) | - | 3,471 | (266) | (2,769) | 1,391,209 |
| Transfer to retained earning | (155) | - | (86) | - | - | - | - | - | - | - | (241) |
| Non-consolidated adjustments | 682 | - | (552) | - | - | - | - | - | - | 615 | 745 |
| Foreign exchange difference | - | - | - | - | - | - | - | - | 1,376 | - | 1,376 |
| Ending balance ₩ | (3,257,874) | 5,879 | 4,883 | 200,073 | 3,893 | 301,368 | 19 | 550,054 | 1,679 | 30,370 | (2,159,656) |

(*) Allocation to policyholder's equity adjustment from the changes in other comprehensive income during the reporting period.





*(In millions of won)*

| | 2023 | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gain (loss) on valuation of financial assets at fair value through other comprehensive income | Loss allowance for debt instruments at fair value through other comprehensive income | Gain (loss) on valuation of financial liabilities designated at fair value | Financial gain (loss) on insurance contract assets (liabilities), net | Financial gain (loss) on reinsurance contract assets (liabilities), net | Valuation gain (loss) on cash flow hedge | Gain (loss) on valuation of investment of associates | Gain (loss) on revaluation of property and equipment | Foreign currency translation adjustments for foreign operations | Remeasurement gain (loss) related to defined benefit plan | Total |
| Beginning balance ₩ | (5,857,192) | 6,934 | 3,348 | 7,932,397 | 49,166 | (92,343) | 28 | 564,394 | 531 | 37,712 | 2,644,975 |
| Business combination | 7 | - | - | - | - | - | - | - | - | - | 7 |
| Fair value evaluation | 3,128,590 | 2,834 | (2,349) | (4,842,914) | (49,353) | 628,553 | (364) | (698) | - | (12,015) | (1,147,716) |
| Realization of income or loss | (34,137) | - | - | - | - | (142,838) | (48) | - | - | - | (177,023) |
| Policyholder's equity adjustment (*) | 73,846 | - | - | - | - | - | 390 | (5,405) | - | - | 68,831 |
| Income tax effects | (842,223) | (774) | (61) | 1,285,797 | 13,042 | (128,354) | 4 | (6,563) | (9) | 3,172 | 324,032 |
| Transfer to retained earning | - | - | (3) | - | - | - | - | - | - | - | (3) |
| Non-consolidated adjustments | 12,046 | - | 766 | - | - | - | 10 | 9,678 | - | 611 | 23,111 |
| Foreign exchange difference | - | - | - | - | - | - | - | - | 47 | - | 47 |
| Others | - | - | - | - | - | - | - | (1,674) | - | - | (1,674) |
| Ending balance ₩ | (3,519,063) | 8,994 | 1,701 | 4,375,280 | 12,855 | 265,018 | 20 | 559,732 | 569 | 29,480 | 1,734,586 |

(*) Allocation to policyholder's equity adjustment from the changes in other comprehensive income during the reporting period.

(5) Retained earnings

(a) Legal reserve

Legal reserve is restricted for the dividend to stockholders by law or legislation. According to article 458 of the Commercial Act, the Group is required to appropriate a legal reserve in an amount equal to at least 10% of cash dividends for each accounting period until the reserve equals 50% of capital stock. The legal reserve may not be allocated in cash and may be used to reduce a deficit or may be transferred to capital based on the decision of board of directors.

(b) Regulatory reserve for loan loss

When a consolidated corporation falls short of the minimum reserve requirement for impaired credit losses specified in the supervisory regulations due to the reserve amount for expected credit losses based on Korean-adopted International Financial Reporting Standards (K-IFRS), the shortfall is reserved as a separate reserve for impaired credit losses in the financial statements at each year-end

The regulatory reserve for loan losses is, in nature, an arbitrary reserve for retained earnings. When there are unappropriated deficits, regulatory reserve for loan losses is reserved after the deficits are appropriated. When the amount previously reserved for regulatory reserve for loan losses exceeds the amount of regulatory reserve for loan losses to be reserved as of the closing date, the reversal of the excess amount is allowed.

i. Regulatory reserve for loan losses as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Regulatory reserve for loan losses accumulated | ₩ | 135,279 | 164,659 |
| To be accumulated | | (27,449) | (29,380) |
| Balance | ₩ | 107,830 | 135,279 |

ii. There was no accumulated surrender value reserve as of December 31, 2024 and 2023.

iii. Guarantee reserve, etc. as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Guarantee reserve accumulated | ₩ | 275,996 | - |
| To be accumulated (reversed) | | 54,782 | 275,996 |
| | ₩ | 330,778 | 275,996 |

(b) Regulatory reserve for loan loss, continued

iv. Transfer (reversal) including regulatory reserve for loan losses and adjusted profit after reflection of regulatory reserve for loan losses for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Profit for the period before legal reserve | ₩ | 686,299 | 630,983 |
| Hybrid bonds dividend | | (91,799) | (74,245) |
| Charge (reversal) of regulatory reserve for loan losses | | 27,449 | 29,380 |
| Charge (reversal) of guarantee reserve | | (54,782) | (275,996) |
| Income adjusted for regulatory reserve for loan losses,etc. (*) | | 567,167 | 310,122 |

(*) Net income adjusted for regulatory reserve above is non-KIFRS financial information. The adjustment amount is calculated under the assumption that provision for regulatory reserve is reflected on the current net income without considering policyholders' equity adjustment and deferred tax effect.

(6) Share-based payment

1) Kyobo Securities has a shared-based payment arrangement for its executives and employees as of December 31, 2024 and the share options granted under the arrangement are paid when its own shares are exercised and its details are as follows:

| Grant date | Number of options granted | Number of options forfeited | Number of unexercised quantities | Number of exercisable options | Exercise price |
|---|---|---|---|---|---|
| March 22, 2018 | 690,000 | 59,865 | 630,135 | 630,135 | 12,000 won |
| March 24, 2021 | 280,000 | 6,124 | 273,876 | 273,876 | 10,000 won |

2) Vesting condition and exercise period of the share-based payment as of December 31, 2024 is as follows:

| Grant date | Vesting condition | Exercise period |
|---|---|---|
| March 22, 2018 | In case of service for more than 2 years from grant date (2018.3.22 ~ 2020.3.21) | within 5 years from the date 2 years have passed from grant date (2020.3.22 ~ 2025.3.21) |
| March 24, 2021 | In case of service for more than 2 years from grant date (2021.3.24~ 2023.3.23) | within 5 years from the date 2 years have passed from grant date (2023.3.24 ~ 2028.3.23) |





3) Kyobo securities used the binomial model to measure the fair value of share options, and inputs used are as follows:

| | Granted on March 22, 2018 | Granted on March 24, 2021 |
|---|---|---|
| Fair value of option per share | 1,027 won | 433 won |
| Closing price of the day before grant date | 9,790 won | 7,550 won |
| Exercise price | 12,000 won | 10,000 won |
| Expected volatility (*) | 12.17% | 21.60% |
| Expected exercise period | 4.5 years | 4.5 years |
| Expected dividends | - | - |
| Risk-free interest rate (return on government bonds) | 2.64% | 1.59% |

(*) 120-day index volatility of the KOSPI market to which Kyobo Securities belongs was applied.

4) Kyobo Securities accounts for the compensation costs as an expense in the period covered by the contract. Details of the reimbursement are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Compensation cost, gross | ₩ | 766 | 766 |
| Accumulated compensation expense | | 766 | 738 |
| Compensation expense recognized in the current period | | - | 28 |
| Residual compensation cost to be recognized | | - | - |

**27. Interest income**

Interest income for the years ended December 31,2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash and due from banks | ₩ | 138,225 | 87,283 |
| Financial assets at fair value through profit or loss | | 618,828 | 577,529 |
| Financial assets at fair value through other comprehensive income | | 1,805,962 | 1,607,269 |
| Securities at amortized cost | | 38,704 | 42,072 |
| Loan receivables at amortized cost | | 1,099,668 | 973,745 |
| Derivatives | | 21,139 | 38,713 |
| Others | | 38,059 | 27,217 |
| | ₩ | 3,760,585 | 3,353,828 |

**28. Gain on valuation and disposal of financial instruments**

Gain on valuation and disposal of financial instruments for the years ended December 31 , 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Financial assets designated at fair value through profit or loss: | | | |
| Gain on disposal | ₩ | - | 813 |
| Financial assets at fair value through profit or loss: | | | |
| Gain on valuation | | 1,227,297 | 2,074,730 |
| Gain on disposal | | 861,273 | 942,732 |
| Financial assets at fair value through other comprehensive income: | | | |
| Reversal of impairment loss | | 4,319 | - |
| Gain on disposal | | 244,446 | 205,537 |
| Securities at amortized cost: | | | |
| Reversal of impairment loss | | 13 | - |
| Gain on disposal | | 1 | - |
| Loan receivables at amortized cost | | | |
| Gain on disposal | | 4,804 | 12,357 |
| Derivatives | | | |
| Gain on valuation | | 766,289 | 708,304 |
| Gain on transaction | | 1,881,440 | 2,595,282 |
| Financial liabilities designated at fair value through profit or loss: | | | |
| Gain on valuation | | 93,903 | 69,916 |
| Gain on transaction | | 5,034 | 8,597 |

| | | |
|---|---|---|
| Financial liabilities at fair value through profit or loss: | | |
| Gain on valuation | 89,275 | 5,324 |
| Gain on transaction | 19,322 | 11,155 |
| ₩ | 5,197,416 | 6,634,747 |

**29. Fee and commission income**

Fee and commission income for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Brokerage commissions ₩ | 107,615 | 115,411 |
| Underwriting commissions | 24,672 | 24,207 |
| Credit placement fees | 5,662 | 16,374 |
| Asset management fees | 46,440 | 50,908 |
| Brokerage commissions on collective investment securities | 11,111 | 8,580 |
| Securities lending and borrowing fees | 1,217 | 1,508 |
| Management fees of retirement pension | 159 | 166 |
| Mortgage fees | 1,229 | 1,367 |
| Others | 153,281 | 150,581 |
| ₩ | 351,386 | 369,102 |

**30. Dividend income**

Dividend income for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Financial assets at fair value through profit or loss: | | |
| Equity securities ₩ | 102,624 | 84,169 |
| Other securities | - | 33 |
| Overseas securities | 152 | 13 |
| | 102,776 | 84,215 |
| Financial assets at fair value through other comprehensive income: | | |
| Equity securities | 15,683 | 7,061 |
| Other securities | 36,043 | 19,316 |
| Overseas securities | 668 | - |
| | 52,394 | 26,377 |
| ₩ | 155,170 | 110,592 |





**31. Other operating income**

(1) Other investment income for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Other investment income ₩ | 781,188 | 735,643 |
| Commission income in separate account | 12,875 | 11,355 |
| Other investment income | 5,006 | 2,336 |
| ₩ | 799,069 | 749,334 |

(2) Other operating income for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Merchandise sales ₩ | 925,679 | 915,602 |
| Product sales | 14,661 | 12,661 |
| Other sales | 146,553 | 133,380 |
| ₩ | 1,086,893 | 1,061,643 |

(3) The classification of revenue recognized into categories and the timing of revenue recognition of merchandise sales, product sales and other sales for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Book sales and publication | Facility management | Others | Total |
| At a point in time ₩ | 960,025 | 4,062 | 173,620 | 1,137,707 |
| Over time | 17,028 | 109,287 | 15,265 | 141,580 |
| ₩ | 977,053 | 113,349 | 188,885 | 1,279,287 |

| | 2023 | | | |
|---|---|---|---|---|
| | Book sales and publication | Facility management | Others | Total |
| At a point in time ₩ | 942,261 | 5,524 | 156,141 | 1,103,927 |
| Over time | 17,944 | 106,943 | 4,747 | 129,634 |
| ₩ | 960,206 | 112,467 | 160,888 | 1,233,561 |

**32. Business expenses and property management expenses**

Business expenses and property Dividend income for the years ended December 31, 2024 is as follows:

| | 2024 | | | | |
|---|---|---|---|---|---|
| | Cash flow obtained from insurance | maintenance cost | Property management expenses | Other business expenses (*1) | Total |
| Salary | W 3,720 | 239,259 | 11,553 | 20,741 | 275,273 |
| Welfare expenses | 871 | 68,711 | 3,072 | 5,344 | 77,998 |
| Proportional allowance | 675,338 | - | - | 808 | 676,146 |
| Tax | - | 120,429 | 9,529 | 11,790 | 141,748 |
| Commission fee | 663 | 157,869 | 17,356 | 26,619 | 202,507 |
| Computerized expenses | 1,680 | 69,764 | 4,532 | 8,215 | 84,191 |
| Store operating expenses | 723,912 | 11,736 | - | 325 | 85,973 |
| Special bonus | - | 114,071 | 5,395 | 9,822 | 129,288 |
| Sales promotion expenses | 323,619 | - | - | 1,697 | 325,316 |
| Depreciation expense | 186 | 58,136 | 850 | 1,892 | 61,064 |
| Management expenses | 1 | 8,776 | 25,292 | 32,263 | 66,332 |
| Others | 330,193 | 162,172 | 10,593 | 61,655 | 564,613 |
| | W 1,410,183 | 1,010,923 | 88,172 | 181,171 | 2,690,449 |

(*1) Other business expenses include other business expenses, money management expenses, and other financial expenses.

| | 2023 | | | | |
|---|---|---|---|---|---|
| | Cash flow obtained from insurance | maintenance cost | Property management expenses | Other business expenses (*1) | Total |
| Salary | W 2,602 | 223,882 | 19,393 | 22,411 | 268,288 |
| Welfare expenses | 666 | 56,556 | 5,293 | 21,433 | 83,948 |
| Proportional allowance | 504,101 | - | - | 7,724 | 511,825 |
| Tax | - | 123,644 | 9,790 | 24,634 | 158,068 |
| Commission fee | 354 | 166,269 | 20,081 | 9,273 | 195,977 |
| Computerized expenses | 1,729 | 66,041 | 8,059 | 6,398 | 82,227 |
| Store operating expenses | 55,840 | 10,002 | - | 1,777 | 67,619 |
| Special bonus | - | 105,471 | 9,038 | 10,101 | 124,610 |
| Sales promotion expenses | 166,960 | - | - | 3,472 | 170,432 |
| Depreciation expense | 126 | 95,441 | 1,108 | (35,174) | 61,501 |
| Management expenses | - | 5,998 | 457 | 57,444 | 63,899 |
| Others | 294,296 | 99,136 | 12,977 | 39,052 | 445,461 |
| | W 1,026,674 | 952,440 | 86,196 | 168,545 | 2,233,855 |

(*1) Other business expenses include other business expenses, money management expenses, and other financial expenses.

**33. Interest expenses**

Interest expenses for years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Borrowings | ₩ 218,334 | 207,877 |
| Derivatives | 112,290 | 122,372 |
| Others | 31,721 | 22,224 |
| | ₩ 362,345 | 352,473 |

**34. Loss on valuation and disposal of financial instruments**

Loss on valuation and disposal of financial instruments for the years ended December 31, 2024 and 2023 are as follows:





| | 2024 | 2023 |
|---|---|---|
| Financial assets at fair value through profit or loss: | | |
| Loss on valuation | ₩ 1,166,156 | 395,039 |
| Loss on disposal | 691,766 | 458,912 |
| Financial assets at fair value through other comprehensive income: | | |
| Loss on disposal | 261,528 | 71,407 |
| Impairment loss | - | 2,799 |
| Securities at amortized cost: | | |
| Loss on disposal | 520 | 5 |
| Loan receivables at amortized cost: | | |
| Provision for bad debt | 378,141 | 227,033 |
| Loss on disposal | 4,159 | 4,894 |
| Other financial assets at amortized cost: | | |
| Provision for bad debt | 11,959 | 18,949 |
| Derivatives: | | |
| Loss on valuation | 2,811,632 | 725,091 |
| Loss on transaction | 1,872,616 | 2,987,093 |
| Unused commitments (*1) | | |
| Provision for bad debt | 3,810 | 14,232 |
| Financial liabilities designated at fair value through profit or loss: | | |
| Loss on valuation | 80,872 | 198,893 |
| Loss on transaction | 159,957 | 211,095 |
| Financial liabilities at fair value through profit or loss: | | |
| Loss on valuation | 35,684 | 22,974 |
| Loss on transaction | 29,619 | 29,803 |
| Retirement pension (*1) | | |
| General expenses | 703,470 | 556,047 |
| | W 8,211,889 | 5,924,266 |

(*1) The aforementioned bad debt expense and other expenses are included in other financial costs in the statement of comprehensive income.

**35. Other operating expenses**

(1) Other investment expenses for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Depreciation of investment properties | ₩ 9,566 | 9,430 |
| Amortization of intangible assets | 57,115 | 63,065 |
| Fees and commission expense | 50,556 | 58,546 |
| Others | 136,131 | 8,593 |
| | ₩ 253,368 | 139,634 |

(2) Other operating expenses for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Cost of sales-merchandise | ₩ 540,007 | 535,614 |
| Cost of sales-services | 166,768 | 146,695 |
| Cost of sales-products | 8,801 | 7,233 |
| Cost of other goods sold | 24,343 | 29,318 |
| General and administrative expenses: | | |
| Employee costs | 371,965 | 373,967 |
| Depreciation | 50,258 | 53,711 |

| | | |
|---|---|---|
| Other general expenses | 223,326 | 206,859 |
| ₩ | 1,385,468 | 1,353,397 |

**36. Foreign currency translation**

(1) Foreign currency denominated assets and liabilities as of December 31, 2024 and 2023 are as follows:

| *(In thousands of USD, EUR, JPY, GBP, AUD, CAD, SEK, and HKD)* | 2024 Amount of foreign currency | 2024 Amount of KRW equivalent | 2023 Amount of foreign currency | 2023 Amount of KRW equivalent |
|---|---|---|---|---|
| Cash and due from banks | | | | |
| USD | 419,975 | ₩ 617,434 | 181,657 | ₩ 234,218 |
| EUR | 11,863 | 18,135 | 3,475 | 4,957 |
| JPY | 3,584,858 | 33,582 | 3,038,817 | 27,733 |
| Others | 6,456 | 8,365 | 24,656 | 26,266 |
| Financial assets at fair value through profit or loss: | | | | |
| USD | 2,763,742 | 4,063,503 | 2,525,685 | 3,256,214 |
| EUR | 408,764 | 624,891 | 469,369 | 669,597 |
| JPY | 6,969,007 | 65,438 | 6,543,597 | 59,707 |
| Others | 49,048 | 34,182 | 25,251 | 33,910 |
| Financial assets at fair value through other comprehensive income: | | | | |
| USD | 8,405,474 | 12,356,047 | 7,932,559 | 10,228,242 |
| EUR | 715,956 | 1,094,504 | 561,935 | 801,652 |
| JPY | 5,465,363 | 51,182 | 5,611,028 | 51,210 |
| Others | 2,298,017 | 1,252,085 | 2,175,649 | 1,087,583 |
| Securities at amortized cost | | | | |
| USD | 39,499 | 58,063 | 15,248 | 19,660 |
| Loan receivables at amortized cost | | | | |
| USD | 184,162 | ₩ 270,718 | 157,945 | ₩ 203,655 |
| EUR | 109,442 | 167,311 | 33,500 | 47,791 |
| Others | 168,193 | 187,889 | 170,642 | 178,605 |





| *(In thousands of USD, EUR, JPY, GBP, AUD, CAD, SEK, and HKD)* | 2024 Amount of foreign currency | 2024 Amount of KRW equivalent | 2023 Amount of foreign currency | 2023 Amount of KRW equivalent |
|---|---|---|---|---|
| Other financial assets at amortized cost | | | | |
| USD | 247,449 | ₩ 363,750 | 199,853 | ₩ 257,691 |
| EUR | 14,412 | 22,032 | 9,552 | 13,626 |
| JPY | 55,975 | 524 | 19,112 | 174 |
| Others | 83,418 | 63,526 | 44,738 | 27,175 |
| Financial assets total | | | | |
| USD | 12,060,301 | 17,729,515 | 11,012,947 | 14,199,680 |
| EUR | 1,260,437 | 1,926,873 | 1,077,831 | 1,537,623 |
| JPY | 16,075,203 | 150,726 | 15,212,554 | 138,824 |
| Others | 2,605,132 | 1,546,047 | 2,440,936 | 1,353,539 |
| Financial liabilities at fair value through profit or loss: | | | | |
| USD | 1,259,934 | 1,852,102 | 1,388,746 | 1,790,649 |
| EUR | 3,714 | 5,678 | 863 | 1,232 |
| JPY | 709,158 | 6,641 | 842,200 | 7,686 |
| Others | 19 | 28 | 3,343 | 4,310 |
| Other financial liabilities at amortized cost | | | | |
| USD | 464,719 | 683,137 | 282,636 | 364,430 |
| EUR | 583 | 891 | 434 | 619 |
| JPY | 582,201 | 5,452 | 196,688 | 1,795 |
| Others | 10,821 | 10,864 | 1,778 | 2,292 |
| Financial liabilities total | | | | |
| USD | 1,724,653 | ₩ 2,535,239 | 1,671,382 | ₩ 2,155,080 |
| EUR | 4,297 | 6,569 | 1,297 | 1,851 |
| JPY | 1,291,359 | 12,093 | 1,038,888 | 9,482 |
| Others | 10,840 | 10,892 | 5,120 | 6,602 |

(2) Gains and losses on foreign currency transactions for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Gain on foreign currency translation | W 2,339,560 | 452,157 |
| Gain on foreign currency transaction | 309,009 | 148,700 |
| | W 2,648,569 | 600,857 |
| Loss on foreign currency translation | W 227,656 | 105,847 |
| Loss on foreign currency transaction | 161,964 | 103,760 |
| | W 389,620 | 209,607 |

**37. Non-operating income and expenses**

(1) Non-operating income for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Gain on valuation of investments in associates | ₩ 50,684 | 26,221 |
| Gain on disposal of investments in associates | 333 | 1,015 |
| Gain on disposal of investment properties | 734 | - |
| Gain on disposal of property and equipment | 856 | 1,515 |
| Gain on disposal of intangible assets | 1,356 | 2 |
| Gain on reversal of impairment losses for intangible assets | - | 4 |
| Miscellaneous gains | 12,779 | 10,760 |
| Others | 11,369 | 12,365 |
| | ₩ 78,111 | 51,882 |

(2) Non-operating expenses for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Loss on valuation of investments in associates | ₩ 4,299 | 2,793 |
| Loss on disposal of investments in associates | 352 | 6,672 |
| Impairment loss on investments in associates | 3,000 | - |
| Loss on disposal of property and equipment | 6,052 | 5,364 |
| Impairment loss on property and equipment | 64 | - |
| Loss on disposal of Investment properties | - | - |
| Impairment loss on Investment properties | 18 | - |
| Loss on disposal of intangible assets | 2,376 | 14 |
| Impairment loss on intangible assets | 39,726 | 36 |
| Donations | 5,191 | 5,944 |
| Miscellaneous losses | 3,927 | 3,381 |
| Fines and penalties | 352 | 29 |
| Others | 834 | 1,164 |
| | ₩ 66,191 | 25,396 |

**38. Income tax expense**

(1) Income tax expenses for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Current income tax expenses | ₩ 96,775 | - |
| Origination and reversal of temporary differences | (1,256,646) | (1,140,246) |
| Income tax expense directly recognized in equity | 1,391,208 | 1,034,693 |
| Additional payment (refund) of income taxes | (3,095) | (1,019) |
| Adjustments recognized in the current period for past income taxes | (92) | 312,966 |
| Income tax expenses | ₩ 228,150 | 206,394 |

(2) Reconciliations between profit before income taxes and income tax expenses for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Profit before income taxes | ₩ 914,449 | 837,377 |
| Income taxes at statutory tax rates | 188,174 | 233,768 |
| Adjustments: | 39,977 | (27,374) |
| Permanent differences | (27,927) | (22,604) |
| Additional payment (refund) of income taxes | (3,095) | (1,019) |
| Effect of changes in tax rate | 70,999 | (3,751) |
| Income tax expenses | ₩ 228,151 | 206,394 |
| Effective tax rate | 24.95% | 24.65% |





(3) Details of increases and decreases in deferred tax assets (liabilities) for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | | |
|---|---|---|---|
| | Beginning balance | Increase (decrease) | Ending balance |
| Deferred tax assets: | | | |
| Depreciation | ₩ 13,806 | (245) | 13,561 |
| Loss on valuation of financial assets at fair value through profit and loss | 25,675 | (25,675) | - |
| Impairment loss on financial assets | 20,400 | 2,850 | 23,250 |
| Taxes and dues | 12,122 | (2,416) | 9,706 |
| Liability for defined benefit obligations | 20,197 | (519) | 19,678 |
| Accrued bonus expenses | 17,280 | (434) | 16,846 |
| Miscellaneous losses (impairment loss on land) | 2,837 | 1 | 2,838 |
| Miscellaneous losses (dormant insurance payments) | 8,494 | (2,224) | 6,270 |
| Contingent liabilities | 4,782 | (98) | 4,684 |
| Loss on revaluation of land | 3,485 | - | 3,485 |
| Loss on valuation of financial assets at fair value through other comprehensive income (OCI) | 1,277,804 | (91,259) | 1,186,545 |
| Loss on valuation of derivatives (OCI) | 168,715 | 491,723 | 660,438 |
| Other (Deficit carried forward) | 1,265,967 | (132,640) | 1,133,327 |
| Others | 371,239 | 122,075 | 493,314 |
| | 3,212,803 | 361,139 | 3,573,942 |
| Deferred tax liabilities: | | | |
| Gain on valuation of financial assets at fair value through profit and loss | (231,609) | 7,955 | (223,654) |
| Interest income | (79,587) | (11,671) | (91,258) |
| Valuation gain on foreign assets | (292,351) | (486,317) | (778,668) |
| Allowance related to asset revaluation | (21,614) | - | (21,614) |
| Cost adjustments | (186,579) | (25,423) | (212,002) |
| Gain on valuation of derivatives (OCI) | (95,061) | (13,038) | (108,099) |
| Gain on revaluation of property and equipment | (214,568) | 3,242 | (211,326) |
| Financial gain on insurance contract asset(liability),net (OCI) | (1,572,355) | 1,489,620 | (82,735) |
| Financial gain on reinsurance contract asset(liability),net (OCI)) | (4,306) | 2,940 | (1,366) |
| Gain on valuation of financial assets at fair value through other comprehensive income (OCI) | (38,181) | 1,687 | (36,494) |
| Loss provision on debt instruments at fair value through other comprehensive income (OCI) | (3,215) | 1,204 | (2,011) |
| Others | (369,193) | (74,694) | (443,887) |
| | (3,108,619) | 895,505 | (2,213,114) |
| Deferred tax assets (liabilities), net | ₩ 104,184 | 1,256,644 | 1,360,828 |

| | 2023 | | |
|---|---|---|---|
| | Beginning balance(*1) | Increase (decrease) (*2) | Ending balance |
| Deferred tax assets: | | | |
| Depreciation | ₩ 13,964 | (158) | 13,806 |
| Loss on valuation of financial assets at fair value through profit and loss | - | 25,675 | 25,675 |
| Impairment loss on financial assets | - | 20,400 | 20,400 |
| Taxes and dues | 11,025 | 1,097 | 12,122 |
| Liability for defined benefit obligations | 21,225 | (1,028) | 20,197 |
| Accrued bonus expenses | 19,532 | (2,252) | 17,280 |
| Miscellaneous losses (impairment loss on land) | 2,848 | (11) | 2,837 |
| Miscellaneous losses (dormant insurance payments) | 9,469 | (975) | 8,494 |
| Minimum policy holder reserves | 318,870 | (318,870) | - |
| Contingent liabilities | 4,861 | (79) | 4,782 |
| Loss on revaluation of land | 3,498 | (13) | 3,485 |
| Loss on valuation of financial assets at fair value through other comprehensive income (OCI) | - | 1,277,804 | 1,277,804 |
| Loss on valuation of derivatives (OCI) | 33,695 | (33,695) | - |
| Loss on valuation of financial assets held for trading | 239,111 | (239,111) | - |
| Loss on impairment of available for sale financial assets | 17,267 | (17,267) | - |
| Loss on valuation of available for sale financial assets (OCI) | 654,696 | (654,696) | - |
| Loss on valuation of held to maturity financial assets (OCI) | 636,235 | (636,235) | - |
| Loss on valuation of derivatives | 226,235 | (57,520) | 168,716 |
| Conversion to KIFRS | 405,403 | (405,403) | - |
| Other (Deficit carried forward) | - | 1,265,967 | 1,265,967 |
| Others | 487,742 | (116,503) | 371,239 |
| | 3,105,676 | 107,127 | 3,212,803 |
| Deferred tax liabilities: | | | |

| | | | |
|---|---|---|---|
| Gain on valuation of financial assets at fair value through profit and loss | - | (231,609) | (231,609) |
| Interest income | (71,244) | (8,343) | (79,587) |
| Valuation gain on foreign assets | (295,217) | 2,866 | (292,351) |
| Allowance related to asset revaluation | (21,696) | 82 | (21,614) |
| Cost adjustments | (151,616) | (34,963) | (186,579) |
| Gain on valuation of derivatives (OCI) | - | (95,061) | (95,061) |
| Gain on revaluation of property and equipment | (215,715) | 1,147 | (214,568) |
| Financial gain on insurance contract asset(liability),net (OCI) | (2,858,152) | 1,285,797 | (1,572,355) |
| Financial gain on reinsurance contract asset(liability),net (OCI)) | (17,348) | 13,042 | (4,306) |
| Gain on valuation of available for sales financial asset (OCI) | (35,656) | 35,656 | - |
| Gain on valuation of financial assets at fair value through other comprehensive income (OCI) | - | (38,181) | (38,181) |
| Loss provision on debt instruments at fair value through other comprehensive income (OCI) | - | (3,215) | (3,215) |
| Others | (475,097) | 105,904 | (369,193) |
| | (4,141,740) | 1,033,122 | (3,108,618) |
| Deferred tax assets (liabilities), net ₩ | (1,036,065) | 1,140,249 | 104,184 |

(*1) The beginning balance is the amount to which K-IFRS 1039 has been applied.
(*2) Includes movement due from business combination.

(3) Deferred taxes reflected recognized other than current profit or loss as of December 31, 2024 and 2023 are as follows:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Amount | Tax effect | Amount | Tax effect |
| Gain or loss on valuation of financial assets at fair value through other comprehensive income ₩ | (4,425,673) | 1,167,798 | (4,775,887) | 1,256,826 |
| Loss provision on debt instruments at fair value through other comprehensive income | 7,890 | (2,011) | 12,209 | (3,215) |
| Own credit risk of financial liabilities designated at fair value through profit or loss | 6,260 | (1,377) | 2,154 | (453) |
| Financial gain or loss, net, other comprehensive income-insurance contract assets(liabilities) | 282,808 | (82,735) | 5,947,635 | (1,572,354) |
| Financial gain or loss, net, other comprehensive income-reinsurance contract assets(liabilities) | 5,259 | (1,366) | 17,162 | (4,306) |
| Reserve for asset revaluation | 24,366 | (19,863) | 24,366 | (19,863) |
| Gain or loss on valuation of cash flow hedge derivatives | 409,467 | (108,099) | 360,079 | (95,061) |
| Gain on valuation of investments in associates | 25 | (5) | 24 | (5) |
| Gain on revaluation of property and equipment | 742,484 | (192,429) | 755,633 | (195,901) |
| Remeasurement gain (loss) related to defined benefit liabilities | 45,208 | (14,838) | 41,549 | (12,069) |
| Foreign currency translation adjustments for foreign operations | 2,081 | (402) | 705 | (136) |
| ₩ | (2,899,825) | 744,673 | 2,385,629 | (646,537) |





(4) Deferred tax assets and deferred tax liabilities and current income tax assets and current income tax liabilities based on the total amount of the Group as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Deferred tax assets | ₩ | 3,573,940 | 3,212,803 |
| Deferred tax liabilities | | (2,213,111) | (3,108,618) |
| Deferred tax assets (liabilities), net | ₩ | 1,360,829 | 104,185 |
| Current tax assets | ₩ | 282,462 | 255,782 |
| Current tax liabilities | | (77,985) | (5,166) |
| Current tax liabilities, net | ₩ | 204,477 | 250,616 |

Meanwhile, since individual companies within the Group does not have the legal authority or intention to offset income taxes, the deferred tax assets of individual companies were separated from the above net amount, and accordingly, they were separately presented in the consolidated financial statements as of December 31, 2024 and 2023. Deferred tax assets are ₩ 1,522,108million and ₩ 187,886 million, respectively, and deferred tax liabilities are ₩ 161,279million and ₩ 83,703million, respectively. Current income tax assets separately presented in the consolidated financial statements as of December 31, 2024 and 2023 are ₩ 205,982million and ₩ 251,635 million, respectively, and current income tax liabilities are ₩ 1,504million and ₩ 1,019million, respectively.

The deferred tax assets include 1,080,431 million KRW related to the tax loss carryforwards of the Group, Kyobo Life Insurance, 2,000 million KRW related to the tax loss carryforwards of the subsidiary, Kyobo Bookstore, and 50,895 million KRW related to the tax loss carryforwards of Kyobo Asset Trust. These losses are associated with the effects of non-deductible amounts such as one-time expenses due to the adoption of IFRS 17 and 9, bond valuation losses, and the impact of increased trust account receivables and loss provisions due to the real estate market downturn.

The Group concluded that these deferred tax assets are recoverable using the projected future taxable income based on the approved business plans and budgets. The Group, Kyobo Life Insurance, and the subsidiary, Kyobo Bookstore, generated taxable income in 2024 and are expected to generate taxable income beyond 2025. Kyobo Asset Trust is expected to generate taxable income after 2025.

The tax loss carryforwards can be carried forward for 15 years, with the maximum expiration date being 2039.

**39. Employee benefits**

Details of employee benefits for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Short-term and other long-term employee benefits | ₩ | 767,021 | 727,741 |
| Post-employment benefits (*) | | 146,398 | 82,602 |

(*) Post-employment benefits include ₩ 53,650 million and ₩ 8,123 million of termination benefits for the years ended December 31, 2024 and 2023, respectively, and ₩ 24,880 million and ₩ 20,826 million of defined contribution plans for the years ended December 31, 2024 and 2023, respectively.

**40. Commitments and contingencies**

(1) Pending litigations

The Group has 149 pending litigations in which the Group is a defendant, such as claims for insurance payments and others, and the total legal proceedings amounts to ₩ 54,915 million as of December 31, 2024. In addition, the Group has 267 pending litigations in which the Group is a plaintiff with total claims of ₩ 241,675million. As of the end of the current reporting period, the Group cannot reliably determine the outcome of the pending litigations as of the end of reporting period, and ₩ 5,705 million was accounted for as a reserve in relation to the claims above for payment of insurance payments, and ₩ 4,529 million was recognized as a provision for payment of general claims.

As the Financial Supervisory Service announced the application of lump-sum regulation in July 2018 for immediate annuity products that have paid insurance benefits in the past, there is a possibility that the Group may make additional insurance payments. The Group reasonably estimated the amount of additional payment and reflected it in the financial statements as of December 31, 2024.

(2) Insurance commitments

The contract amounts under the insurance contracts in the general and separate accounts as of December 31, 2024 is as follows:

| | Number of contracts | | Total contract amount |
|---|---|---|---|
| General accounts | 8,751,664 | ₩ | 299,038,552 |
| Separate accounts | 1,135,323 | | 15,999,060 |

| | | | |
|---|---|---|---|
| | 9,886,987 | ₩ | 315,037,612 |

(3) Reinsurance agreements

Reinsurance agreements of individual and group insurance as of December 31, 2024 is as follows:

| Reinsurance method | Reinsurance company | Ceding ratio (%) | Nature of risk |
|---|---|---|---|
| Surplus | SCOR Reinsurance Asia-Pacific | 100 | Risk from excessive contracts |
| Surplus | SCOR Reinsurance Asia-Pacific | 100 | Risk from excess number of contracts with individuals with high-risk occupations |
| Surplus | Korean Re | 100 | Kyobo Big Love Guarantee Insurance |
| Surplus | Pacific Life Re | Exceeding ₩100 million per person | Mortality (term insurance and whole life, insurance) |
| Surplus, Quota Share | Munich Re | 60 | Contract exceeding subscription limit |
| Surplus, Quota Share | Korean Re | 40 | Contract exceeding subscription limit |
| Quota Share | General Cologne Re | 10 | Accident insurance |
| Quota Share | General Cologne Re | 10 | Personal loss rider |
| Quota Share | General Cologne Re | 30 | CI whole life Reinsurance |
| Quota Share | General Cologne Re | 30 | SI Insurance |
| Quota Share | General Cologne Re | 30 | Second CI Guarantee reinsurance |
| Quota Share | Hannover Re | 10 | CI reinsurance |
| Quota Share | Hannover Re | 10 | Direct health insurance |
| Quota Share | Hannover Re | 10~25 | Personal loss rider |
| Quota Share | Hannover Re | 30 | Kyobo cancer insurance |
| Quota Share | Hannover Re | 80 | Facultative reinsurance |
| Quota Share | Swiss Re | 30 | Inpatient caregiver |
| Quota Share | Swiss Re | 50 | Re-diagnosis cancer insurance |
| Quota Share | Swiss Re | 80 | Target anticancer drug treatment |
| Quota Share | Munich Re | 10 | CI reinsurance |
| Quota Share | Munich Re | 5 ~ 20 | Whole life insurance |
| Quota Share | Munich Re | 5 ~ 25 | Covered Surgery |
| Quota Share | Munich Re | 30 | LTC (Silver care insurance) |
| Quota Share | Munich Re | 30 | Premier CI Insurance |
| Quota Share | Munich Re | 80 | Facultative reinsurance |
| Quota Share | RGA Re | 20 | Kyobo cancer insurance |
| Quota Share | RGA Re | 30 | Dental Benefits |
| Quota Share | RGA Re | 40 | Children insurance |
| Quota Share | RGA Re | 50 | Mortality (term insurance and whole life insurance), diagnosis (cancer, insurance for lifestyle disease) |
| Quota Share | RGA Re | 80 | Facultative reinsurance |
| Quota Share | RGA Re | 90 | Substandard insurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 10 | Personal loss rider |
| Quota Share | SCOR Reinsurance Asia-Pacific | 15 | CI reinsurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 15 | Direct health insurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 30 ~ 60 | Top Class cancer Insurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 50 | Juvenile & Dental Benefits |
| Quota Share | SCOR Reinsurance Asia-Pacific | 50 | Diagnosis (dental benefits, excluding new contracts after 2023) |
| Quota Share | SCOR Reinsurance Asia-Pacific | 50 | Inpatient caregiver |
| Quota Share | SCOR Reinsurance Asia-Pacific | 80 | Facultative reinsurance |
| Quota Share | Korean Re | 10 | CI whole life reinsurance |
| Quota Share | Korean Re | 10 ~ 50 | SI whole life insurance |
| Quota Share | Korean Re | 15 ~ 25 | Personal loss rider |
| Quota Share | Korean Re | 30 | Kyobo cancer Insurance |
| Quota Share | Korean Re | 30 | Disability (Let's go M Accident insurance) |
| Quota Share | Korean Re | 50 | SI Insurance, Dementia Insurance |
| Quota Share | Korean Re | 50 | Mortality (term insurance, self fit health insurance), injuries (children, accident insurance, self fit health insurance), hospitalization (children insurance, hospitalization, self fit health insurance), Surgery (Children, operation expense, self fit health insurance), diagnosis (children, accident insurance, M3 cancer insurance, fine dust disease insurance, E women's Health Insurance, B women's Health Insurance, self fit health insurance) |
| Quota Share | Korean Re | 80 | Facultative reinsurance |
| Quota Share | Korean Re | Main contract: 40<br>Joint developed special contract: 50 | Kyobo cancer insurance |
| Financial reinsurance | Munich Re | - | Mass lapse |
| | Swiss Re | - | Mass lapse |

(4) Purchase commitment of commercial paper

Purchase agreements and loan commitments of the Group as of December 31, 2024 and 2023 are as follows:

| | Provided to | | 2024 | 2023 |
|---|---|---|---|---|
| Purchase agreements | MK Dream 5th Co., Ltd. | ₩ | - | 21,000 |





| | | | |
|---|---|---|---|
| (*1)<br>Loan commitments | NH investment & securities, etc. | - | 31,000 |

(*1) The Group entered into a liquidity offering agreement in which the Group must purchase the liquidated securities if conditions for maintaining a certain credit rating by the guarantee agency for the underlying asset are met if part or all of the liquidated securities are not sold on the date of issuance of the liquidated securities or subsequent refinance issuance and thereby payment is not made.

(5) Guarantee commitments

The Group provides guarantee of debts (purchase commitment etc.) of ₩ 169,950 million (December 31, 2023: ₩158,404 million) to SPC for the developer's projects as of December 31, 2024.

| Company | Trade Opponent | Amount | Description |
|---|---|---|---|
| Kyobo Securities Co., Ltd. | Brand New Gajae Co., Ltd. | 15,000 | Debt guarantee |
| | Highdream 6th Co.,Ltd. | 20,000 | |
| | Quadverthill Chuncheon 1st Co., Ltd. | 3,600 | |
| | Dream Dioban 1st Co., Ltd. | 2,000 | |
| | Keymars 13th Co., Ltd. | 8,000 | |
| | Treasure Mountain 1st Co., Ltd. | 20,000 | |
| | Dreamgusam Songdo 1st Co.,Ltd. | 15,000 | |
| | Elo Alpha 1st Co.,Ltd. | 10,000 | |
| | HI Middle East 3rd Co., Ltd. | 7,000 | |
| | Great Ocean 1st Co., Ltd. | 6,000 | |
| | Milestone Solution Co., Ltd. | 1,000 | |
| | KCQ 1st Co., Ltd. | 1,050 | |
| | KCQ 2nd Co., Ltd. | 1,050 | |
| | KCQ 5th Co., Ltd. | 1,050 | |
| | Eco Dream 1st Co., Ltd. | 13,200 | |
| | Whitewood 8th Co., Ltd. | 14,000 | |
| | Must Hakik 1st Co., Ltd. | 7,000 | |
| | Dream Spare 9th Co., Ltd. | 5,000 | |
| | Highdream 9th Co.,Ltd. | 20,000 | |
| | | ₩ 169,950 | |

(6) Payment guarantee provided as of December 31, 2024 is as follows:

| | | Amount |
|---|---|---|
| Seoul Guarantee Insurance | ₩ | 196,867 |
| Korea Specialty Contractor Financial Cooperative | | 3,148 |
| Korea Software Financial Cooperative | | 124 |
| Korea Housing & Urban Guarantee Corporation | | 7,221,677 |
| Others | | 600 |
| | ₩ | 7,422,416 |

(7) Other commitments as of December 31, 2024 is as follows:

| | | Amount |
|---|---|---|
| Loan commitments | ₩ | 3,512,477 |
| Investment commitments | | 4,242,759 |
| | ₩ | 7,755,236 |

(8) Overdraft commitments, etc.

The commitments and guarantees as of December 31, 2024 is as follows:

| | | | Amount | Counterparty | Descriptions |
|---|---|---|---|---|---|
| Kyobo Life Insurance Co., Ltd. | Overdraft commitments | ₩ | 200,000 | Standard Chartered Bank | Bank overdraft |
| | | | 30,000 | Hana Bank | Bank overdraft |
| | | | 30,000 | Shinhan Bank | Bank overdraft |
| | | | 30,000 | Citibank | Bank overdraft |
| Kyobo Securities Co., Ltd. | Overdraft commitments | | 10,000 | Hana Bank | Intra-day credit |
| | | | 3,000 | Hana Bank | Intra-day credit |
| | | | 20,000 | Shinhan Bank | Intra-day credit |
| | | | 5,000 | Kookmin Bank | Intra-day credit |
| | | | 1,000 | Busan Bank | Intra-day credit |
| | | | 10,000 | Woori Bank | Intra-day credit |
| | | | 52,000 | Woori Bank | Micro payment |
| | Limit commitments | | 1,175,000 | KSFC | Securities distribution finance, CP issue limit commitments |

| | | | | |
|---|---|---|---|---|
| Kyobo Book Center Co., Ltd. | Overdraft commitments | 10,000 | Kookmin Bank | Bank overdraft |
| | Limit commitments | 14,000 | Woori Bank | Corporate operating loan limit commitments |
| | | 18,000 | Shinhan Bank | Corporate operating loan limit commitments |
| | | 3,000 | Hana Bank | Corporate operating loan limit commitments |
| | Credit loan | 5,000 | Kookmin Bank | Credit loan |
| | | 5,000 | Woori Bank | Credit loan |
| | | 15,000 | Hana Bank | Credit loan |
| Kyobo Asset Trust Co., Ltd. | Borrowings commitments | 5,000 | Suhyup Bank | Comprehensive corporate bank account loan |
| | | 4,000 | Woori Bank | Retail finance general loan |
| | | 10,000 | Kookmin Bank | General corporate working capital loan |
| | | 10,000 | Nonghyup Bank | NH Eco-friendly Company Preferential Loan |
| | | 10,000 | Kookmin Bank | General corporate working capital loan |
| | | 10,000 | Kookmin Bank | General corporate working capital loan |
| | | 10,000 | Kookmin Bank | General corporate working capital loan |
| | | 5,000 | Shinhan Bank | General working capital loan |
| | | 5,000 | Jeonbuk Bank | General rotation limit |
| | | 15,000 | Jeonbuk Bank | General corporate working capital loan |
| | | 80,000 | Korea Investment & Securities | Expense Reimbursement Claim Secured Loan |
| | | 50,000 | Hanyang Securities | Expense Reimbursement Claim Secured Loan |
| | | ₩ 1,650,000 | | |

(9) Securities lending and borrowing

Securities lending and borrowing as of December 31, 2024 are as follows:

| | Type | Amount | Valuation standard |
|---|---|---|---|
| Securities lent | Equity securities | ₩ 136,255 | Fair value |
| | Debt securities | 1,017,032 | Fair value |
| Securities borrowed | Equity securities | 473,360 | Fair value |
| | Debt securities | 2,111,142 | Fair value |

Securities lending transaction is a transaction that transfers the ownership of the same amount and kind of securities after a certain period of time and continues to be recognized as an asset of the Group because it does not meet the conditions for the derecognition of transfer of financial assets.

The Group executes loan transaction and keeps memorandum notes on borrowed securities from KSFC and Korea Securities Depository. The Group accounts for the transaction as financial liabilities designated at fair value through profit or loss when it sells borrowed securities or when it makes a short sale of the borrowed securities.

(10) The Group provided tenants with 3 overdraft checks (issue price of ₩712 million) as collateral for the lease deposit when the Group signed lease contracts for buildings owned by Kyobo Securities and sub-lease contracts for building owned by others as of December 31, 2024.

(11) The Group is in the process of a land trust project with guarantee (26 cases including a new apartment building project in Gijang-gun, Busan), and if the construction company fails to fulfill its responsible completion obligations, the Group is responsible for the completion of the construction, and if the Group fails to fulfill its responsible completion obligations, it is responsible for compensating the lending financial institution for damages incurred, and the total PF loan limit amount of PF loan financial institutions invested in the responsible completion commitment type land trust project is W 1,368 billion, and the investment amount is W 902 billion as of December 31, 2024.

In addition, the Group is in the process of undertaking responsibility and completion commitment (new youth housing construction project in Suyu-dong, Gangbuk-gu, Seoul) in a mixed land trust project that combines the borrowing type and responsibility and completion obligation commitment type and the total PF loan limit amount of PF loan financial institutions invested in the mixed land trust business is W 34 billion, and the amount invested is W 34 billion as of December 31, 2024.

In addition, the Group is in the process of carrying out an urban readjustment type land trust project that guarantees the project cost loan from the Korea Housing & Urban Guarantee Corporation, which guarantee the responsibility for completing the project under the standard industrial agreement terms and conditions of the Korea Housing & Urban Guarantee Corporation, and the total PF loan limit amount for PF loan financial institutions invested in the project is W 160 billion and the amount invested is W 129.8 billion as of December 31, 2024.

Meanwhile, the responsible completion obligation of the constructors of a total of 12 land trust projects, including a new apartment building project in Gijang-gun, Busan, which the Group is in progress, has not been fulfilled and the total PF loan limit amount of PF loan financial institutions invested in the relevant business site is W 531.6 billion, and the amount invested is W 360.5 billion as of December 31, 2024.

The amount of damages of the Group is determined after determining whether the damage occurred due to the Group's failure to complete construction responsibilities, and in the case of projects in which the Group is likely to bear guarantee as of December 31, 2024, this was reflected in the financial statements





as of and for the period ended December 31, 2024, and in the case of projects in which the risk of the Group bearing guarantee obligations is judged to be low due to the progress of the ongoing project, the amount of loss cannot be measured reliably, so this impact was not reflected in the financial statements as of and for the period ended December 31, 2024. The Group will continuously monitor the progress of each business site.

**41. Related parties**

(1) Related parties as of December 31,2024 is as follows:

| 2024 | Location |
|---|---|
| **Associates** | |
| A&D Credit Information Co.,Ltd., Songsan Industrial Complex Development Co., Ltd., Guri Galmae REIT Co.,Ltd., Yeoido H2 PFV, Pusan Eco delta city PFV , Logistec Yangsan Co.,Ltd. , Incheon Gundam 3rd PFV, Hera Park City development PFV, Hera Park City development AMC Co.,Ltd., Incheon Yeongjong PFV, Dongdaemoon Urban PFV, Chungju Biz Core City , Chungnam Naepo 1 PFV, Peco-city, Incheon Yeongjong 1st PFV, Jinjeop District 2 REIT Co.,Ltd., Kyobo 13 Special Purpose Acquisition Company, Kyobo 14 Special Purpose Acquisition Company, Kyobo 15 Special Purpose Acquisition Company, Kyobo 16 Special Purpose Acquisition Company, Kyobo 17 Special Purpose Acquisition Company, Kyobo Axis Future & New Technology Investment Association 1, Kyobo-SP advanced Advanced Materials New Technology Investment Association, Kyobo-Mark New Technology Investment Association 1, Kyobo Healthcare New Technology Investment Association 1, K&T-Kyobo ESG New Technology Investment Association , Kyobo-H Square UTG New Technology Investment Association , Kyobo IBK Advanced Materials New Technology Business Investment Association , Kyobo Mobility Advanced Materials New Technology Business Investment Association 1, Kyobo-NBH-Alpenroot Sports Innovation Investment Association, SBI-NTU-Kyobo Digital Innovation Fund, Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust, Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5, Kyobo Securities Hi-Public Stock General Private Investment Trust, The Givers, Marston General Private Real Estate Investment Trust No. 61, Spiderlab | Korea |
| **Joint Ventures** | |
| Kyobo AXA Investment Managers Co., Ltd. | Korea |
| **Others** | |
| Daesan Foundation For Rural Society, Daesan Foundation For Culture, Kyobo Foundation For Education | Korea |

| 2023 | Location |
|---|---|
| **Associates** | |
| A&D Credit Information Co., Ltd., Songsan Industrial Complex Development Co., Ltd., Pusan Millak PFV, Guri Galmae REIT Co., Ltd., Yeoido H2 PFV, Pusan Eco delta city PFV , Logistec Yangsan Co.,Ltd. Incheon Gundam 3rd PFV, Hera Park City development PFV, Hera Park City development AMC Co., Ltd.,Incheon Yeongjong PFV, Dongdaemoon Urban PFV,Chungju Biz Core City Chungnam Naepo 1 PFV, Yangjuhoechun PFV, Peco-city, Incheon Yeongjong 1st PFV, Changwon gapo PFV, Osong Smart Valley Co., Ltd., Kyobo 11 Special Purpose Acquisition Company, Kyobo 12 Special Purpose Acquisition Company, Kyobo 13 Special Purpose Acquisition Company, Kyobo 14 Special Purpose Acquisition Company, Kyobo NH Healthcare New Technology Investment Association 1, Kyobo-Kiwoom New Materials & Technology Investment Association ,Kyobo Axis Future & New Technology Investment Association 1, Kyobo-YG Ilguimu newTechnology Investment Association, KB Kyobo New Mobility New Technology Investment Fund, Kyobo Advanced Materials New Technology Investment Association, NH Daeshin Kyobo Healthcare No. 1, Kyobo-SP advanced Advanced Materials New Technology Investment Association, Kyobo-OSAT advanced Advanced Materials New Technology Investment Association, SBI-NTU-Kyobo Digital Innovation Fund, Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust, Jinjeop District 2 REIT Co., Ltd., Kyobo-Mark New Technology Investment Association 1, Kyobo Healthcare New Technology Investment Association 1, Kyobo 15 Special Purpose Acquisition Company, Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery 5, The Givers Co., Ltd, Marston General Private Real Estate Investment Trust 61, Spiderlab Co.,Ltd. | Korea |
| **Joint Ventures** | |
| Kyobo AXA Investment Managers Co., Ltd. | Korea |
| **Others** | |
| Daesan Foundation For Rural Society, Daesan Foundation For Culture, Kyobo Foundation For Education | Korea |

*(In millions of won)*

(2) Significant balances with the related parties as of December 31,2024and 2023 are as follows:

| Related party | Account | | 2024 | 2023 |
|---|---|---|---|---|
| **Associates:** | | | | |
| A&D Credit Information Co., Ltd. | Accounts payable | ₩ | 573 | 560 |
| | Retirement pension (*1) | | 442 | 420 |
| Kyobo 11 Special Purpose Acquisition Company (*2) | Financial assets at fair value through profit or loss | | - | 2,940 |
| Kyobo 12 Special Purpose Acquisition Company (*2) | Financial assets at fair value through profit or loss | | - | 960 |
| Kyobo 13 Special Purpose Acquisition Company | Financial assets at fair value through profit or loss | | 990 | 990 |
| Kyobo 14 Special Purpose Acquisition Company | Financial assets at fair value through profit or loss | | 990 | 990 |
| Kyobo 15 Special Purpose Acquisition Company | Financial assets at fair value through profit or loss | | 990 | 990 |
| Kyobo 16 Special Purpose Acquisition Company | Financial assets at fair value through profit or loss | | 990 | - |
| Kyobo 17 Special Purpose Acquisition Company | Financial assets at fair value through profit or loss | | 993 | - |
| Hera Park City development PFV | Bonds Sold under Repurchase Agreements | | 1,157 | 1,511 |
| Hera Park City development AMC Co., Ltd. | Deposits | | 71 | 70 |
| Kyobo-SP advanced Advanced Materials New Technology Investment Association | Accrued revenue | | 16 | - |
| Kyobo Healthcare New Technology Investment Association 1 | Accrued revenue | | 40 | - |
| Kyobo Axis Future & New Technology Investment Association 1st | Accrued revenue | | 56 | - |
| | Accrued revenue | | 4 | - |
| Kyobo-Mark New Technology Investment Association 1 | Unearned income | | - | 6 |
| **Joint Ventures:** | | | | |
| Kyobo AXA Investment Managers Co., Ltd. | Accounts payable | | 1,306 | 779 |
| | Leasehold deposits received | | 845 | 845 |
| | Deposits | | 1 | - |
| **Others:** | | | | |
| Daesan Foundation For Culture | Accounts receivables | | 1 | 1 |
| | Leasehold deposits received | | 1,363 | 1,363 |
| | Accounts payable | | - | 17 |
| Key management | Loan receivables | | 249 | 419 |

(*1) Retirement insurance and pension are reserve for policyholder in separate account liabilities.
(*2) It was excluded from the related parties for the year ended December 31, 2024.





*(In millions of won)*

(3) Significant transactions with the related parties for years ended December 31, 2024 and 2023 are as follows:

| Related party | Account | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| | | | Revenues | Expenses | Revenues | Expenses |
| **Associates:** | | | | | | |
| A&D Credit Information | Commission income | ₩ | 1 | - | 1 | - |
| | Dividend income | | 49 | - | 49 | - |
| | Other finance expense | | - | 24 | - | 25 |
| | Insurance service expenses | | - | 6,894 | - | 6,671 |
| Kyobo 11 Special Purpose Acquisition Company (*2) | Gain on valuation of derivatives | | - | - | 941 | - |
| | Commission income | | 250 | - | - | - |
| Kyobo 12 Special Purpose Acquisition Company | Commission income | | 450 | - | - | - |
| Kyobo 14 Special Purpose Acquisition Company | Commission income | | - | - | 125 | - |
| Kyobo 15 Special Purpose Acquisition Company | Commission income | | - | - | 150 | - |
| Kyobo 16 Special Purpose Acquisition Company | Commission income | | 175 | - | - | - |
| Kyobo 17 Special Purpose Acquisition Company | Commission income | | 150 | - | - | - |
| Jinjeop District 2 REIT Co.,Ltd. | Commission income | | 21 | - | 394 | - |
| Guri Galmae REIT Co., Ltd. | Commission income | | - | - | 319 | - |
| Yangjuhoechun PFV (*2) | Commission income | | - | - | 656 | - |
| Jinjeop District 2 REIT Co.,Ltd. | Commission income | | - | - | 394 | - |
| Dongdaemoon Urban PFV (*2) | Commission income | | - | - | 60 | - |
| Incheon Gundam 3rd PFV (*2) | Commission income | | - | - | 914 | - |
| Kyobo NH Healthcare New Technology Investment Association 1st | Commission income | | 12 | - | 120 | - |
| NH Kyobo AI solution New Technology Investment Association (*1) | Commission income, etc. | | - | - | 671 | - |
| Kyobo-Kiwoom New Materials & Technology Investment Association | Commission income | | 74 | | 112 | - |
| Kyobo Hanyang ESG New Technology Investment Association (*1) | Commission income, etc. | | - | - | 465 | - |
| Kyobo-Axis Future Technology New Technology Investment Association No.1 | Commission income | | 223 | - | 223 | - |
| Kyobo-YG Ilguimu new Technology Investment Association | Commission income | | 45 | - | 52 | - |
| KB Kyobo New Mobility New Technology Investment Fund | Commission income | | 38 | - | 39 | - |
| Kyobo Advanced Materials New Technology Investment Association | Commission income | | 51 | - | 125 | - |

(3) Significant transactions with the related parties for years ended December 31, 2024 and 2023 are as follows, continued:

| Related party | Account | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| | | | Revenues | Expenses | Revenues | Expenses |
| **Associates:** | | | | | | |
| NH Daeshin Kyobo Healthcare No. 1 | Commission income | ₩ | 43 | - | 45 | - |
| Kyobo-SP advanced Advanced Materials New Technology Investment Association | Commission income | | 65 | - | 65 | - |
| Kyobo-OSAT advanced Advanced Materials New Technology Investment Association (*2) | Commission income | | 10,295 | - | 377 | - |
| Kyobo-Mark New Technology Investment Association 1 | Commission income | | 15 | - | 9 | - |
| Kyobo Healthcare New Technology Investment Association 1 | Commission income | | 158 | - | 21 | - |
| K&T-Kyobo ESG New Technology Investment Association | Commission income | | 57 | - | - | - |
| Kyobo-H Square UTG New Technology Investment Association | Commission income | | 51 | - | - | - |
| Kyobo IBK Advanced Materials New Technology Business Investment Association | Commission income | | 89 | - | - | - |
| Kyobo Mobility Advanced Materials New Technology Business Investment Association 1 | Commission income | | 51 | - | - | - |
| Kyobo-NBH-Alpenroot Sports Innovation Investment Association | Commission income | | 34 | - | - | - |
| **Joint Ventures:** | | | | | | |
| Kyobo AXA Investment | Insurance service income | ₩ | 2 | - | 2 | - |

*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Managers Co., Ltd. | | | | | |
| | Commission income | 841 | - | 1,048 | - |
| | Dividend income | 6,150 | - | 6,099 | - |
| | Rental income | 1,599 | - | 1,514 | - |
| | Insurance service expense | - | 4,207 | - | 2,669 |
| **Others:** | | | | | |
| Daesan Foundation For Rural Culture & Society | Other finance expense | 3 | - | - | - |
| | Non-operating expense | - | 1,146 | - | 1,146 |
| Daesan Foundation For Culture | Rental income | 71 | - | 63 | - |
| | Commission income | - | - | 2 | - |
| | Other operating expense | - | - | 2 | - |
| | Insurance service expense | - | 60 | - | 54 |
| | Non-operating expense | - | 1,018 | - | 1,018 |
| Kyobo Foundation For Education & Culture | Rental income | 14 | - | 3 | - |
| | Other operating expense | 17 | - | 14 | - |
| | Non-operating income | - | 1,000 | - | 1,000 |

(*) Insurance income is based on the actual premium income and insurance service expense is based on the actual insured amount and actual Operating and administrative expenses.
(*1) It was excluded from related parties for the year ended December 31, 2023.
(*2) It was excluded from related parties for the year ended December 31, 2024.

(4) Financing transactions with the related parties for the years ended December 31, 2024 and 2023 are as follows:

| Related party | | 2024 | | |
|---|---|---|---|---|
| | | Loan transaction | | |
| | | Lending | Collection | Collection of investment |
| Peco-city Co., Ltd. | ₩ | - | - | 63 |
| Kyobo 16 Special Purpose Acquisition Company | | 990 | - | 10 |
| Kyobo 17 Special Purpose Acquisition Company | | 993 | - | 7 |
| K&T-Kyobo ESG New Technology Investment Association | | - | - | 1,700 |
| Kyobo-H Square UTG New Technology Investment Association | | - | - | 1,600 |
| Kyobo IBK Advanced Materials New Technology Business Investment Association | | - | - | 2,000 |
| Kyobo Mobility Advanced Materials New Technology Business Investment Association 1 | | - | - | 2,000 |
| Kyobo-NBH-Alpenroot Sports Innovation Investment Association | | - | - | 640 |
| SBI-NTU-Kyobo Digital Innovation Fund | | - | - | 22 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery No. 5 | | - | - | 8,000 |
| Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5 | | - | - | 60,000 |
| Kyobo Securities Hi-Public Stock General Private Investment Trust | | - | - | 200 |
| Osong Smart Valley Co., Ltd. (*1) | | - | - | (10) |
| Kyobo NH Healthcare New Technology Investment Association 1st | | - | - | (2,500) |
| Kyobo Kiwoom New Materials & Technology Investment Association | | - | - | (1,094) |
| Kyobo-YG Ilguimu new Technology Investment Association | | - | - | (662) |
| KB Kyobo New Mobility New Technology Investment Association | | - | - | (1,899) |
| Kyobo Advanced Materials New Technology Investment Association | | - | - | (1,951) |
| NH Daishin Kyobo Healthcare 1 | | - | - | (2,901) |
| Kyobo-OSAT advanced Advanced Materials New Technology Investment Association | | - | - | (7,000) |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery 4 | | - | - | (29,400) |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery 5 | | - | - | (18,000) |

(*1) It was excluded from related parties for the year ended December 31, 2023.





*(In millions of won)*

| Related party | | 2023 | | |
|---|---|---|---|---|
| | | Loan transaction | | Investment in kind (collection of investment) |
| | | Lending | Collection | |
| Songsan Industrial Complex Development Co., Ltd. | ₩ | - | - | 180 |
| Jinjeop2 REIT Co., Ltd | | - | - | (59) |
| Jinjeop District 2 REIT Co., Ltd. | | - | - | 59 |
| Kyobo 14 Special Purpose Acquisition Company | | 990 | - | 10 |
| Kyobo 15 Special Purpose Acquisition Company | | 990 | | 10 |
| NH-KYOBO AI Solution New Technology Investment Association | | - | - | (1,000) |
| Kyobo Kiwoom New Materials & Technology Investment Association | | - | - | (861) |
| KYOBO-HANYANG ESG New Technology Investment Association | | - | - | (1,000) |
| Kyobo Axis Future & New Technology Investment Association 1st | | - | - | (674) |
| Kyobo-YG Ilguimu new Technology Investment Association | | - | - | (280) |
| KYOBO-OSAT New Technology Investment Association | | - | - | 7,000 |
| Kyobo-Mark New Technology Investment Association No. 1 | | - | - | 300 |
| Kyobo Healthcare New Technology Investment Association No. 1 | | - | | 2,000 |
| SBI-NTU-Kyobo Digital Innovation Fund | | - | - | 58 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery 4 | | | - | 29,400 |
| Kyobo Securities Bond Investment Type General Private Equity Investment Trust Recovery 5 | | - | | 10,000 |
| Kyobo Securities Champion Inc. Solutions 3Y | | - | - | 100 |

(5) The Group determined that the key management includes executives and external directors who have authority and responsibilities for decision making of the business plan, operations and control over the Group. Key management compensation for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Long and short-term employee benefits | ₩ | 31,203 | 30,069 |
| Retirement benefits | | 6,777 | 6,423 |
| Share-based payments | | - | 28 |
| | ₩ | 37,980 | 36,520 |

(6) Transactions of securities through major related parties for the years ended December 31, 2024 and 2023 are as follows:

| Related party | Type of securities | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | | Buy | Sell | Buy | Sell |
| Kyobo AXA Investment Management Co., Ltd. | Beneficiary certificates. | 1,872,909 | 2,047,161 | 2,400,065 | 2,630,871 |

**42. Earnings per share**

(1) Basic earnings per share for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Profit for the year | ₩ | 669,304 | 615,869 |
| Dividends to hybrid bonds | | (91,799) | (74,245) |
| Profit available for common stock | ₩ | 577,505 | 541,624 |
| Weighted average number of common shares outstanding | | 100,406,089 shares | 101,777,170 shares |
| Earnings per share in won | ₩ | 5,752 | 5,322 |

(2) Weighted average number of common shares outstanding for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Weighted average total number of shares issued | ₩ | 102,500,000 | 102,500,000 |
| Weighted average number of treasury shares | | 2,093,911 | 722,830 |
| Weighted average number of common shares outstanding | ₩ | 100,406,089 | 101,777,170 |

The Group's basic earnings per share and diluted earnings per share are the same since there are no potential diluted shares for the years ended December 31, 2024 and 2023.

**43. Statements of cash flows**

(1) Adjustment of income and expenses for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Interest income | ₩ | (3,760,585) | (3,353,828) |
| Interest expenses | | 362,345 | 352,473 |
| Dividend income | | (155,170) | (110,592) |
| Income tax expenses | | 228,151 | 206,394 |
| Gain on valuation of financial assets at fair value through profit or loss | | (61,141) | (1,679,701) |
| Gain on valuation of financial debts at fair value through profit or loss | | (54,226) | 17,659 |
| Loss on valuation of financial debt designated at fair value through profit or loss | | (13,031) | 128,977 |
| Gain on disposal of financial assets at fair value through profit or loss | | (55,981) | (124,858) |
| Gain on disposal of financial assets at fair value through other comprehensive income | | 17,082 | (134,130) |
| Impairment losses on financial assets at fair value through other comprehensive income | | (4,319) | 5,634 |
| Losses on disposal of securities measured after amortization | | 518 | - |
| Losses on impairment of securities measured after amortization | | (13) | 5 |
| Bad debt expenses | | 382,364 | 241,752 |
| Gain on foreign currency transaction, net | | (2,111,904) | (346,309) |
| Loss on valuation of derivative, net | | 2,045,343 | 16,787 |
| Loss on valuation of derivative trading, net | | 40,213 | 42,193 |
| Loss on investment in associates and subsidiaries, net | | (43,366) | (17,771) |
| Depreciation of investment properties | | 10,536 | 10,402 |
| Losses on impairment of investment properties | | 18 | - |
| Loss on disposal of property and equipment | | 4,462 | 3,849 |
| Depreciation of property and equipment | | 118,460 | 118,208 |
| Impairment losses on property and equipment | | 64 | - |
| Loss on disposal of intangible asset | | 1,020 | 12 |
| Amortization of intangible asset | | 71,355 | 79,732 |
| Impairment losses on intangible assets | | 39,726 | 36 |
| Reversal of impairment losses for intangible assets | | - | (5) |
| Insurance contract service expenses | | 3,499,587 | 3,634,916 |
| Insurance contract service revenue | | (3,998,298) | (3,884,659) |
| Insurance finance expenses | | 2,946,417 | 4,307,732 |
| Insurance finance revenue | | (620) | (619) |
| Reinsurance premium expenses | | 35,490 | 31,270 |
| Reinsurance income | | (31,600) | (35,954) |
| Reinsurance finance expenses | | 6,362 | 6,804 |
| Reinsurance finance income | | (3,050) | (2,361) |
| Other finance expenses | | 663,062 | 515,575 |
| Retirement benefits | | 73,204 | 53,113 |
| Bad debt expenses for other assets | | 13,213 | 18,799 |
| Gain on cancellation of lease contracts | | (829) | (968) |
| Other gain | | (7,854) | (10,496) |
| | | 257,008 | 90,071 |





(2) Changes in assets and liabilities for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Deposits | ₩ | (1,095,368) | (533,218) |
| Financial assets at fair value through profit or loss | | 479,465 | (1,483,320) |
| Financial assets designated at fair value through profit or loss | | - | 324,229 |
| Loan receivables of securities measured after amortization | | (50,648) | (1,043,868) |
| Other receivables | | 194,221 | (396,957) |
| Derivatives Assets | | (650,360) | (65,485) |
| Other assets | | (16,241) | (37,333) |
| Reinsurance contract asset | | (18,658) | (10,130) |
| Insurance contract liabilities | | (915,778) | (45,059) |
| Investment contract liabilities | | (184,128) | 2,877,169 |
| Financial liabilities at fair value through profit or loss | | 395,679 | 141,435 |
| Financial liabilities designated at fair value through profit or loss | | (51,120) | 415,962 |
| Derivatives liabilities | | 265,373 | (323,192) |
| Other financial liabilities | | 316,627 | 355,971 |
| Estimated liabilities | | 106,524 | 6,209 |
| Defined benefit liabilities | | 30,274 | (49,046) |
| Other liabilities | | (9,940) | 21,745 |
| | | (1,204,078) | 155,112 |

(3) Significant non-cash activities for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Changes in valuation gains and losses on financial assets at fair value through other comprehensive income | ₩ | 261,186 | 2,338,130 |
| Changes in credit losses at fair value through other comprehensive income | | (3,116) | - |
| Gain on valuation designated at fair value through profit or loss | | 3,181 | - |
| Insurance contract assets (liabilities) net financial profit and loss | | (4,175,208) | (3,559,605) |
| Reinsurance contract assets (liabilities) net financial profit and loss | | (8,962) | (36,311) |
| Substitution between investment property and tangible assets | | 6,552 | 15,458 |
| Changes in valuation gain on revaluation of tangible assets | | (9,678) | (4,662) |
| Change in gain or loss on valuation of cash flow hedging derivatives | | 36,350 | 357,361 |
| Changes in other comprehensive income in associates | | 1 | (9) |
| Changes in foreign currency translation adjustments for foreign operations | | 1,110 | 38 |
| Changes in remeasurements on defined benefit obligation | | 890 | (8,232) |
| Write-off of loan | | (72,488) | (43,918) |
| Write-off of other receivables, etc. | | (5,321) | (2,401) |
| Transfer prepaid expense to property and equipment | | - | 83 |
| Transfer prepaid expense to intangible assets | | 6,041 | 8,767 |
| Transfer from construction in progress | | 15,079 | 28,884 |
| Changes in right-of-use assets (transfer, acquisition) | | 94,282 | 83,075 |
| Changes in right-of-use assets (disposal) | | (16,641) | (30,694) |
| Changes in payable about acquisition of property and equipment and intangible assets | | 12 | - |
| Policyholders' equity adjustments | | 30,609 | (68,831) |
| Income tax expense reflected directly in capital | | 1,391,208 | 324,067 |
| Dividends payable of hybrid bond | | 91,799 | 6,439 |
| Regulatory reserve for loan losses accumulated | | (29,380) | (652) |
| Accumulation of guaranteed reserve | | 275,996 | - |
| Reversal of financial solvency reserve | | (1,096,736) | - |
| Changes in accounts payable related to securities purchases | | 151,300 | 227,310 |
| Changes in accounts receivable related to securities disposals | | (40,465) | (7,791) |

Changes in liabilities from financing activities for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Lease liabilities | Borrowings | Leasehold deposits received | Total |
| Beginning balance | ₩ | 79,089 | 5,918,191 | 92,334 | 6,089,614 |
| Cash flows from financing activities | | (44,813) | 266,196 | (2,324) | 219,059 |
| Interest expense, etc. | | 54,160 | 13,733 | 1,283 | 69,176 |
| Ending balance | ₩ | 88,436 | 6,198,120 | 91,293 | 6,377,849 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Lease liabilities | Borrowings | Leasehold deposits received | Total |
| Beginning balance | ₩ | 94,213 | 5,644,625 | 91,631 | 5,830,469 |
| Cash flows from financing activities | | (50,936) | 269,906 | 353 | 219,323 |
| Interest expense, etc. | | 35,812 | 3,660 | 350 | 39,822 |
| Ending balance | ₩ | 79,089 | 5,918,191 | 92,334 | 6,089,614 |

*(In millions of won)*

**44. Transfer of financial assets**

(1) Financial instruments for which the conditions for derecognition were not met as the Group sold securities under the condition that they be repurchased at a fixed price as of December 31, 2024 and 2023 are as follows:

| | Type | | 2024 | 2023 |
|---|---|---|---|---|
| Transferred asset | Financial asset at fair value through profit or loss | ₩ | 2,860,657 | 2,650,688 |
| | Financial asset at fair value through other comprehensive income | | 109,229 | 119,648 |
| | | | 2,969,886 | 2,770,336 |
| Related liability | Sale of bonds under repurchase agreements(*) | ₩ | 2,781,868 | 3,485,904 |

(*) Among bonds sold under repurchase agreements, ₩31,578 million for the year ended December 31, 2024 and ₩984,041 million for the year ended December 31, 2023, respectively, are amounts traded as borrowed securities.

(2) Details of issuance of securitized securities using financial instruments held by the Group as of December 31, 2024 and 2023 are as follows:

| | Type | | 2024 | 2023 |
|---|---|---|---|---|
| Underlying asset | Financial asset at fair value through profit or loss | ₩ | 2,381 | 17,001 |
| | Loan receivables at amortized cost | | 633,730 | 631,630 |
| | | | 636,111 | 648,631 |
| Securitized securities | Electronic short-term bonds | ₩ | 643,926 | 651,900 |

(3) When the securities held by the Group are lent, the ownership of the securities is transferred, however, as the securities are returned at the end of the lending period, the Group continues to recognize the entirety of the securities lent as it retains most of the risks and rewards of the securities. The details of transferred financial assets for which the entirety of the loaned securities has not been derecognized are described in Note 5 and 6.

**45. Operating segments**

(1) Operating segments consist of insurance segment, securities segment and other segments. Other segments contain retails, property managements and insurance related services, etc.

(2) Details of financial performance of each operating segment including income tax expenses for the year ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Insurance | Securities | Others | Consolidation adjustments | Total |
| Operating revenues | ₩ | 13,718,579 | 3,177,236 | 1,543,830 | (316,231) | 18,123,414 |
| Operating expenses | | 12,599,378 | 3,052,396 | 1,859,842 | (290,733) | 17,220,883 |
| Operating profit | | 1,119,200 | 124,841 | (316,012) | (25,498) | 902,531 |
| Non-operating income | | 28,231 | 36,361 | 13,120 | 399 | 78,111 |
| Non-operating expenses | | 292,754 | 7,385 | 7,208 | (241,155) | 66,192 |
| Profit before income tax expenses | | 854,677 | 153,817 | (310,100) | 216,056 | 914,450 |
| Income tax expenses | | 181,974 | 36,138 | (70,596) | 80,635 | 228,151 |
| Profit for the period | ₩ | 672,703 | 117,678 | (239,503) | 135,421 | 686,299 |

| | | 2023 | | | | |
|---|---|---|---|---|---|---|
| | | Insurance | Securities | Others | Consolidation adjustments | Total |
| Operating revenues | ₩ | 11,980,112 | 3,753,383 | 1,432,134 | (272,271) | 16,893,358 |
| Operating expenses | | 11,168,286 | 3,672,741 | 1,515,576 | (274,135) | 16,082,468 |
| Operating profit | | 811,826 | 80,642 | (83,442) | 1,864 | 810,890 |
| Non-operating income | | 24,659 | 16,092 | 12,908 | (1,776) | 51,883 |
| Non-operating expenses | | 21,802 | 10,960 | 1,680 | (9,046) | 25,396 |
| Profit before income tax expenses | | 814,683 | 85,774 | (72,214) | 9,134 | 837,377 |
| Income tax expenses | | 207,133 | 17,040 | (8,594) | (9,185) | 206,394 |
| Profit for the period | ₩ | 607,550 | 68,734 | (63,620) | 18,319 | 630,983 |





*(In millions of won)*

(3) Details of information on assets and liabilities of each operating segment as of December 31, 2024 is as follows:

| | | 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Insurance | Securities | Others | Consolidation adjustments | Total |
| Cash and due from banks | ₩ | 3,512,648 | 1,226,082 | 193,879 | (128,898) | 4,803,711 |
| Financial assets at fair value through profit or loss | | 32,343,331 | 10,423,134 | 995,964 | (6,933) | 43,755,496 |
| Financial assets at fair value through other comprehensive income | | 58,582,532 | 277,079 | 8,956 | - | 58,868,567 |
| Financial assets at amortized cost | | 21,318,752 | 2,618,495 | 1,060,750 | (46,238) | 24,951,759 |
| Investments in associates and joint ventures | | 2,910,745 | 87,663 | 62,908 | (2,901,295) | 160,021 |
| Others | | 4,483,556 | 1,116,629 | 588,063 | (4,297) | 6,183,951 |
| | | 123,151,564 | 15,749,082 | 2,910,520 | (3,087,661) | 138,723,505 |
| Insurance contract liabilities | ₩ | 95,022,959 | - | - | - | 95,022,959 |
| Other contract liabilities | | 16,445,024 | - | - | (129,550) | 16,315,474 |
| Financial liabilities | | 4,089,602 | 13,756,876 | 706,596 | (205,983) | 18,347,091 |
| Others | | 140,019 | 118,384 | 194,878 | 238,696 | 691,977 |
| | ₩ | 115,697,604 | 13,875,260 | 901,474 | (96,837) | 130,377,501 |

| | | 2023 | | | | |
|---|---|---|---|---|---|---|
| | | Insurance | Securities | Others | Consolidation adjustments | Total |
| Cash and due from banks | ₩ | 4,272,844 | 694,253 | 178,458 | (38,257) | 5,107,298 |
| Financial assets at fair value through profit or loss | | 34,196,171 | 10,044,054 | 262,319 | (1,482) | 44,501,062 |
| Financial assets at fair value through other comprehensive income | | 50,274,937 | 293,209 | 8,428 | - | 50,576,574 |
| Financial assets at amortized cost | | 21,494,806 | 3,301,360 | 680,314 | (47,669) | 25,428,811 |
| Investments in associates and joint ventures | | 2,048,122 | 83,865 | 49,055 | (2,031,637) | 149,405 |
| Others | | 3,364,332 | 1,024,655 | 525,374 | 24,608 | 4,938,969 |
| | | 115,651,212 | 15,441,396 | 1,703,948 | (2,094,437) | 130,702,119 |
| Insurance contract liabilities | ₩ | 87,824,480 | - | - | - | 87,824,480 |
| Other contract liabilities | | 15,830,220 | - | - | (85,890) | 15,744,330 |
| Financial liabilities | | 1,800,288 | 13,556,790 | 409,239 | (122,889) | 15,643,428 |
| Others | | 159,776 | 119,234 | 67,722 | 110,514 | 457,246 |
| | ₩ | 105,614,764 | 13,676,024 | 476,961 | (98,265) | 119,669,484 |

(4) Geographical information

A geographical information is not disclosed as revenues are primarily derived from customers in the Republic of Korea, and long-term assets, such as property and equipment, are located in the Republic of Korea, where the Group's head office is domiciled.

(5) The Group has no single external customer from which revenues amount to 10 percent or more of the Group's operating revenues for the year ended December 31, 2024.

*(In millions of won)*

**46. Effects of changes in restatement of financial statements**

The Kyobo Life Insurance Co., Ltd corrected prior period errors in net incomes and insurance contract liabilities due to calculation of time value for amortization on contract service margin, and retroactively restated the financial statements of December 31, 2023 and January 1, 2023.

In addition, the Kyobo Life Planet Life Insurance Company, Subsidiary, corrected prior period errors in net incomes and reinsurance contract liabilities (assets) due to difference between actual and forecast of reinsurance and published interest rate, and retroactively restated the financial statements of December 31, 2023 and January 1, 2023.

46-1) Overview of prior period errors

a) Kyobo Life Insurance Co., Ltd

| | Descriptions | |
|---|---|---|
| Accounting Standards | KIFRS 1117 paragraph 44, B119 | |
| Accounts | Insurance contract liabilities, Insurance service incomes and expenses, Financial loss on insurance contract assets (liabilities), Deferred tax assets(liabilities), Income tax expenses | |
| Impacts | [Financial Position] Insurance contract liabilities as of January 1, 2023 | 96,002 |
| | [Financial Position] Deferred tax liabilities as of January 1, 2023 | (25,758) |
| | [Financial Position] Retained earnings as of January 1, 2023 | (79,245) |
| | [Financial Position] Insurance contract liabilities as of December 31, 2023 | 290,457 |
| | [Financial Position] Deferred tax assets as of December 31, 2023 | 77,094 |
| | [Financial Position] Retained earnings as of December 31, 2023 | (213,464) |
| | [Statements of comprehensive income] Insurance service incomes for period ended December 31, 2023 | (202,195) |
| | [Statements of comprehensive income] Insurance service expenses for period ended December 31, 2023 | (11,586) |
| | [Statements of comprehensive income] Financial loss on insurance contract assets(liabilities) for period ended December 31, 2023 | 3,847 |
| | [Statements of comprehensive income] Income tax expenses for period ended December 31, 2023 | (51,336) |
| Errors Details | Errors in calculation of time value for amortization on contract service margin | |

b) Kyobo Life Planet Life Insurance Company

| | Descriptions | |
|---|---|---|
| Accounting Standards | KIFRS 1117 paragraph 88, B96 | |
| Accounts | Insurance contract liabilities, Insurance service incomes and expenses, Financial loss on insurance contract assets (liabilities) | |
| Impacts | [Financial Position] Accumulated other comprehensive income as of January 1, 2023 | 1,031 |
| | [Financial Position] Retained earnings as of January 1, 2023 | (1,031) |
| | [Financial Position] Reinsurance contract assets as of December 31, 2023 | 92 |
| | [Financial Position] Reinsurance contract liabilities as of December 31, 2023 | (34) |
| | [Financial Position] Accumulated other comprehensive income as of December 31, 2023 | (3,520) |
| | [Financial Position] Retained earnings as of December 31, 2023 | (3,645) |
| | [Statements of comprehensive income] Insurance service expenses for period ended December 31, 2023 | (126) |
| | [Statements of comprehensive income] Financial income from insurance services for period ended December 31, 2023 | 2,399 |
| | [Statements of comprehensive income] Financial expenses from insurance services for period ended December 31, 2023 | 1 |
| | [Statements of comprehensive income] Financial expenses from insurance services for period ended December 31, 2023 | (1) |
| | [Statements of comprehensive income] Net financial losses(incomes) from insurance contract asset(liabilities) for period ended December 31, 2023 | (2,488) |
| | [Statements of comprehensive income] Net financial losses(incomes) from insurance contract asset(liabilities) for period ended December 31, 2023 | (1) |
| Errors Details | i) Corrected interest incomes from overestimated interest costs due to the highly forecasted assumption in published interest rate than the actual published interest rate.<br>ii) Corrected amortization of contract service margins from overestimated reinsurance claims than the reinsurance claims. | |





*(In millions of won)*

46-2) The impact on the financial positions

(1) The impact on the financial position as of December 31, 2023, which was retrospectively restated is as follows:

| Before restatement | | After restatement | | | |
|---|---|---|---|---|---|
| Account | Amount | Account | Amount | Kyobo Life Insurance Co., Ltd | Kyobo Life Planet Life Insurance Company |
| **Asset** | **₩ 130,779,303** | **Asset** | **₩ 130,702,117** | **(77,094)** | **(92)** |
| Cash and due from banks | 5,107,298 | Cash and due from banks | 5,107,298 | - | - |
| Financial asset | 122,051,449 | Financial asset | 122,051,449 | - | - |
| Reinsurance contract asset | 178,221 | Reinsurance contract asset | 178,129 | - | (92) |
| Tangible assets, etc. | 2,704,380 | Tangible assets, etc. | 2,704,380 | - | - |
| Deferred tax assets | 264,980 | Deferred tax assets | 187,886 | (77,094) | - |
| Current Tax assets | 251,635 | Current Tax assets | 251,635 | - | - |
| Other asset | 221,340 | Other asset | 221,340 | - | - |
| **Liability** | **119,959,909** | **Liability** | **119,669,485** | **(290,458)** | **34** |
| Insurance contract liabilities | 88,114,938 | Insurance contract liabilities | 87,824,480 | (290,458) | - |
| Reinsurance contract liabilities | 255,775 | Reinsurance contract liabilities | 255,809 | - | 34 |
| Investment contract liabilities | 15,321,085 | Investment contract liabilities | 15,321,085 | - | - |
| Other contract liabilities | 167,436 | Other contract liabilities | 167,436 | - | - |
| Financial liabilities | 15,643,428 | Financial liabilities | 15,643,428 | - | - |
| Deferred tax liabilities | 1,019 | Deferred tax liabilities | 1,019 | - | - |
| Current tax liabilities | 83,703 | Current tax liabilities | 83,703 | - | - |
| Other liabilities | 372,525 | Other liabilities | 372,525 | - | - |
| **Equity** | **₩ 10,819,396** | **Equity** | **₩ 11,032,634** | **213,363** | **(125)** |
| Common stocks, etc. | 2,153,402 | Common stocks, etc. | 2,153,402 | - | - |
| Accumulated other comprehensive income | 1,731,069 | Accumulated other comprehensive income | 1,734,589 | - | 3,520 |
| Retained earnings | 6,679,506 | Retained earnings | 6,889,224 | 213,363 | (3,645) |
| Non-controlling interests | 255,419 | Non-controlling interests | 255,419 | - | - |

(2) The impact on the financial position as of January 1, 2023, which was retrospectively restated is as follows:

| Before restatement | | After restatement | | | |
|---|---|---|---|---|---|
| Account | Amount | Account | Amount | Kyobo Life Insurance Co., Ltd | Kyobo Life Planet Life Insurance Company |
| **Asset** | **₩ 117,813,225** | **Asset** | **₩ 117,813,225** | **-** | **-** |
| Cash and due from banks | 3,859,929 | Cash and due from banks | 3,859,929 | - | - |
| Financial asset | 110,713,975 | Financial asset | 110,713,975 | - | - |
| Reinsurance contract asset | 180,131 | Reinsurance contract asset | 180,131 | - | - |
| Tangible assets, etc. | 2,768,513 | Tangible assets, etc. | 2,768,513 | - | - |
| Deferred tax assets | 75,368 | Deferred tax assets | 75,368 | - | - |
| Current Tax assets | 31,154 | Current Tax assets | 31,154 | - | - |
| Other asset | 184,255 | Other asset | 184,255 | - | - |
| **Liability** | **106,858,123** | **Liability** | **106,787,878** | **(70,245)** | **-** |
| Insurance contract liabilities | 79,065,238 | Insurance contract liabilities | 78,969,235 | (96,003) | - |
| Reinsurance contract liabilities | 218,828 | Reinsurance contract liabilities | 218,828 | - | - |
| Investment contract liabilities | 11,934,586 | Investment contract liabilities | 11,934,586 | - | - |
| Other contract liabilities | 238,734 | Other contract liabilities | 238,734 | - | - |
| Financial liabilities | 14,815,001 | Financial liabilities | 14,815,001 | - | - |
| Current tax liabilities | 192,207 | Current tax liabilities | 192,207 | - | - |
| Deferred tax liabilities | 75,512 | Deferred tax liabilities | 98,270 | 25,758 | - |
| Other liabilities | 321,017 | Other liabilities | 321,017 | - | - |
| **Equity** | **₩ 10,955,102** | **Equity** | **₩ 11,025,346** | **70,244** | **-** |
| Common stocks, etc. | 1,608,903 | Common stocks, etc. | 1,608,903 | - | - |
| Accumulated other comprehensive income | 2,643,946 | Accumulated other comprehensive income | 2,644,977 | - | 1,031 |
| Retained earnings | 6,329,532 | Retained earnings | 6,398,745 | 70,244 | (1,031) |
| Non-controlling interests | 372,721 | Non-controlling interests | 372,721 | - | - |

*(In millions of won)*

(3) Each item of the statement of comprehensive income for the periods ended December 31, 2023, retrospectively restated in accordance with prior period errors corrections is as follows:

| Before restatement | | After restatement | | | |
|---|---|---|---|---|---|
| Account | Amount | Account | Amount | Kyobo Life Insurance Co., Ltd | Kyobo Life Planet Life Insurance Company |
| Insurance service result | ₩ 26,552 | Insurance service result | ₩ 217,035 | 190,609 | (126) |
| Insurance service revenue | 3,718,418 | Insurance service revenue | 3,920,613 | 202,195 | - |
| Insurance service expense | 3,691,866 | Insurance service expense | 3,703,578 | 11,586 | 126 |
| Investment results | 592,497 | Investment results | 593,855 | 3,847 | (2,489) |
| Investment service income | 12,975,143 | Investment service income | 12,972,744 | - | (2,399) |
| Financial income from insurance | 3,017 | Financial income from insurance | 619 | - | (2,398) |
| Financial income from reinsurance | 2,362 | Financial income from reinsurance | 2,361 | - | (1) |
| Financial income | 11,449,358 | Financial income | 11,449,358 | - | - |
| Other operating income | 1,520,406 | Other operating income | 1,520,406 | - | - |
| Investment service expense | 12,382,646 | Investment service expense | 12,378,889 | (3,847) | 90 |
| Financial expense from insurance | 4,311,489 | Financial expense from insurance | 4,307,732 | (3,847) | 90 |
| Financial expense from reinsurance | 6,804 | Financial expense from reinsurance | 6,804 | - | - |
| Financial expense | 6,625,981 | Financial expense | 6,625,981 | - | - |
| Other operating expense | 1,438,372 | Other operating expense | 1,438,372 | - | - |
| Operating profit | 619,049 | Operating profit | 810,890 | 194,456 | (2,615) |
| Non-operating income or expense | 26,487 | Non-operating income or expense | 26,487 | - | - |
| Non-operating income | 51,883 | Non-operating income | 51,883 | - | - |
| Non-operating expense | 25,396 | Non-operating expense | 25,396 | - | - |
| Profit before income tax | 645,536 | Profit before income tax | 837,377 | 194,456 | (2,615) |
| Income tax expense | 155,058 | Income tax expense | 206,394 | 51,336 | - |
| Profit or loss for the period | 490,478 | Profit or loss for the period | 630,983 | 143,120 | (2,615) |
| Accumulated other comprehensive income or loss | (935,984) | Accumulated other comprehensive income or loss | (933,495) | - | 2,489 |
| Net financial income or loss from insurance contract assets (liabilities) | (3,559,605) | Net financial income or loss from insurance contract assets (liabilities) | (3,557,117) | - | 2,488 |
| Net financial income or loss from reinsurance contract assets (liabilities) | (36,311) | Net financial income or loss from reinsurance contract assets (liabilities) | (36,310) | - | 1 |
| Other | 2,659,932 | Other | 2,659,932 | - | - |
| Total comprehensive income | ₩ (445,506) | Total comprehensive income | ₩ (302,512) | 143,120 | (126) |

(4) Each item of the statement of changes in equity for the periods ended December 31, 2023, retrospectively restated in accordance with prior period errors corrections is as follows:

| | 2023 | | | |
|---|---|---|---|---|
| | Before restatement | After restatement | Kyobo Life Insurance Co., Ltd | Kyobo Life Planet Life Insurance Company |
| Balance as of January 1, 2023 (Before change) | ₩ 13,779,624 | 13,849,868 | 70,244 | - |
| Effects of changes in accounting policies | (2,824,522) | (2,824,522) | - | - |
| Balance as of January 1, 2023 (After change) | 10,955,102 | 11,025,346 | 70,244 | - |
| Changes in equity | (135,705) | 7,289 | 143,119 | (125) |
| Profit or loss for the period | 490,478 | 630,983 | 143,119 | (2,614) |
| Accumulated other comprehensive income or loss | (935,984) | (933,495) | - | 2,489 |
| Transactions with owners | 309,801 | 309,801 | - | - |
| Balance as of December 31, 2023 | ₩ 10,819,397 | 11,032,635 | 213,363 | (125) |





*(In millions of won)*

(5) Each item of the statement of cash flows for the periods ended December 31, 2023, retrospectively restated in accordance with prior period errors corrections is as follows:

| | 2023 | | | |
|---|---|---|---|---|
| | Before restatement | After restatement | Kyobo Life Insurance Co., Ltd | Kyobo Life Planet Life Insurance Company |
| I. Cash flows from operating activities | ₩ 3,432,447 | 3,432,447 | - | - |
| 1. Cash flows from operating activities | 876,165 | 876,165 | - | - |
| (1) Profit or loss for the period | 490,478 | 630,983 | 143,119 | (2,614) |
| (2) Adjustments | 230,575 | 90,070 | (143,119) | 2,614 |
| (3) Changes in operating assets and liabilities | 155,112 | 155,112 | - | - |
| 2. Income tax refunded(paid) | (421,319) | (421,319) | - | - |
| 3. Interest received | 3,187,749 | 3,187,749 | - | - |
| 4. Interest paid | (340,544) | (340,544) | - | - |
| 5. Dividend received | 130,396 | 130,396 | - | - |
| II. Cash flows from investing activities | (3,237,488) | (3,237,488) | - | - |
| III. Cash flows from financing activities | ₩ 510,244 | 510,244 | - | - |

(6) Each item of the notes, retrospectively restated in accordance with errors corrections are [17. Insurance contract liabilities and reinsurance contract liabilities], [26. Equity], [38. Income tax expense], [43. Statements of cash flows], and [45. Operating segments].

**47. Interests in unconsolidated structured entities**

(1) The nature, purposes and activities of the unconsolidated structured entities which the Group had interest in as of December 31, 2024, and how these structured entities are financed were summarized as follows:

| Nature | Purposes | Activities | Financing methods |
|---|---|---|---|
| Asset securitization | (1) Encashment by transferring securitized assets<br>(2) Investment fee collection by providing credit offering and ABCP purchase commitments to SPC | (1) Carrying out a plan to securitized assets<br>(2) Taking over and collecting securitized assets<br>(3) Issuing and redeeming ABS and ABCP | (1) Issuance of ABS and ABCP |
| Project financing | (1) Project financing loans for social overhead capital (SOC) and real estate<br>(2) Lending loans to shipbuilding/airplane SPC | (1) Constructing social overhead capital and real estate<br>(2) Manufacturing and purchasing shipbuilding/airplanes | (1) Entering into loan commitments, credit offering and investment commitments (with credit line) |
| Investment fund | (1) Investment in beneficiary certificates<br>(2) Investment in PEF and cooperatives | (1) Management and operation of fund assets<br>(2) Payment of fund management fees and sharing of profits from asset management | (1) Sales of beneficiary certificates<br>(2) Investment by general managers and limited liability partners |

(2) Total assets of the unconsolidated structured entities, carrying value of equity and maximum exposure to loss related to the Group's interests in unconsolidated structured entities as of December 31, 2024 2023 are as follows:

| Type | Asset-backed securitization | Project financing | Investment fund | Total |
|---|---|---|---|---|
| Total assets of the unconsolidated structured entities | ₩ 9,635,663 | 193,815,859 | 73,806,384 | 277,257,906 |
| Carrying value of assets: | | | | |
| Financial assets at fair value through profit or loss | 215,963 | 12,430,957 | 5,570,003 | 18,216,923 |
| Financial assets at fair value through other comprehensive income | 2,453,130 | 67,593 | 46,051 | 2,566,774 |
| Securities at amortized cost | 636,239 | 610,818 | - | 1,247,057 |
| Loan & receivables at amortized cost | 241,097 | 8,343,378 | 100,000 | 8,684,475 |
| Others | 4,166 | 83,903 | 86,589 | 174,658 |
| | ₩ 3,550,595 | 21,536,649 | 5,802,643 | 30,889,887 |
| Maximum exposure to loss (*) | ₩ 3,720,547 | 25,734,784 | 5,806,980 | 35,262,311 |
| Method to determine maximum exposure to loss | Purchase commitment /Credit offering | Loan commitment /Investment commitment | Purchase commitment | |

(*) The maximum amounts exposed to losses included investment assets in the consolidated financial statements.

| Type | Asset-backed securitization | Project financing | Investment fund | Total |
|---|---|---|---|---|
| Total assets of the unconsolidated structured entities | ₩ 11,917,494 | 124,597,363 | 89,060,693 | 225,575,550 |

*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Carrying value of assets: | | | | | |
| Financial assets at fair value through profit or loss | | 282,317 | 12,437,666 | 5,685,773 | 18,405,756 |
| Financial assets at fair value through other comprehensive income | | 2,061,473 | 100,312 | 27,729 | 2,189,514 |
| Securities at amortized cost | | 666,011 | 629,665 | - | 1,295,676 |
| Loan & receivables at amortized cost | | 439,801 | 9,135,325 | 200,000 | 9,775,126 |
| Others | | 5,439 | 95,706 | 83,798 | 184,943 |
| | ₩ | 3,455,041 | 22,398,674 | 5,997,300 | 31,851,015 |
| Maximum exposure to loss (*) | ₩ | 3,742,928 | 26,984,293 | 6,036,536 | 36,763,757 |
| Method to determine maximum exposure to loss | | Purchase commitment /Credit offering | Loan commitment /Investment commitment | Purchase commitment | |

(*) The maximum amounts exposed to losses included investment assets in the consolidated financial statements.

(3) There is no financial support or any other support provided for consolidated or unconsolidated structured entities without contractual consideration as of December 31, 2024

**48. Risk management**

**48-1) General**

(1) Risk management overview
The objective of risk management is to effectively manage and control various uncertainties that prevent the controlling group from achieving its business goal. The controlling group supports its stable business activities by setting the appropriate risk limits to ensure the regulatory capital is maintained above the minimum risk based capital required by the Financial Supervisory Service even in the environment which various risks may actually realize simultaneously, and also comprehensively manages assets and liabilities portfolios to enhance profitability compared to risk.
The controlling group's risk management process is as follows:

1) Risk identification and classification
The controlling group identifies risks related to market, credit, interest, insurance, liquidity, operation, strategy, reputation, and variable insurance guarantee as significant risks. Market, credit, interest, insurance, liquidity and variable insurance guarantee risks are classified as financial risks, while operation, strategy, reputation risks are classified as non-financial risks.

2) Risk measurement and management
Market, credit, interest, insurance and operational risks are measured using Value at Risk (VaR) method. Liquidity risk is periodically monitored and managed to ensure liquidity level is adequately maintained by setting the minimum liquidity limit that reflects cash flows and variability for the last 6 months. Various measured risk amounts are operated with annual limits, and compliance with the limits and adequacy are regularly checked and managed.

The controlling group continues to maintain Asset-Liability Management (ALM) policy to secure long-term stable interest rate margins. In order to consistently improve the asset and liability structure, the product sales mix has been weighted more heavily in favor of investment linked products and floating-rate type policies, while cash flow stability has been strengthened through the increase of long-term fixed-rate interest assets. In addition, constant improvements are being made to the ALM systems.

3) Risk control
To hedge, accept, transfer and mitigate risks, the controlling group sets risk limits at adequate level and monitors if these limits are appropriate and in compliance with the risk management policies and procedures. The risk limits are adjusted as necessary, and a contingency plan is also placed in operation.

The significant decision-making matters of the Group is subject to a preliminary risk review conducted by the dedicated risk management department under the 'Risk Pre-Review System', which provides review opinions. For significant contract agreements of the consolidated group, the 'Significant Contract Risk Review Working Council' supports accurate and prompt decision-making.

4) Risk monitoring and reporting
The controlling group monitors various macroeconomic indicators such as interest rates, stock prices, exchange rates, individual risk volume and related monitoring indicators, and risk-related indicators such as solvency ratio on a daily, monthly, and quarterly basis using checklists and if any unusual instances are identified, they are reported to the management and appropriate action is taken.

(2) Risk management framework

Risk management organization is divided into division in charge of risk management and division managing individual risks.
The controlling group's major risk management organization is as follows.

1) Risk Management Committee
The Risk Management Committee is comprised of three outside directors and has overall responsibility for establishing basic directions and major policies of risk management consistent with management strategies and setting appropriate risk limits for the controlling group.

2) Risk Management Council
The Risk Management Council sets the agenda that will be discussed at the Risk Management Committee, implements strategies established by the Risk Management Committee, sets the limit for each risk factor and prepares suitable solution when risk limit exceeds or may exceed the set limit.

3) Risk Management Team
The controlling group runs the Risk Management Team and a risk management unit for each risk to support the Risk Management Committee and the Risk Management Council. The Risk Management Team who is independent from the business operation departments plans and sees group level of financial and non-financial risk management by preparing risk management policies, regulations.





*(In millions of won)*

Risk Management Support Team, in charge of risk management, performs plan-see functions independent from Sales Department (including non-financial risk management) such as establishing risk management policies and plan, regulations and rules, and setting risk limits. Individual risk management departments perform Do functions and operate in 7 teams.

- Market risk: asset portfolio management team
- Credit risk: investment asset evaluation team/retail credit marketing team
- Interest rate risk: financing team
- Liquidity risk: accounting team
- Insurance risk: insurance risk management support team
- Variable insurance guarantee risk: variable hedge part

**48-2) Regulatory capital adequacy**

(1) Kyobo Life Insurance

1) K-ICS : Korean - Insurance Capital Standard

The controlling group measures, manages and discloses K-ICS ratio according to the Regulation on Supervision of Insurance Business to maintain required capital for the solvency margin.
K-ICS (Newly adopted Solvency ratio) is a system that ensures that companies have equity capital to cover unexpected losses. The solvency ratio is a ratio calculated by dividing the solvency amount (available capital), which is the capital that can be used to absorb losses, by the solvency standard amount (required capital), which is the amount of loss that may occur to the Group in the next one year, and this is a measure of a life insurance group's financial soundness or ability to pay claims.
The solvency amount is calculated by adding or subtracting certain items depending on the presence or absence of loss absorption from the amount of assets (net assets) exceeding liabilities in the statement of financial position under Prudential Accounting Principles. The solvency standard amount measures the potential loss amount that may occur within the 99.5% confidence level over the next year as the basic required capital and is calculated by subtracting the corporate tax adjustment amount from the basic required capital and adding other required capital.
The basic required capital is calculated by calculating the life/long-term non-life insurance, market, credit, and operational risk amounts respectively and then applying the correlation coefficient.
The Financial Supervisory Service ("FSS") mandates that the K-ICS ratio be maintained at 100% or more based on consolidated financial statements, and in cases where it falls short, timely corrective action is taken to maintain financial soundness.

| | Solvency ratio | Corrective action |
|---|---|---|
| Improvement recommended | Above 50% and below 100% | -Requires increasing capital<br>-Limits new business entering |
| Improvement required | Above 0% and below 50% | -Requires management replacement<br>-Re-organization of subsidiaries<br>-Suspension of management duties |
| Improvement commanded | Below 0% | -Suspension of insurance business |

The controlling group complies with the K-ICS ratio prescribed by the FSS.

2) Measurement and management of capital adequacy

The Group sets the total risk limits and guidance as a part of annual business plan to ensure, even though risks are possible, the risk capital (e.g. solvency margin) is greater than minimum required risk based capital on the standard guidelines promulgated by the Financial Supervisory Service.

Risk capital is monitored on a monthly basis to maintain at appropriate level against the amount of total risks of the assets. The controlling group reviews acceptability of risk capital under the case of abnormally increased risks by measuring sensitivity and conducting scenario method stress test for significant risk factors with supplementing the limitation of Value at Risk base measurement.

(2) Kyobo Securities

1) Net Capital Ratio (NCR)

In order to prevent inevitable risks arising from operating activities and to minimize investors', customers' and other stakeholder's loss in wealth, Kyobo Securities are at their best in managing their capital. The management of capital adequacy is based on net capital ratio enacted by the FSS. Kyobo Securities reports their net capital ratio results to the FSS at the end of every month.

2) Capital management

The main objective of Kyobo Securities' capital management is to maximize each shareholder's value and maintain its competitive credit rating through main operations of Kyobo Securities. To satisfy the externally imposed capital requirements, Kyobo Securities actively carries out capital management

Kyobo Securities may maintain or change the capital structure by adjusting the shareholder's amount of dividend, right issue or through capital reduction. Compared with the prior year, Kyobo Securities have not changed any rules or procedures in their objective to manage their capital.

3) Regulatory capital status

In order to maintain capital adequacy of financial investment firms, the FSS has decided to regulate the net capital ratio at 100%. For security firms that do not meet this requirement at a certain minimum, the FSS will take certain actions accordingly. The actions are as follows:

- Net capital ratio is above 50% but below 100%: recommendation of improvement
- Net capital ratio is above 0% but below 50%: requirement of improvement
- Net capital ratio is below 0%: commandment of improvement

Kyobo Securities' net capital ratio exceeds the management improvement measures standards of the FSS as of December 31, 2024 and 2023.

*(In millions of won)*

**48-3) Insurance risk**

(1) Overview
Insurance risk refers to the risk that arises in relation to the underwriting of insurance contracts and payment of insurance benefits, which are the unique tasks of an insurance company. It refers to the possibility of loss that may occur due to the actual risk becoming greater at the time of payment than the risk expected at the time of signing the insurance contract.

The insurance risk amount covers assets and liabilities that may directly or indirectly cause loss to the insurance company when actuarial assumptions change, and in the case of assets, if the value changes due to future cash flow changes when actuarial assumptions change (e.g. This applies only to insurance policy loans, reinsurance contracts, etc.), and in the case of liabilities, it is calculated for all insurance contracts. However, retirement insurance and retirement pension are not included in the measurement of life long-term non-life insurance risk.

(2) Status of insurance risk amount

The Group measures the amount of exposure to insurance risk as [current estimated liabilities - cedant insurance assets]. The amount exposed to insurance risk as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|---|
| | | Insurance contract liabilities | Reinsurance contract assets | Toal | Insurance contract liabilities | Reinsurance contract assets | Toal |
| Death | ₩ | 21,984,641 | (132,787) | 21,851,854 | 18,203,598 | (117,555) | 18,086,043 |
| Health | | 9,943,638 | 38,952 | 9,982,590 | 9,583,000 | 33,826 | 9,616,826 |
| Annuity/Savings | | 42,697,270 | - | 42,697,270 | 39,296,750 | - | 39,296,750 |
| Others | | 464,191 | 15,709 | 479,900 | 495,822 | 6,050 | 501,872 |
| Pension savings/asset linked | | 5,703,641 | - | 5,703,641 | 5,823,847 | - | 5,823,847 |
| Death(Variable) | | 5,345,127 | - | 5,345,127 | 5,054,116 | - | 5,054,116 |
| Health(Variable) | | - | - | - | - | - | - |
| Annuity(Variable)/Savings(Variable) | | 8,884,450 | - | 8,884,450 | 9,367,348 | - | 9,367,348 |
| Others(Variable) | | - | - | - | - | - | - |
| | ₩ | 95,022,959 | (78,126) | 94,944,833 | 87,824,480 | (77,679) | 87,746,801 |

The Group assesses the concentration of risk by considering past experience rates related to issued insurance contracts and held reinsurance contracts. Additionally, the Group identifies these concentrations of risk based on common characteristics.

The estimated present value of future cash flows for each type of insurance, which the Group considers significant, is equal to the exposure amount of the insurance risk.

(3) Assumptions applied when measuring insurance contract liabilities
The assumptions and calculation basis for the current estimates of future cash flows applied by the Group to the holding contracts as of December 31, 2024 and 2023 are as follows.

| | Assumption | | |
|---|---|---|---|
| | 2024 | 2023 | Basis for calculation |
| Surrender rate | 0.25%~56.25% | 0%~53.5% | Surrender rate calculated based on payment method, payment status, product classification, dividend status, and channel based on the past 5 years of experience statistics as of June 30, 2024. (In the case of payment in progress, it is calculated as the ratio of the target contract insurance premium to the effective lapsed insurance premium, and in the case of after payment, the ratio of the target contract insurance premium reserve to the effective lapsed insurance premium reserve.) |
| Payout rate | 17.30%~272.50% | 14.5%~363% | The ratio of insurance premiums paid to risk insurance premiums calculated by collateral, channel, and product based on the past five years of experience statistics as of June 30, 2024. ※Insurance claims payment is calculated based on final payment that uses statistics for the previous five years as of the date of the accident and reflects the progress rate of incurred but not reported losses |
| Operating expense rate | - | - | Calculated as unit cost in proportion to operating expense execution performance, conversion results based on insurance business standards, number of new/owned contracts, insurance premiums, insurance reserves, policy loan balance, etc. ※ Performance statistics period: applicable to 1 year |
| Discount rate | -4.20%~22.93% | -4.03%~18.76% | Parameters consistent with assets traded in the market are estimated in the adjusted risk-free interest rate term structure (reflecting long-term forward interest rates and liquidity premiums) and applied to 1,000 interest rate scenarios. |
| Risk adjustment confidence level for non-financial risks | 75% | 75% | Under the assumption that the probability distribution of the present value of future cash flows at each reporting time follows a normal distribution, the portion where the 75% percentile exceeds the probability-weighted average of the present value of future cash flows is calculated as risk adjustment. |





*(In millions of won)*

1) Insurance risk sensitivity analysis
The Group conducts a sensitivity analysis of current estimates based on discount rates, loss ratios, and expense ratios that are judged to have a significant impact on the uncertainty about the amount and timing of future cash flows arising from insurance contracts and through this, manages insurance risk.

| | | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|---|
| | | Effect on Fulfilment Cashflows | Effect on net profit or loss before tax(*1) | Effect on equity(*2) | Effect on Fulfilment Cashflows | Effect on net profit or loss before tax | Effect on equity |
| Before risk reduction by cedant insurance | ₩ | | | | | | |
| 10% increase in operating expense | | 709,060 | (69,567) | (70,184) | 615,655 | (73,761) | (73,761) |
| 10% decrease in operating expense | | (708,920) | 69,337 | 69,954 | (615,650) | 73,471 | 73,471 |
| 10% increase in payout rate | | 2,526,464 | (103,830) | (104,385) | 1,845,722 | 43,335 | 43,335 |
| 10% decrease in payout rate | | (2,518,765) | (303,009) | (302,448) | (2,175,475) | (264,170) | (264,170) |
| 10% increase in surrender rate | | 724,968 | 15,909 | 16,953 | 766,572 | 16,923 | 16,923 |
| 10% decrease in surrender rate | | (784,200) | (15,202) | (16,279) | (830,596) | (16,207) | (16,207) |
| After risk reduction by cedant insurance | | | | | | | |
| 10% increase in operating expense | | 709,054 | (69,199) | (69,199) | 615,655 | (73,761) | (73,761) |
| 10% decrease in operating expense | | (708,913) | 68,974 | 68,974 | (615,650) | 73,471 | 73,471 |
| 10% increase in payout rate | | 2,455,880 | (103,077) | (103,056) | 1,798,479 | 43,335 | 43,335 |
| 10% decrease in payout rate | | (2,457,100) | (303,702) | (303,694) | (2,130,942) | (264,170) | (264,170) |
| 10% increase in surrender rate | | 719,735 | 15,932 | 15,925 | 774,770 | 16,923 | 16,923 |
| 10% decrease in surrender rate | | (778,559) | (15,227) | (15,220) | (841,034) | (16,207) | (16,207) |

(*1) Profit or loss before income tax.
(*2) Profit or loss before income tax.

2) Insurance claims development

The Group regularly verifies the adequacy of reserves using the bulk reserving method. The Bulk reserve amount is estimated and calculated by applying methods permitted by supervisory regulations, such as the Paid Loss Development Method (PLDM), Incurred Loss Progress Method (ILDM), Frequency/Severity Method, and Bornhuetter-Ferguson Method.

The actual insurance claim amount (insurance claims development) compared to the Group's past estimates of undiscounted insurance claims is as follows:

| | | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Year end of accident | 1 year later | 2 years later | 3 years later | 4 years later | 5 years later | Total |
| Cumulative amount of nominal insurance payment | | | | | | | | |
| Year of accident | | | | | | | | |
| 2019 | ₩ | 1,093,368 | 240,334 | 30,650 | 13,153 | 4,351 | - | 1,381,856 |
| 2020 | | 1,197,404 | 266,046 | 35,927 | 12,729 | - | - | 1,512,106 |
| 2021 | | 1,219,780 | 290,042 | 37,798 | - | - | - | 1,547,620 |
| 2023 | | 1,271,434 | 283,972 | - | - | - | - | 1,555,406 |
| 2024 | | 1,313,459 | - | - | - | - | - | 1,313,459 |
| | | 6,095,445 | 1,080,394 | 104,375 | 25,882 | 4,351 | - | 7,310,447 |
| Liability for incurred claims for insurance claims payments incurred after 2019 | | - | 359,708 | 66,755 | 27,560 | 12,409 | 6,779 | 473,211 |
| Liability for incurred claims for insurance claims payments incurred before 2019 | | | | | | | | 6,072 |
| Discount effects | | | | | | | | (13,183) |
| Amount incurred in previous years, etc. (*) | | | | | | | | 2,136,833 |
| Risk adjustments for non financial risks | | | | | | | | 17,173 |
| Liability for incurred claims at the end of reporting period | | | | | | | | 2,620,106 |

(*) This amount includes the accident in the previous year and preparations for cost evaluation.

2023

*(In millions of won)*

| | Year end of accident | 1 year later | 2 years later | 3 years later | 4 years later | 5 years later | Total |
|---|---|---|---|---|---|---|---|
| Cumulative amount of nominal insurance payment ₩ | | | | | | | |
| Year of accident | | | | | | | |
| 2019 | 1,175,607 | 207,353 | 28,051 | 13,753 | 5,065 | - | 1,429,830 |
| 2020 | 1,162,858 | 205,374 | 29,619 | 13,469 | - | - | 1,411,320 |
| 2021 | 1,270,061 | 243,927 | 34,641 | - | - | - | 1,548,629 |
| 2023 | 1,274,928 | 263,465 | - | - | - | - | 1,538,393 |
| 2024 | 1,333,515 | - | - | - | - | - | 1,333,515 |
| | 6,216,968 | 920,119 | 92,312 | 27,222 | 5,065 | - | 7,261,687 |
| Liability for incurred claims for insurance claims payments incurred after 2019 | - | 309,187 | 59,689 | 26,152 | 11,240 | 6,012 | 412,280 |
| Liability for incurred claims for insurance claims payments incurred before 2019 | | | | | | | 5,474 |
| Discount effects | | | | | | | (15,310) |
| Amount incurred in previous years, etc. (*) | | | | | | | 2,273,713 |
| Risk adjustments for non financial risks | | | | | | | 23,428 |
| Liability for incurred claims at the end of reporting period | | | | | | | 2,699,584 |

(*) This amount includes the accident in the previous year and preparations for cost evaluation.

(4) Management of insurance risk

Insurance risk is the death risk amount for each risk factor. Longevity risk, disability and disease risk, wealth and other risks. It is managed by dividing it into termination risk, project cost risk, and major disaster risk, and the details are as follows:

A. Death risk and longevity risk refer to the risk of unexpected losses related to the death of the policyholder and is measured by the risk that net asset value will decrease due to changes in the level, trend, and volatility of death.
B. Disability and disease risk is the risk of unexpected losses related to the policyholder's disability and disease, and is measured by the risk that net asset value will decrease due to changes in the risk rate, trend, volatility, etc. of disability and disease coverage.
C. Property and other risks is the risk of unexpected losses related to property, cost, and compensation and other collateral and is measured as the risk of a decrease in net asset value due to changes in the level of risk, trends, volatility, etc.
D. Termination risk is the risk of unexpected losses due to policyholder's exercise of options such as termination or renewal of the contract or choosing an annuity and is measured by the risk that net asset value will decrease due to changes in the policyholder's option exercise rate or group termination of policyholders.
E. Operating expense risk includes the risk arising from changes in expenditure due to the level of future costs and inflation in relation to insurance contract costs. Expenses related to insurance contracts include all expenses except for allowances.
F. Catastrophe risk refers to risks arising from exceptional risks (e.g. new infectious diseases, etc.) that could not be considered in the risk of death or disability or disease.

The Group calculates the risk amount for each factor on a quarterly basis in accordance with the Regulation on Supervision Article 7-2 (the Solvency standard amount).

(5) Credit risk from insurance contracts

① Overview
Credit risk is the risk of financial loss to the Group due to debtor's bankruptcy or if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and the risk amount (the unexpected loss) exceeds the expected loss, and credit risk from insurance contract arising mainly from reinsurer's default risk.

When selecting a reinsurer, the Group deals with high-quality insurance companies who have investment qualifications such as credit rating, solvency, performance, market share, K-ICS, etc. (BBB or higher by S&P, Baa or higher by Moody's, B+ or higher by A.M. Best, or an equivalent level of credit from an institution recognized by public trust). The Group periodically evaluate the monitoring of the stability of reinsurance operations, including sudden declines in the reinsurer's credit rating, and if the evaluation results show a significant impact on the stability of reinsurance transactions, the Group prepares and operates countermeasures such as termination of reinsurance contracts.

② Credit rating of reinsurance contract assets by reinsurance company
The credit rating of reinsurance contract assets recognized by each reinsurance company as of December 31, 2024 and 2023 are as follows.

| | | 2024 | 2023 |
|---|---|---|---|
| AAA | ₩ | 1,412 | 4,081 |
| AA+~AA- | | (118,860) | (110,704) |
| A+~A- | | 39,321 | 28,944 |
| | | (78,127) | (77,679) |

**48-4) Interest rate risk**

(1) Overview

Interest rate risk from insurance contracts is the risk that the Group's net asset value (including accounting value and economic value) will decrease due to future changes in market interest rates, which is caused by inconsistencies in the maturity structure and interest rate conditions of assets and liabilities.

(2) Measurement (recognition) and management methods

① Measurement





*(In millions of won)*

The Group uses both the standard model (K-ICS) and the internal model for the measurement of interest rate risk.
The standard model measures the amount of interest rate risk in accordance with the method set forth in Article 7-2 (4) of the Insurance Business Supervision Regulations, and uses the method of measuring the amount of reduction in net asset value through the impact scenario method.

In the case of the internal model, the standard model is applied to measure the interest rate risk, but it is measured using assumptions that reflect the Group's asset/liability attributes. The confidence level of interest rate risk measurement is 99.5% (the probability of occurring once every 200 years) in both internal and standard models.

② Management methods
Interest rate risk is continuously pursuing ALM policies (such as management of the duration gap) in the mid- to long-term to reduce the duration gap of assets/liabilities, and is managed by setting interest rate risk targets (limits) in consideration of the company's equity capital, payment capacity, and risk policies.

In addition, crisis scenario tests are regularly conducted and managed in consideration of abnormal economic conditions.

③ Status of interest rate risk
Current status of major exposures to interest rate-bearing assets and interest-bearing liabilities as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Interest bearing asset: | | |
| Financial assets at fair value through profit or loss (*1) | 21,480,658 | 20,908,602 |
| Financial assets at fair value through other comprehensive income | 57,659,746 | 49,734,666 |
| Securities at amortized cost | 1,213,166 | 1,299,954 |
| Loan & receivables at amortized cost | 22,672,238 | 22,616,925 |
| Other receivables at amortized cost | 1,773,882 | 1,905,637 |
| | 104,799,690 | 96,465,784 |
| Interest bearing liabilities: | | |
| Insurance contract liabilities (assets) | 95,022,959 | 87,824,480 |
| Reinsurance contract liabilities (assets) | 78,127 | 77,679 |
| Investment contract liabilities | 15,846,521 | 15,321,085 |
| | 110,947,607 | 103,223,244 |

(*1) Includes debt securities and bond-type beneficiary securities.

**48-5) Credit risk**

(1) Overview
Credit risk is the risk of financial loss to the Group due to debtor's bankruptcy or if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and the risk amount (the unexpected loss) exceeds the expected loss.

(2) Measurement and management
The Group measures credit risk using the standard model and the internal model. The standard model calculates credit risk amount according to the fourth clause of Article 7-2 of the Regulation on Supervision of Insurance Business.
The internal model calculates credit risk amount using VaR calculated from the Group's Credit Risk Management System after reflecting correlation and portfolio distribution effect. For corporate borrower, the Group uses mark-to-market method, and for individual borrower, the Group uses Default Mode (DM) using loan pool. The Group manages credit risk by setting VaR limit and maximum credit exposure. Compliance with credit risk management policy is monitored by checking the breaches of the VaR limit on a monthly basis, and reviewing the risk tolerance by analysing credit risk amount under normal and stress situation.
The Group sets credit exposure limit for each borrower base on its industry and credit rating. The conformity of this limit is reviewed every month. After the loan initiation, credit review for each significant borrower is performed regularly. The Group revises exposure limit, decreases credit line, collects the loan or increases collateral if any symptom of credit rating drop.
After the loan initiation, credit review for each significant borrower is performed regularly. The Group revises exposure limit, decreases credit line, collects the loan or increases collateral if any symptom of credit rating drop. Appropriate steps, such as collection, are taken when the borrower's credit rating becomes speculative. The Group establishes action plan by reviewing the financial structure and payment ability of the currently or potentially problematic borrowers through designated units (e.g. Investment Asset Analysis Team, Loan Management Team, etc.).

(3) Maximum exposure to credit risk

The Group's maximum exposure to credit risk as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash and due from banks (*1) | ₩ | 4,802,806 | 5,106,203 |
| Financial assets at fair value through profit or loss (*2) | | 17,648,684 | 20,663,664 |
| Financial assets at fair value through other comprehensive profit or loss (*2) | | 57,659,746 | 49,734,666 |
| Securities at amortized cost (*3) | | 1,213,166 | 1,299,954 |

*(In millions of won)*

| | | |
|---|---|---|
| Loan & receivables at amortized cost (*3) | 22,672,238 | 22,616,925 |
| Other receivables at amortized cost (*3) | 1,773,882 | 1,905,637 |
| Derivative assets | 1,417,898 | 1,395,597 |
| | 107,188,420 | 102,722,646 |
| commitment ₩ | 7,755,236 | 8,183,976 |

(*1) The maximum exposure amounts for cash and due from banks in the consolidated statement of financial position exclude cash on hand without credit risk.
(*2) Financial instruments in the nature of equity securities among financial assets at fair value through other comprehensive income in the statement of financial position.
(*3) The maximum exposure amounts for loans at amortized cost and other receivables at amortized cost are presented as net of allowance.

(4) Impairment information of loan receivables
The expected credit loss of a financial instrument is measured by reflecting the probability of default by the counterparty and the estimated recovery rate.
The book value of financial instruments by credit rating as of December 31, 2024 is as follows:

| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
|---|---|---|---|---|
| | | Non impaired | Impaired | |
| Cash and due from banks ₩ | | | | |
| Grade 1 | 3,259,345 | 4,061 | - | 3,263,406 |
| Grade 2 | 110 | 26,000 | - | 26,110 |
| Grade 3 | 1,513,290 | - | - | 1,513,290 |
| | 4,772,745 | 30,061 | - | 4,802,806 |
| Financial assets at fair value through other comprehensive income | | | | |
| Grade 1 | 56,205,157 | - | - | 56,205,157 |
| Grade 2 | 1,454,588 | - | - | 1,454,588 |
| Grade 3 | - | - | 1 | 1 |
| | 57,659,745 | - | 1 | 57,659,746 |
| Securities at amortized cost | | | | |
| Grade 1 | 1,213,166 | - | - | 1,213,166 |
| Grade 2 | - | - | - | - |
| Grade 3 | - | - | - | - |
| | 1,213,166 | - | - | 1,213,166 |
| Loan and receivables at amortized cost | | | | |
| Grade 1 | 18,335,569 | 351 | 42 | 18,335,962 |
| Grade 2 | 984,884 | 607,280 | 678 | 1,592,842 |
| Grade 3 | 1,385,645 | 594,300 | 763,489 | 2,743,434 |
| | 20,706,098 | 1,201,931 | 764,209 | 22,672,238 |
| Other receivables at amortized cost | | | | |
| Grade 1 | 1,198,771 | 6,054 | 133 | 1,204,958 |
| Grade 2 | 11,804 | 3,298 | 17 | 15,119 |
| Grade 3 | 487,638 | 2,439 | 63,728 | 553,805 |
| | 1,698,213 | 11,791 | 63,878 | 1,773,882 |
| Commitment | | | | |
| Grade 1 | 4,136,908 | - | - | 4,136,908 |
| Grade 2 | 3,618,328 | - | - | 3,618,328 |
| Grade 3 | - | - | - | - |
| | 7,755,236 | - | - | 7,755,236 |





*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| ₩ | 93,805,203 | 1,243,783 | 828,088 | 95,877,074 |

The book value of financial instruments by credit rating as of December 31, 2023 is as follows:

| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
|---|---|---|---|---|
| | | Non impaired | Impaired | |
| Cash and due from banks ₩ | | | | |
| Grade 1 | 5,019,154 | 26,921 | - | 5,046,075 |
| Grade 2 | 60,129 | - | - | 60,129 |
| Grade 3 | - | - | - | - |
| | 5,079,282 | 26,921 | - | 5,106,203 |
| Financial assets at fair value through other comprehensive income | | | | |
| Grade 1 | 48,534,567 | - | - | 48,534,567 |
| Grade 2 | 1,200,097 | - | - | 1,200,097 |
| Grade 3 | - | - | 1 | 1 |
| | 49,734,665 | - | 1 | 49,734,666 |
| Securities at amortized cost | | | | |
| Grade 1 | 1,265,373 | - | - | 1,265,373 |
| Grade 2 | 34,582 | - | - | 34,582 |
| Grade 3 | - | - | - | - |
| | 1,299,954 | - | - | 1,299,954 |
| Loan and receivables at amortized cost | | | | |
| Grade 1 | 18,988,331 | 314,324 | 309 | 19,302,964 |
| Grade 2 | 1,045,752 | 382,362 | 6,511 | 1,434,625 |
| Grade 3 | 1,028,775 | 524,726 | 325,835 | 1,879,336 |
| | 21,062,858 | 1,221,412 | 332,655 | 22,616,925 |
| Other receivables at amortized cost | | | | |
| Grade 1 | 1,400,034 | 7,650 | 1 | 1,407,685 |
| Grade 2 | 12,487 | 911 | 9 | 13,406 |
| Grade 3 | 427,369 | 2,077 | 55,099 | 484,545 |
| | 1,839,890 | 10,637 | 55,109 | 1,905,637 |
| Commitment | | | | |
| Grade 1 | 8,183,976 | - | - | 8,183,976 |
| Grade 2 | - | - | - | - |
| Grade 3 | - | - | - | - |
| | 8,183,976 | - | - | 8,183,976 |
| ₩ | 87,200,625 | 1,258,970 | 387,765 | 88,847,361 |

The credit soundness of financial products is classified as follows based on the following credit ratings.

| | Household (external rating) | Company (internal rating) | Company (domestic agency) | Corporate (Moody's) | Corporate (S&P) | |
|---|---|---|---|---|---|---|
| Grade 1 | 1 ~ 3 rating | AAA ~ BBB | AAA ~ A- | Aaa ~ Baa3 | AAA ~ BBB- | Low credit risk applied |
| Grade 2 | 4 ~ 5 rating | BB+ ~ B | BBB+ ~ BB+ | Ba1 ~ B1 | BB+ ~ B+ | Significant increase in credit risk |
| Grade 3 | Under 6 rating | Under CCC | Under BB | Under B2 | Under B | Differential divergence point |

(5) The concentration of credit risk in securities measured at amortized cost by major industry as of December 31, 2024 is as follows:

*(In millions of won)*

| | Country& public institution (Government bonds, Public bonds) | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Real estate & rental | Others | Total |
|---|---|---|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 7,855,579 | 6,779,608 | 844,416 | 81,673 | 69,681 | 2,017,727 | 17,648,684 |
| Financial assets at fair value through other comprehensive income | 39,380,764 | 5,873,190 | 2,578,655 | 1,970,112 | 78,053 | 7,769,995 | 57,659,745 |
| Financial assets at amortized cost | 1,155,103 | 8,725 | - | - | - | 49,338 | 1,213,166 |
| Total | 48,391,446 | 12,661,523 | 3,423,071 | 2,051,785 | 147,734 | 9,837,060 | 76,521,595 |

(5) Concentration of debt securities by industry, continued

The concentration of credit risk in securities measured at amortized cost by major industry as of December 31, 2023 is as follows:

| | Country& public institution (Government bonds, Public bonds) | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Real estate & rental | Others | Total |
|---|---|---|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 7,447,567 | 10,841,593 | 625,219 | 107,573 | 188,113 | 1,453,599 | 20,663,664 |
| Financial assets at fair value through other comprehensive income | 32,939,827 | 5,505,849 | 1,904,206 | 1,681,495 | 75,644 | 7,627,645 | 49,734,666 |
| Financial assets at amortized cost | 1,280,294 | 19,660 | - | - | - | - | 1,299,954 |
| Total | 41,667,688 | 16,367,102 | 2,529,425 | 1,789,068 | 263,757 | 9,081,244 | 71,698,284 |

(6) Concentration of debt securities by country

The concentration of credit risk in debt securities by country as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Korea | USA | England | France | China | Others | Total |
| Financial assets at fair value through profit or loss | 17,052,684 | 199,718 | 155,957 | 29,381 | - | 210,944 | 17,648,684 |
| Financial assets at fair value through other comprehensive income | 44,783,221 | 9,892,242 | 307,116 | 548,931 | 2,829 | 2,125,407 | 57,659,746 |
| Financial assets at amortized cost | 1,163,828 | - | - | - | - | 49,338 | 1,213,166 |
| Total | 62,999,733 | 10,091,960 | 463,073 | 578,312 | 2,829 | 2,385,689 | 76,521,596 |

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Korea | USA | England | France | China | Others | Total |
| Financial assets at fair value through profit or loss | 20,159,967 | 204,275 | 137,510 | 5,556 | - | 156,356 | 20,663,664 |
| Financial assets at fair value through other comprehensive income | 39,311,518 | 7,908,028 | 282,970 | 499,487 | 8,048 | 1,724,615 | 49,734,666 |
| Financial assets at amortized cost | 1,299,954 | - | - | - | - | - | 1,299,954 |
| Total | 60,771,439 | 8,112,303 | 420,480 | 505,043 | 8,048 | 1,880,971 | 71,698,284 |

(7) The concentration of credit risk in loan and receivables at amortized cost by industry as of December 31, 2024 and 2023 are as follows:

2024





*(In millions of won)*

| | Real estate & rental | Retail, wholesale, Transportation, lodging | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Others | Total |
|---|---|---|---|---|---|---|---|
| Real estate mortgage loan | 3,274,723 | 40,000 | 1,955,600 | - | - | 2,469,349 | 7,739,672 |
| Credit loan | 2,730,129 | 614,045 | 1,263,403 | 2,494,057 | 1,079,108 | 3,441,549 | 11,622,291 |
| Payment guarantee loan | 1,062,406 | - | - | 8,612 | 33,809 | 105,736 | 1,210,563 |
| Others | 888,610 | 100,752 | 505,713 | 199,499 | - | 405,139 | 2,099,713 |
| | 7,955,868 | 754,797 | 3,724,716 | 2,702,168 | 1,112,917 | 6,421,773 | 22,672,239 |

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Real estate & rental | Retail, wholesale, Transportation, lodging | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Others | Total |
| Real estate mortgage loan | 2,405,875 | 54,345 | 2,534,300 | - | - | 2,372,204 | 7,366,724 |
| Credit loan | 3,113,425 | 664,731 | 1,205,541 | 2,015,335 | - | 4,629,043 | 11,628,075 |
| Payment guarantee loan | 774,153 | - | - | - | 232,761 | 119,832 | 1,126,746 |
| Others | 440,470 | - | 1,132,100 | - | - | 922,811 | 2,495,380 |
| | 6,733,922 | 719,076 | 4,871,941 | 2,015,335 | 232,761 | 8,043,890 | 22,616,925 |

(8) Credit reinforcement of loan and receivables at amortized cost

| | 2024 | | | |
|---|---|---|---|---|
| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | Non impaired | Impaired | Total |
| Guarantee | ₩ 1,207,904 | 1,025 | 1,634 | 1,210,563 |
| Real estates | 6,436,142 | 232,576 | 8,192 | 6,676,910 |
| | 7,644,046 | 233,601 | 9,826 | 7,887,473 |

| | 2023 | | | |
|---|---|---|---|---|
| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | Non impaired | Impaired | Total |
| Guarantee | ₩ 1,122,424 | 2,069 | 2,253 | 1,126,746 |
| Real estates | 6,450,910 | 186,655 | 5,829 | 6,643,394 |
| | 7,573,334 | 188,724 | 8,081 | 7,770,139 |

(9) Impairment information according to credit risk of off-balance sheet accounts

Impairment information based on credit risk of the investment agreement as of December 31, 2024 is as follows.

| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
|---|---|---|---|---|
| | | Non impaired | Impaired | Total |
| As of December 31, 2024 | ₩ 7,755,236 | - | - | 7,755,236 |
| As of December 31, 2023 | 8,183,976 | - | - | 8,183,976 |

**48-6) Market risk**

(1) Overview
Market risk is the risk that the Group incurs loss due to decrease in asset value caused by changes in market prices such as foreign exchange rates, interest rates and stock prices.

(2) Measurement and management
The Group measures market risk using the standard model and the internal model. The standard model evaluates the market risk according to the fourth clause of Article 7-2 of the Regulation on Supervision of Insurance Business. One-year 99.5% VaR is utilized for the internal model. The Group mainly uses the delta-normal method that assumes normal distribution return rate and linear valuation. The Group also measures daily VaR based on simulation method as an assistance method.

The market risk limit is set up based on VaR and monitored daily so that it stays below the annual market risk limit. Other than VaR, the sensitivity indices, for

instance, the duration and the beta are used as a supplementary market risk measurement. In order to supplement VaR measurement method, loss measurement is conducted under a variety of scenarios covering severe market condition such as IMF or financial economic crisis in 2008. The Group regularly reviews the impact of loss on profit or loss before dividends and K-ICS ratio and establishes countermeasure plan. In addition, the Group maintains adequate level of risk in holding equities by managing investment limit and foreign exchange translation hedge of asset group that influences market risk.

(3) Sensitivity analysis to risk factors including interest rates, etc.
Sensitive analysis of foreign exchange rate, interest rate and equity market as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Risk factor | | Profit or loss effect (*1,3) | Equity effect (*2,3) |
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ | 53,067 | 50,725 |
| | ₩ 100 decrease in KRW/USD FX Rate | | (53,067) | (50,725) |
| Interest rate | 100bp increase | | (50,664) | (5,422,831) |
| | 100bp decrease | | 50,664 | 5,422,831 |
| Stock prices | 10% increase in equity index | | 74,110 | 16,194 |
| | 10% decrease in equity index | ₩ | (74,110) | (16,194) |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.
(*3) Sensitivities of assets linked to general accounts, asset linked and annuity savings.

Sensitive analysis of foreign exchange rate, interest rate and equity market as of December 31, 2024 and 2023 are as follows, continued:

| | 2023 | | | |
|---|---|---|---|---|
| | Risk factor | | Profit or loss effect (*1) | Equity effect (*2,3) |
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ | 50,606 | 61,658 |
| | ₩ 100 decrease in KRW/USD FX Rate | | (50,606) | (61,658) |
| Interest rate | 100bp increase | | (47,520) | (5,186,734) |
| | 100bp decrease | | 47,520 | 5,186,734 |
| Stock prices | 10% increase in equity index | | 87,119 | 10,571 |
| | 10% decrease in equity index | ₩ | (87,119) | (10,571) |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.
(*3) Sensitivities of assets linked to general accounts, asset linked and annuity savings.

(4) Sensitivity analysis of insurance liabilities to risk factors including interest rates

Sensitivity analysis of changes in insurance liabilities and their impact on profits and losses and capital due to exchange rate, interest rate, and stock price fluctuations as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Risk factor | | Estimated future cash flow | Estimated CSM | Estimated Other comprehensive income | Profit or loss effect (*1) | Equity effect (*2) |
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ | - | - | - | - | - |
| | ₩ 100 decrease in KRW/USD FX Rate | | - | - | - | - | - |
| Interest rate | 100bp increase | | (7,805,326) | 452,950 | 7,352,376 | - | 7,352,376 |
| | 100bp decrease | | 9,888,921 | (684,640) | (9,204,282) | - | (9,204,282) |
| Stock prices | 10% increase in equity index | | - | - | - | - | - |
| | 10% decrease in equity index | ₩ | - | - | - | - | - |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.

| | 2023 | | | | | |
|---|---|---|---|---|---|---|
| | Risk factor | | Estimated future cash flow | Estimated CSM | Estimated Other comprehensive income | Profit or loss effect (*1) | Equity effect (*2) |
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ | - | - | - | - | - |
| | ₩ 100 decrease in KRW/USD FX Rate | | - | - | - | - | - |





| | | | | | | |
|---|---|---|---|---|---|---|
| Interest rate | 100bp increase | (6,825,773) | 223,143 | 6,602,630 | - | 6,602,630 |
| | 100bp decrease | 8,109,537 | (642,983) | (7,466,553) | - | (7,466,553) |
| Stock prices | 10% increase in equity index | - | - | - | - | - |
| | 10% decrease in equity index | - | - | - | - | - |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.

(5) Market risk analysis of Kyobo Securities

An analysis of VaR for trading portfolio held by Kyobo Securities for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Average | Maximum | Minimum | December 31, 2024 |
| Stock price risk | ₩ | 1,602 | 4,607 | 210 | 1,997 |
| Interest rate risk | | 2,676 | 7,445 | 1,088 | 1,847 |
| Foreign exchange risk | | 1,103 | 2,227 | 564 | 1,442 |
| Portfolio diversification effect | | - | - | - | 911 |
| Total VaR | ₩ | 4,549 | 8,139 | 2,001 | 4,375 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Average | Maximum | Minimum | December 31, 2023 |
| Stock price risk | ₩ | 1,952 | 2,986 | 334 | 1,185 |
| Interest rate risk | | 1,618 | 2,577 | 781 | 1,642 |
| Foreign exchange risk | | 2,167 | 3,141 | 1,263 | 2,727 |
| Portfolio diversification effect | | - | - | - | 1,274 |
| Total VaR | ₩ | 4,097 | 5,751 | 2,643 | 4,280 |

**48-7) Liquidity risk**

(1) Overview
Liquidity risk is the risk that the Group is unable to meet its payment obligations arising from financial liabilities as they fall due or raise funds with high interest rates and unfavorable disposal of securities to solve the shortage of funds or facing inability to pay due to unexpected cash flows.

(2) Recognition and management

1) Management index of liquidity risk
Liquidity risk is measured by liquidity gap and liquidity ratio.
Liquidity ratio is the percentage of the Group's assets convertible to cash with the within 3 months maturities against claims paid for the past three months. The liquidity ratio is an indicator that evaluates the adequacy of current asset holdings as the ratio of current assets with a maturity of less than 3 months to the average 3-month insurance payment, and is maintained above 150%. Liquidity gap is the index representing shortage or oversupply of the cash flow within a month, a quarter, half a year, and more than a year. The Group calculates liquidity gap on a monthly or weekly basis and manages supply and demand schedule of the cash flow to ensure this index stays in positive.

2) Management method

- Periodic establishment of plans for demand and supply of fund
All cash flow information from financial assets and liability and insurance liability is gathered for liquidity risk management on a monthly or weekly basis to prepare for unforeseen cash flow surplus and deficit. And funds are daily checked if they flow by the schedule and any changes are reflected on the fund schedule. For the analysis of long-term cash flow projection of insurance liability, the Group utilizes ALM system. The Group prepares for unforeseen cash flow deficit caused by the concentrated number of maturities.

- Maintaining target liquidity fund level
The Group keeps a certain amount of the liquidity fund to prepare for unexpected liquidity deficit. The level of liquidity fund is revised dynamically in line with trend of the financial market status and the volatility of claim payments.

- Liquidity contingency plan
The Group sets a contingency plan to appropriately respond to emergency situation such as the massive claim of the cash payment in an economic crisis.

Liquidity contingency plan defines an action plan regarding the priorities of funding, roles & responsibilities of each department and the form of the emergency committee. Simulated liquidity exercise under various possible scenarios is performed regularly so as to investigate and improve its contingency plans.

*(In millions of won)*

(3) Liquidity risk exposure

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | Over 5 years | Total |
| Insurance contracts and financial liabilities: | | | | | | | |
| Insurance contract liabilities | ₩ 4,217,926 | 2,413,509 | 6,240,258 | 2,243,299 | 2,464,636 | 69,632,132 | 87,211,759 |
| Reinsurance contract liabilities | (57,236) | 392 | 865 | 1,759 | 1,644 | 82,880 | 30,303 |
| Financial liabilities designated at fair value through profit or loss | 1,707,839 | 422,051 | 1,338,600 | 19,398 | - | 1,351,358 | 4,839,246 |
| Financial liabilities at fair value through profit or loss | 599,561 | - | - | - | - | - | 599,561 |
| Borrowings | 5,147,578 | 250,042 | 101,011 | 722 | 686 | 698,080 | 6,198,119 |
| Other financial liabilities (*1) | 2,894,891 | 35,930 | 16,982 | 4,790 | 5,589 | 8,611 | 2,966,793 |
| Derivative liabilities | 1,277,228 | 949,300 | 337,098 | 215,906 | 199,572 | 652,528 | 3,631,632 |
| | 15,787,787 | 4,071,224 | 8,034,814 | 2,485,874 | 2,672,127 | 72,425,589 | 105,477,413 |
| Off-balance items | | | | | | | |
| Loan agreement (*2) | 3,484,337 | 28,139 | - | - | - | - | 3,512,476 |
| Investment agreement (*2) | 4,227,308 | 4,337 | 9,560 | 900 | - | 654 | 4,242,759 |
| Loan purchase agreement, etc | 63,750 | 26,200 | 50,000 | - | 30,000 | - | 169,950 |
| | ₩ 7,775,395 | 58,676 | 59,560 | 900 | 30,000 | 654 | 7,925,185 |

(*1) Lease liabilities are excluded (See Note 21. (3)).
(*2) These are the maximum amounts that the Group may pay in future by the contract. As of December 31, 2024, the Group expects that actual payments will be less than the commitment amounts in consideration of past experiences and characteristics of commitment, and it is difficult to reasonably estimate the timing, amounts, and feasibility of actual payment.
(*3) In accordance with paragraph 132 of the KIFRS-1117, the amount to be paid upon request is ₩866,568 billion.





*(In millions of won)*

(3) Liquidity risk exposure, continued

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | Over 5 years | Total |
| Insurance contracts and financial liabilities: | | | | | | | |
| Insurance contract liabilities | ₩ 4,802,081 | 2,663,442 | 2,765,456 | 6,035,981 | 2,646,122 | 61,785,344 | 80,698,426 |
| Reinsurance contract liabilities | (42,271) | 4,091 | 3,904 | 3,716 | 3,258 | 57,340 | 30,038 |
| Financial liabilities designated at fair value through profit or loss | 86,105 | 331,882 | 1,466,245 | 1,597,665 | - | 1,305,761 | 4,787,658 |
| Financial liabilities at fair value through profit or loss | 174,742 | - | 82,732 | - | - | - | 257,474 |
| Borrowings | 4,709,646 | 549,502 | 632,555 | 27,877 | - | - | 5,919,580 |
| Other financial liabilities (*1) | 2,732,600 | 60,255 | 60,274 | 16,451 | 4,791 | 11,122 | 2,885,493 |
| Derivative liabilities | 498,793 | 259,308 | 246,324 | 321,143 | 14,067 | 519,463 | 1,859,098 |
| | 12,961,696 | 3,868,480 | 5,257,490 | 8,002,833 | 2,668,238 | 63,679,030 | 96,437,767 |
| Off-balance items | | | | | | | |
| Loan agreement (*2) | 2,668,875 | - | - | 52,185 | - | - | 2,721,060 |
| Investment agreement (*2) | 5,431,026 | - | - | 31,236 | - | 654 | 5,462,916 |
| ABCP purchase agreement | - | - | 21,000 | - | - | - | 21,000 |
| Loan purchase agreement, etc | 39,000 | 28,000 | 90,950 | 98,450 | - | - | 256,400 |
| | ₩ 8,138,901 | 28,000 | 111,950 | 181,871 | - | 654 | 8,461,376 |

(*1) Lease liabilities are excluded (See Note 21. (3)).
(*2) These are the maximum amounts that the Group may pay in future by the contract. As of December 31, 2024, the Group expects that actual payments will be less than the commitment amounts in consideration of past experiences and characteristics of commitment, and it is difficult to reasonably estimate the timing, amounts, and feasibility of actual payment.
(*3) In accordance with paragraph 132 of the KIFRS-1117, the amount to be paid upon request is ₩832,594 billion.

*(In 100 million of won)*

**49. Summary of Financial Information**

**(1) Summary of financial information**

Operating profit of the year is ₩ 902.5 billion. Of the operating profit ₩ 902.5 billion, insurance profit is ₩ 448.5 billion and investment profit is ₩ 752.6 billion. Non-operating profit is ₩ 11.9 billion. Income tax is ₩ 228.2 billion, and net income for the period, which is calculated by adding non-operating profit to operating profit and deducting income tax, is ₩ 686.3 billion.

The main reasons for the insurance profit are the difference between the actual insurance claim and the planned insurance claim of ₩ 42 billion, and the difference between the actual operating expenses and the planned operating expenses of ₩ 81.8 billion. Contractual service margin was recognized as revenue by allocating ₩ 603.1 billion, which is 9.3% of the total ₩ 6.5 trillion, and the risk adjustment was recognized as revenue by allocating ₩ 148.4 billion, which is 11.1% of the total ₩ 1.3 trillion. Reinsurance income is ₩ (-)3.9 billion.

Investment income consists of interest income of ₩ 3.8 trillion, gain (loss) on disposal of financial assets of ₩ (-)12.7 billion, valuation gain (loss) of ₩ (-_261.8 billion, foreign exchange transaction gain (loss) of ₩ 222.4 billion, and other investment gain (loss) of ₩(-)6.8 billion. The insurance finance cost incurred during the current period (including reinsurance) is ₩ 3.0 trillion.

Other operating income (loss) amounts to ₩(-)298.6 billion, while non-operating income (loss) is ₩ 11.9 billion. This includes equity method income (loss) of ₩ 43.4 billion and impairment loss on intangible assets of ₩ 39.7 billion.

Assets are ₩ 139 trillion, of which operating assets are ₩ 133 trillion, including bonds ₩ 59.7 trillion, stocks ₩ 4.8 trillion, beneficiary certificates ₩ 18.5, real estate ₩ 2.6 trillion, loans ₩ 22 trillion, overseas securities ₩ 19.5 trillion, other securities ₩ 1.4 trillion, cash and cash equivalent ₩ 4.8 trillion and others ₩ 5.5 trillion.

The main reasons are increased of assets ₩ 8 trillion, bonds ₩ 5.5 trillion, overseas securities ₩ 3.6 trillion are beneficiary certificates ₩ 0.8 trillion. The change in bonds and overseas securities is due to the impact of major economic variables such as interest rates and exchange rates, and decision-making based on the group's ALM.

The insurance liabilities for direct insurance consist of a best estimate liability of ₩ 87.2 trillion, a risk adjustment of ₩ 1.4 trillion, and a contractual service margin of ₩ 6.4 trillion. The main changes in the best estimate liability compared to the end of the previous period include a decrease of ₩ 245.3 billion due to changes in actuarial assumptions, a decrease of ₩ 1.5 trillion due to the effect of new contracts, an increase of ₩ 5.6 trillion due to changes in fair value from discount rate changes, and an increase of ₩ 2.8 trillion in insurance finance costs recognized in profit or loss.

The main changes in the contractual service margin are an increase of ₩ 1.4 trillion due to new contracts, a decrease of ₩ 258.1 billion due to changes in assumptions, an increase of ₩ 93.3 billion due to volume changes, and a decrease of ₩ 587.8 billion due to amortization. The reinsurance contract liabilities of the group amount to ₩ 78.1 billion, which is an increase of ₩ 400 million compared to the end of the previous period.

The equity amounts to ₩ 8.3 trillion, consisting of capital stock of ₩ 102.5 billion, hybrid capital securities of ₩ 2.2 trillion, capital surplus of ₩ 638 billion, capital adjustments of ₩ (-)200.8 billion, retained earnings of ₩ 7.5 trillion, and accumulated other comprehensive income of ₩ (-)2.2 trillion. The change in retained earnings of ₩ 577.7 billion is due to an increase from net income of ₩ 686.3 billion and a decrease from hybrid capital securities dividends of ₩ 91.8 billion. The decrease of ₩ 3.9 trillion in accumulated other comprehensive income is due to a decrease of ₩ 4.2 trillion from changes in the fair value of insurance liabilities and an increase of ₩ 258.1 billion from changes in the fair value of financial assets.





*(In 100 million of won)*

**(2) Insurance Liabilities by Accounting Model and Portfolio**

| | | | General approach | | | Variable fee approach | | |
|---|---|---|---|---|---|---|---|---|
| | Portfolio | | Best estimate Liabilities | Risk adjustment | Insurance contract margin | Best estimate Liabilities | Risk adjustment | Contract margin |
| Non | | ₩ | | | | | | |
| -Par | Dividend insurance of death | | 104 | 1 | 4 | - | - | - |
| | Non-dividend insurance of death | | 62,076 | 2,196 | 12,943 | - | - | - |
| | Dividend insurance of health | | 3,963 | 32 | 352 | - | - | - |
| | Non-dividend insurance of health | | 78,769 | 2,643 | 8,131 | - | - | - |
| | Dividend insurance of annuity/saving | | 196,726 | 1,159 | 34 | - | - | - |
| | Non-dividend insurance of annuity/saving | | 115,976 | 177 | 2,263 | - | - | - |
| Indirect | | | | | | | | |
| -Par | Non-dividend insurance of death | | 105,058 | 4,707 | 25,814 | - | - | - |
| | Non-dividend insurance of health | | 1,337 | 425 | 2,293 | - | - | - |
| | Dividend insurance of annuity/saving | | 1,462 | 6 | - | - | - | - |
| | Non-dividend insurance of annuity/saving | | 95,939 | 274 | 2,155 | - | - | - |
| | Asset linked of annuity/saving | | 54,911 | 88 | 1,297 | - | - | - |
| Direct | | | | | | | | |
| -Par | Variable insurance of death | | - | - | - | 46,272 | 1,310 | 5,637 |
| | Variable insurance of annuity/saving | | - | - | - | 84,162 | 340 | 3,659 |
| | | ₩ | 716,320 | 11,707 | 55,287 | 130,434 | 1,650 | 9,296 |

*(In 100 million of won)*

**(3) Changes in insurance contract liabilities**

A. Actuarial Assumption

| | | 2024 | | |
|---|---|---|---|---|
| | | Best estimate Liabilities | Risk adjustment | Contract margin |
| Change of future service | ₩ | (9,328) | 1,941 | 10,823 |
| 1. Effect of new contract | | (14,517) | 1,499 | 13,730 |
| 2. Effect of others | | 5,189 | 442 | (2,907) |
| (1) Change of assumption | | (2,453) | - | 2,453 |
| - Change of termination rate assumption | | 6,053 | - | (6,053) |
| - Change of risk rate assumption | | (7,010) | - | 7,010 |
| - Change of business rate assumption | | (1,133) | - | 1,133 |
| - Change of other assumption | | (362) | - | 362 |
| (2) Difference of quantity | | 7,642 | 442 | (8,084) |
| (3) Element of loss | ₩ | - | - | 2,723 |

B. Amortization of contractual service margin (Unit: 100 million KRW)

| Portfolio | | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Non -Par | Dividend insurance of death | ₩ | 0.4 | 0.3 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.4 | 0.2 | 0.1 | 0.1 | 1.4 | 4.3 |
| | Non-dividend insurance of death | | 1,186.1 | 938.7 | 771.9 | 649.7 | 549.6 | 472.3 | 406.8 | 355.6 | 316.3 | 281.3 | 1,260.5 | 727.2 | 433.2 | 619.7 | 3,974.4 | 12,943.3 |
| | Dividend insurance of health | | 47.0 | 35.8 | 28.2 | 22.4 | 17.7 | 14.2 | 11.4 | 9.2 | 7.6 | 6.3 | 22.3 | 8.8 | 3.8 | 1.9 | 115.0 | 351.6 |
| | Non-dividend insurance of health | | 1,015.2 | 713.0 | 558.4 | 444.5 | 358.8 | 298.7 | 251.8 | 214.5 | 184.1 | 156.9 | 633.9 | 333.2 | 185.3 | 195.3 | 2,586.5 | 8,130.1 |
| | Dividend insurance of annuity/saving | | 2.7 | 2.3 | 2.0 | 1.8 | 1.5 | 1.3 | 1.2 | 1.0 | 0.9 | 0.8 | 3.4 | 1.9 | 1.1 | 1.3 | 10.7 | 33.9 |
| | Non-dividend insurance of annuity/saving | | 366.4 | 261.4 | 189.5 | 97.1 | 75.3 | 61.5 | 51.6 | 45.1 | 39.2 | 33.0 | 142.5 | 81.3 | 49.2 | 62.8 | 707.3 | 2,263.2 |
| Indirect -Par | Non-dividend insurance of death | | 1,929.0 | 1,639.8 | 1,419.6 | 1,239.7 | 1,076.2 | 940.8 | 821.6 | 727.1 | 652.8 | 593.5 | 2,703.1 | 1,603.0 | 999.0 | 1,532.7 | 7,936.6 | 25,814.5 |
| | Non-dividend insurance of health | | 244.9 | 188.5 | 149.4 | 121.2 | 99.9 | 84.0 | 70.9 | 59.5 | 50.7 | 44.9 | 196.5 | 111.3 | 64.4 | 86.1 | 721.3 | 2,293.5 |
| | Non-dividend insurance of annuity/saving | | 257.6 | 197.8 | 156.3 | 125.3 | 101.6 | 83.5 | 68.0 | 55.2 | 45.4 | 38.9 | 153.9 | 86.4 | 53.1 | 63.1 | 669.4 | 2,155.5 |
| | Asset linked of annuity/saving | | 111.2 | 91.7 | 76.7 | 65.0 | 55.0 | 47.3 | 40.7 | 35.3 | 31.1 | 27.6 | 121.6 | 73.1 | 47.5 | 68.4 | 404.4 | 1,296.6 |





*(In 100 million of won)*

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Direct -Par | Variable insurance of death | 440.5 | 378.3 | 328.0 | 285.7 | 245.9 | 213.6 | 186.2 | 163.3 | 144.5 | 129.6 | 570.0 | 326.7 | 200.2 | 267.6 | 1,756.5 | 5,636.6 |
| | Variable insurance of annuity/saving | 415.8 | 323.4 | 256.1 | 205.9 | 166.7 | 137.2 | 113.4 | 95.1 | 81.2 | 70.1 | 282.0 | 147.7 | 86.1 | 106.1 | 1,172.6 | 3,659.4 |
| | | 6,016.8 | 4,771.0 | 3,936.4 | 3,258.5 | 2,748.4 | 2,354.6 | 2,023.8 | 1,761.1 | 1,553.9 | 1,383.0 | 6,090.1 | 3,500.8 | 2,123.0 | 3,005.1 | 20,056.1 | 64,582.5 |

(*): This is written for contractual service margin of the original insurance contracts and reinsurance contracts ceded. Amount allocated at each period is the net allocated amount that reflects the interest accrual effect of the relevant period deducted from the amount to be allocated according to the transfer of the insurance contract service. **(4) Best estimation**

A. Current difference ratio between expected and actual insurance claim

| Expected loss rate (%) (*1) | Actual loss ratio (%) (*2) | Difference (%) |
|---|---|---|
| 76.40 | 75.80 | 0.6 |

(* ) This is the loss ratio at the company income statement level, prepared for direct insurance and reinsurance contracts.
(* 1) Expected loss rate (A) = Expected insurance claim for the current period ÷ Actual risk insurance premium for the current period
(* 2) Actual loss ratio (B) = (Current incurred insurance claim + Current incurred accident factor adjustment) ÷ Current actual risk insurance premium

*(In 100 million of won)*

B. Expected insurance claim compared to risk insurance premium (Unit: 100 million KRW)

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Non Par | Dividend insurance of death | Expected insurance | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.7 | 0.7 | 3.3 | 2.3 | 0.9 | (0.4) | (2.9) | 9.4 |
| | | Risk insurance premium | 4.9 | 4.3 | 4.3 | 4.3 | 4.8 | 5.8 | 4.8 | 4.7 | 4.7 | 5.1 | 25.3 | 23.8 | 19.7 | 14.2 | 17.6 | 90.5 |
| | | Rate | 15.6% | 17.9% | 18.0% | 17.4% | 15.8% | 13.1% | 16.1% | 16.1% | 15.4% | 14.0% | 12.9% | 9.8% | 4.3% | (2.9%) | (16.4%) | 10.4% |
| | Non-dividend insurance of death | Expected insurance | 1,931.6 | 2,022.9 | 2,027.9 | 2,023.3 | 2,007.7 | 1,986.2 | 1,971.6 | 1,975.5 | 1,980.4 | 1,975.9 | 9,659.8 | 8,821.6 | 7,255.2 | 5,530.8 | 13,086.5 | 36,655.5 |
| | | Risk insurance premium | 3,150.3 | 3,288.3 | 3,300.8 | 3,324.4 | 3,349.5 | 3,366.7 | 3,385.7 | 3,426.9 | 3,462.9 | 3,465.5 | 17,639.1 | 17,064.9 | 15,020.7 | 12,808.9 | 28,769.1 | 68,797.7 |
| | | Rate | 61.3% | 61.5% | 61.4% | 60.9% | 59.9% | 59.0% | 58.2% | 57.6% | 57.2% | 57.0% | 54.8% | 51.7% | 48.3% | 43.2% | 45.5% | 53.3% |
| | Dividend insurance of health | Expected insurance | 157.5 | 148.2 | 138.5 | 128.3 | 117.8 | 108.8 | 100.5 | 92.4 | 84.6 | 77.8 | 300.4 | 182.0 | 107.5 | 57.3 | 27.8 | 1,386.4 |
| | | Risk insurance premium | 319.0 | 306.8 | 293.0 | 277.1 | 261.0 | 247.7 | 233.5 | 219.7 | 207.1 | 196.1 | 815.3 | 529.4 | 304.2 | 145.5 | 64.6 | 3,278.0 |
| | | Rate | 49.4% | 48.3% | 47.3% | 46.3% | 45.1% | 43.9% | 43.1% | 42.1% | 40.9% | 39.7% | 36.8% | 34.4% | 35.3% | 39.4% | 43.0% | 42.3% |
| | Non-dividend insurance of health | Expected insurance | 6,736.3 | 6,591.7 | 6,465.3 | 6,283.0 | 6,077.1 | 5,879.4 | 5,747.3 | 5,595.9 | 5,387.1 | 5,045.5 | 21,440.5 | 17,344.4 | 13,423.3 | 9,558.6 | 15,846.0 | 89,146.2 |
| | | Risk insurance premium | 7,567.8 | 7,566.6 | 7,402.8 | 7,294.1 | 7,315.5 | 6,978.6 | 7,033.0 | 6,826.6 | 6,324.4 | 5,878.7 | 28,946.6 | 18,816.6 | 12,910.7 | 8,916.7 | 12,198.1 | 102,705.6 |
| | | Rate | 89.0% | 87.1% | 87.3% | 86.1% | 83.1% | 84.2% | 81.7% | 82.0% | 85.2% | 85.8% | 74.1% | 92.2% | 104.0% | 107.2% | 129.9% | 86.8% |
| | Dividend insurance of annuity/saving | Expected insurance | 186.3 | 179.4 | 170.2 | 162.0 | 155.3 | 149.2 | 143.6 | 138.2 | 133.0 | 127.6 | 577.6 | 527.4 | 527.1 | 492.9 | 986.8 | 2,706.2 |
| | | Risk insurance premium | 840.1 | 814.8 | 791.9 | 778.1 | 763.3 | 750.7 | 739.9 | 729.0 | 719.0 | 707.2 | 3,374.9 | 3,127.3 | 2,735.6 | 2,157.5 | 2,792.2 | 13,445.0 |
| | | Rate | 22.2% | 22.0% | 21.5% | 20.8% | 20.3% | 19.9% | 19.4% | 19.0% | 18.5% | 18.0% | 17.1% | 16.9% | 19.3% | 22.8% | 35.3% | 20.1% |
| | Non-dividend insurance of annuity/saving | Expected insurance | 31.7 | 37.0 | 42.3 | 7.8 | (25.1) | (42.2) | (56.7) | (63.2) | (100.8) | (155.1) | (768.4) | (410.8) | (223.9) | (179.6) | (386.6) | (1,235.6) |
| | | Risk insurance premium | 111.1 | 121.9 | 88.3 | 38.8 | 31.5 | 26.9 | 23.9 | 21.5 | 20.0 | 21.3 | 159.8 | 249.0 | 296.5 | 297.3 | 767.5 | 1,139.4 |
| | | Rate | 28.5% | 30.3% | 47.9% | 20.2% | (79.7%) | (157.0%) | (237.0%) | (293.5%) | (502.8%) | (728.1%) | (481.0%) | (165.0%) | (75.5%) | (60.4%) | (50.4%) | (108.4%) |





*(In 100 million of won)*

B. Expected insurance claim compared to risk insurance premium, continued (Unit: 100 million KRW)

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Indirect -Par | Non-dividend insurance of death | Expected insurance | 7,481.2 | 7,717.8 | 7,969.5 | 8,168.1 | 8,157.1 | 8,055.6 | 7,988.7 | 8,019.9 | 8,139.4 | 8,351.1 | 44,256.6 | 46,835.4 | 48,089.9 | 47,114.1 | 187,863.9 | 204,161.2 |
| | | Risk insurance premium | 9,694.7 | 10,078.1 | 10,345.3 | 10,542.9 | 10,479.4 | 10,330.8 | 10,236.2 | 10,237.2 | 10,341.1 | 10,532.4 | 54,178.3 | 55,507.1 | 55,352.1 | 52,150.6 | 189,702.5 | 242,422.4 |
| | | Rate | 77.2% | 76.6% | 77.0% | 77.5% | 77.8% | 78.0% | 78.0% | 78.3% | 78.7% | 79.3% | 81.7% | 84.4% | 86.9% | 90.3% | 99.0% | 84.2% |
| | Dividend insurance of death | Expected insurance | 391.9 | 373.8 | 352.4 | 338.6 | 333.2 | 328.4 | 326.6 | 318.1 | 317.6 | 328.2 | 1,824.1 | 2,097.0 | 2,197.0 | 2,013.9 | 4,351.8 | 8,181.9 |
| | | Risk insurance premium | 465.4 | 452.3 | 428.4 | 409.7 | 397.7 | 383.9 | 374.6 | 358.9 | 352.4 | 354.2 | 1,841.4 | 1,943.9 | 1,931.5 | 1,801.1 | 3,802.3 | 8,288.8 |
| | | Rate | 84.2% | 82.6% | 82.3% | 82.7% | 83.8% | 85.5% | 87.2% | 88.6% | 90.1% | 92.6% | 99.1% | 107.9% | 113.7% | 111.8% | 114.5% | 98.7% |
| | Dividend insurance of annuity/saving | Expected insurance | 2.6 | 2.4 | 2.4 | 2.3 | 2.2 | 2.1 | 1.9 | 1.8 | 1.7 | 1.6 | 6.1 | 3.4 | 1.5 | 0.4 | - | 24.8 |
| | | Risk insurance premium | 8.1 | 7.6 | 7.1 | 6.5 | 6.0 | 5.6 | 5.2 | 4.8 | 4.5 | 4.1 | 15.9 | 10.4 | 6.9 | 5.3 | 7.4 | 75.4 |
| | | Rate | 31.5% | 31.9% | 33.3% | 35.0% | 36.0% | 36.5% | 36.9% | 37.4% | 37.3% | 38.2% | 38.5% | 33.1% | 21.3% | 8.3% | (0.2%) | 32.9% |
| Direct -Par | Non-dividend insurance of annuity/saving | Expected insurance | 54.7 | 43.3 | 36.8 | 30.9 | 24.5 | 16.6 | 9.0 | 1.8 | (2.7) | (3.8) | (11.7) | 25.0 | 24.7 | 12.3 | 6.3 | 221.6 |
| | | Risk insurance premium | 113.8 | 112.7 | 103.8 | 92.8 | 88.2 | 84.8 | 81.3 | 77.6 | 74.6 | 73.2 | 362.7 | 381.0 | 401.5 | 403.3 | 1,404.6 | 1,886.5 |
| | | Rate | 48.0% | 38.4% | 35.5% | 33.3% | 27.8% | 19.6% | 11.1% | 2.3% | (3.7%) | (5.2%) | (3.2%) | 6.6% | 6.2% | 3.0% | 0.4% | 11.7% |
| | Asset linked of annuity/saving | Expected insurance | (31.9) | (34.2) | (36.2) | (37.9) | (39.3) | (40.2) | (40.7) | (40.4) | (39.0) | (36.5) | (143.5) | (86.9) | (52.7) | (33.8) | (45.6) | (512.3) |
| | | Risk insurance premium | 1.7 | 1.5 | 1.3 | 1.2 | 1.0 | 0.9 | 0.7 | 0.6 | 0.5 | 0.4 | 1.1 | 0.5 | 0.3 | 0.3 | 0.8 | 10.3 |
| | | Rate | (1,835.8%) | (2,247.4%) | (2,685.7%) | (3,195.6%) | (3,860.4%) | (4,543.0%) | (5,514.4%) | (6,845.2%) | (8,037.2%) | (9,735.9%) | (13,144.6%) | (17,771.1%) | (15,178.7%) | (11,744.4%) | (5,749.3%) | (4,992.8%) |
| | Variable insurance of death | Expected insurance | 1,889.7 | 1,963.1 | 2,042.0 | 2,109.2 | 2,128.2 | 2,145.4 | 2,195.5 | 2,250.5 | 2,309.6 | 2,388.8 | 13,209.8 | 15,513.4 | 17,886.6 | 19,304.9 | 77,673.6 | 68,589.2 |
| | | Risk insurance premium | 2,744.1 | 2,878.5 | 2,989.5 | 3,078.0 | 3,109.5 | 3,147.7 | 3,218.7 | 3,292.3 | 3,385.5 | 3,504.2 | 19,482.1 | 23,229.6 | 27,103.4 | 29,431.4 | 114,578.0 | 102,314.1 |
| | | Rate | 68.9% | 68.2% | 68.3% | 68.5% | 68.4% | 68.2% | 68.2% | 68.4% | 68.2% | 68.2% | 67.8% | 66.8% | 66.0% | 65.6% | 67.8% | 67.0% |
| | Variable insurance of annuity/saving | Expected insurance | 56.9 | 52.4 | 47.4 | 42.8 | 38.9 | 36.2 | 34.2 | 33.2 | 33.7 | 35.2 | 196.4 | 219.2 | 216.5 | 172.2 | 142.5 | 833.3 |
| | | Risk insurance premium | 109.5 | 98.0 | 84.8 | 73.9 | 64.2 | 57.6 | 53.2 | 51.1 | 51.7 | 54.6 | 306.6 | 340.0 | 342.5 | 274.7 | 204.4 | 1,361.5 |
| | | Rate | 52.0% | 53.5% | 55.8% | 57.9% | 60.6% | 62.8% | 64.4% | 65.1% | 65.1% | 64.4% | 64.1% | 64.5% | 63.2% | 62.7% | 69.7% | 61.2% |
| | Total | Expected insurance | 18,889.2 | 19,098.7 | 19,259.3 | 19,259.1 | 18,978.3 | 18,626.1 | 18,422.5 | 18,324.5 | 18,245.2 | 18,136.8 | 90,550.9 | 91,073.5 | 89,453.6 | 84,043.5 | 299,550.2 | 410,167.9 |
| | | Risk insurance premium | 25,130.6 | 25,731.5 | 25,841.3 | 25,921.8 | 25,871.7 | 25,387.8 | 25,390.9 | 25,250.8 | 24,948.5 | 24,797.0 | 127,148.9 | 121,223.5 | 116,425.6 | 108,406.6 | 354,309.1 | 545,815.1 |
| | | Rate | 75.2% | 74.2% | 74.5% | 74.3% | 73.4% | 73.4% | 72.6% | 72.6% | 73.1% | 73.1% | 71.2% | 75.1% | 76.8% | 77.5% | 84.5% | 75.1% |

(*) Prepared for the remaining coverage component of direct insurance contracts, with the surrender value at the time of termination deducted when calculating the expected insurance benefits.

*(In 100 million of won)*

C. Expected maintenance fee compared to appointed maintenance premium (Unit: 100 million KRW)

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Non Par | Dividend insurance of death | Expected | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 1.4 | 1.2 | 1.0 | 0.7 | 0.9 | 5.3 |
| | | Appointed | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | | Rate | 15,327.8% | 15,960.2% | 16,812.2% | 14,396.3% | 14,776.7% | 15,216.4% | 15,845.3% | 16,763.4% | 17,816.9% | 18,885.5% | 21,046.7% | 23,549.1% | 24,917.2% | 24,398.7% | 23,546.6% | 18731.5% |
| | Non-dividend insurance of death | Expected | 2,535.0 | 1,040.2 | 1,005.0 | 915.5 | 893.2 | 855.4 | 688.2 | 627.2 | 611.6 | 573.8 | 2,557.2 | 2,348.2 | 2,045.5 | 1,741.4 | 4,708.6 | 14,389.6 |
| | | Appointed | 2,769.8 | 2,385.9 | 2,168.8 | 2,019.3 | 1,880.2 | 1,689.5 | 1,091.8 | 864.6 | 798.4 | 687.8 | 2,624.5 | 2,157.9 | 1,609.9 | 1,277.2 | 3,216.6 | 19,422.2 |
| | | Rate | 91.5% | 43.6% | 46.3% | 45.3% | 47.5% | 50.6% | 63.0% | 72.5% | 76.6% | 83.4% | 97.4% | 108.8% | 127.1% | 136.4% | 146.4% | 74.1% |
| | Dividend insurance of health | Expected | 18.0 | 16.5 | 15.4 | 12.6 | 11.6 | 10.7 | 9.9 | 9.1 | 8.3 | 7.6 | 29.1 | 16.8 | 8.8 | 4.0 | 1.6 | 140.0 |
| | | Appointed | 1.3 | 1.2 | 1.1 | 1.0 | 0.9 | 0.9 | 0.8 | 0.7 | 0.6 | 0.6 | 2.1 | 1.1 | 0.6 | 0.3 | 0.1 | 10.6 |
| | | Rate | 1,356.3% | 1,336.2% | 1,348.1% | 1,206.9% | 1,223.5% | 1,242.3% | 1,264.0% | 1,290.0% | 1,317.9% | 1,346.6% | 1,410.5% | 1,462.1% | 1,423.5% | 1,351.2% | 1,287.7% | 1325.7% |
| | Non-dividend insurance of health | Expected | 1,279.5 | 924.3 | 858.1 | 756.9 | 705.6 | 660.1 | 629.7 | 598.0 | 562.5 | 517.0 | 2,115.5 | 1,684.3 | 1,327.9 | 938.1 | 1,929.1 | 10,355.4 |
| | | Appointed | 1,491.7 | 1,328.3 | 1,224.3 | 1,129.6 | 1,037.2 | 953.3 | 899.0 | 848.9 | 794.5 | 718.9 | 2,877.8 | 2,528.5 | 2,155.9 | 1,575.5 | 3,450.5 | 14,861.7 |
| | | Rate | 85.8% | 69.6% | 70.1% | 67.0% | 68.0% | 69.2% | 70.0% | 70.4% | 70.8% | 71.9% | 73.5% | 66.6% | 61.6% | 59.5% | 55.9% | 69.7% |
| | Dividend insurance of annuity/saving | Expected | 300.4 | 303.2 | 303.2 | 248.1 | 247.6 | 246.4 | 244.7 | 242.5 | 239.7 | 236.3 | 1,110.8 | 949.2 | 752.2 | 550.1 | 777.3 | 4,297.0 |
| | | Appointed | 98.2 | 96.6 | 95.2 | 93.8 | 92.4 | 91.1 | 89.7 | 88.3 | 86.9 | 85.5 | 404.4 | 360.7 | 307.8 | 246.3 | 429.7 | 1,610.9 |
| | | Rate | 305.8% | 314.0% | 318.6% | 264.5% | 267.9% | 270.6% | 272.9% | 274.7% | 275.8% | 276.6% | 274.7% | 263.1% | 244.4% | 223.4% | 180.9% | 266.7% |
| | Non-dividend insurance of annuity/saving | Expected | 363.7 | 315.7 | 274.1 | 142.8 | 127.4 | 120.2 | 116.4 | 113.6 | 104.9 | 90.8 | 336.8 | 210.9 | 136.6 | 90.4 | 160.5 | 2,060.9 |
| | | Appointed | 261.8 | 213.4 | 178.9 | 107.1 | 81.3 | 70.1 | 64.4 | 60.2 | 45.1 | 26.7 | 73.1 | 41.0 | 23.9 | 13.8 | 17.7 | 1,094.9 |
| | | Rate | 138.9% | 147.9% | 153.2% | 133.4% | 156.8% | 171.5% | 180.7% | 188.6% | 232.3% | 339.9% | 460.6% | 514.2% | 571.9% | 655.0% | 905.8% | 188.2% |





*(In 100 million of won)*

C. Expected insurance claim compared to risk insurance premium, continued (Unit: 100 million KRW)

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Indirect - Par | Non-dividend insurance of death | Expected | 2,290.8 | 2,122.2 | 2,056.4 | 1,874.3 | 1,782.0 | 1,671.3 | 1,571.1 | 1,474.3 | 1,409.6 | 1,369.2 | 6,296.9 | 5,507.1 | 4,801.0 | 4,219.5 | 13,950.0 | 29,514.0 |
| | | Appointed | 3,984.1 | 3,702.8 | 3,526.0 | 3,381.3 | 3,150.8 | 2,890.6 | 2,658.9 | 2,426.1 | 2,286.1 | 2,203.4 | 10,078.2 | 8,630.1 | 7,615.9 | 7,264.7 | 29,053.7 | 50,273.0 |
| | | Rate | 57.5% | 57.3% | 58.3% | 55.4% | 56.6% | 57.8% | 59.1% | 60.8% | 61.7% | 62.1% | 62.5% | 63.8% | 63.0% | 58.1% | 48.0% | 58.7% |
| | Dividend insurance of death | Expected | 239.5 | 185.0 | 173.8 | 158.9 | 150.0 | 140.6 | 133.6 | 127.0 | 122.4 | 118.7 | 514.2 | 313.3 | 229.9 | 162.7 | 350.1 | 2,119.6 |
| | | Appointed | 447.4 | 400.7 | 362.3 | 331.6 | 303.8 | 277.3 | 256.6 | 238.6 | 225.2 | 213.2 | 887.8 | 442.8 | 259.7 | 165.2 | 399.4 | 3,777.3 |
| | | Rate | 53.5% | 46.2% | 48.0% | 47.9% | 49.4% | 50.7% | 52.1% | 53.2% | 54.3% | 55.7% | 57.9% | 70.8% | 88.5% | 98.5% | 87.6% | 56.1% |
| | Dividend insurance of annuity/saving | Expected | 3.1 | 2.6 | 2.4 | 1.8 | 1.7 | 1.6 | 1.4 | 1.3 | 1.2 | 1.1 | 4.4 | 2.9 | 1.9 | 1.3 | 1.3 | 22.4 |
| | | Appointed | 0.8 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | - | - | - | 2.3 |
| | | Rate | 385.0% | 774.0% | 968.5% | 876.5% | 954.3% | 1,030.9% | 1,125.8% | 1,203.0% | 1,330.0% | 1,418.8% | 2,078.5% | 4,349.7% | 9,586.3% | 11,010.1% | 13,582.4% | 966.8% |
| Direct -Par | Non-dividend insurance of annuity/saving | Expected | 405.0 | 352.9 | 316.5 | 246.1 | 222.9 | 202.4 | 184.7 | 167.9 | 150.8 | 137.2 | 544.8 | 373.8 | 256.1 | 178.7 | 412.6 | 2,959.1 |
| | | Appointed | 255.6 | 204.2 | 165.8 | 138.2 | 116.1 | 96.5 | 81.5 | 67.2 | 53.7 | 45.4 | 158.8 | 96.7 | 62.2 | 42.2 | 99.0 | 1,322.6 |
| | | Rate | 158.4% | 172.8% | 190.8% | 178.0% | 192.1% | 209.7% | 226.7% | 249.7% | 281.0% | 302.4% | 343.2% | 386.7% | 411.4% | 423.2% | 416.7% | 223.7% |
| | Asset linked of annuity/saving | Expected | 180.3 | 168.3 | 157.4 | 122.9 | 115.4 | 108.3 | 102.1 | 95.8 | 89.2 | 82.5 | 329.2 | 220.5 | 145.2 | 95.4 | 151.0 | 1,556.2 |
| | | Appointed | 133.0 | 112.0 | 92.5 | 77.7 | 65.5 | 55.8 | 47.7 | 40.6 | 34.3 | 29.1 | 94.0 | 41.9 | 16.9 | 6.1 | 2.8 | 709.5 |
| | | Rate | 135.5% | 150.2% | 170.2% | 158.3% | 176.0% | 194.0% | 214.0% | 236.0% | 260.0% | 283.8% | 350.1% | 526.7% | 861.8% | 1,557.8% | 5,326.2% | 219.4% |
| | Variable insurance of death | Expected | 657.1 | 636.4 | 616.4 | 584.1 | 547.6 | 512.2 | 483.7 | 457.2 | 432.1 | 409.9 | 1,802.5 | 1,481.8 | 1,205.1 | 971.3 | 2,671.6 | 8,215.0 |
| | | Appointed | 1,585.0 | 1,505.4 | 1,429.5 | 1,327.6 | 1,189.4 | 1,062.4 | 955.8 | 867.3 | 795.9 | 738.4 | 3,230.6 | 2,793.9 | 2,510.4 | 2,228.7 | 7,380.1 | 17,416.8 |
| | | Rate | 41.5% | 42.3% | 43.1% | 44.0% | 46.0% | 48.2% | 50.6% | 52.7% | 54.3% | 55.5% | 55.8% | 53.0% | 48.0% | 43.6% | 36.2% | 47.2% |
| | Variable insurance of annuity/saving | Expected | 325.4 | 299.4 | 272.5 | 243.1 | 222.1 | 202.3 | 185.8 | 170.3 | 155.0 | 140.8 | 537.8 | 338.2 | 207.5 | 125.9 | 195.4 | 2,682.2 |
| | | Appointed | 283.3 | 241.0 | 187.5 | 149.7 | 124.8 | 107.2 | 92.0 | 80.4 | 71.0 | 63.5 | 239.8 | 157.0 | 101.5 | 65.3 | 129.4 | 1,596.9 |
| | | Rate | 114.9% | 124.2% | 145.4% | 162.4% | 178.0% | 188.8% | 202.0% | 211.7% | 218.4% | 221.9% | 224.3% | 215.4% | 204.5% | 192.8% | 151.0% | 168.0% |
| | Total | Expected | 8,598.3 | 6,366.9 | 6,051.5 | 5,307.4 | 5,027.4 | 4,731.9 | 4,351.6 | 4,084.4 | 3,887.5 | 3,685.3 | 16,180.9 | 13,448.4 | 11,118.9 | 9,079.5 | 25,309.9 | 78,316.6 |
| | | Appointed | 11,312.1 | 10,191.9 | 9,432.0 | 8,757.1 | 8,042.7 | 7,294.8 | 6,238.3 | 5,583.0 | 5,191.8 | 4,812.5 | 20,671.3 | 17,251.6 | 14,664.6 | 12,885.3 | 44,179.3 | 112,098.7 |
| | | Rate | 76.0% | 62.5% | 64.2% | 60.6% | 62.5% | 64.9% | 69.8% | 73.2% | 74.9% | 76.6% | 78.3% | 78.0% | 75.8% | 70.5% | 57.3% | 69.9% |

(*) Prepared for the remaining coverage component of direct insurance contracts, with the surrender value at the time of termination deducted when calculating the expected insurance benefits.

*(In 100 million of won)*

**(5) Assumption sensitivity**

A. Insurance Risk

The Group conducts sensitivity analysis of current estimates based on loss rates (mortality rate, disability rate), surrender rates, and operating expenses, which are judged to have a significant impact on the uncertainty of the amount and timing of future cash flows arising from insurance contracts, and manages insurance risks through this procedure.

| | Shock Level(*1) | Base price | | Variance price | | Effect of profit and capital (Before tax) | |
|---|---|---|---|---|---|---|---|
| | | Fulfilment cashflow(*3) | Contract margin | Fulfilment cashflow(*3) | Contract margin | Profit or loss(*2) | Other comprehensive income |
| Mortality rate | Up 3.27% | | | ₩ 992 | (2,124) | 1,073 | 60 |
| Disability rate (Fixed) | Up 3.40% | | | 7,551 | (7,432) | (172) | 52 |
| Disability rate (Actual) | Up 2.62% | | | 7, 551 | (7,432) | (172) | 52 |
| Surrender rate (Up) | Up 9.16% | 859,446 | 64,583 | 7,045 | (7,729) | 134 | 551 |
| Surrender rates (Down) | Down 9.16% | | | (7,607) | 8,324 | (126) | (590) |
| Operating expense (Degree) | Up 2.62% | | | 2,443 | (2,217) | (223) | (2) |
| Operating expense (Inflation) | 0.26%p | | | ₩ 2,443 | (2,217) | (223) | (2) |

(*1) This is a sensitivity analysis of the remaining coverage components of original insurance and reinsurance contracts ceded, and the shock level of the actuarial assumptions is based on the risk adjustment calculation standard (confidence level 75%) in the supervisory standards.
(*2) The impact on net income refers to the increase in best estimate liabilities that causes losses by exceeding the carrying amount of the contractual service margin due to changes in assumptions.
(*3) The shock was not applied to risk adjustment among the fulfillment cash flows.

**B. Interest Rate Risk**

The impact of interest rate fluctuations on the profit and loss of financial assets, insurance contracts, reinsurance contracts held, and other comprehensive income as of December 31, 2024, is as follows.

| | | | Profit or loss (Before Tax) | Other comprehensive income (Before Tax) |
|---|---|---|---|---|
| UP 100bp | Financial asset | ₩ | - | - |
| | Insurance contract | | - | 74,006 |
| | Reinsurance ceded contract | | - | 213 |
| Down 100bp | Financial asset | | - | - |
| | Insurance contract | | - | (92,669) |
| | Reinsurance ceded contract | ₩ | - | (245) |

Kyobo Life Insurance Co., Ltd.

Separate financial statements

**for the years ended December 31, 2024 and 2023**
**with the independent auditor's report**

**Table of contents**


| | |
|---|---|
| Independent auditor's report | **Page** |
| Separate financial statements | |
| Separate statements of financial position | 1 |
| Separate statements of comprehensive income (loss) | 2 |
| Separate statements of changes in equity | 4 |
| Separate statements of cash flows | 6 |
| Notes to the separate financial statements | 7 |
| Independent Auditors' Review Report on Internal Accounting Control System | 108 |

**Independent Auditor's Report**

(English Translation of a Report Originally Issued in Korean)

**To the Board of Directors and Shareholders of**
**Kyobo Life Insurance Co., Ltd.**

**Opinion**
We have audited the separate financial statements of Kyobo Life Insurance Co., Ltd. (the Company), which comprise the separate statements of financial position as at December 31, 2024 and 2023, and the separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows for the years then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Kyobo Life Insurance Co., Ltd. as at December 31, 2024 and 2023, and its separate financial performance and its separate cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS).

**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 separate Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the separate 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.

**Emphasis of Matter**
Without modifying our opinion, we draw attention to Note 44 to the financial statements. As discussed in Note 44, the Company corrected errors in the calculation of the time value for the amortization of the contractual service margin. Therefore, we retrospectively restated the comparative financial statements by reflecting these adjustments.

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

In preparing the separate financial statements, management is responsible for assessing the Company'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 Company or to cease operations.

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

**Auditor's Responsibilities for the Audit of the Separate Financial Statements**
Our objectives are to obtain reasonable assurance about whether the 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 separate 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 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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 Company'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 separate 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

March 5, 2025

This report is effective as of March 5, 2025, 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 separate 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.

# Kyobo Life Insurance Co., Ltd.

## Separate financial statements

## for the years ended December 31, 2024 and 2023

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

Chang Jae, Shin
Chief Executive Officer
Kyobo Life Insurance Co., Ltd.

(Address) 1, Jong-ro, Jongno-gu, Seoul, Republic of Korea
(Contact) 1588-1001

# Kyobo Life Insurance Co., Ltd.
## Separate statements of financial position
**As of December 31, 2024, 2023 and January 1, 2023**

| *(In won)* | *Note* | | 31/12/2024 | 31/12/2023 | 1/12023 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and due from banks | 4,11,12 | ₩ | 3,501,249,993,037 | 4,265,642,709,444 | 3,010,065,610,079 |
| Financial assets at fair value through profit or loss | 5,11,12 | | 32,211,658,924,788 | 34,153,491,484,438 | 35,537,332,477,061 |
| Derivative assets | 11,12,24 | | 597,559,945,036 | 665,243,262,581 | 400,967,002,233 |
| Financial assets at fair value through other comprehensive income | 6,11,12 | | 58,025,921,849,151 | 49,724,360,239,462 | 40,134,068,706,151 |
| Securities at amortized cost | 7,11,12 | | 1,213,149,160,928 | 1,263,520,722,386 | 1,385,026,077,630 |
| Loans receivables at amortized cost | 8,11,12 | | 19,081,019,622,872 | 19,225,686,060,264 | 18,970,076,250,178 |
| Other financial assets at amortized cost | 9,11,12 | | 1,000,590,832,470 | 974,297,988,445 | 843,704,289,476 |
| Investments in subsidiaries, associates and joint ventures | 10,11,12 | | 2,910,745,314,498 | 2,048,122,402,180 | 1,414,414,836,809 |
| Reinsurance contract assets | 17 | | 193,269,198,006 | 173,481,167,358 | 177,133,521,659 |
| Investment properties | 13 | | 1,149,053,680,323 | 1,162,379,757,334 | 1,174,479,175,463 |
| Property and equipment | 14 | | 863,882,978,325 | 871,607,952,815 | 884,856,855,903 |
| Intangible assets | 15 | | 52,532,540,502 | 98,963,014,640 | 143,785,928,801 |
| Current tax assets | 37 | | 165,466,362,986 | 198,364,899,256 | - |
| Deferred tax assets | 37 | | 1,426,456,740,781 | 167,537,709,835 | 40,545,709,225 |
| Other assets | 16 | | 16,425,902,296 | 9,844,679,425 | 10,021,005,864 |
| **Total assets** | | **₩** | **122,408,983,045,999** | **115,002,544,049,863** | **104,126,477,446,532** |
| **Liabilities** | | | | | |
| Insurance contract liabilities | 17 | ₩ | 94,441,284,045,036 | 87,242,878,594,424 | 78,495,219,608,715 |
| Reinsurance contract liabilities | 17 | | 272,808,210,343 | 255,240,639,692 | 218,240,804,869 |
| Investment contract liabilities | 11,12 | | 16,000,079,179,581 | 15,427,506,286,619 | 12,052,072,569,077 |
| Other contract liabilities | 18 | | 171,692,453,763 | 146,904,945,690 | 218,961,394,522 |
| Derivative liabilities | 11,12,24 | | 2,462,070,231,543 | 843,086,217,893 | 1,293,340,237,313 |
| Borrowings | 11,12,20 | | 698,079,778,815 | - | 930,000,000,000 |
| Other financial liabilities | 11,12,19 | | 919,867,524,008 | 951,900,475,093 | 653,251,191,404 |
| Provisions | 21 | | 30,140,351,489 | 26,944,550,086 | 17,064,104,785 |
| Current tax liabilities | 37 | | - | - | 183,593,307,005 |
| Net defined benefit liabilities | 22 | | 26,986,797,745 | 34,645,052,862 | 4,702,647,176 |
| Other liabilities | 23 | | 80,956,755,099 | 97,681,927,809 | 83,876,301,499 |
| **Total liabilities** | | **₩** | **115,103,965,327,422** | **105,026,788,690,168** | **94,150,322,166,365** |
| **Equity** | | | | | |
| Capital stock | 25 | | 102,500,000,000 | 102,500,000,000 | 102,500,000,000 |
| Hybrid bonds | 25 | | 2,205,726,208,213 | 1,607,440,428,213 | 1,108,898,948,213 |
| Capital surplus | 25 | | 365,936,339,794 | 365,936,339,794 | 365,936,339,794 |
| Capital adjustments | 25 | | (197,414,736,484) | (197,414,736,484) | (113,406,860,884) |
| Accumulated other comprehensive income | 25 | | (2,205,732,209,538) | 1,670,167,445,676 | 2,591,806,661,085 |
| Retained earnings | 25 | | 7,034,002,116,592 | 6,427,125,882,496 | 5,920,420,191,959 |
| **Total equity** | | | **7,305,017,718,577** | **9,975,755,359,695** | **9,976,155,280,167** |
| **Total equity and liabilities** | | **₩** | **122,408,983,045,999** | **115,002,544,049,863** | **104,126,477,446,532** |

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



# Kyobo Life Insurance Co., Ltd.
## Separate statements of comprehensive income
**For the years ended December 31, 2024 and 2023**

| *(In won)* | *Note* | | 2024 | 2023 |
|---|---|---|---|---|
| **Insurance service incomes and expenses** | | | | |
| **Insurance service incomes** | | | | |
| Insurance income | 17 | ₩ | 3,979,442,385,464 | 3,863,453,098,172 |
| Reinsurance income | 17 | | 31,557,425,740 | 32,407,581,345 |
| | | | **4,010,999,811,204** | **3,895,860,679,517** |
| **Insurance service expenses** | | | | |
| Insurance expenses | 17,31 | | 3,462,885,320,056 | 3,597,812,692,098 |
| Reinsurance premium expenses | 17 | | 33,540,337,808 | 28,956,369,199 |
| Other insurance operating expenses | 31 | | 40,950,288,936 | 36,409,966,414 |
| | | | **3,537,375,946,800** | **3,663,179,027,711** |
| **Investment incomes and expenses** | | | | |
| **Investment incomes** | | | | |
| Reinsurance finance income | 17 | | 2,232,319,156 | 2,071,693,076 |
| Interest income | 11,26 | | 3,173,869,353,020 | 2,896,798,598,127 |
| Gain on valuation and disposal of financial assets at fair value through profit or loss | 11,27 | | 1,787,258,333,128 | 2,652,333,003,379 |
| Gain on valuation and disposal of financial assets at fair value through other comprehensive income | 11,27 | | 228,921,930,422 | 204,653,150,568 |
| Gain on valuation and disposal of financial assets at amortized cost | 11,27 | | 4,804,301,030 | 12,356,639,576 |
| Gain on valuation and disposal of derivative assets | 11,27 | | 1,030,764,340,387 | 828,503,996,182 |
| Gain on foreign currency transaction | 11,35 | | 2,358,563,057,817 | 452,069,227,899 |
| Fee and commission income | 28 | | 25,134,244,399 | 35,586,414,781 |
| Rental income | | | 103,269,347,576 | 99,316,668,366 |
| Dividend income | 11,29 | | 143,937,652,899 | 106,422,071,900 |
| Other operating income | 11,30 | | 796,856,596,588 | 745,849,223,469 |
| | | | **9,655,611,476,422** | **8,035,960,687,323** |
| **Investment expenses** | | | | |
| Insurance finance expenses | 17 | | 2,923,905,728,455 | 4,283,343,784,214 |
| Reinsurance finance expenses | 17 | | 5,609,162,974 | 6,576,970,918 |
| Interest expenses | 11,32 | | 125,163,182,039 | 161,642,653,168 |
| Loss on valuation and disposal of financial assets at fair value through profit or loss | 11,33 | | 1,619,469,079,652 | 733,011,795,569 |
| Loss on valuation and disposal of financial assets at fair value through other comprehensive income | 11,33 | | 255,556,756,810 | 73,833,520,315 |
| Loss on valuation and disposal of financial assets at amortized cost | 11,33 | | 61,590,973,594 | 60,461,362,951 |
| Loss on valuation and disposal of derivative assets | 11,33 | | 3,079,016,861,623 | 1,319,656,415,631 |
| Asset management expenses | 31 | | 87,499,136,193 | 84,976,538,414 |
| Loss on foreign currency transaction | 11,35 | | 32,833,733,061 | 64,206,277,804 |
| Other financial expenses | 11,33 | | 714,274,352,270 | 572,674,314,797 |
| Other operating expenses | 34 | | 79,292,882,021 | 71,723,594,841 |
| | | | **8,984,211,848,692** | **7,432,107,228,622** |
| **Operating profit** | | | **1,145,023,492,134** | **836,535,110,507** |
| Non-operating income | 36 | | 28,128,085,862 | 24,609,995,561 |
| Non-operating expenses | 36 | | 292,361,695,240 | 21,591,386,078 |
| **Profit before income tax expenses** | | | **880,789,882,756** | **839,553,719,990** |
| **Income tax expenses** | 37 | | **182,053,793,416** | **207,353,112,783** |
| **Profit for the period** | | **₩** | **698,736,089,340** | **632,200,607,207** |

*(Continued)*

# Kyobo Life Insurance Co., Ltd.
## Separate statements of comprehensive income (loss), continued
**For the years ended December 31, 2024 and 2023**

| *(In won)* | *Note* | | 2024 | 2023 |
|---|---|---|---|---|
| **Items that are or may be reclassified subsequently to profit or loss:** | | | | |
| Gain(Loss) on valuation of financial assets at fair value through other comprehensive income | 25 | ₩ | 228,760,108,684 | 2,297,111,160,286 |
| Loss allowance of debt instruments at fair value through other comprehensive income | 25 | | (3,355,361,292) | 2,095,383,890 |
| Net financial gain(loss) on insurance contract assets(liabilities) | 25 | | (4,152,878,380,603) | (3,543,792,299,432) |
| Net financial gain(loss) on reinsurance contract assets(liabilities) | 25 | | (8,195,428,578) | (36,112,798,724) |
| Gain(Loss) on valuation of investments in associates and subsidiaries | 25 | | - | 5,343,565 |
| Gain(Loss) on valuation of derivative instruments for hedging purpose | 25 | | 36,349,574,740 | 357,360,796,277 |
| | | | (3,899,319,487,049) | (923,332,414,138) |
| **Items that will not be reclassified to profit or loss:** | | | | |
| Gain(loss) on valuation of securities at fair value through other comprehensive income | 25 | | 25,102,614,600 | 9,280,370,217 |
| Revaluation of property and equipment | 25 | | (9,037,395,320) | (3,640,898,588) |
| Remeasurements on defined benefit obligation | 25 | | 7,202,869,815 | (3,946,272,900) |
| | | | 23,268,089,095 | 1,693,198,729 |
| **Other comprehensive income (loss) for the period, net of income tax** | | | **(3,876,051,397,954)** | **(921,639,215,409)** |
| **Total comprehensive income (loss) for the period** | | ₩ | **(3,177,315,308,614)** | **(289,438,608,202)** |
| **Profit for the period attributable to:** | | | | |
| **Earnings per share** | 41 | | | |
| Basic and diluted earnings per share | | ₩ | 6,046 | 5,482 |

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



# Kyobo Life Insurance Co., Ltd.
## Separate statements of changes in equity
**For the years ended December 31, 2024 and 2023**

| *(In won)* | Capital stock | Hybrid bonds | Capital surplus | Capital adjustments | Accumulated other comprehensive income | Retained earnings | Total |
|---|---|---|---|---|---|---|---|
| **Balance as of January 1, 2023 (Before error correction and change)** | 102,500,000,000 | 1,108,898,948,213 | 365,936,339,794 | (113,406,860,884) | 4,534,291,588,534 | 6,717,411,466,702 | 12,715,631,482,359 |
| Increase (decrease) due to error correction | - | - | - | - | - | 70,244,360,080 | 70,244,360,080 |
| Effects of changes in accounting policies | - | - | - | - | (1,942,484,927,449) | (867,235,634,823) | (2,809,720,562,272) |
| **Balance as of January 1, 2023 (After change)** | 102,500,000,000 | 1,108,898,948,213 | 365,936,339,794 | (113,406,860,884) | 2,591,806,661,085 | 5,920,420,191,959 | 9,976,155,280,167 |
| **Total comprehensive income (loss):** | - | - | - | - | (921,639,215,409) | 632,200,607,207 | (289,438,608,202) |
| Profit (loss) for the period | - | - | - | - | - | 632,200,607,207 | 632,200,607,207 |
| Other comprehensive income (loss) | - | - | - | - | (921,639,215,409) | - | (921,639,215,409) |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income | - | - | - | - | 2,306,391,530,503 | - | 2,306,391,530,503 |
| Loss allowance of debt instrument at fair value through other comprehensive income | - | - | - | - | 2,095,383,890 | - | 2,095,383,890 |
| Net financial gain(loss) on insurance contract assets(liabilities) | - | - | - | - | (3,543,792,299,432) | - | (3,543,792,299,432) |
| Net financial gain(loss) on reinsurance contract assets(liabilities) | - | - | - | - | (36,112,798,724) | - | (36,112,798,724) |
| Gain (loss) on valuation of investments in associates and subsidiaries | - | - | - | - | 5,343,565 | - | 5,343,565 |
| Gain (loss) on valuation of derivative instruments for hedging | - | - | - | - | 357,360,796,277 | - | 357,360,796,277 |
| Gain (loss) on revaluation of property and equipment | - | - | - | - | (3,640,898,588) | - | (3,640,898,588) |
| Remeasurement gain (loss) on defined benefit obligation | - | - | - | - | (3,946,272,900) | - | (3,946,272,900) |
| **Transactions with owners:** | - | 498,541,480,000 | - | (84,007,875,600) | - | (125,494,916,670) | 289,038,687,730 |
| Annual dividends | - | - | - | - | - | (51,250,000,000) | (51,250,000,000) |
| Dividends to hybrid bonds | - | - | - | - | - | (74,244,916,670) | (74,244,916,670) |
| Issuance to hybrid bonds | - | 498,541,480,000 | - | - | - | - | 498,541,480,000 |
| Acquisition of Treasury Stock | - | - | - | (84,007,875,600) | - | - | (84,007,875,600) |
| **Balance as of December 31, 2023** | ₩ **102,500,000,000** | **1,607,440,428,213** | **365,936,339,794** | **(197,414,736,484)** | **1,670,167,445,676** | **6,427,125,882,496** | **9,975,755,359,695** |

*(Continued)*

# Kyobo Life Insurance Co., Ltd.
## Separate statements of changes in equity, continued
**For the years ended December 31, 2024 and 2023**

*(In won)*

| | Capital stock | Hybrid bonds | Capital surplus | Capital adjustments | Accumulated other comprehensive income | Retained earnings | Total |
|---|---|---|---|---|---|---|---|
| **Balance as of January 1, 2024 (Before change)** | ₩ 102,500,000,000 | 1,607,440,428,213 | 365,936,339,794 | (197,414,736,484) | 1,670,167,445,676 | 6,427,125,882,496 | 9,975,755,359,695 |
| Effects of changes in accounting policies | - | - | - | - | - | - | - |
| **Balance as of January 1, 2024 (After change)** | 102,500,000,000 | 1,607,440,428,213 | 365,936,339,794 | (197,414,736,484) | 1,670,167,445,676 | 6,427,125,882,496 | 9,975,755,359,695 |
| **Total comprehensive income (loss):** | - | - | - | - | 1,670,167,445,676 | 698,584,346,600 | (3,177,315,308,614) |
| Profit (loss) for the period | - | - | - | - | (3,875,899,655,214) | 698,736,089,340 | 698,736,089,340 |
| Other comprehensive income (loss) | - | - | - | - | - | (151,742,740) | (3,876,051,397,954) |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income | - | - | - | - | (3,875,899,655,214) | (151,742,740) | (3,876,051,397,954) |
| Loss allowance of debt instrument at fair value through other comprehensive income | - | - | - | - | 254,014,466,024 | (151,742,740) | 253,862,723,284 |
| Net financial gain(loss) on insurance contract assets(liabilities) | - | - | - | - | (3,355,361,292) | - | (3,355,361,292) |
| Net financial gain(loss) on reinsurance contract assets(liabilities) | - | - | - | - | (4,152,878,380,603) | - | (4,152,878,380,603) |
| Gain (loss) on valuation of derivative instruments for hedging | - | - | - | - | (8,195,428,578) | - | (8,195,428,578) |
| Gain (loss) on revaluation of property and equipment | - | - | - | - | 36,349,574,740 | - | 36,349,574,740 |
| Remeasurement gain (loss) on defined benefit obligation | - | - | - | - | (9,037,395,320) | - | (9,037,395,320) |
| **Transactions with owners:** | - | 598,285,780,000 | - | - | 7,202,869,815 | - | 7,202,869,815 |
| Dividends to hybrid bonds | - | - | - | - | - | (91,708,112,504) | 506,577,667,496 |
| Issuance to hybrid bonds | - | 598,285,780,000 | - | - | - | (91,708,112,504) | (91,708,112,504) |
| | | | | | | - | 598,285,780,000 |
| **Balance as of December 31, 2024** | ₩ 102,500,000,000 | 2,205,726,208,213 | 365,936,339,794 | (197,414,736,484) | (2,205,732,209,538) | 7,034,002,116,592 | 7,305,017,718,577 |

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



# Kyobo Life Insurance Co., Ltd.
## Notes to the separate financial statements
**For the years ended December 31, 2024 and 2023**

*(In won)*

| | *Note* | | 2024 | 2023 |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Cash flows generated from operating activities: | | ₩ | 858,507,014,357 | 2,864,070,660,051 |
| Profit for the period | | | 698,736,089,340 | 632,200,607,207 |
| Adjustments | 42 | | 397,032,432,965 | 158,096,820,704 |
| Changes in operating assets and liabilities | 42 | | (237,261,507,948) | 2,073,773,232,140 |
| Income tax paid | | | (17,805,933,503) | (381,622,189,548) |
| Interest received | | | 2,849,063,825,920 | 2,715,386,209,347 |
| Interest paid | | | (114,464,457,149) | (155,785,732,082) |
| Dividend received | | | 158,241,474,927 | 126,225,750,864 |
| **Net cash provided by (used in) operating activities** | | | **3,733,541,924,552** | **5,168,274,698,632** |
| **Cash flows from investing activities:** | | | | |
| Cash inflows from derivatives held for hedging | | | 88,168,524,987 | 104,227,327,266 |
| Cash outflows from derivatives held for hedging | | | (9,541,772,488) | (29,143,025,947) |
| Acquisition of investments in associates and subsidiaries | | | (1,130,359,419,824) | (640,464,826,802) |
| Disposal of investments in associates and subsidiaries | | | 8,784,116,637 | - |
| Dividends of investments in associates and subsidiaries | | | 6,625,702,793 | 6,147,750,000 |
| Acquisition of property and equipment | | | (16,416,086,254) | (10,773,958,699) |
| Disposal of property and equipment | | | 104,500,000 | - |
| Acquisition of investment properties | | | (1,388,388,028) | (825,772,561) |
| Acquisition of intangible assets | | | (15,296,605,510) | (17,539,081,480) |
| Disposal of intangible assets | | | 1,300,000,000 | - |
| Increase in leasehold deposits | | | (22,130,866,320) | (29,149,396,920) |
| Decrease in leasehold deposits | | | 24,063,314,820 | 36,676,492,081 |
| Acquisition of financial assets at fair value through profit or loss | | | (10,002,114,899,195) | (6,235,122,285,362) |
| Disposal of financial assets at fair value through profit or loss | | | 10,584,202,716,563 | 8,991,756,492,095 |
| Acquisition of financial assets at fair value through other comprehensive income | | | (23,360,207,399,858) | (16,558,953,028,484) |
| Disposal of financial assets at fair value through other comprehensive income | | | 17,425,538,216,608 | 10,536,957,799,247 |
| Acquisition of securities at amortized cost | | | (46,392,950,700) | - |
| Repayment of securities at amortized cost | | | 100,795,103,320 | 121,834,595,905 |
| **Net cash provided by (used in) investing activities** | | | **(6,364,266,192,449)** | **(3,724,370,919,661)** |
| **Cash flows from financing activities:** | | | | |
| Increase in leasehold deposits received | | | 18,931,578,736 | 44,379,956,850 |
| Decrease in leasehold deposits received | | | (21,571,235,820) | (44,663,134,595) |
| Dividends paid | | | - | (51,250,000,000) |
| Issuance to hybrid bonds | | | 598,285,780,000 | 498,541,480,000 |
| Dividends to hybrid bonds | | | (87,806,125,000) | (67,806,362,500) |
| Reimbursement of lease labilities | | | (32,167,006,712) | (33,204,706,974) |
| Repayment of borrowings | | | - | (930,000,000,000) |
| Proceeds from borrowings | | | 698,015,780,000 | - |
| Acquisition of treasury stock | | | - | (84,007,875,600) |
| **Net cash provided by (used in) financing activities** | | | **1,173,688,771,204** | **(668,010,642,819)** |
| **Effect of exchange rate fluctuations on cash and cash equivalents held** | | | 1,110,424,706 | (7,359,670) |
| **Net increase (decrease) in cash and cash equivalents** | | | (1,455,925,071,987) | 775,885,776,482 |
| Cash and cash equivalents at the beginning of the period | | | 2,969,731,496,956 | 2,193,845,720,474 |
| **Cash and cash equivalents at the end of the period** | | ₩ | **1,513,806,424,969** | **2,969,731,496,956** |

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

**1. Company information**

Kyobo Life Insurance Co., Ltd. (the "Company") was established on June 30, 1958, and primarily engages in the life insurance business as permitted by the *Insurance Business Law* of the Republic of Korea. The Company's head office is located at Jongno-ro 1, Jongno-gu, Seoul, the Republic of Korea.

As of December 31, 2024, the Company has 7 Financial Planner (FP) offices, 64 supporting offices, 439 branches in the Republic of Korea and engages in the life insurance business and its related reinsurance contracts. The following table lists the number of currently available insurance products and discontinued but currently effective insurance products as of December 31, 2024.

| | Insurance products in effect | | |
|---|---|---|---|
| Type | Available | Discontinued | Total |
| Individual annuity | 16 | 92 | 108 |
| Pure endowment | 42 | 57 | 99 |
| Death | 27 | 206 | 233 |
| Endowment | 3 | 49 | 52 |
| Group insurance | 20 | 26 | 46 |
| | 108 | 430 | 538 |

The Company's major shareholders and their respective shareholdings as of December 31, 2024 are as follows:

| Shareholders | Number of shares (in shares) | Ownership (%) |
|---|---|---|
| Chang-Jae Shin | 34,627,370 | 33.78 |
| Corsair Korea Investors LLC | 10,038,830 | 9.79 |
| Guardian Holdings Limited | 9,276,250 | 9.05 |
| Tiger Holdings LP | 7,813,250 | 7.62 |
| The Export-Import bank of Korea | 5,995,005 | 5.85 |
| KLI Investors LLC | 5,460,825 | 5.33 |
| KLIC Holdings Limited | 5,355,625 | 5.23 |
| Hoenir Inc. | 5,355,625 | 5.23 |
| KYOBO Life Insurance | 2,093,911 | 2.04 |
| Kyung-Ae Shin | 1,450,010 | 1.41 |
| Young-Ae Shin | 1,199,960 | 1.17 |
| Employee stock ownership association | 571,368 | 0.56 |
| Other shareholders | 13,261,971 | 12.94 |
| | 102,500,000 | 100.00 |

**2. Basis of preparation and significant accounting policies**

**2.1 Basis of preparation**

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

The separate financial statements have been prepared on a historical cost basis, except for

- Certain financial assets and financial liabilities (including derivatives)
- Investment in affiliated companies that have applied accounting treatment in accordance with KIFRS 1109
- Defined benefit plans and plan assets measured at fair value
- Insurance contract liabilities and reinsurance contract assets (including liabilities)

The KIFRS allows the use of significant accounting estimates in preparing financial statements and require management to exercise judgment in applying accounting policies. Parts that require more complex and higher level judgments or parts that require significant assumptions and estimates are explained in Note 3.

The separate financial statements as of and for the year ended December 31, 2024 were authorized for issue by the Board of Directors on March 5, 2025. The separate financial statements may be revised and authorized at regular general meeting of shareholders scheduled on March 21, 2025.

**2.2 Significant accounting policies**

**2.2.1 Subsidiaries and associates in the separate financial statements**

These separate financial statements are prepared and presented in accordance with KIFRS 1027 Separate Financial Statements. The Company applied the cost method or fair value method to investments in subsidiaries and associates in accordance with KIFRS 1027 or KIFRS 1109. Dividends from a subsidiary are recognized in profit or loss when the right to receive the dividend is established.

**2.2.2 Fair value measurement**

The Company measures financial instruments, including derivative instruments, and partial non-financial assets at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.





All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Financial instruments measured at quoted prices from active markets are classified as fair value level 1.
- Level 2: Financial instruments measured using valuation techniques where all significant inputs are observable market data are classified as level 2.
- Level 3: Financial instruments measured using valuation techniques where one or more significant inputs are not based on observable market data are classified as level 3.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**2.2.3 Foreign currencies**

The Company's separate financial statements are presented in Korean won, which is the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss is also recognized in other comprehensive income or profit or loss, respectively).

**2.2.4 Property and equipment**

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The estimated useful lives and depreciation methods of the Company's property and equipment are as follows:

| Descriptions | Useful lives | Depreciation method |
|---|---|---|
| Buildings | 50 years | Straight-line |
| Structures | 50 years | Straight-line |
| Vehicles | 5 years | Declining-balance |
| Equipment | 5 years | Declining-balance |
| Others | 5 years | Straight-line |

An item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the current income when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.2.5 Lease**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**2.2.5.1 The Company as a lessee**

Upon adoption of KIFRS 1116, the Company applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Company recognized lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

- Right-of-use asset

The Company recognizes the right-of-use asset at the commencement date (i.e. the date on which the underlying asset is available). Right-of-use assets are measured at cost and the Company measures the right-of-use assets applying a cost model after the commencement date. To apply a cost model, the Company measured with

deductions of any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The cost of a right-of-use asset includes the amount of the lease liability recognized and the amount of initial direct costs, less any incentives received or lease payments made at or before the commencement date of the lease. The cost of a right-of-use asset also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The right-of-use assets are depreciated on a straight-line basis over the earlier of the estimated useful life or the lease term.

If the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the right-of-use assets are depreciated from the commencement date to the estimated useful life of the underlying asset. The Company performs an impairment review of the right-of-use assets.

Right-of-use assets of the Company are included in property and equipment (See Note 14).

- Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments over the lease term. Lease payments comprise of fixed lease payments (including in-substance fixed lease payments), variable lease payments that depend on the index or rate, and the amount expected to be paid under the residual value guarantee, excluding the lease incentives to be received. In addition, if the Company is reasonably certain to exercise the purchase option, the exercise price of the purchase option and if the lease term reflects the company exercising an option to terminate the lease, then the payments of penalties for terminating the lease are included in the lease payments. Fluctuations that do not depend on the index or rate are recognized as an expense for the period in which the event of the lease payment occurs.

In calculating the present value of the lease, the Company uses the incremental borrowing rate at inception if it is not readily possible to determine the implicit interest rate of the lease. The Company increases the carrying amount of the lease liability by reflecting interest on the lease liability after the commencement date of the lease, and reduces the carrying amount of the lease liability by reflecting the lease payments. In addition, the Company shall remeasure the lease liability to reflect the change in the lease, reflect the change in the lease term, or change in the valuation of the underlying asset purchase option.

Lease liabilities of the Company are included in other financial liabilities (See Note 19).

- Short-term leases and leases for which the underlying asset is of low value

The Company elects to apply exemptions of recognition for both short-term leases which are a lease term of 12 months or less and without purchase option and leases of low-value assets. The Company recognizes the lease payments associated with short-term leases and leases of low-value assets as an expense on a straight-line basis over the lease term.

**2.2.5.2 The Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The company recognizes lease payments from operating leases as income on a straight-line basis and initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. Conditional rent is recognized as revenue when the rent is received.

**2.2.6 Investment properties**

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.

Investment property are depreciated on a basis over estimated useful lives that appropriately reflect the pattern in which the asset's future economic benefits are expected to be consumed.

The estimated useful lives and depreciation methods of the Company's investment properties are as follows:

| Descriptions | Useful lives | Depreciation method |
|---|---|---|
| Buildings | 50 years | Straight-line |
| Structures | 50 years | Straight-line |

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and accounted for on a prospective basis in case of the effect of any changes in estimation.

In the event that it is no longer possible to expect future economic benefits through the disposal or use of investment properties, the Company removes them from its financial statements, and the resulting difference between the disposal amount and the carrying amount is reflected in profit or loss at the time of derecognition. In addition, if the purpose of the asset's use has changed, the Company reclassifies to another account or to an investment property from another account.

**2.2.7 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of comprehensive income as the expense category that is consistent with the function of the intangible assets.

| Descriptions | Useful lives | Amortization method |
|---|---|---|
| Software | 5 years | Straight-line |
| Development costs | 5 years | Straight-line |
| Membership | Indefinite | - |





Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income when the asset is derecognized.

Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate that the technical feasibility of completing the intangible asset so that the asset will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset, the ability to measure reliably the expenditure during development and the ability to use the intangible asset generated.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

**2.2.8 Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of comprehensive income in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**2.2.9 Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the separate statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts.

**2.2.10 Financial instruments**

(1) Classification

Financial assets are classified as

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Financial assets at amortized cost

Financial assets are classified based on the business model and the contractual cash flow characteristics of the financial assets.

Gains and losses on financial assets measured at fair value are recognized in profit or loss or other comprehensive income.

Investments in debt instruments are recognized in profit or loss or other comprehensive income depending on the business model that holds the asset. The Company reclassifies debt instruments only when the Company changes the business model that manages financial assets.

For investments in equity instruments that are not held for trading, an irrevocable election may be made upon initial recognition to designate that subsequent changes in fair value be presented in other comprehensive income. Changes in the fair value of investments in undesignated equity instruments are recognized in profit or loss.

(2) Measurement

Financial assets are recognized initially at fair value and in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. Transaction costs for financial assets measured at fair value through profit or loss are recognized in profit or loss.

For hybrid contracts including embedded derivatives, the entire contract is considered when determining whether the cash flows under the contract consist solely of principal and interest.

1) Debt instruments

The subsequent measurement of a financial asset is based on the contractual cash flow characteristics of the financial asset and the business model that manages the financial asset and classified three categories as follows:

(a) Financial asset at amortized cost

Financial asset held under a business model where the purpose is to hold the asset to receive contractual cash flows and assets of which contractual cash flows consist solely of principal and interest are measured at amortized cost. Gains and losses on financial assets at amortized cost that are not subject to a hedging relationship are recognized in profit or loss when the financial asset is derecognized or impaired. Interest income from financial assets recognized according to the effective interest rate method is included in ‘interest income’.

(b) Financial assets at fair value through other comprehensive income

Financial assets held under a business model that achieves the purpose through both receiving contractual cash flows and selling financial assets, and financial assets of which contractual cash flows consist only of principal and interest are measured at fair value through other comprehensive income. Except for impairment losses (reversals), interest income, and foreign exchange gains and losses, valuation gains and losses on financial assets measured at fair value are recognized in other comprehensive income. When derecognizing a financial asset, the recognized accumulated other comprehensive income is reclassified from equity to profit or loss. Interest income from financial assets recognized according to the effective interest rate method is included in ‘financial income’. Foreign exchange gains and losses are expressed as ‘foreign exchange transaction gains’ or ‘foreign exchange transaction losses’, and impairment losses are expressed as ‘other comprehensive income – losses related to financial instruments measured at fair value.’

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

Debt instruments that are not financial assets at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. Gains and losses on debt instruments measured at fair value through profit or loss that are not subject to the hedging relationship are recognized in profit or loss and is presented in the statement of comprehensive income as 'profit or loss - profit related to financial instrument measured at fair value' or 'profit or loss - loss related to financial instrument measured at fair value'.

2) Equity instruments

The Company subsequently measures its investments in all equity instruments at fair value.

Amounts recognized as other comprehensive income for equity instruments for long-term or strategic investment purposes that choose to report changes in fair value as other comprehensive income are not reclassified to current profit or loss even when the equity instruments are derecognized. Dividend income from such equity instrument is recognized in profit or loss as 'dividend income' when the Company's right to receive dividends is confirmed. Changes in the fair value of financial assets at fair value through profit or loss are presented in the income statement as ‘gains related to financial instruments at fair value through profit or loss’ or ‘losses related to financial instruments at fair value through profit or loss’. Impairment losses (reversals) on equity instruments measured at fair value through other comprehensive income are not recognized separately.

(3) Impairment

The Company evaluates expected credit losses on debt instruments measured at amortized cost or fair value through other comprehensive income based on the information of forward-looking criteria and impairment is determined by considering whether there is a significant increase in credit risk.

(4) Recognition and derecognition

Regular purchases or sales of financial assets are recognized on the transaction date on which the purchase or sale of the financial asset is agreed and confirmed. Financial assets are derecognized when the contractual rights to cash flows expire or when the financial asset is transferred and substantially all of the risks and rewards of ownership have been transferred.

Even in cases where financial assets are transferred, the Company does not remove most of the risks and rewards of owning the transferred financial assets and retains all of the transferred assets if the Company retains most of the risks and rewards of ownership of the transferred financial assets due to the right of recourse in case of default by the debtor and the consideration received is recognized as a financial liability and classified as ‘other financial liabilities’ in the statement of financial position.

(5) Offset

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. A legally enforceable right of offset does not depend on future events and is enforceable in the normal course of business, in the event of default, and in the event of insolvency or bankruptcy.

**2.2.11 Derivatives and hedge accounting**

Derivatives are initially recognized at fair value at the time the derivatives contract is entered into and are subsequently remeasured at fair value. Changes in the fair value of a derivative are accounted for differently depending on whether the derivative is designated as a hedging instrument and the nature of the hedged item.

(1) Derivatives held for trading

Derivatives that do not meet the requirements for hedge accounting are classified as trading purposes, and changes in the fair value of the derivatives are recognized in the statement of comprehensive income as 'derivatives-related gains' or 'derivatives-related losses'.

(2) Derivatives held for hedging

The Company designates the following hedging relationship as a hedging instrument.

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

At inception of the hedge, the Company documents the economic relationship between the hedging instrument and the hedged item, including whether the hedging instrument is expected to offset the changes in the cashflow of hedged item. Additionally, the Company documents the risk management objectives and strategies for conducting hedging transactions.





1) Fair value hedge

Changes in the fair value of derivatives that are designated as fair value hedge and meet the application requirements are recognized in profit or loss for the current period, and changes in the fair value of the hedged item due to the hedged risk are also recognized in profit or loss for the current period.

Changes in the fair value of the hedging instrument and changes in the fair value of the hedged item due to the hedged risk are all recognized in the statement of comprehensive income as profit or loss. Fair value hedge accounting is discontinued when the Company no longer designates a hedging relationship, when the hedging instrument expires, is sold, liquidated or exercised, or when it no longer meets the requirements for fair value hedge accounting. The adjustment to the carrying amount of the hedged item due to the hedged risk is amortized from the date hedge accounting and recognized in current profit or loss.

2) Cashflow hedge

The effective portion of changes in the fair value of derivatives that are designated as cash flow hedges and meet the application requirements are recognized as other comprehensive income, and the ineffective portion is recognized immediately in the statement of comprehensive income as current profit or loss.

The amount accumulated in accumulated other comprehensive income is recognized in the statement of comprehensive income as profit or loss during the period in which the hedged item affects profit or loss (for example, when the expected sales that are the hedged item occur).

In case the hedging instrument expires or is sold, or if it no longer meets the requirements for hedge accounting, cumulative valuation gains and losses recognized as other comprehensive income are recognized in current profit or loss when expected transactions are recognized in the comprehensive income statement. If the expected transaction is no longer expected to occur, the accumulated profit or loss recognized in equity is immediately recognized in the statement of comprehensive income as current profit or loss.

(3) Embedded derivatives

If the embedded derivative is not closely related to the economic characteristics and risk of the host contract and a separate product with the same conditions as the embedded derivative meets the definition of a derivative, the embedded derivative is separated from the host contract and accounted for separately if the host contract of a hybrid financial product does not constitute a financial asset and is not designated as an item measured at fair value through profit or loss. Changes in the fair value of embedded derivatives that are separate from the host contract are recognized as part of the net profit or loss of financial instruments at fair value through profit or loss.

**2.2.12 Non-current assets held for sale**

The Company classifies non-current assets and disposal groups as held-for-sale if their carrying amounts will be recovered principally through a sale or distribution rather than through continuing use. Such non-current assets and disposal groups classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets and liabilities are not depreciated or amortized once classified as held-for-sale or as held for distribution. Also, assets and liabilities classified as held-for-sale or for distribution are presented as separate items in the statement of financial position.

**2.2.13 Employee benefits**

The Company operates both defined benefit pension plan and defined contribution pension plan, which the Company makes contributions to the separately administered funds, respectively.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Company) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes restructuring-related costs or redundancy payments

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under ‘operating and administrative expenses’ and ‘asset management expenses’ in separate statement of comprehensive income.

(1) Retirement benefits: defined contribution plans

When an employee has rendered service to the Company during a period, the Company recognizes the contribution payable to a defined contribution plan in exchange for that service as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the Company recognizes that excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

(2) Retirement benefits: defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company’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.

The discount rate is the yield at the reporting date on corporate bonds that have maturity dates approximating the terms of the Company’s obligations and that are denominated in the same currency in which the benefits are expected to be paid. The Company recognizes all actuarial gains and losses arising from actuarial assumption changes and experiential adjustments in profit and loss when incurred.

If the net amount that is calculated by subtracting the fair value of the plan assets from the present value of the defined benefit pension plans is an asset, the Company measures at lower of an excess contribution to the defined benefit pension plans or the upper limit recognized as an asset that is calculated by using the interest rate of the corporate bonds of companies with high credit ratings at the end of an annual reporting period.

(3) 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 Company during an accounting period, the Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service.

(4) Other benefits for the vested employees

Other benefits for the vested employees who have rendered services for a long-term period of time with regard to considerations for the employees who have rendered services for a long period of time, if the employees’ benefits are not expected to be paid within 12 months after the end of an annual reporting period, the Company recognizes the net sum of service costs for long-term services and net interests on net defined benefit liabilities (assets) as a current profit or loss.

(5) Redundancy payments

If employees are laid off upon a request from the Company, the Company can give more retirement benefits in comparison to when the employees voluntarily leave the Company. With regard to the redundancy payment that is a difference between the amount that the Company pays to the employee who voluntarily leaves the Company and the amount that the Company pays to the employee who is dismissed by the Company, the Company recognizes the liability and the expense of the

redundancy payment earlier of when the Company cannot withdraw a proposal for the redundancy payment or when it recognizes restructuring costs accompanied by the redundancy payment.

**2.2.14 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

**2.2.15 Insurance contracts**

(1) Classification : Insurance contracts and investment contracts

The Company considers the actual rights and obligations of all insurance contracts and determines whether to assume significant insurance risks from policyholders. As a result, if significant insurance risk is acquired from the policyholder, it is classified as an insurance contract, and if there is no significant transfer of insurance risk, it is classified as an investment contract even if it takes the legal form of an insurance contract. Depending on the classification of the contract, KIFRS 1117 'Insurance Contracts' applies to insurance contracts and investment contracts with discretionary participation features, and KIFRS 1109 'Financial Instruments' applies to investment contracts without discretionary participation features. The Company classifies non-dividend retirement insurance and retirement pension products as investment contracts without discretionary participation features. There are no embedded derivative elements embedded in insurance contracts held by the Company that meet the requirements for separation.

The Company measures insurance contracts with direct participation characteristics by applying the variable fee approach in accordance with KIFRS 1117, 'Insurance Contracts'. Insurance contracts that do not have direct participation characteristics are measured using the general model, and the premium allocation approach, which is a simplified method of the general model, is not applied.

(2) Insurance contract liabilities

1) Level of aggregation

The Company divides insurance contracts into groups and portfolios based on the likelihood of loss, similarity of risk, and management level. The possibility of bearing losses in an insurance contract is determined based on the risk adjustment and ratio of contractual service margin ratio at the time of initial recognition of the insurance contract. The Company determines the minimum unit of insurance contract group at the time of initial recognition and does not subsequently re-evaluate the composition of the group. Except for exceptions according to the provisions at the time of transition, Insurance contracts with a difference in issuance time of more than one year are not included within the same set of insurance contracts.

2) Recognition

The Company recognizes a group of insurance contracts at the earliest of the start of the coverage period for the group of insurance contracts, when the first premium is payable by the policyholder, or when the group of insurance contracts is expected to bear a loss. If the reinsurance contract held provides proportional coverage, it is recognized at the later of the start of the coverage period of the group of reinsurance contracts held or the initial recognition of the group of original insurance contracts, and in all other cases, the beginning of the coverage period. A group of reinsurance contracts is recognized at the time of the transaction.

3) Contract boundary

The measurement of a group of insurance contracts includes future cash flows within the boundaries of the contracts in the group. If the cash flows arise from substantive rights and obligations that exist in the reporting period, where policyholders can be forced to pay premiums, or when there is a substantive obligation to provide services to policyholders, the cash flows are within the boundaries of the insurance contract. The Company determines the boundaries of insurance contracts based on whether it has the actual ability to re-evaluate the risks of a particular policyholder or a particular portfolio and whether the results of that reevaluation can be reflected in the price or level of benefits. Until the risk is reevaluated, the pricing of premiums does not take into account the risk at any time after the reevaluation. Contract boundaries are remeasured at each reporting point.

The Company determines the boundaries of the contract at the insurance contract level, which integrates the main contract and rider. Therefore, the boundary of the contract is judged based on the expiration of the main contract, not the renewal time of the renewable rider. In addition, the interim additional option guaranteed by the Company was judged to be a future cash flow within the boundary of the contract. The boundary of the reinsurance contract is determined according to the rights and obligations of the Company and the reinsurer, and it was determined that the boundary of the reinsurance contract is severed when both parties to the reinsurance contract have a cancellation option at the same time.

4) Initial measurement of insurance contract

Upon initial recognition, the Company measures a group of insurance contracts as the sum of fulfillment cash flows and contractual service margin. Fulfillment cash flows consist of estimates of future cash flows, related to future cash flows, and risk adjustments for non-financial risks.

- Estimates of future cash flows

The purpose of estimation of future cash flow is to determine the expected value of all possible scenarios using available reasonable and valid information without excessive cost or effort and discounted cash flow results for each scenario are measured using a probability-weighted average. In addition, the current assumptions are estimated by reflecting significant interconnections between cash flows and market variables and reflecting reasonable and objectively supported information excluding the convenience of future cash flows, but are measured in a manner consistent with market prices. Until revisions to laws and regulations are actually enacted, the effects of changes in laws and regulations are not reflected, and cash flow within the contract boundary is directly related to the performance of contractual obligations and includes discretionary effects on the timing and amount of payment.

The main input variables when estimating future cash flows are insurance premiums, payments, contract conclusion costs, contract maintenance costs, costs related to providing investment services, investment activities and costs related to investment activities performed to increase insurance coverage, and taxes and costs explicitly charged to policyholders.

The method the Company uses to distinguish between changes in future cash flow estimates due to the exercise of discretion and other changes in future cash flow estimates for contracts without direct participation features is as follows. To identify changes in discretionary cash flows, the rate of return implied in the performance cash measurement upon initial recognition is considered a contractual commitment (e.g., published interest rate) and is updated each reporting period to reflect current financial risk assumptions. Changes in discretionary cash flow determined through this procedure are related to future services and are reflected in the contractual service margin.

- Adjustments to reflect financial risk and time value of money

All cash flows are discounted in the risk-free yield curve by reflecting the characteristics of the cash flows and the liquidity of the insurance contract. The risk-free rate uses government bonds, etc., and the yield curve uses as much observable market information as possible and interpolates to arrive at the final forward rate maturity. To reflect the liquidity characteristics of insurance contracts, the risk-free yield curve is adjusted by an illiquidity premium, and illiquidity risk is typically measured by taking into account corporate bond spreads and equivalent CDS costs under same condition. In addition, cash flow linked to asset performance is measured by reflecting the degree of linkage through risk-neutral measurement.

- Risk adjustments for non-financial risks

Risk adjustment for non-financial risks is determined by reflecting the compensation required by the issuing company for assuming the risk. Risk adjustment reflects the diversification effect of risk and is measured using the confidence level method. Risk adjustment of cedant insurance is measured by considering the transfer of risk before and after ceded, and when measuring risk adjustment through the confidence level method, the expected future cash flow distribution is measured and the confidence level is calculated as 75th percentile. When measuring risk adjustment for non-financial risks, major input variables include death, longevity, disease,





business operation expenses, and termination risk.

The Company presents the changes in risk adjustment for non-financial risks by dividing these into insurance service components and insurance finance components.

- Contractual service margin

Contractual service margin is the unrealized profit that will be recognized through the provision of insurance services in a future period and if the fulfilment cash flow at the time of initial recognition of a group of insurance contracts is a net inflow, the contractual service margin is measured to ensure that no revenue or expense is generated at the time of initial recognition for the group of insurance contracts. Meanwhile, if the fulfilment cash flow at the time of initial recognition of a group of insurance contracts is a net outflow, the group of insurance contracts is classified as a onerous contract group, the expected net outflow amount is recognized as profit or loss, and it is subsequently measured as a loss element.

5) Subsequent measurement of insurance contract

The carrying amount of the group of insurance contracts as of the end of the reporting period is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage consists of fulfilment cash flows and contractual service margin related to future services allocated to the group of insurance contracts as of the end of the reporting period. The liability for incurred claims consists of fulfilment cash flows for insurance claims and insurance costs that have not yet been paid, and fulfilment cash flows include unreported incurred losses and dividend reserves in accordance with supervisory regulations.

6) Reinsurance contract

The Company applies the same accounting policies applied to the measurement of groups of insurance contracts to the measurement of groups of reinsurance contracts, except for the following.

The Company includes the effects of all risks related to default by the issuer of reinsurance contracts (including the effects of collateral and losses resulting from disputes) when measuring the group of reinsurance contracts.

The effect of the reinsurer's default risk is remeasured at the end of each reporting period, and the effect of changes in default risk are recognized in profit or loss. The Company calculates risk adjustments for non-financial risks to reflect the risks transferred to the reinsurer.

Considering the characteristics of reinsurance contracts, even if the fulfilment cash flow at the time of initial recognition is a net outflow, the contract is not classified as onerous group of contracts or the expected net outflow amount is not recognized as profit or loss.

7) Derecognition and modification

The Company derecognizes insurance contracts when the obligations specified in the insurance contract extinguished due to expiration, fulfilment, or cancellation. Additionally, if the contract terms are changed and the accounting treatment would have been significantly different if the new contract terms had already existed, the contract is derecognized and recognized as a new contract.

If the contract terms are changed but the contract is not derecognized, it is treated as a change in the estimate of fulfilment cash flows.

8) Policyholder's equity adjustments

According to KIFRS 1117, cash flows related to dividends to be generated from par insurance contracts are estimated and insurance liabilities are measured using a discount rate that reflects assumptions and risks.

Unlike the existing accounting practices recognized under KIFRS 1104, the requirements do not adequately represent the potential obligations to the policyholder for par insurance and it is judged that it may cause misunderstanding of users of financial statements due to conflict with the "purpose of financial statements" set forth in the "conceptual framework". For future potential obligations that are expected to arise from the valuation gains and losses of unrealized assets as of the end of the reporting period, the Company calculated insurance liabilities by the method specified in Article 2 of Article 4-1 of the Enforcement Rules for Insurance Industry Supervision

The management judged that the Company's financial statements, including the above, fairly represent the financial position at the end of the reporting period, the end of the previous year, and the beginning of the previous year, as well as the financial performance and cash flow for the reporting period and previous year.

Policyholders' equity adjustment consists of the following:

- Other comprehensive income - valuation gains and losses on financial assets measured at fair value, etc. : The amount corresponding to the policyholder's equity adjustment calculated based on the composition ratio of investment resources by each investment year (investment profits and losses arising from existing assets acquired before applying the investment year method is based on the composition ratio of par and non-par
- insurance average liability reserves in the relevant reporting period)among the differences between the acquisition cost and fair value as of the end of the reporting period.
- Public service contribution fund:, the accumulated amount corresponding to the policyholder's equity among the revaluation reserves. Every year, the amount calculated by multiplying this amount by the average asset management rate of return for the last three fiscal years is to be contributed as public service funds.

**2.2.16 Equity capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

When the Company repurchases its share capital, the amount of the consideration paid is recognized as a deduction from equity and classified as treasury shares. The profits or losses from the purchase, disposal, reissue, or retirement of treasury shares are not recognized as current profit or loss. If the Company acquires and retains treasury shares, the consideration paid or received is directly recognized in equity.

**2.2.17 Recognition of revenue and expenses**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The Company recognizes the income when the followings criteria are met.

(1) Insurance revenue

The Company recognizes insurance revenue as it fulfills its obligations to provide insurance contract services for a group of insurance contracts or to provide other services. Insurance revenue related to insurance services provided during the reporting period represents changes in the liability for remaining coverage related to the consideration the Company expect to receive.

The investment component of an insurance contract is determined by the amount paid to the policyholder in all scenarios with economic substance, including cases where an insured event occurs, upon expiration, or without an insured event occurring. Insurance contracts such as whole life insurance have an explicit surrender value (investment component), and the investment component is excluded from insurance profits and insurance service expenses and if there is no amount to pay to the policyholder in any one scenario, it is not classified as an investment component.

The amount of contractual service margin recognized as insurance revenue during the reporting period is recognized as the amount distributed to the coverage units provided during the reporting period after proportional allocation of the remaining contractual service margin at the end of the amortization period to the coverage units provided during the reporting period and subsequent coverage units. The number of coverage units is the quantitative unit of insurance contract services provided

by the insurance contract, and is determined by considering the quantitative units and expected duration of insurance coverage services, investment return services, and investment-related services.

In determining the amount of benefits provided by an insurance contract in order to recognize the contractual service margin of the insurance contract issued by the Company and the cedant insurance contract held in the current profit or loss, the method for calculating the relative proportion of benefits provided by insurance coverage and investment return services or insurance coverage and investment-related services among insurance contract services is as follows.

| | Calculation method |
|---|---|
| Insurance coverage and investment return services (Insurance contracts without direct participation feature) | - The amount of benefits provided in the contract takes into account the subscription amount for insurance benefits paid upon death, etc.<br>- Calculated by applying the same standards as the coverage unit provided in the insurance contract for cedant insurance contracts. |
| Insurance coverage and investment related services (Insurance contracts with direct participation feature) | - For contracts providing insurance coverage and investment services, investment services (e.g. insurance policyholder reserve - investment service, risk insurance claims payment - insurance coverage, etc.) are considered in calculating the coverage unit. |

Insurance acquisition cash flows are allocated to each reporting period in a systematic manner over time, and the current portion is recognized as insurance revenue and insurance expenses in equal amounts.
Loss component is allocated to each reporting period in a systematic way in the ratio of the balance of the basic loss component to the present value of the expected cash flow outflows at the beginning and the risk adjustment amount for basic non-financial risks.
Among the loss component allocations, the current portion is excluded from recognition in the same amount as insurance revenue and insurance expense.

(2) Insurance finance profit and loss
Insurance finance profit and loss consist of changes in the carrying amount of a group of insurance contracts and a group of reinsurance contracts resulting from the time value of money and financial risk effects. The Company selects and decides on a portfolio-by-portfolio basis whether to systematically allocate insurance finance profits and losses to current profit or loss and other comprehensive income. Systematic allocation systematically allocates the expected total insurance finance profit or loss over the duration of the contract group, recognizing the current portion as profit or loss and the remaining portion as other comprehensive income.

In the case of a group of insurance contracts with direct participation features that hold basic items, the Company includes in profit or loss the amount that eliminates accounting discrepancies with the profit or loss on the basic items held included in profit or loss for the current period. Insurance finance profits and losses are subdivided by applying the book return method. In addition, for a set of insurance contracts with direct participation features that do not hold the underlying item and for a set of insurance contracts where changes in financial risk have a significant impact on the amount paid to the policyholder, the effective interest rate method is applied to systematically allocate insurance financial profit or loss. For other groups of insurance contracts, insurance finance profit or loss is calculated by applying the discount rate at the time of initial recognition.

Insurance finance gains and losses arising from contractual service margins are determined in a consistent distribution method with future cash flows for a set of insurance contracts with direct participation features, and in a set of insurance contracts without direct participation features, the discount rate at the time of initial recognition is applied and systematically distributed.

When the Company transfers an insurance contract to a third party or eliminates it due to changes in the terms of the insurance contract, the accumulated other comprehensive income (loss) of the relevant insurance contract is reclassified to current profit or loss.

(3) Reinsurance profit or loss
Reinsurance profit or loss is recognized separately from reinsurance premium expenses and amounts recovered from the reinsurer. The Company recognizes the portion of the group of reinsurance contracts in which coverage or other services are provided as reinsurance premium expenses. Reinsurance expenses related to services provided during the reporting period for reinsurance contracts represent changes in remaining coverage reinsurance assets related to services for which the Company have provided coverage. Reinsurance revenue is recognized on amounts recovered from the reinsurer.

(4) Interest income and interest expense
For all financial instruments measured at amortized cost and interest-bearing financial assets classified as available-for-sale, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

(5) Fee and commission
The company applied the following five-step revenue recognition model for the fee income in accordance with KIFRS 1115.

- identify the contracts with a customer.
- identify the performance obligations in the contract
- determine the transaction price
- allocate the transaction price to each performance obligation
- recognize revenue when a performance obligation is satisfied

The company recognizes its financial service fees and commissions based on its objectives, and in conformity with accounting standards of related financial instruments as below.

a) Fees and commissions earned by performance of meaningful action
Fees and commissions earned by delivering meaningful performances such as negotiating on behalf of third parties' transactions, such as stock or other securities transactions and underwriting of business settlements, or as a consideration for participating in negotiation are recognized as revenue upon completion of the delivery of services.





b) Fees and commissions earned by providing services
Fees and commissions levied as a consideration for providing services for a certain period of time, such as asset management fees, trust fees, guarantee service fees, are recognized as revenue when the service is provided. Also, when it is not probable that a specific loan commitment will be entered into, and when the loan commitment does not fall under the scope of KIFRS 1039 Financial instruments: recognition and measurement, related commitment fee is recognized over the commitment period.

c) Fees forming a part of effective interest income of financial instruments
Fees forming a part of effective interest of financial instruments are generally recognized as adjustments to effective interest rates. These fees include costs incurred for activities such as the valuation of the financial status of borrowers, guarantee, collaterals and other commitments, administrative expenditures, and expenditures made for issuance of financial liabilities. However, if the financial instrument is recognized at fair value through profit or loss, related fees and commissions are recognized in profit or loss at the initial recognition of the financial instrument.

(6) Dividends
Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(7) Rental income
Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature.

**2.2.18 Current and deferred income tax**

(1) Current income tax
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of comprehensive income.

(2) Deferred income tax
Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred income tax liabilities are recognized for all taxable temporary differences, except:
- When the deferred income tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future
Deferred income tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized
The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred income tax asset to be recovered.
Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred income tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred income tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

**2.2.19 Correction of errors**

The Company corrects potential errors identified during the current period before the issuance authorization date of the financial statements. However, if a material error is discovered in a subsequent period, such prior period errors are corrected by restating the comparative financial information presented in the financial statements of that subsequent period. When it is impracticable to determine the effect of an error on comparative information for one or more prior periods presented, the entity restates the beginning amounts of assets, liabilities and equity as of the earliest accounting period for which retrospective restatement is practicable.

**2.3 Changes in accounting policies and disclosures**

**2.3.1 New and amended standards and interpretations adopted**

The Company has newly applied the following revised standards and interpretations for the accounting period beginning on January 1, 2024.

(1) Amendments to KIFRS 1001 'Presentation of Financial Statements' – Classification of Liabilities as Current or Non-current, Non-current liabilities with commitments
The classification is made as current or non-current depending on the substantive rights that exist at the end of the reporting period, and the possibility of exercising the right to defer payment of liabilities or management's expectations are not taken into account. In addition, the transfer of own equity instruments is included in the settlement of liabilities, except when options to settle with equity instruments in compound financial instruments meet the definition of equity instruments and are recognized separately from liabilities. Additionally, covenants with which an entity must comply after the end of the reporting period do not affect the classification of the liability, and if liabilities that must comply with agreements within 12 months after the reporting period are classified as non-current liabilities, and information regarding the risk that the liabilities may be repaid within 12 months after the reporting period must be disclosed. The

Company does not expect this amendment to have a material impact on the financial statements.

(2) Amendments to KIFRS 1007 'Statement of Cash flows', Amendments to KIFRS 1107 'Financial instruments - Disclosures' – Disclosure of information on supplier finance arrangement
When applying a supplier finance arrangement, information on the supplier finance arrangement must be disclosed so that users of financial statements can evaluate the impact of the supplier finance arrangement on the Company's liabilities, cash flow, and liquidity risk exposure. There is no impact on the interim financial statements in accordance with the transitional provision that the relevant details do not need to be disclosed during the interim reporting period within the year in which this amendment is first applied.

(3) Amendments to KIFRS 1116 'Lease' – Lease liabilities arising from sale and leaseback
When subsequently measuring the lease liability arising from sale and leaseback, the lease fee or modified lease fee is calculated in a manner that does not recognize the profit or loss related to the usage rights held by the seller-lessee. The Company does not expect that the amendment will have a material impact on the separate financial statements.

(4) Amendments to KIFRS 1001 'Presentation of Financial Statements' – Virtual asset Disclosure
Additional disclosure requirements are stipulated when holding virtual assets, when holding virtual assets on behalf of a customer, and when issuing virtual assets. The Company does not expect this amendment to have a material impact on the financial statements.

**2.3.2. Standards issued but not yet effective**

The standard and interpretation that is issued, but has not yet been implemented and has not been adopted by the Company as of December 31, 2024 are follows:

(1) Amendments to KIFRS 1021 'The effects of changes in foreign exchange rates' and KIFRS 1101 'First-time Adoption of International Financial Reporting Standards' - Lack of exchangeability
The amendments are required to assess the convertibility of a currency and, if not convertible with another currency, estimate the spot exchange rate and disclose related information. These amendments are effective for the year beginning on or after January 1, 2025, with early adoption permitted. The Company is reviewing the impact of these amendments on its financial statements.

(2) Amendment to KIFRS 1109 'Financial Instruments' and KIFRS 1107 'Financial Instruments: Disclosure'
To address questions raised in practice and to include new requirements, KIFRS 1109, Financial Instruments, and KIFRS1107 Financial Instruments: Disclosure, have been amended. The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The key amendments are as follows: The Company is reviewing the impact of the amendments on its financial statements.
·Allows financial liabilities to be considered settled (derecognized) through electronic payment systems before the due date, if certain criteria are met.
·Clarifies and adds additional guidance for assessing whether financial assets meet the criteria for consisting solely of principal and interest payments.
·Disclose the impact on the Company of contractual terms that change the timing or amount of cash flows under the contract and the extent to which the Company is exposed to each type of financial instrument.
·Additional disclosure on FVOCI designated equity instrument.

(3) Annual Improvement of KIFRS Volume 11
Annual Improvement to KIFRS Volume 11 is effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company does not expect the amendments to have a material impact on its financial statements.

·KIFRS 1101, 'First time Adoption of KIFRS': Application of hedge accounting upon first adoption of KIFRS ·KIFRS 1107, 'Financial Instruments: Disclosure': Derecognition of gains and losses, practical application guidelines ·
·KIFRS 1109, 'Financial Instruments': Accounting for derecognition of lease liabilities and definition of transaction price ·
·KIFRS 1110, 'Consolidated Financial Statements': Determination of de facto agent ·
·KIFRS 1007, 'Cash Flow Statement': Cost accounting method

**3. Significant accounting judgments, estimates and assumptions**

(1) Fair value of financial instruments
The fair value of financial instruments without an active market was calculated by applying valuation techniques including the discounted cash flow method. When observable market information is not available for the inputs used in these valuation techniques, significant estimates are required to determine fair value. This judgment includes consideration of input variables such as liquidity risk, credit risk, and volatility. Changes to these factors may affect the fair value of financial instruments.

(2) Impairment on financial assets
Loss allowance for financial assets is measured based on assumptions about default risk and expected loss rate.
When setting these assumptions and selecting input variables used in the impairment model, the Company considers it's past experience, current market conditions, and forward-looking information as of the financial reporting date.

(3) Impairment on non-financial assets
The Company tests non-financial assets for impairment at the end of every reporting period. The intangible assets with goodwill and indefinite useful lives are tested for impairment whenever there is an indication that the intangible asset may be impaired. Other non-financial assets are tested for impairment whenever there is an indication that the carrying value cannot be recovered. The value in use calculation is based on the management's assumption on future expected cash flows generated from CGU or asset. For the calculation of present value of future expected cash flows, adequate discount rate should be chosen.

(4) Deferred tax asset
If it is probable that future taxable income will be available against which the tax loss can be used, a deferred tax asset is recognized for the unused tax loss to the extent that such loss can be used. Management of the Company exercises significant judgment to determine the amount of deferred tax assets that can be recognized based on future tax strategy and the timing and level of tax benefits.

(5) Development costs
Development costs are capitalized in accordance with the accounting policy as mentioned in Note 2.2. Initial capitalization of costs is based on management's judgment that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

(6) Defined benefit plans
The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a





defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'A+' rating or above, as set by an internationally acknowledged rating agency. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

(7) Lease period of a contract with options to extend and terminate
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, and any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Company consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. If the Company possesses such options, the Company applies judgment in evaluating whether it is reasonably certain to exercise the option to renew. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

(8) Provision for decommissioning
The Company has recognized a provision for decommissioning obligations associated with a leased building. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

(9) Income tax
There are different kinds of transactions and calculation methods which make final tax determination uncertain. Based on an estimate of the additional taxes to be imposed, if there is a difference between final tax amount and initially recognized tax amount, the difference will affect current income tax and deferred income tax assets and liabilities at the period when such determinations is made.

(10) Special Taxation for Facilitation of Investment and Mutually Beneficial Cooperation
The Company shall pay an additional surtax where the use of corporate earnings on qualifying investments, wage increase and mutually beneficial cooperation fall below a certain portion of its taxable income for 3 years from 2015. As the Company considers the Special Taxation for Facilitation of Investment and Mutually-Beneficial Cooperation on its undistributed earnings when computing its corporate income tax, the Company's income tax may change arising from changes in investment, wage growth, or mutually-beneficial cooperation.

(11) Insurance Contract Liabilities
The Company calculates current neutral estimates of future cash flows, adjustments to the time value of money and financial risks associated with future cash flows, and adjustments to non-financial risks to measure the current value of the cash flows of the liabilities for remaining coverage and the liabilities for incurred claims, and the current value measurement of these fulfillment cash flows is determined by the estimation of relevant market variables, the determination of uncertainty about the amount and timing of future cash flows, the accounting assumptions and economic assumptions and other risks.

The Company calculates the profit earned during the period by providing insurance contract margin services based on the number of coverage units in the insurance contract group.
The number of coverage units in a group of insurance contracts is determined by the quantitative unit of insurance contract services of individual contract benefits and the expected duration.

*(In millions of won)*

**4. Cash and due from banks**

(1) Cash and cash equivalent as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash | ₩ | 508 | 512 |
| Demand deposits | | 45,097 | 71,535 |
| Time deposits | | - | 140,000 |
| MMDA | | 541,700 | 1,907,616 |
| Other deposits | | 926,501 | 850,069 |
| | ₩ | 1,513,806 | 2,969,732 |

(2) Due from banks as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Time deposits | ₩ | 1,392,990 | 482,990 |
| Other deposits | | 487,789 | 738,548 |
| Future transactions deposits | | 107,747 | 75,042 |
| Allowance for loss | | (1,082) | (669) |
| | ₩ | 1,987,444 | 1,295,911 |

(3) Bank deposits with withdrawal restrictions as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 | Details |
|---|---|---|---|---|
| Other deposits | ₩ | 10 | 10 | Guarantee deposits for checking accounts |
| Future transactions deposits | | 107,747 | 75,042 | Future trading |
| Demand deposits | | 50 | - | Court Seizure |
| | ₩ | 107,807 | 75,052 | |

(4) Changes in the loss allowance for deposits at amortized cost for the period ended December 31, 2024, and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 669 | - | - | 669 |
| Changes due to significant increases and decreases in credit risk | | | - | - | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| | | - | - | - | - |
| Charge for the period(reversal), net | | 413 | - | - | 413 |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 1,082 | - | - | 1,082 |

(5) Changes in the total carrying amount of deposits at amortized cost for the periods ended December 31, 2024, and 2023 are as follows:

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 181 | - | - | 181 |
| Changes due to significant increases and decreases in credit risk | | | - | - | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| | | - | - | - | - |
| Charge for the period(reversal), net | | 488 | - | - | 488 |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |





*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Ending balance | ₩ | 669 | - | - | 669 |

**4. Cash and due from banks, continued**

(5) Changes in the total carrying amount of deposits at amortized cost for the periods ended December 31, 2024, and 2023 are as follows, continued:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 1,296,580 | - | - | 1,296,580 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | 691,946 | | | 691,946 |
| Ending balance | ₩ | 1,988,526 | - | - | 1,988,526 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | Total |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | |
| Beginning balance | ₩ | 816,401 | - | - | 816,401 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | 480,179 | - | - | 480,179 |
| Ending balance | ₩ | 1,296,580 | - | - | 1,296,580 |

**5. Financial assets at fair value through profit or loss**

(1) Financial assets at fair value through profit or loss as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Shares | ₩ | 3,941,892 | 4,357,551 |
| Equity investments | | 158,994 | 158,614 |
| Beneficiary certificates (*) | | 17,425,481 | 19,026,615 |
| Government and public bonds | | 3,699,510 | 3,671,295 |
| Special bonds | | 1,881,806 | 2,348,203 |
| Financial institutions bonds | | 1,258,235 | 1,088,701 |
| Corporate bonds | | 894,594 | 864,517 |
| Foreign securities | | 2,949,232 | 2,626,815 |
| Other securities | | 1,915 | 11,180 |
| | ₩ | 32,211,659 | 34,153,491 |

**(*)** Amounts of the Corsair-related fund, which is the major shareholder of the Company, includes ₩ 263,593 million as of December 31, 2024, and dividend income recognized from the fund for the period ended December 31, 2024 is ₩ 1,686 million. In addition, the additional acquisition amount is ₩ 6,072 million and the disposal amount is ₩ 3,517 million for the period ended December 31, 2024.

(2) Financial assets at fair value through profit or loss pledged as collateral as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 | Counterparty |
|---|---|---|---|---|
| Collateral for derivative contracts: | | | | |
| Shares | ₩ | 179,720 | 231,916 | KSD,etc. |
| Bonds | | 44,815 | 54,060 | KSD,etc. |
| | ₩ | 224,535 | 285,975 | |

*(In millions of won)*

(3) As a transfer transaction that does not meet the removal requirements of KIFRS 1109, the details of loaned securities related to financial assets at fair value through profit or loss as of December 31, 2024 and 2023 are as follows.

| | | | 2024 | 2023 |
|---|---|---|---|---|
| Government and public bonds | Financial assets at fair value through profit or loss | ₩ | 24,048 | 31,758 |

**6. Financial assets at fair value through other comprehensive income**

(1) Financial assets at fair value through other comprehensive income as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Equity securities: | | | |
| Shares | ₩ | 158,647 | 142,871 |
| Overseas equity investments | | 46,051 | 27,729 |
| Other securities | | 835,368 | 496,318 |
| | | 1,040,066 | 666,918 |
| Debt securities: | | | |
| Government and public bonds | | 29,685,854 | 25,735,577 |
| Special bonds | | 6,315,655 | 5,171,465 |
| Financial institutions bonds | | 1,607,853 | 1,579,065 |
| Corporate bonds | | 4,668,728 | 4,430,379 |
| Overseas debt instruments | | 14,707,766 | 12,140,956 |
| | | 56,985,856 | 49,057,442 |
| | ₩ | 58,025,922 | 49,724,360 |

(2) Details and reasons for equity instruments designated as fair value through other comprehensive income as of December 31, 2024 and 2023 are as follows:

| | | 2024 |
|---|---|---|
| SK telecom Hybrid 3 | ₩ | 171,846 |
| IBK CoCo bonds | | 154,732 |
| KB FG CoCo bonds 12 | | 62,606 |
| Shinhan FG CoCo bonds 14 | | 53,756 |
| DGB FG CoCo bonds 7 | | 53,568 |
| Woori FG CoCo bonds 16 | | 52,369 |
| Hana FG CoCo bonds 14 | | 52,314 |
| Shinhan Bank CoCo bonds 28-04 | | 51,248 |
| Others | | 387,627 |
| | ₩ | 1,040,066 |

(*) The fair value option in other comprehensive income was exercised for reasons such as retention as required by policy.

| | | 2023 |
|---|---|---|
| SK Telecom New Capital Securities 3 | ₩ | 153,509 |
| Emart Hybrid Capital Securities 3 | | 65,659 |
| SK E&S Hybrid Capital Securities 3 | | 63,611 |
| DGBFG conditional(upper)7(new type permanent-5 call) | | 51,451 |
| Shinhan Financial Conditional (upper) 14 (new type permanent-5 call) | | 51,274 |
| South-East Power New Capital Securities 1-2 | | 49,173 |
| Macquarie Infra | | 46,403 |
| Agricultural Finance Bond (Bank) 2023-07E-A (New Type) | | 30,889 |
| Others | | 154,949 |
| | ₩ | 666,918 |

(*) The fair value option in other comprehensive income was exercised for reasons such as retention as required by policy.

(3) Dividend income recognized from equity instruments designated as fair value through other comprehensive income for the period ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Shares | ₩ | 10,096 | 3,685 |
| Overseas securities | | 667 | 1,009 |
| Other securities | | 36,043 | 18,307 |
| | ₩ | 46,806 | 23,001 |

(4) Equity instruments designated as fair value through other comprehensive income disposed of for the period ended December 31, 2024 and 2023 are as follows:





*(In millions of won)*

| | | Fair value at disposal | Accumulation valuation gain or loss | Details |
|---|---|---|---|---|
| E-mart Hybrid 3 | ₩ | 70,000 | - | Early redemption |
| SK E&S Hybrid Capital Securities 3(*) | | 69,993 | (7) | Sale of shares |
| E-mart everyday(*) | | 17 | (145) | Sale of shares |
| | ₩ | 140,010 | (152) | |

(*) Losses of ₩ 7 million and ₩ 145 million incurred when selling SK E&S Hybrid Capital Securities and E-Mart everyday stocks and the loss on disposal was transferred from other comprehensive income to retained earnings within equity at the time of disposal.

There was no equity instruments designated as financial assets at fair value through other comprehensive income disposed of for the year ended December 31, 2023.

(5) Changes in the loss allowance for financial assets at fair value through other comprehensive income for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 12,177 | - | - | 12,177 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| Charge for the period(reversal), net | | (4,559) | - | - | (4,559) |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 7,618 | - | - | 7,618 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 7,842 | - | 1,501 | 9,343 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| Charge for the period(reversal), net | | 4,335 | - | (1,501) | 2,834 |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 12,177 | - | - | 12,177 |

*(In millions of won)*

(6) Changes in the carrying amount of debt securities measured at fair value through other comprehensive income for the periods ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | | Lifetime expected credit loss measurement | | |
| | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ 49,057,441 | - | 1 | 49,057,442 |
| Replaced by 12-month expected credit loss | - | - | - | - |
| Replaced by lifetime expected credit loss | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | 7,928,414 | - | - | 7,928,414 |
| Ending balance | ₩ 56,985,855 | - | 1 | 56,985,856 |

| | 2023 | | | |
|---|---|---|---|---|
| | | Lifetime expected credit loss measurement | | |
| | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ 39,779,674 | - | 3,210 | 39,782,884 |
| Replaced by 12-month expected credit loss | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | 9,277,767 | - | (3,209) | 9,274,558 |
| Ending balance | ₩ 49,057,441 | - | 1 | 49,057,442 |

(7) As a transaction that does not meet the requirements for derecognition under KIFRS 1109, the details of loaned securities related to financial assets at fair value through other comprehensive income as of December 31, 2024 and 2023 are follows:

| | | Classification | 2024 | 2023 |
|---|---|---|---|---|
| Government and public bonds | ₩ | Financial assets at fair value through other comprehensive income | 672,889 | 503,371 |

(8) Financial assets pledged as collateral as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 | Counterparty |
|---|---|---|---|---|
| Collateral for derivative contracts | ₩ | 2,399,956 | 779,387 | BNP Paribas, etc. |
| CCP-IRS substitute securities | | 347,654 | 324,377 | NH investment & securities, etc. |
| Futures substitute securities | | 216,469 | 188,061 | Kyobo Securities, etc.. |

(9) Total profit and loss related to financial assets at fair value through other comprehensive income and its allocation to policyholder's equity adjustment, deferred tax liability and accumulated other comprehensive income are as follows as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Total profit and loss related to financial assets at fair value through other comprehensive income | ₩ | (4,623,082) | (4,983,063) |
| Amount allocated to policyholder’s equity adjustment | | (131,755) | (146,608) |
| Amount allocated to deferred tax liabilities | | (1,185,710) | (1,276,824) |
| Amount allocated to accumulated other comprehensive income | | (3,305,617) | (3,559,631) |





*(In millions of won)*

**7. Securities at amortized cost**

(1) Securities at amortized cost as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Debt securities: | | | |
| Special bonds | ₩ | 586,901 | 656,068 |
| Corporate bonds | | 568,199 | 587,819 |
| Overseas securities | | 58,063 | 19,661 |
| | | 1,213,163 | 1,263,548 |
| Loss allowances | | (14) | (27) |
| | ₩ | 1,213,149 | 1,263,521 |

(2) Changes in the loss allowance for ssecurities at amortized cost for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 27 | - | - | 27 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| Charge for the period(reversal), net | | (13) | - | - | (13) |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 14 | - | - | 14 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 23 | - | - | 23 |
| Changes due to significant increases and decreases in credit risk | | | | | - |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replacing credit-damaged financial assets | | - | - | - | - |
| Charge for the period(reversal), net | | 4 | - | - | 4 |
| Write off, etc. | | - | - | - | - |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | - | - |
| Ending balance | ₩ | 27 | - | - | 27 |

*(In millions of won)*

(3) Changes in the carrying amount of securities at amortized for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 1,263,548 | - | - | 1,263,548 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | (50,385) | - | - | (50,385) |
| Ending balance | ₩ | 1,213,163 | - | - | 1,213,163 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 1,385,049 | - | - | 1,385,049 |
| Replaced by 12-month expected credit loss | | - | - | - | - |
| Replaced by lifetime expected credit loss (collective assessment) | | - | - | - | - |
| Replaced by lifetime expected credit loss of impaired receivables | | - | - | - | - |
| Replaced by lifetime expected credit loss (individual assessment) | | - | - | - | - |
| Purchases or removals, etc. (net increase or decrease) | | (121,501) | - | - | (121,501) |
| Ending balance | ₩ | 1,263,548 | - | - | 1,263,548 |

**8. Loan receivables at amortized cost**

(1) Loan receivables at amortized cost as of and December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Loan receivables secured by real estate | ₩ | 6,657,910 | 6,643,394 |
| Unsecured loan receivables | | 10,431,451 | 10,670,499 |
| Guaranteed loan receivables | | 1,210,563 | 1,126,746 |
| Other loan receivables | | 926,301 | 919,637 |
| | | 19,226,225 | 19,360,276 |
| Less: Present value discount | | - | (2) |
| Less: Deferred loan origination costs and fees | | (54,503) | (64,189) |
| Less: Allowance for loss on loan receivables | | (90,702) | (70,398) |
| | ₩ | 19,081,020 | 19,225,687 |

(2) Changes in loss allowance for loan receivables at amortized cost for the periods ended and December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 16,398 | 22,112 | 31,889 | 70,399 |
| Changes due to significant increases and decreases in credit risk | | | | | |
| Replaced by 12-month expected credit loss | | 3,228 | (3,218) | (10) | - |
| Replaced by lifetime expected credit loss | | (1,960) | 10,907 | (8,947) | - |
| Replacing credit-damaged financial assets | | (727) | (7,854) | 8,581 | - |
| | | 541 | (165) | (376) | - |
| Charge for the period(reversal), net | | 7,857 | 16,665 | 28,795 | 53,317 |
| Write off, etc | | - | (1,522) | (44,934) | (46,456) |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | 13,442 | 13,442 |
| Ending balance | ₩ | 24,796 | 37,090 | 28,816 | 90,702 |





*(In millions of won)*

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 12,870 | 11,094 | 24,181 | 48,145 |
| Changes due to significant increases and decreases in credit risk | | - | - | - | |
| Replaced by 12-month expected credit loss | | 1,820 | (1,820) | - | - |
| Replaced by lifetime expected credit loss | | (1,452) | 1,463 | (10) | 1 |
| Replacing credit-damaged financial assets | | (967) | (5,987) | 6,954 | - |
| | | (599) | (6,344) | 6,944 | 1 |
| Charge for the period(reversal), net | | 4,136 | 17,480 | 31,437 | 53,053 |
| Write off, etc | | (9) | (118) | (45,575) | (45,702) |
| Effective interest amortization | | - | - | - | - |
| Recovery of amortized Receivables | | - | - | 14,902 | 14,902 |
| Ending balance | ₩ | 16,398 | 22,112 | 31,889 | 70,399 |

(3) Changes in loan receivables at amortized cost for the periods ended and December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 18,471,537 | 843,108 | 45,632 | 19,360,277 |
| Replaced by 12-month expected credit loss | | 112,861 | (112,849) | (12) | - |
| Replaced by lifetime expected credit loss | | (361,056) | 373,851 | (12,795) | - |
| Replaced by lifetime expected credit loss of impaired receivables | | (12,475) | (10,343) | 22,818 | - |
| Purchases or removals, etc. (net increase or decrease) | | (11,521) | (102,566) | 28,293 | (85,794) |
| Write-off or sale of non-performing loans | | (1) | (2,501) | (45,756) | (48,258) |
| Ending balance | ₩ | 18,199,345 | 988,700 | 38,180 | 19,226,225 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | | Lifetime expected credit loss measurement | | |
| | | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Beginning balance | ₩ | 18,669,081 | 360,100 | 34,481 | 19,063,662 |
| Replaced by 12-month expected credit loss | | 97,464 | (97,464) | - | - |

*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| Replaced by lifetime expected credit loss | (575,020) | 575,012 | 8 | - |
| Replaced by lifetime expected credit loss of impaired receivables | (16,204) | (10,658) | 26,862 | - |
| Purchases or removals, etc. (net increase or decrease) | 296,234 | 16,301 | 33,753 | 346,289 |
| Write-off or sale of non-performing loans | (18) | (183) | (49,473) | (49,675) |
| Ending balance ₩ | 18,471,537 | 843,108 | 45,632 | 19,360,276 |

(4) Changes in deferred loan origination costs and fees for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Beginning balance ₩ | (64,189) | (45,430) |
| Loan originations | (23,545) | (33,333) |
| Amortization | 33,231 | 14,574 |
| Ending balance ₩ | (54,503) | (64,189) |

(5) There is no loan receivable of which contractual cash flow has changed for the period ended December 31, 2024 among the loans for which the allowance for bad debts has been measured as lifetime expected credit losses.

(6) Among the loans of which contractual cash flow has changed, the allowance for bad debts was measured by the lifetime expected credit loss, but there is no loan that has changed to measure the allowance for bad debts by the 12-month expected credit loss after initial recognition for the period ended December 31, 2024.

**(7)** Contractual uncollected amount of the loan receivables which have been amortized as of December 31, 2024 but are still being collected is ₩ 147,757 million as of December 31, 2024.

**9. Other financial assets at amortized cost**

(1) Details of other receivables as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Insurance receivables: | | |
| Premiums transferred automatically ₩ | 802 | 42,262 |
| Insurance settlement adjustments | 3,892 | 3,936 |
| Other insurance receivables | 31 | 9,623 |
| | 4,725 | 55,821 |
| Accounts receivables | 73,911 | 169,985 |
| Guarantee deposits | 43,402 | 45,481 |
| Accrued income | 895,201 | 721,407 |
| Others | 139 | 88 |
| | 1,017,378 | 992,782 |
| Less: Present value discount | (2,150) | (2,397) |
| Less: Allowance for other receivables | (14,637) | (16,087) |
| ₩ | 1,000,591 | 974,298 |

(2) Changes in allowance for losses other receivables at amortized cost for the periods ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | Non impaired | Impaired | Total |
| Beginning balance ₩ | 825 | 380 | 14,881 | 16,086 |
| Changes due to significant increases and decreases in credit risk | | | | |
| Replaced by 12-month expected credit loss | 30 | (30) | - | - |
| Replaced by lifetime expected credit loss | (13) | 17 | (4) | - |





*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| Replacing credit-damaged financial assets | (10) | (17) | 27 | - |
| | 7 | (30) | 23 | - |
| Charge for the period(reversal), net | 404 | 266 | 3,045 | 3,715 |
| Write off, etc | - | - | (5,164) | (5,164) |
| Effective interest amortization | - | - | - | - |
| Recovery of amortized Receivables | - | - | - | - |
| Ending balance ₩ | 1,236 | 616 | 12,785 | 14,637 |

(3) Changes in allowance for losses other receivables at amortized cost for the periods ended December 31, 2024 and 2023 are as follows, continued:

| | 2023 | | | |
|---|---|---|---|---|
| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | Non impaired | Impaired | Total |
| Beginning balance ₩ | 592 | 229 | 15,344 | 16,165 |
| Changes due to significant increases and decreases in credit risk | - | - | - | - |
| Replaced by 12-month expected credit loss | 17 | (17) | - | - |
| Replaced by lifetime expected credit loss | (8) | 8 | (1) | (1) |
| Replacing credit-damaged financial assets | (4) | (20) | 24 | - |
| | 5 | (29) | 23 | (1) |
| Charge for the period(reversal), net | 228 | 182 | 1,610 | 2,020 |
| Write off, etc | - | (2) | (2,096) | (2,098) |
| Effective interest amortization | - | - | - | - |
| Recovery of amortized Receivables | - | - | - | - |
| Ending balance ₩ | 825 | 380 | 14,881 | 16,086 |

(4) Changes in other receivables measured at amortized cost for the periods ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | Non impaired | Impaired | Total |
| Beginning balance ₩ | 973,694 | 2,463 | 16,625 | 992,782 |
| Replaced by 12-month expected credit loss | 348 | (348) | - | - |
| Replaced by lifetime expected credit loss | (1,090) | 1,094 | (4) | - |
| Replaced by lifetime expected credit loss of impaired receivables | (50) | (50) | 100 | - |
| Purchases or removals, etc. (net increase or decrease) | 19,341 | 1,777 | 3,478 | 24,596 |
| Ending balance ₩ | 992,243 | 4,936 | 20,199 | 1,017,378 |

| | 2023 | | | |
|---|---|---|---|---|
| | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | |
| | | Non impaired | Impaired | Total |
| Beginning balance ₩ | 844,428 | 1,169 | 16,203 | 861,800 |
| Replaced by 12-month expected credit loss | 254 | (254) | - | - |
| Replaced by lifetime expected credit loss | (1,794) | 1,794 | - | - |

*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| Replaced by lifetime expected credit loss of impaired receivables | (1,382) | (155) | 1,537 | - |
| Purchases or removals, etc. (net increase or decrease) | 132,188 | (91) | (1,115) | 130,982 |
| Ending balance ₩ | 973,694 | 2,463 | 16,625 | 992,782 |

**10. Investments in subsidiaries, associates and joint ventures**

Investments in subsidiaries, associates and joint ventures as of December 31, 2024 and December 31, 2023 are as follows:

| | Valuation method | Country of domicile | 2024 Book value | 2024 Owner-ship (%) | 2023 Book value | 2023 Owner-ship (%) |
|---|---|---|---|---|---|---|
| **Subsidiaries:** | | | | | | |
| Kyobo Securities Co., Ltd. | Cost | Korea | ₩ 730,104 | 84.7% | 730,104 | 84.7% |
| Kyobo Book Center Co., Ltd. | Cost | Korea | 223,830 | 100.0% | 223,830 | 100% |
| Kyobo DTS. Co., Ltd. (*2, *4) | Cost | Korea | 78,253 | 100.0% | 53,253 | 100% |
| Kyobo Realco Inc. | Cost | Korea | 15,985 | 100.0% | 15,985 | 100% |
| KCA Claim Adjustment Co., Ltd. | Cost | Korea | 2,680 | 100.0% | 2,680 | 100% |
| KCA Service | Cost | Korea | 10,484 | 66.7% | 10,484 | 66.7% |
| Kyobo Life Planet Life Insurance company (*2) | Cost | Korea | 209,841 | 100.0% | 167,231 | 100% |
| Kyobo Asset Trust Co., Ltd. (*2) | Cost | Korea | 526,587 | 100.0% | 445,420 | 100% |
| Kyobo AIM Asset Management Co., Ltd. | Cost | Korea | 33,501 | 100.0% | 33,501 | 100% |
| Kyobo Dasom Care Co., Ltd. | Cost | USA | 5,240 | 100.0% | | |
| Kyobo Life Asset Management Co., Ltd. (USA) | Cost | Japan | 3,503 | 100.0% | 3,503 | 100% |
| Kyobo Life Asset Management Co., Ltd. (Japan) | Cost | Korea | 1,118 | 100.0% | 1,118 | 100% |
| Kyobo New Technology Investment Association No.1 (*2) | Cost | Korea | 80,500 | 87.5% | 70,000 | 87.5% |
| Kyobo Tech Valueup Investment Association No. 1 (*2) | Cost | Korea | 42,000 | 93.3% | 28,000 | 93.3% |
| Consus BTL Private Special Asset Investment Trust 1 (*5) | Fair value | Korea | 13,309 | 57.2% | 14,816 | 57.2% |
| Consus Hope BTL Private Special Asset Investment Trust 1 (*5) | Fair value | Korea | 13,233 | 66.7% | 14,990 | 66.7% |
| Consus New Energy Private Special Asset Investment Trust 2 (*5) | Fair value | Korea | 2,454 | 68.8% | 5,658 | 68.8% |
| KIAMCO SHIPPING Private Special Asset Investment Trust KX-1 | Fair value | Korea | 11,976 | 100.0% | 11,819 | 100% |
| Kyobo AIM Core Private Real Estate Investment Trust 1 (*2) | Fair value | Korea | 133,351 | 97.5% | 59,510 | 97.5% |
| Kyobo AIM ESG Infra Special Asset Investment Trust 1 (*2) | Fair value | Korea | 282,058 | 97.5% | 34,195 | 97.5% |
| Kyobo AIM Corporate Finance Private Investment Trust 1 (*2) | Fair value | Korea | 460,834 | 98.8% | 92,119 | 98.8% |
| | | | 2,880,841 | | 2,018,216 | |
| **Associates:** | | | | | | |
| A&D Credit Information Co., Ltd. (*2) | Cost | Korea | 2,947 | 19.5% | 2,947 | 19.5% |
| **Joint ventures:** | | | | | | |
| Kyobo AXA Investment Management Co., Ltd. | Cost | Korea | 26,959 | 50.0% | 26,959 | 50.0% |
| | | ₩ | 2,910,747 | | 2,048,122 | |

(*1) Established and acquired during the period ended December 31, 2024.
(*2) Newly acquired shares for the period ended December 31, 2024.
(*3) Classified as associates even though the Company holds less than 20% of shares, since members of the Company's Board of Directors are also the members of the entities' board and thus have significant influence over the entities.
(*4) Changed its name from Kyobo Information & Communication to Kyobo DTS during the period ended December 31, 2023.
(*5) Partially recovered the investment for the period ended December 31, 2024.





*(In millions of won)*

**11. Classification by categories of financial instruments**

(1) The carrying amounts of each category of financial assets and financial liabilities as of December 31, 2024 and December 31, 2023 are as follows:

| 2024 | Financial assets at fair value through profit or loss | Financial assets at fair value through other comprehensive income | Securities at amortized cost | Loan receivables at amortized cost and other receivables | Hedging purpose derivatives | Financial liabilities at fair value through profit or loss | Financial liabilities at amortized cost | Total |
|---|---|---|---|---|---|---|---|---|
| Financial assets: | | | | | | | | |
| Cash and due from banks ₩ | - | - | - | 3,501,250 | - | - | - | 3,501,250 |
| Financial assets at fair value through profit or loss | 32,211,659 | - | - | - | - | - | - | 32,211,659 |
| Derivative assets | 293,089 | - | - | - | 304,471 | - | - | 597,560 |
| Financial assets at fair value through other comprehensive income | - | 58,025,922 | - | - | - | - | - | 58,025,922 |
| Investments in associates and subsidiaries (*) | 917,215 | - | - | - | - | - | - | 917,215 |
| Securities at amortized cost | - | - | 1,213,149 | - | - | - | - | 1,213,149 |
| Loan receivables at amortized cost | - | - | - | 19,081,020 | - | - | - | 19,081,020 |
| Other receivables at amortized cost | - | - | - | 1,000,591 | - | - | - | 1,000,591 |
| ₩ | 33,421,963 | 58,025,922 | 1,213,149 | 23,582,861 | 304,471 | - | - | 116,548,366 |
| Financial liabilities: | | | | | | | | |
| Investment contract liabilities ₩ | - | - | - | - | - | - | 16,000,079 | 16,000,079 |
| Derivative liabilities | - | - | - | - | 1,743,342 | 718,728 | - | 2,462,070 |
| Borrowings | - | - | - | - | - | - | 698,080 | 698,080 |
| Other financial liabilities | - | - | - | - | - | - | 919,868 | 919,868 |
| ₩ | - | - | - | - | 1,743,342 | 718,728 | 17,618,027 | 20,080,097 |

(*) The beneficiary certificates are within the scope of consolidation using KIFRS 1109.

| 2023 | Financial assets at fair value through profit or loss | Financial assets at fair value through other comprehensive income | Securities at amortized cost | Loan receivables at amortized cost and other receivables | Hedging purpose derivatives | Financial liabilities at fair value through profit or loss | Financial liabilities at amortized cost | Total |
|---|---|---|---|---|---|---|---|---|
| Financial assets: | | | | | | | | |
| Cash and due from banks ₩ | - | - | - | 4,265,643 | - | - | - | 4,265,643 |
| Financial assets at fair value through profit or loss | 34,153,491 | - | - | - | - | - | - | 34,153,491 |
| Derivative assets | 278,661 | - | - | - | 386,582 | - | - | 665,243 |
| Financial assets at fair value through other comprehensive income | - | 49,724,360 | - | - | - | - | - | 49,724,360 |
| Investments in associates and subsidiaries (*) | 233,109 | - | - | - | - | - | - | 233,109 |
| Securities at amortized cost | - | - | 1,263,521 | - | - | - | - | 1,263,521 |
| Loan receivables at amortized cost | - | - | - | 19,225,686 | - | - | - | 19,225,686 |
| Other receivables at amortized cost | - | - | - | 974,298 | - | - | - | 974,298 |
| ₩ | 34,665,261 | 49,724,360 | 1,263,521 | 24,465,627 | 386,582 | - | - | 110,505,351 |
| Financial liabilities: | | | | | | | | |
| Investment contract liabilities ₩ | - | - | - | - | - | - | 15,427,506 | 15,427,506 |

*(In millions of won)*

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Derivative liabilities | - | - | - | - | 628,801 | 214,285 | - | 843,086 |
| Other financial liabilities | - | - | - | - | - | - | 951,900 | 951,900 |
| ₩ | | | | | 628,801 | 214,285 | 16,379,406 | 17,222,492 |

(*) The beneficiary certificates are within the scope of consolidation using KIFRS 1109.

(2) Gains (losses) on categories of financial instruments for the periods ended December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Net profit or loss (*3) | | | | | | Other comprehensive income (expense) (*2) |
| | Interest income (expense) | Gain (loss) on disposal | Gain (loss) on valuation | Impairment loss | Other Gain (loss) (*1) | Total | |
| Financial assets at fair value through profit or loss ₩ | 285,029 | 141,091 | 6,427 | - | 1,207,718 | 1,640,265 | - |
| Financial assets at fair value through other comprehensive income | 1,772,290 | (31,194) | - | 4,559 | 1,973,284 | 3,718,939 | 250,507 |
| Securities at amortized cost | 38,378 | - | - | 13 | 11,313 | 49,704 | - |
| Derivatives | (91,152) | (53,779) | (1,994,474) | - | - | (2,139,405) | 36,350 |
| Loans and receivables at amortized cost and other receivables | 1,057,034 | 646 | - | (57,445) | 51,669 | 1,051,904 | - |
| Investments in associates and subsidiaries | - | 50 | 20,221 | - | 9,332 | 29,603 | - |
| Investment contract liabilities | - | - | - | - | (710,392) | (710,392) | - |
| Financial liabilities at amortized cost | (12,873) | - | - | - | - | (12,873) | - |
| ₩ | 3,048,706 | 56,814 | (1,967,826) | (52,873) | 2,542,924 | 3,627,745 | 286,857 |

(*1) Including gain or loss from foreign currency transaction, dividend income and other financial expenses.
(*2) Amounts adjusted for income tax effect.
(*3) Including gain or loss from performance dividends.
(*4) Subsidiary investment securities for which KIFRS 1109 has been selectively applied.

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Net profit or loss (*3) | | | | | | Other comprehensive income (expense) (*2) |
| | Interest income (expense) | Gain (loss) on disposal | Gain (loss) on valuation | Impairment loss | Other Gain (loss) (*1) | Total | |
| Financial assets at fair value through profit or loss ₩ | 323,143 | 422,711 | 1,496,610 | - | 898,049 | 3,140,513 | - |
| Financial assets at fair value through other comprehensive income | 1,588,542 | 133,654 | - | (2,834) | 305,527 | 2,024,889 | 2,323,292 |
| Securities at amortized cost | 41,592 | | - | (5) | 9,161 | 50,748 | - |
| Derivatives | (83,659) | (425,603) | (65,549) | - | - | (574,811) | 357,361 |
| Loans and receivables at amortized cost and other receivables | 904,809 | 7,462 | - | (55,562) | 13,961 | 870,670 | - |
| Investments in associates and subsidiaries | - | - | - | | 1,864 | 1,864 | - |
| Investment contract liabilities | - | - | - | - | (515,584) | (515,584) | - |
| Financial liabilities at amortized cost | (39,271) | - | - | - | - | (39,271) | - |
| ₩ | 2,735,156 | 138,224 | 1,431,061 | ( 58,401) | 712,978 | 4,959,018 | 2,680,653 |

(*1) Including gain or loss from foreign currency transaction, dividend income and other financial expenses.
(*2) Amounts adjusted for income tax effect.
(*3) Including gain or loss from performance dividends.
(*4) Subsidiary investment securities for which KIFRS 1109 has been selectively applied.





*(In millions of won)*

**12. Fair value of financial assets and liabilities**

(1) The book value and fair value of financial assets and liabilities as of December 31, 2024 and December 31, 2023 are as follows:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Book value | Fair value | Book value | Fair value |
| Financial assets: | | | | |
| Cash and due from banks ₩ | 3,501,250 | 3,501,250 | 4,265,643 | 4,265,643 |
| Financial assets at fair value through profit or loss | 32,211,659 | 32,211,659 | 34,153,491 | 34,153,491 |
| Derivative assets | 597,560 | 597,560 | 665,243 | 665,243 |
| Financial assets at fair value through other comprehensive income | 58,025,922 | 58,025,922 | 49,724,360 | 49,724,360 |
| Securities at amortized cost | 1,213,149 | 1,148,749 | 1,263,521 | 1,122,759 |
| Loan receivables at amortized cost | 19,081,020 | 19,191,710 | 19,225,686 | 18,834,552 |
| Other financial assets at amortized cost | 1,000,591 | 1,000,538 | 974,298 | 973,861 |
| Investments in associates and subsidiaries (*) | 917,215 | 917,215 | 233,109 | 233,109 |
| ₩ | 116,548,366 | 116,594,603 | 110,505,351 | 109,973,018 |
| Financial liabilities: | | | | |
| Investment contract liabilities ₩ | 16,000,079 | 16,000,079 | 15,427,506 | 15,427,506 |
| Borrowings | 2,462,070 | 2,462,070 | 843,086 | 843,086 |
| Derivative liabilities | 698,080 | 714,960 | - | - |
| Other financial liabilities | 919,868 | 919,053 | 951,900 | 949,643 |
| ₩ | 20,080,097 | 20,096,162 | 17,222,492 | 17,220,235 |

(*) Subsidiary investment securities for which KIFRS 1109 has been selectively applied.

(2) Financial instruments measured at the fair value

The Company classifies and discloses fair value of the financial instruments into the following three-level hierarchy:

- Level 1: Financial instruments measured at quoted prices from active markets are classified as fair value level 1.
- Level 2: Financial instruments measured using valuation techniques where all significant inputs are observable market data are classified as level 2.
- Level 3: Financial instruments measured using valuation techniques where one or more significant inputs are not based on observable market data are classified as level 3.

The Company recognizes transfers between levels of fair value hierarchy at the end of the reporting period.
Financial instruments measured at fair value as of December 31, 2024 and December 31, 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | |
| Financial assets at fair value through profit or loss ₩ | 8,200,658 | 9,853,846 | 14,157,155 | 32,211,659 |
| Financial assets at fair value through Other comprehensive income | 33,075,030 | 24,885,130 | 65,762 | 58,025,922 |
| Derivative assets | - | 597,560 | - | 597,560 |
| Investments in associates and subsidiaries | - | - | 917,215 | 917,215 |
| ₩ | 41,275,688 | 35,336,536 | 15,140,132 | 91,752,356 |
| Financial liabilities: | | | | |
| Derivative liabilities ₩ | - | 2,462,070 | - | 2,462,070 |

| | 2023 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | |
| Financial assets at fair value through profit or loss ₩ | 8,980,645 | 10,881,487 | 14,291,359 | 34,153,491 |
| Financial assets at fair value through Other comprehensive income | 27,125,398 | 22,552,706 | 46,256 | 49,724,360 |

*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Derivative assets | | - | 665,243 | - | 665,243 |
| Investments in associates and subsidiaries | | | | 233,109 | 233,109 |
| | ₩ | 36,106,043 | 34,099,436 | 14,570,724 | 84,776,203 |
| Financial liabilities: | | | | | |
| Derivative liabilities | ₩ | - | 804,550 | 38,536 | 843,086 |

(3) Changes in level 3 fair value hierarchy for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Financial assets at fair value through profit or loss | Derivative assets, net. | Financial assets at fair value through other comprehensive income | Investments in subsidiaries and associates | Total |
| Beginning balance | ₩ | 14,291,360 | (38,537) | 46,256 | 233,109 | 14,532,188 |
| Purchases | | 1,218,775 | - | - | 672,619 | 1,891,394 |
| Settlements/disposals | | (1,754,072) | 38,537 | - | (8,734) | (1,724,269) |
| Others | | 21,511 | - | - | - | 21,511 |
| Total income: | | 379,581 | - | 19,506 | 20,221 | 419,308 |
| Profit or loss | | 379,581 | - | - | 20,221 | 399,802 |
| Other comprehensive income (loss) | | - | - | 19,506 | - | 19,506 |
| Ending balance | ₩ | 14,157,155 | - | 65,762 | 917,215 | 15,140,132 |

| | | 2023 | | | | |
|---|---|---|---|---|---|---|
| | | Financial assets at fair value through profit or loss | Derivative assets, net. | Financial assets at fair value through other comprehensive income | Investments in subsidiaries and associates | Total |
| Beginning balance | ₩ | 13,330,184 | (62,628) | 42,462 | 52,850 | 13,362,868 |
| Purchases | | 1,844,056 | - | 29,694 | 186,124 | 2,059,874 |
| Settlements/disposals | | (1,144,076) | - | - | (6,931) | (1,151,007) |
| Total income: | | 261,195 | 24,092 | (900) | 1,066 | 285,453 |
| Profit or loss | | 261,195 | 24,092 | - | 1,066 | 286,353 |
| Other comprehensive income (loss) | | - | - | (900) | - | (900) |
| Transfer to level 1 | | - | - | (25,000) | - | (25,000) |
| Ending balance | ₩ | 14,291,359 | (38,536) | 46,256 | 233,109 | 14,532,188 |

During the current period, there were no transfers into or out of Level 3. As equity securities that were measured at level 3 during the previous period were listed, they moved from level 3 to level 1 for the year ended December 31, 2023.





*(In millions of won)*

(4) Total gains or losses for the periods ended December 31, 2024 and 2023 recognized in profit of loss and gains or losses relating to financial instruments in level 3 at the end of the reporting period are presented in the statement of comprehensive income as follows:

| | | 2024 | |
|---|---|---|---|
| | | Total gains and losses | Gains(losses) relating to financial instruments held |
| Recognized in profit or loss relating to financial instruments in level 3 | ₩ | 363,480 | 399,802 |

| | | 2023 | |
|---|---|---|---|
| | | Total gains and losses | Gains(losses) relating to financial instruments held |
| Recognized in profit or loss relating to financial instruments in level 3 | ₩ | 373,554 | 286,353 |

(5) Valuation techniques and inputs used in measuring fair value of financial instruments classified as level 2 as of December 31, 2024 is as follows:

| Type of financial instrument | Valuation technique | Input variables |
|---|---|---|
| Financial assets: | | |
| Financial assets at fair value through profit or loss | Discounted cash flow<br>Dividend discount model | Interest rate, foreign exchange rate, stock price, etc. |
| Derivative assets | Discounted cash flow, Option pricing model | Interest rate, foreign exchange rate, stock price, etc. |
| Financial assets at fair value through other comprehensive income | Discounted cash flow,<br>Dividend discount model | Interest rate, foreign exchange rate, stock price, etc. |
| Financial liabilities: | | |
| Derivative liabilities | Discounted cash flow, Option pricing model | Interest rate, foreign exchange rate, stock price, etc. |
| Borrowings | Discounted cash flow | Interest rate, etc. |

(6) There was no transfer between level 1 and level 2 fair value measurement during the periods ended December 31, 2024 and 2023.

(7) Information about significant unobservable inputs in measuring financial instruments categorized within level 3 as of December 31, 2024 and December 31, 2023 are as follows:

| 2024 | | | | |
|---|---|---|---|---|
| Type of financial instrument | Valuation technique | Input variables | Range of estimates for unobservable inputs | Fair value measurement sensitivity to unobservable inputs |
| **Financial assets:** | | | | |
| Financial assets at fair value through profit or loss | Binomial model , DCF model, Net asset method | Growth rate | 0%~1% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 4.55%~13.41% | A significant increase in discount rate would result in a lower fair value |
| | | The volatility of liquidation value rate | 0% | A significant increase in the volatility of liquidation value rate would result in a higher fair value |
| Financial assets at fair value through other comprehensive income | DCF model | Growth rate | 1.00% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 12.11%~14.59% | A significant increase in discount rate would result in a lower fair value |
| Investments in associates and subsidiaries | Net asset method | The volatility of liquidation value rate | 0% | A significant increase in the volatility of liquidation value rate would result in a higher fair value |

*(In millions of won)*

| 2023 | | | | |
|---|---|---|---|---|
| Type of financial instrument | Valuation technique | Input variables | Range of estimates for unobservable inputs | Fair value measurement sensitivity to unobservable inputs |
| **Financial assets:** | | | | |
| Financial assets at fair value through profit or loss | Binomial model , DCF model, Net asset method | Growth rate | 0%~1% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 5.05%~15.69% | A significant increase in discount rate would result in a lower fair value |
| | | The volatility of liquidation value rate | 0%~1% | A significant increase in the volatility of liquidation value rate would result in a higher fair value |
| Financial assets at fair value through other comprehensive income | DCF model | Growth rate | 1.00% | A significant increase in growth rate would result in a higher fair value |
| | | Discount rate | 8.35%~15.11% | A significant increase in discount rate would result in a lower fair value |
| Investments in associates and subsidiaries | Net asset method | The volatility of liquidation value rate | 0% | A significant increase in the volatility of liquidation value rate would result in a higher fair value |
| **Financial liabilities:** | | | | |
| Derivative liabilities | DCF model | Discount rate | 2.00%~3.89% | A significant increase in discount rate would result in a lower fair value |

(8) A sensitivity analysis for value measurement arising from changes in the significant unobservable inputs as of December 31, 2024 and December 31, 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Profit or loss | | Other comprehensive income | |
| | | Favorable change | Unfavorable change | Favorable change | Unfavorable change |
| Financial assets: | | | | | |
| Financial assets at fair value through profit or loss (*1) | ₩ | 168,566 | (159,866) | - | - |
| Financial assets at fair value through other comprehensive income (*2) | | - | - | 3,581 | (2,703) |
| Investments in associates and subsidiaries (*2) | | 9,180 | (9,180) | - | - |

(*1) A change in fair value is calculated by increasing or decreasing stock price (-1%~1%), volatility (-1%~1%) and discount rate (-1%~1%).
(*2) A change in fair value is calculated by increasing or decreasing the correlation of permanent growth rate (-1%~1%), fluctuation rate of liquidation value (-1%~1%) and discount rate (-1%~1%).

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Profit or loss | | Other comprehensive income | |
| | | Favorable change | Unfavorable change | Favorable change | Unfavorable change |
| Financial assets: | | | | | |
| Financial assets at fair value through profit or loss (*1) | ₩ | 174,412 | (118,326) | - | - |
| Financial assets at fair value through other comprehensive income (*2) | | - | - | 2,178 | (1,573) |
| Investments in associates and subsidiaries (*2) | | 1,399 | (1,399) | - | - |
| Financial liabilities: | | | | | |
| Derivative liabilities (*1) | | 51,984 | (42,735) | - | - |

(*1) A change in fair value is calculated by increasing or decreasing stock price (-1%~1%), volatility (-1%~1%) and discount rate (-1%~1%).
(*2) A change in fair value is calculated by increasing or decreasing the correlation of permanent growth rate (-1%~1%), fluctuation rate of liquidation value (-1%~1%) and discount rate (-1%~1%).





*(In millions of won)*

(9) The fair value by evaluation of financial assets and financial liabilities, which are not measured as fair value as of December 31, 2024 and December 31, 2023 are as follows.

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | |
| Cash and due from banks | ₩ | 508 | 3,500,742 | - | 3,501,250 |
| Loan receivables at amortized cost | | - | | 19,191,710 | 19,191,710 |
| Other financial assets at amortized cost | | - | - | 1,000,538 | 1,000,538 |
| Securities at amortized cost | | - | 1,148,749 | - | 1,148,749 |
| | | 508 | 4,649,491 | 20,192,248 | 24,842,247 |
| Financial liabilities: | | | | | |
| Investment contract liabilities | | - | - | 16,000,079 | 16,000,079 |
| Borrowings | | - | 714,960 | - | 714,960 |
| Other financial liabilities | | - | - | 919,053 | 919,053 |
| | ₩ | - | 714,960 | 16,919,132 | 17,634,092 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | |
| Cash and due from banks | ₩ | 512 | 4,265,131 | - | 4,265,643 |
| Loan receivables at amortized cost | | - | - | 18,834,552 | 18,834,552 |
| Other financial assets at amortized cost | | - | - | 973,861 | 973,861 |
| Securities at amortized cost | | - | 1,122,759 | - | 1,122,759 |
| | | 512 | 5,387,890 | 19,808,413 | 25,196,815 |
| Financial liabilities: | | | | | |
| Investment contract liabilities | | | | 15,427,506 | 15,427,506 |
| Other financial liabilities | | - | - | 949,643 | 949,643 |
| | ₩ | - | - | 16,377,149 | 16,377,149 |

(10) The Company is subject to enforceable master commercial agreements such as derivatives clearing agreement, international standard repurchase agreement, international standard securities lending agreement and financial collateral, or similar agreements in relation to derivatives, repurchase agreement bond trading, securities lending transactions, etc.

Financial assets and financial liabilities subject to offsetting, enforceable master netting agreements and similar agreements as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | Amount not offsetting in the statements of financial position | | |
| | | Financial assets and liabilities recognized | Offsetting financial assets and liabilities recognized | Financial assets and liabilities recognized after offset | Financial instruments | Cash collateral received | Net amounts |
| Financial assets: | | | | | | | |
| Derivative assets | ₩ | 597,560 | - | 597,560 | 458,986 | 131,438 | 7,136 |
| Securities lending agreement | | 696,937 | - | 696,937 | 696,937 | - | - |
| Financial liabilities: | | | | | | | |
| Derivative liabilities | ₩ | 2,462,070 | - | 2,462,070 | 458,986 | 1,806,666 | 196,418 |

| | | 2023 | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | Amount not offsetting in the statements of financial position | | |
| | | Financial assets and liabilities recognized | Offsetting financial assets and liabilities recognized | Financial assets and liabilities recognized after offset | Financial instruments | Cash collateral received | Net amounts |
| Financial assets: | | | | | | | |
| Derivative assets | ₩ | 665,243 | - | 665,243 | 472,252 | 75,555 | 117,436 |
| Securities lending agreement | | 535,129 | - | 535,129 | 535,129 | - | - |
| Financial liabilities: | | | | | | | |
| Derivative liabilities | ₩ | 843,086 | - | 843,086 | 472,252 | 336,233 | 34,601 |

*(In millions of won)*

**13. Investment property**

(1) Investment property as of December 31, 2024 and December 31, 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 847,599 | - | (5,932) | 841,667 |
| Buildings | 532,806 | (216,487) | (15,500) | 300,819 |
| Structures | 11,699 | (4,826) | (304) | 6,569 |
| | ₩ 1,392,104 | (221,313) | (21,736) | 1,149,055 |

| | 2023 | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 852,252 | - | (5,926) | 846,326 |
| Buildings | 531,386 | (206,788) | (15,374) | 309,224 |
| Structures | 11,753 | (4,617) | (306) | 6,830 |
| | ₩ 1,395,391 | (211,405) | (21,606) | 1,162,380 |

(2) Changes in investment property for the period ended December 31, 2024 and 2023 are as follows:

| 2024 | | | | | | |
|---|---|---|---|---|---|---|
| | Beginning balance | Acquisitions | Depreciation | Impairment | Others (*) | Ending balance |
| Land | ₩ 846,326 | - | - | - | (4,659) | 841,667 |
| Buildings | 309,224 | 1,388 | (10,290) | (18) | 514 | 300,818 |
| Structures | 6,830 | - | (228) | - | (33) | 6,569 |
| | ₩ 1,162,380 | 1,388 | (10,518) | (18) | (4,178) | 1,149,054 |

(*) Others include transfers from property and equipment.

| 2023 | | | | | |
|---|---|---|---|---|---|
| | Beginning balance | Acquisitions | Depreciation | Others (*) | Ending balance |
| Land | ₩ 849,226 | - | - | (2,900) | 846,326 |
| Buildings | 318,206 | 826 | (10,314) | 506 | 309,224 |
| Structures | 7,047 | - | (229) | 12 | 6,830 |
| | ₩ 1,174,479 | 826 | (10,543) | (2,382) | 1,162,380 |

(*) Others include transfers from property and equipment.

(3) Gain on investment properties for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Rentals | ₩ 103,269 | 99,317 |
| Direct operating expenses for investment property: | | |
| Generated rental income | 40,155 | 39,630 |
| Not generated rental income | 5,282 | 4,778 |

(4) The fair value of investment properties as of December 31, 2024 and 2023 are ₩2,632,886million and ₩2,448,134million, respectively. The fair value is estimated by qualified and independent appraiser. The fair value of investment properties is classified as level 3.

Valuation techniques and inputs used in measuring investment properties as of December 31, 2024 are as follows:

| Valuation technique | Input variables | Fair value measurement sensitivity to unobservable inputs |
|---|---|---|
| Cost approach, sales comparison, income approach | Discount rate, vacancy rate, operating expenses rate, etc. | An increase in discount rate, vacancy rate, operating expenses rate would result in a lower fair value |

(5) Investment property pledged as collaterals as of December 31, 2024 and December 31, 2023 are as follows:

| | | 2024 | 2023 | Purpose |
|---|---|---|---|---|
| | Book value | ₩ 54,012 | 51,164 | |
| WooriBank,etc | Maximum credit amount | 63,880 | 60,386 | Establishment of right of mortgage |





*(In millions of won)*

**14. Property and equipment**

(1) Property and equipment as of December 31, 2024 and December 31, 2023 are as follows:

| 2024 | | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 531,835 | - | (4,816) | 527,019 |
| Buildings | 469,600 | (186,250) | (30,031) | 253,319 |
| Structures | 16,615 | (7,719) | (220) | 8,676 |
| Vehicles | 1,313 | (1,256) | - | 57 |
| Equipment | 93,002 | (74,951) | - | 18,051 |
| Right-of-use assets (Real estates) | 86,616 | (42,513) | - | 44,103 |
| Right-of-use assets (Vehicles) | 2,967 | (879) | - | 2,088 |
| Others | 12,485 | (1,557) | (358) | 10,570 |
| | ₩ 1,214,433 | (315,125) | (35,425) | 863,883 |

| 2023 | | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated depreciation | Accumulated impairment losses | Book value |
| Land | ₩ 527,097 | - | (4,821) | 522,276 |
| Buildings | 468,490 | (176,836) | (30,075) | 261,579 |
| Structures | 16,562 | (7,372) | (219) | 8,971 |
| Vehicles | 1,596 | (1,482) | - | 114 |
| Equipment | 84,559 | (66,702) | - | 17,857 |
| Right-of-use assets (Real estates) | 93,288 | (44,034) | - | 49,254 |
| Right-of-use assets (Vehicles) | 2,078 | (1,259) | - | 819 |
| Others | 12,521 | (1,425) | (358) | 10,738 |
| | ₩ 1,206,191 | (299,110) | (35,473) | 871,608 |

(2) Changes in property and equipment for the period ended December 31, 2024 and 2023 are as follows:

| 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning balance | Acquisitions | Disposals/ Termination | Depreciation | Impairment | Others(*) | Ending balance |
| Land | ₩ 522,276 | 84 | - | - | - | 4,659 | 527,019 |
| Buildings | 261,579 | 1,124 | - | (8,807) | (64) | (514) | 253,318 |
| Structures | 8,971 | - | - | (328) | - | 33 | 8,676 |
| Vehicles | 114 | - | - | (56) | - | - | 58 |
| Equipment | 17,857 | 12,272 | (230) | (11,848) | - | - | 18,051 |
| Right-of-use assets (Real estates) | 49,254 | 46,163 | (13,084) | (38,230) | - | - | 44,103 |
| Right-of-use assets (Vehicles) | 819 | 2,081 | - | (812) | - | - | 2,088 |
| Others | 10,739 | - | (36) | (132) | - | - | 10,571 |
| | ₩ 871,609 | 61,724 | (13,350) | (60,213) | (64) | 4,178 | 863,884 |

(*) Others include transfers to or from investment properties, advanced payments and others.

2023

*(In millions of won)*

| | Beginning balance | Acquisitions | Disposals/ Termination | Depreciation | Others(*) | Ending balance |
|---|---|---|---|---|---|---|
| Land ₩ | 518,214 | 1,162 | - | - | 2,900 | 522,276 |
| Buildings | 270,259 | 590 | - | (8,764) | (506) | 261,579 |
| Structures | 9,310 | - | - | (327) | (12) | 8,971 |
| Vehicles | 214 | - | - | (100) | - | 114 |
| Equipment | 20,364 | 9,022 | (212) | (11,400) | 83 | 17,857 |
| Right-of-use assets (Real estates) | 54,629 | 51,634 | (17,630) | (39,379) | - | 49,254 |
| Right-of-use assets (Vehicles) | 938 | 533 | (3) | (649) | - | 819 |
| Others | 10,929 | - | (58) | (133) | - | 10,738 |
| ₩ | 884,857 | 62,941 | (17,903) | (60,752) | 2,465 | 871,608 |

(*) Others include transfers to or from investment properties, advanced payments and others.

(3) The changes in asset revaluation of land accounted in other comprehensive income and policyholder's equity adjustments and deferred tax liabilities as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Revaluation reserves ₩ | 833,109 | 833,109 |
| Amount allocated into policyholder's equity adjustment | 133,390 | 121,111 |
| Deferred tax liabilities | 184,726 | 187,967 |
| Amount allocated into other comprehensive income | 514,993 | 524,030 |

(4) Reserve for revaluation as of December 31, 2024 is as follows:

| Revaluation date | Amount |
|---|---|
| January1,1981 ₩ | 165 |
| April1,1989 | 300 |
| April1,1999 | 23,900 |
| | 24,365 |
| Deferred tax effect | (19,863) |
| ₩ | 4,502 |

As of April 1, 1999, a certain portion of the Company's property and equipment was revalued in accordance with the Korean Asset Revaluation Law. As a result, the revaluation difference amounting to ₩478,550 million was classified as asset revaluation reserve. Out of this amount increment, ₩47,800 million, excluding participating policyholder's equity amounting to ₩430,750 million, was calculated as asset revaluation reserve. The asset revaluation reserve amounting to ₩23,900 million was transferred to capital stock during the year ended December 31, 2002. Out of ₩430,750 million, the amount of ₩64,000 million was transferred to the reserve for special participating policyholders' dividends and was paid during the year ended December 31, 2002, while the amount of ₩1,986 million and ₩63,750 million was transferred to reserve for social contributions in policyholders' equity. The amount of ₩126,438 million, out of the remainder amounting to ₩303,000 million, was used for dividends to policyholders for the year ended December 31, 2001, while the amount of ₩176,562 million was transferred to reserve for participating policyholder's dividends for stabilization.

As of April 1, 1989, a certain portion of the Company's property and equipment was revalued in accordance with the Korean Asset Revaluation Law. As a result, the revaluation difference amounting to ₩226,500 million was classified as asset revaluation reserve. Out of this amount increment, ₩131,823 million, excluding participating policyholder's equity amounting to ₩87,882 million, net of revaluation tax amounting to ₩6,796 million, was calculated as asset revaluation reserve. The asset revaluation reserve amounting to ₩65,600 million was transferred to capital stock.

Out of ₩87,882 million, the amount of ₩54,151 million was transferred to the reserve for special participating policyholders' dividends and paid, while the residual amount of ₩3,731 million and W30,000 million was transferred to reserve for social contributions in policyholders' equity. The residual amount of ₩65,923 million out of the revaluation reserve was used for reserve for participating policyholder's dividends for stabilization during the year ended December 31, 2019.

Out of the policyholders' dividend stabilization reserve, ₩ 171,894 million was used as a policyholder dividend resource, and the policyholder's dividend stabilization reserve amounts to ₩ 70,591 million as of December 31, 2024.





*(In millions of won)*

**15. Intangible assets**

**15. Intangible assets**

(1) Intangible assets as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated amortization | Accumulated impairment losses | Book value |
| Software ₩ | 102,383 | (88,905) | - | 13,478 |
| Development costs | 263,315 | (234,164) | - | 29,151 |
| Memberships | 10,535 | - | (631) | 9,904 |
| ₩ | 376,233 | (323,069) | (631) | 52,533 |

| | 2023 | | | |
|---|---|---|---|---|
| | Acquisition cost | Accumulated amortization | Accumulated impairment losses | Book value |
| Software ₩ | 98,804 | (77,007) | - | 21,797 |
| Development costs(*) | 257,763 | (191,466) | - | 66,297 |
| Memberships | 10,904 | - | (35) | 10,869 |
| ₩ | 367,471 | (268,473) | (35) | 98,963 |

(*) Amounts of ₩ 27,667 million of development costs related to the new generation system are included as of December 31, 2023, and the remaining useful life of the development cost is 0.75 years.

(2) Changes in Intangible assets for the years ended December 31, 2024 and 2023 are as follows:

| 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Beginning Balance | Acquisitions | Disposals | Amortization | Impairment | Others (*) | Ending balance |
| Software ₩ | 21,797 | 2,861 | - | (12,273) | - | 1,092 | 13,477 |
| Development costs | 66,297 | 605 | - | (42,698) | - | 4,947 | 29,151 |
| Memberships | 10,869 | 378 | (1,329) | - | (15) | 1 | 9,904 |
| ₩ | 98,963 | 3,844 | (1,329) | (54,971) | (15) | 6,040 | 52,532 |

(*) Others include transfers from advanced payments.

| 2023 | | | | | | |
|---|---|---|---|---|---|---|
| | Beginning Balance | Acquisitions | Amortization | Impairment | Others (*) | Ending balance |
| Software ₩ | 30,472 | 4,917 | (13,604) | - | 12 | 21,797 |
| Development costs | 106,387 | 297 | (47,429) | - | 7,042 | 66,297 |
| Memberships | 6,927 | 3,977 | - | (35) | - | 10,869 |
| ₩ | 143,786 | 9,191 | (61,033) | (35) | 7,054 | 98,963 |

(*) Others include transfers from advanced payments.

**16. Other assets**

Other assets as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Prepaid expense | 3,089 | 2,674 |
| Advanced payments | 13,171 | 7,032 |
| Others | 165 | 139 |
| ₩ | 16,425 | 9,845 |

*(In millions of won)*

**17. Insurance contract liabilities and reinsurance contract liabilities**

(1) Insurance contract liabilities and reinsurance contract assets held for insurance contracts issued by portfolio as of December 31, 2024 and December 31, 2023 are as follows:

| | | Assets | | Liabilities | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| Insurance contract portfolio: | | | | | |
| Death | ₩ | - | - | 27,297,197 | 23,235,949 |
| Health_ | | - | - | 9,894,998 | 9,552,627 |
| Annuity saving | | - | - | 56,784,955 | 53,958,481 |
| Other | | - | - | 464,134 | 495,822 |
| | | - | - | 94,441,284 | 87,242,879 |
| Reinsurance contract portfolio: | | | | | |
| Death | | 14,772 | 13,681 | 148,306 | 130,668 |
| Health_ | | 100,603 | 81,347 | 62,317 | 52,169 |
| Other_ | | 77,894 | 78,453 | 62,185 | 72,403 |
| | ₩ | 193,269 | 173,481 | 272,808 | 255,241 |

(2) Changes in insurance contract liabilities for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Remaining coverage component | | Liability for incurred claims | Insurance contract liabilities (assets) |
| | | Excluding loss component | Including loss component | | |
| 1. Beginning balance of Insurance contract assets and liabilities | ₩ | 83,712,624 | 837,509 | 2,692,746 | 87,242,879 |
| (1) Insurance contact assets | | - | - | - | - |
| (2) Insurance contract liabilities | | 83,712,624 | 837,509 | 2,692,746 | 87,242,879 |
| Insurance contract liabilities (assets), net | | 83,712,624 | 837,509 | 2,692,746 | 87,242,879 |
| 2. Insurance revenue | | (3,979,442) | - | - | (3,979,442) |
| (1) Insurance contracts under full retrospective approach | | (400,865) | - | - | (400,865) |
| (2) Insurance contracts under fair value approach | | (2,373,640) | - | - | (2,373,640) |
| (3) Others | | (1,204,937) | - | - | (1,204,937) |
| 3. Insurance service expense | | 353,863 | 132,026 | 2,976,996 | 3,462,885 |
| (1) Claims and other insurance service expenses incurred | | 60,600 | - | 3,050,698 | 3,111,298 |
| (2) Amortization of insurance acquisition cash flow | | 293,262 | - | - | 293,262 |
| (3) Changes in the fulfillment cash flow in the liability for incurred claims | | - | - | (73,702) | (73,702) |
| (4) Losses(reversal) of group of onerous contracts | | - | 132,026 | - | 132,026 |
| 4. Investment components | | (7,562,872) | - | 7,562,872 | - |
| 5. Cash flow | | 9,931,013 | - | (10,655,359) | (724,346) |
| (1) Premium received | | 11,321,869 | - | - | 11,321,869 |
| (2) Insurance acquisition cash flow | | (1,390,856) | - | - | (1,390,856) |
| (3) Claims and other insurance service expenses incurred | | - | - | (10,655,359) | (10,655,359) |
| 6. Insurance finance income(expense) | | 8,457,725 | 76,083 | 32,596 | 8,566,404 |
| (1) Profit or loss | | 2,867,345 | 29,900 | 26,661 | 2,923,906 |
| (2) Other comprehensive income | | 5,590,379 | 46,183 | 5,935 | 5,642,498 |
| 7. Others | | (128,664) | (253) | 1,822 | (127,095) |
| (1) Adjustments not related to movements | | (128,664) | (253) | 1,822 | (127,095) |
| 8. Ending balance of Insurance contract assets and liabilities | | 90,784,246 | 1,045,365 | 2,611,673 | 94,441,284 |
| (1) Insurance contract assets | | - | - | - | - |
| (2) Insurance contract liabilities | | 90,784,246 | 1,045,365 | 2,611,673 | 94,441,284 |
| Insurance contract liabilities (assets), net | ₩ | 90,784,246 | 1,045,365 | 2,611,673 | 94,441,284 |





*(In millions of won)*

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Remaining coverage component | | Liability for incurred claims | Insurance contract liabilities (assets) |
| | | Excluding loss component | Including loss component | | |
| 1. Beginning balance of Insurance contract assets and liabilities | ₩ | 75,348,709 | 513,006 | 2,633,505 | 78,495,220 |
| (1) Insurance contact assets | | - | - | - | - |
| (2) Insurance contract liabilities | | 75,348,709 | 513,006 | 2,633,505 | 78,495,220 |
| Insurance contract liabilities (assets), net | | 75,348,709 | 513,006 | 2,633,505 | 78,495,220 |
| 2. Insurance revenue | | (3,863,453) | - | - | (3,863,453) |
| (1) Insurance contracts under full retrospective approach | | (461,835) | - | - | (461,835) |
| (2) Insurance contracts under fair value approach | | ( 2,471,720) | - | - | (2,471,720 ) |
| (3) Others | | ( 929,898) | - | - | (929,898) |
| 3. Insurance service expense | | 255,487 | 490,730 | 2,851,595 | 3,597,813 |
| (1) Claims and other insurance service expenses incurred | | 65,196 | - | 2,929,145 | 2,994,342 |
| (2) Amortization of insurance acquisition cash flow | | 190,291 | - | - | 190,291 |
| (3) Changes in the fulfillment cash flow in the liability for incurred claims | | - | - | (77,550) | (77,550) |
| (4) Losses(reversal) of group of onerous contracts | | - | 490,730 | - | 490,730 |
| 4. Investment components | | (8,754,441) | - | 8,754,441 | - |
| 5. Cash flow | | 11,657,545 | - | (11,581,177) | 76,368 |
| (1) Premium received | | 12,667,472 | - | - | 12,667,472 |
| (2) Insurance acquisition cash flow | | (1,009,926) | - | - | (1,009,926) |
| (3) Claims and other insurance service expenses incurred | | - | - | (11,581,177) | (11,581,177) |
| 6. Insurance finance income(expense) | | 9,072,499 | 10,059 | 30,375 | 9,112,933 |
| (1) Profit or loss | | 4,239,079 | 18,892 | 25,373 | 4,283,344 |
| (2) Other comprehensive income | | 4,833,420 | (8,833) | 5,002 | 4,829,589 |
| 7. Others | | (179,858) | (152) | 4,007 | (176,002) |
| (1) Adjustments not related to movements | | (179,858) | (152) | 4,007 | (176,002) |
| 8. Ending balance of Insurance contract assets and liabilities | | 83,536,489 | 1,013,643 | 2,692,746 | 87,242,879 |
| (1) Insurance contract assets | | - | - | - | - |
| (2) Insurance contract liabilities | | 83,536,489 | 1,013,643 | 2,692,746 | 87,242,879 |
| Insurance contract liabilities (assets), net | ₩ | 83,536,489 | 1,013,643 | 2,692,746 | 87,242,879 |

(3) Changes in reinsurance contract liabilities for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Remaining coverage component | | Liability for incurred claims | Reinsurance contract assets (liabilities) |
| | | Excluding loss component | Including loss component | | |
| 1. Beginning balance of reinsurance contract assets and liabilities | ₩ | (205,633) | 313 | 123,561 | (81,759) |
| (1) Reinsurance contract assets | | 73,192 | 166 | 100,123 | 173,481 |
| (2) Reinsurance contract liabilities | | 278,826 | (147) | (23,438) | 255,241 |
| Reinsurance contract assets (liabilities), net | | (205,633) | 313 | 123,561 | (81,759) |
| 2. Reinsurance service expenses | | (32,212) | (1,328) | - | (33,540) |
| 3. Reinsurance service income | | - | 1,416 | 30,141 | 31,557 |
| 4. Investment components | | (149,123) | - | 149,123 | - |
| 5. Cash flow | | 187,808 | - | (179,813) | 7,995 |
| (1) Reinsurance premium paid | | 187,808 | - | - | 187,808 |
| (2) Reinsurance claim received and other reinsurance service income | | - | - | (179,813) | (179,813) |
| 6. Reinsurance finance income and expenses | | (15,756) | 41 | 1,203 | (14,512) |
| (1) Profit or loss | | (3,653) | 41 | 1,193 | (2,419) |
| (2) The effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded | | (959) | - | 1 | (958) |
| (3) Other comprehensive income | | (11,144) | - | 9 | (11,135) |
| 7. Others | | 11,806 | - | (1,086) | 10,720 |
| 8. Ending balance of reinsurance contract assets and liabilities | | (203,110) | 442 | 123,129 | (79,539) |
| (1) Reinsurance contract assets | | 89,287 | 426 | 103,556 | 193,269 |
| (2) Reinsurance contract liabilities | | 292,397 | (16) | (19,573) | 272,808 |

*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Ending balance of Reinsurance contract assets (liabilities), net | ₩ | (203,110) | 442 | 123,129 | (79,539) |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Remaining coverage component | | Liability for incurred claims | Reinsurance contract assets (liabilities) |
| | | Excluding loss component | Including loss component | | |
| 1. Beginning balance of reinsurance contract assets and liabilities | ₩ | (159,308) | 459 | 117,741 | (41,107) |
| (1) Reinsurance contract assets | | 78,885 | 456 | 97,792 | 177,134 |
| (2) Reinsurance contract liabilities | | 238,193 | (3) | (19,949) | 218,241 |
| Reinsurance contract liabilities (assets), net | | (159,308) | 459 | 117,741 | (41,107) |
| 2. Reinsurance service expenses | | (28,193) | (763) | - | (28,956) |
| 3. Reinsurance service income | | - | 606 | 31,802 | 32,408 |
| 4. Investment components | | (148,371) | - | 148,371 | - |
| 5. Cash flow | | 191,187 | - | (173,546) | 17,640 |
| (1) Reinsurance premium paid | | 191,187 | - | - | 191,187 |
| (2) Reinsurance claim received and other reinsurance service income | | - | - | (173,546) | (173,546) |
| 6. Reinsurance finance income and expenses | | (54,852) | 11 | 1,181 | (53,661) |
| (1) Profit or loss | | (5,610) | 11 | 1,167 | (4,432) |
| (2) The effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded | | (73) | - | (1) | (73) |
| (3) Other comprehensive income | | (49,169) | - | 14 | (49,155) |
| 7. Others | | (6,096) | - | (1,987) | (8,083) |
| 8. Ending balance of reinsurance contract assets and liabilities | | (205,633) | 313 | 123,561 | (81,759) |
| (1) Reinsurance contract assets | | 73,192 | 166 | 100,123 | 173,481 |
| (2) Reinsurance contract liabilities | | 278,826 | (147) | (23,438) | 255,241 |
| Ending balance of Reinsurance contract assets (liabilities), net | ₩ | (205,633) | 313 | 123,561 | (81,759) |





*(In millions of won)*

(4) Changes in insurance contract liabilities (assets) for the periods ended December 31, 2024 and 2023 by element, other than insurance contracts to which the premium allocation approach was applied, are as follows:

| 2024 | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Contractual Service Margin | | | | | | |
| | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | Insurance contract liabilities (assets) |
| 1.Beginning balance of insurance contract and liabilities | ₩ 80,176,057 | 1,241,898 | 1,744,312 | 2,133,437 | 1,947,175 | 5,824,923 | 87,242,879 |
| (1) Insurance contract assets | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | 80,176,057 | 1,241,898 | 1,744,312 | 2,133,437 | 1,947,175 | 5,824,923 | 87,242,879 |
| Insurance contract liabilities(assets), net | 80,176,057 | 1,241,898 | 1,744,312 | 2,133,437 | 1,947,175 | 5,824,923 | 87,242,879 |
| 2. Changes related to future service | (984,952) | 193,137 | (39,027) | 668,122 | 481,653 | 1,110,748 | 318,934 |
| (1) Change in estimate adjusting contractual service margin | 219,825 | 40,995 | (39,027) | 668,122 | (889,916) | (260,820) | - |
| (2) Losses(reversal) of group of onerous contracts | 265,203 | 4,177 | - | - | - | - | 269,381 |
| (3) Effect of initially recognized contracts | (1,469,980) | 147,965 | - | - | 1,371,568 | 1,371,568 | 49,553 |
| 3. Changes related to current service | (5,184) | (155,620) | (151,609) | (171,806) | (277,569) | (600,984) | (761,789) |
| (1) Contractual service margin recognized in profit or loss to reflect service transfers | - | - | (151,609) | (171,806) | (277,569) | (600,984) | (600,984) |
| (2) Changes in risk adjustment for non-financial risk | - | (155,620) | - | - | - | - | (155,620) |
| (3) experience adjustments | (5,184) | - | - | - | - | - | (5,184) |
| 4. Changes in the fulfillment cash flow in t liability for incurred claims | (73,702) | - | - | - | - | - | (73,702) |
| 5. Cash flow | (724,346) | - | - | - | - | - | (724,346) |
| (1) Premium received | 11,321,869 | - | - | - | - | - | 11,321,869 |
| (2) Insurance acquisition cash flow | (1,390,856) | - | - | - | - | - | (1,390,856) |
| (3) Claims and other insurance service expenses incurred | (10,655,359) | - | - | - | - | - | (10,655,359) |
| 6. Insurance finance income or loss | 8,400,110 | 62,923 | 42,344 | (47,188) | 108,215 | 103,371 | 8,566,404 |
| (1) Profit or loss | 2,778,139 | 42,396 | 42,344 | (47,188) | 108,215 | 103,371 | 2,923,906 |
| (2) Other comprehensive income | 5,621,971 | 20,526 | - | - | - | - | 5,642,498 |
| 7. Others | (127,095) | - | - | - | - | - | (127,095) |
| 8.Ending balance of insurance contract assets and liabilities | 86,660,888 | 1,342,338 | 1,596,020 | 2,582,564 | 2,259,474 | 6,438,058 | 94,441,284 |
| (1) Insurance contract assets | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | 86,660,888 | 1,342,338 | 1,596,020 | 2,582,564 | 2,259,474 | 6,438,058 | 94,441,284 |
| Ending balance of insurance contract liabilities (assets), net | ₩ 86,660,888 | 1,342,338 | 1,596,020 | 2,582,564 | 2,259,474 | 6,438,058 | 94,441,284 |

*(In millions of won)*

| | | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Contractual Service Margin | | | | |
| | | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | Insurance contract liabilities (assets) |
| 1.Beginning balance of insurance contract a and liabilities | ₩ | 71,737,265 | 1,320,191 | 1,905,610 | 2,515,775 | 1,016,379 | 5,437,763 | 78,495,220 |
| (1) Insurance contract assets | | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | | 71,737,265 | 1,320,191 | 1,905,610 | 2,515,775 | 1,016,379 | 5,437,763 | 78,495,220 |
| Insurance contract liabilities(assets), net | | 71,737,265 | 1,320,191 | 1,905,610 | 2,515,775 | 1,016,379 | 5,437,763 | 78,495,220 |
| 2. Changes related to future service | | 994,017 | (46,486) | (27,606) | (1,499,643) | 1,089,510 | (437,739) | 509,792 |
| (1) Change in estimate adjusting contractual service margin | | 1,987,343 | (176,716) | (27,606) | (1,499,643) | (283,378) | (1,810,627) | - |
| (2) Losses(reversal) of group of onerous contracts | | 474,387 | 7,463 | - | - | - | - | 481,850 |
| (3) Effect of initially recognized contracts | | (1,467,713) | 122,767 | - | - | 1,372,888 | 1,372,888 | 27,942 |
| 3. Changes related to current service | | 63,148 | (133,329) | (195,952) | (201,689) | (230,059) | (627,701) | (697,882) |
| (1) Contractual service margin recognized in profit or loss to reflect service transfers | | - | - | (195,952) | (201,689) | (230,059) | (627,701) | (627,701) |
| (2) Changes in risk adjustment for non-financial risk | | - | (133,329) | - | - | - | - | (133,329) |
| (3) experience adjustments | | 63,148 | - | - | - | - | - | 63,148 |
| 4. Changes in the fulfillment cash flow in tl liability for incurred claims | | (77,550) | - | - | - | - | - | (77,550) |
| 5. Cash flow | | 76,368 | - | - | - | - | - | 76,368 |
| (1) Premium received | | 12,667,472 | - | - | - | - | - | 12,667,472 |
| (2) Insurance acquisition cash flow | | (1,009,926) | - | - | - | - | - | (1,009,926) |
| (3) Claims and other insurance service expenses incurred | | (11,581,177) | - | - | - | - | - | (11,581,177) |
| 6. Insurance finance income or loss | | 7,558,811 | 101,522 | 62,260 | 1,318,994 | 71,346 | 1,452,600 | 9,112,933 |
| (1) Profit or loss | | 2,786,003 | 44,741 | 62,260 | 1,318,994 | 71,346 | 1,452,600 | 4,283,344 |
| (2) Other comprehensive income | | 4,772,808 | 56,781 | - | - | - | - | 4,829,589 |
| 7. Others | | (176,002) | - | - | - | - | - | (176,002) |
| 8.Ending balance of insurance contract assets and liabilities | | 80,176,057 | 1,241,898 | 1,744,312 | 2,133,437 | 1,947,175 | 5,824,923 | 87,242,879 |
| (1) Insurance contract assets | | - | - | - | - | - | - | - |
| (2) Insurance contract liabilities | | 80,176,057 | 1,241,898 | 1,744,312 | 2,133,437 | 1,947,175 | 5,824,923 | 87,242,879 |
| Ending balance of insurance contract liabilities (assets), net | ₩ | 80,176,057 | 1,241,898 | 1,744,312 | 2,133,437 | 1,947,175 | 5,824,923 | 87,242,879 |





*(In millions of won)*

(5) Changes in ceded reinsurance contract assets(liabilities) for the periods ended December 31, 2024 and 2023, by element, to which the premium allocation approach is not applied, are as follows:

| | | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Contractual Service Margin | | | | |
| | | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | Reinsurance contract assets (liabilities) |
| 1.Beginning balance of reinsurance contrac assets and liabilities | ₩ | (24,016) | 14,716 | (5,313) | (92,368) | 25,222 | (72,460) | (81,759) |
| (1) Reinsurance contract assets | | 176,405 | 5,658 | (6,254) | (19,708) | 17,379 | (8,582) | 173,481 |
| (2) Reinsurance contract liabilities | | 200,421 | (9,058) | (941) | 72,660 | (7,842) | 63,877 | 255,241 |
| Reinsurance contract liabilities(assets), n | | (24,016) | 14,716 | (5,313) | (92,368) | 25,222 | (72,460) | (81,759) |
| 2. Changes related to future service | | (7,440) | (6,558) | 4,603 | 17,746 | (6,934) | 15,414 | 1,416 |
| (1) Change in estimate adjusting contractua service margin | | (5,477) | (6,587) | 4,603 | 17,746 | (10,284) | 12,065 | - |
| (2) Losses(reversal) of group of onerous contracts | | 1,398 | 18 | - | - | - | - | 1,416 |
| (3) Effect of initially recognized contracts | | (3,361) | 11 | - | - | 3,350 | 3,350 | - |
| 3. Changes related to current service | | 1,914 | (981) | (1,912) | 5,475 | (7,895) | (4,333) | (3,399) |
| (1) Contractual service margin recognized profit or loss to reflect service transfers | | - | - | (1,912) | 5,475 | (7,895) | (4,333) | (4,333) |
| (2) Changes in risk adjustment for non-financial risk | | - | (1,028) | - | - | - | - | (1,028) |
| (3) experience adjustments | | 1,914 | 47 | - | - | - | - | 1,961 |
| 4. Changes in the fulfillment cash flow in t liability for incurred claims | | - | - | - | - | - | - | - |
| 5. Cash flow | | 7,995 | - | - | - | - | - | 7,995 |
| (1) Reinsurance premium paid | | 187,808 | - | - | - | - | - | 187,808 |
| (2) Reinsurance claim received and other reinsurance service income | | (179,813) | - | - | - | - | - | (179,813) |
| 6. Effect of changes in the risk of non-performance of the issuer of the reinsuran contract ceded | | (958) | - | - | - | - | - | (958) |
| 7. Reinsurance finance income or expenses | | (13,274) | 1,817 | (248) | (2,617) | 769 | (2,097) | (13,554) |
| (1) Profit or loss | | (706) | 384 | (248) | (2,617) | 769 | (2,097) | (2,419) |
| (2) Other comprehensive income | | (12,568) | 1,433 | - | - | - | - | (11,135) |
| 8. Others (financial settlement slip) | | 10,720 | - | - | - | - | - | 10,720 |
| 9.Ending balance of Reinsurance contract assets and liabilities | | (25,058) | 8,994 | (2,871) | (71,765) | 11,161 | (63,475) | (79,539) |
| (1) Reinsurance contract assets | | 144,340 | 4,173 | 14,297 | 16,858 | 13,602 | 44,756 | 193,269 |
| (2) Reinsurance contract liabilities | | 169,398 | (4,820) | 17,168 | 88,623 | 2,440 | 108,231 | 272,808 |
| Ending balance of reinsurance contract ass (liabilities), net | ₩ | (25,058) | 8,994 | (2,871) | (71,765) | 11,161 | (63,475) | (79,539) |

*(In millions of won)*

| | | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | Contractual Service Margin | | | | |
| | | An estimate of the present value of future cash flows | Risk adjustment for non-financial risk | Insurance contracts under full retrospective approach | Insurance contracts under fair value approach | Others | Sub total | Reinsurance contract assets (liabilities) |
| 1.Beginning balance of reinsurance contract assets and liabilities | ₩ | (106,986) | 19,050 | 3,254 | 40,223 | 3,351 | 46,828 | (41,107) |
| (1) Reinsurance contract assets | | 141,913 | 12,090 | (3,971) | 27,597 | (495) | 23,130 | 177,134 |
| (2) Reinsurance contract liabilities | | 248,899 | (6,960) | (7,226) | (12,626) | (3,846) | (23,698) | 218,241 |
| Reinsurance contract liabilities(assets), net | | (106,986) | 19,050 | 3,254 | 40,223 | 3,351 | 46,828 | (41,107) |
| 2. Changes related to future service | | 122,235 | (9,680) | (5,681) | (133,517) | 27,249 | (111,949) | 606 |
| (1) Change in estimate adjusting contractual service margin | | 140,937 | (17,440) | (5,681) | (133,517) | 15,701 | (123,497) | - |
| (2) Losses(reversal) of group of onerous contracts | | 521 | 85 | - | - | - | - | 606 |
| (3) Effect of initially recognized contracts | | (19,222) | 7,675 | - | - | 11,547 | 11,547 | - |
| 3. Changes related to current service | | 7,509 | 2,075 | (2,844) | 1,598 | (5,493) | (6,738) | 2,845 |
| (1) Contractual service margin recognized in profit or loss to reflect service transfers | | - | - | (2,844) | 1,598 | (5,493) | (6,738) | (6,738) |
| (2) Changes in risk adjustment for non-financial risk | | - | 2,075 | - | - | - | - | 2,075 |
| (3) experience adjustments | | 7,509 | - | - | - | - | - | 7,509 |
| 4. Changes in the fulfillment cash flow in the liability for incurred claims | | - | - | - | - | - | - | - |
| 5. Cash flow | | 17,640 | - | - | - | - | - | 17,640 |
| (1) Reinsurance premium paid | | 191,187 | - | - | - | - | - | 191,187 |
| (2) Reinsurance claim received and other reinsurance service income | | (173,546) | - | - | - | - | - | (173,546) |
| 6. Effect of changes in the risk of non-performance of the issuer of the reinsurance contract ceded | | (73) | - | - | - | - | - | (73) |
| 7. Reinsurance finance income or expenses | | (56,257) | 3,270 | (43) | (673) | 115 | (600) | (53,587) |
| (1) (1) Profit or loss | | (4,524) | 692 | (43) | (673) | 115 | (600) | (4,432) |
| (2) (2) Other comprehensive income | | (51,734) | 2,579 | - | - | - | - | (49,155) |
| 8. Others (financial settlement slip) | | (8,083) | - | - | - | - | - | (8,083) |
| 9.Ending balance of Reinsurance contract assets and liabilities | | (24,016) | 14,716 | (5,313) | (92,368) | 25,222 | (72,460) | (81,759) |
| (1) Reinsurance contract assets | | 176,405 | 5,658 | (6,254) | (19,708) | 17,379 | (8,582) | 173,481 |
| (2) Reinsurance contract liabilities | | 200,421 | (9,058) | (941) | 72,660 | (7,842) | 63,877 | 255,241 |
| Ending balance of reinsurance contract assets (liabilities), net | ₩ | (24,016) | 14,716 | (5,313) | (92,368) | 25,222 | (72,460) | (81,759) |





*(In millions of won)*

(6) The effect on the statement of financial position at the time of initial recognition of new insurance contracts for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | |
|---|---|---|---|---|
| | | Insurance contract issued | | Insurance contract liabilities (assets) |
| | | Exclusive of onerous contracts | Onerous contracts | |
| 1. Estimate of the present value of future cash outflows | ₩ | 10,429,591 | 1,053,788 | 11,483,378 |
| (1) Expected claims and other insurance service expenses | | 9,111,562 | 915,514 | 10,027,077 |
| (2) Insurance acquisition cash flow | | 1,318,028 | 138,273 | 1,456,302 |
| 2. Estimate of the present value of future cash inflows | | 11,940,664 | 1,012,694 | 12,953,359 |
| 3. Estimate of the present value of future cash flows | | (1,511,074) | 41,093 | (1,469,980) |
| 4. Risk adjustment for non-financial risk | | 139,505 | 8,460 | 147,965 |
| 5. Contractual service margin | | 1,371,568 | - | 1,371,568 |
| * Loss component at initial recognition | ₩ | - | 49,553 | 49,553 |

| | | 2023 | | |
|---|---|---|---|---|
| | | Insurance contract issued | | Insurance contract liabilities (assets) |
| | | Exclusive of onerous contracts | Onerous contracts | |
| 1. Estimate of the present value of future cash outflows | ₩ | 9,629,492 | 202,851 | 9,832,343 |
| (1) Expected claims and other insurance service expenses | | 8,716,122 | 175,933 | 8,892,054 |
| (2) Insurance acquisition cash flow | | 913,371 | 26,918 | 940,289 |
| 2. Estimate of the present value of future cash inflows | | 11,122,063 | 177,993 | 11,300,056 |
| 3. Estimate of the present value of future cash flows | | (1,492,570) | 24,858 | (1,467,713) |
| 4. Risk adjustment for non-financial risk | | 119,682 | 3,085 | 122,767 |
| 5. Contractual service margin | | 1,372,888 | - | 1,372,888 |
| * Loss component at initial recognition | ₩ | - | 27,942 | 27,942 |

*(In millions of won)*

(7) The effect on the statement of financial position at the time of initial recognition of new reinsurance contracts ceded for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | |
|---|---|---|---|---|
| | | Reinsurance contract ceded held | | |
| | | Exclusive of onerous contracts | Onerous contracts | Reinsurance contract assets(liabilities) |
| 1. Estimate of the present value of future cash outflows | ₩ | 3,010 | 42,065 | 45,075 |
| 2. Estimate of the present value of future cash inflows | | 3,148 | 38,566 | 41,714 |
| 3. Estimate of the present value of future cash flows | | 138 | (3,499) | (3,361) |
| (1) New contract_non onerous | | - | (3,499) | (3,499) |
| (2) New contract_onerous | | 138 | - | 138 |
| 4. Risk adjustment for non-financial risk | | 6 | 5 | 11 |
| (1) New contract_non onerous | | - | 5 | 5 |
| (2) New contract_onerous | | 6 | - | 6 |
| 5. Contractual service margin | | (144) | 3,494 | 3,350 |
| * Loss recovery component | ₩ | - | 1,731 | 1,731 |

| | | 2023 | | |
|---|---|---|---|---|
| | | Reinsurance contract ceded held | | |
| | | Exclusive of onerous contracts | Onerous contracts | Reinsurance contract assets(liabilities) |
| 1. Estimate of the present value of future cash outflows | ₩ | 12,325 | 32,890 | 45,215 |
| 2. Estimate of the present value of future cash inflows | | 11,207 | 14,785 | 25,993 |
| 3. Estimate of the present value of future cash flows | | (1,118) | (18,105) | (19,222) |
| (1) New contract_non onerous | | - | (18,105) | (18,105) |
| (2) New contract_onerous | | (1,118) | - | (1,118) |
| 4. Risk adjustment for non-financial risk | | 7,640 | 35 | 7,675 |
| (1) New contract_non onerous | | - | 35 | 35 |
| (2) New contract_onerous | | 7,640 | - | 7,640 |
| 5. Contractual service margin | | (6,522) | 18,070 | 11,547 |
| * Loss recovery component | ₩ | - | 423 | 423 |





(8) The amount of contractual service margin by expected amortization period for insurance contracts issued and reinsurance contracts held as of December 31, 2024 and December 31, 2023 are as follows:

| | | 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | 5~10 years | Over 10 years | Total |
| Underlying contracts | ₩ | 572,479 | 498,800 | 449,872 | 407,412 | 368,252 | 1,421,174 | 2,720,068 | 6,438,058 |
| Contractual service margin of reinsurance contracts ceded | | 4,594 | 4,455 | 4,011 | 3,646 | 3,322 | 13,228 | 30,218 | 63,475 |

| | | 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | 5~10 years | Over 10 years | Total |
| Underlying contracts | ₩ | 569,652 | 492,626 | 441,124 | 396,583 | 357,093 | 1,343,869 | 2,223,977 | 5,824,923 |
| Contractual service margin of reinsurance contracts ceded | | 4,075 | 3,516 | 3,284 | 2,757 | 2,747 | 11,165 | 44,915 | 72,460 |

(9) The total amount recognized as insurance finance income and expenses, the amount recognized as other comprehensive income among insurance finance income and expenses and investment gains and losses on assets for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| 1. Investment income and expense | ₩ | 3,997,268 | 8,447,136 |
| (1) Interest income | | 3,173,869 | 2,896,799 |
| (2) Other investment income and expense | | 418,740 | 1,992,066 |
| (3) Other comprehensive income | | 404,659 | 3,558,271 |
| 2. Insurance finance income and expense | | (8,566,404) | (9,112,933) |
| (1) Profit or loss | | (2,923,906) | (4,283,344) |
| (2) Other comprehensive income | | (5,642,498) | (4,829,589) |
| 3. Reinsurance finance income and expense | | (14,512) | (53,660) |
| (1) Profit or loss | | (3,377) | (4,505) |
| (2) Other comprehensive income | | (11,135) | (49,155) |
| 4. Total finance income and expense | ₩ | (4,583,648) | (719,457) |

(10) The fair values of the underlying items of contracts with direct participation features among insurance contracts issued by the Company as of December 31, 2024 and December 31, 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash and deposits | ₩ | 384,153 | 263,862 |
| Securities | | 13,746,163 | 14,435,021 |
| Loan receivable | | 428,762 | 572,015 |
| Derivative assets | | 364 | 4,440 |
| Other assets | | 211,684 | 286,932 |
| | ₩ | 14,771,126 | 15,562,270 |

(11) Group of insurance contracts to which the VFA model is applied, the effect of financial risk on the amount corresponding to the Company's share among underlying items is mitigated by related derivatives and reinsurance contracts ceded. These economic offsets are specified in the relevant documents, and credit risk is believed not be dominant over economic offsets. In this situation, among the changes in the fulfillment cash flow of the group of contracts to which the VFA model is applied, the amount that does not adjust the contractual service margin are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Unrecognized amount of change | ₩ | (181,717) | 43,272 |

(12) Insurance revenue recognized for insurance contracts issued by the Company for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| 1.Amount related to changes in the liability for remaining coverage | ₩ | 3,686,180 | 3,673,162 |
| (1) Insurance service expenses incurred | | 2,970,387 | 2,950,915 |
| a.Expected claim (insurance component) | | 1,988,855 | 1,921,524 |
| b.Expected maintenance expense, etc | | 1,167,968 | 1,048,197 |
| c.Allocation of loss component | | (186,436) | (18,806) |
| (2) Change in risk-adjustment for non-financial risk | | 148,199 | 138,790 |
| a. RA amortization | | 147,094 | 137,035 |
| b. Allocation of loss component | | (471) | (256) |
| c. Cancelled contracts | | 1,576 | 2,011 |
| (3) Contractual service margin recognized in profit or loss | | 600,984 | 627,701 |
| a. CSM amortization | | 585,618 | 604,222 |
| b. Cancelled contracts | | 15,367 | 23,479 |
| (4) Others | | (33,390) | (44,243) |
| a. Cancelled contracts | | (33,390) | (44,243) |
| 2. Allocation of Insurance acquisition cash flow | | 293,262 | 190,291 |
| a. Contract conclusion expense | | 293,262 | 190,291 |





| | | | |
|---|---|---|---|
| amortization | | | |
| | ₩ | 3,979,442 | 3,863,453 |

(13) Reinsurance revenue recognized for insurance contracts held by the Company for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Incurred reinsurance | ₩ | 30,690 | 25,176 |
| Adjustment of Reinsurance incurred accident factors | | (549) | 6,626 |
| Revenue related to loss recovery factors | | 1,416 | 606 |
| | ₩ | 31,557 | 32,408 |

(14) Insurance service cost recognized for insurance contracts issued by the Company for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| 1. Insurance costs for insurance contracts | ₩ | 3,462,885 | 3,597,813 |
| Actual insurance premium | | 1,947,859 | 1,897,825 |
| Actual contract maintenance costs | | 993,384 | 936,808 |
| Actual investment management expenses | | 87,532 | 85,672 |
| Expenses related to loss-bearing contracts | | 318,934 | 509,792 |
| Adjustment of accident factors | | 12,791 | 1,399 |
| Depreciation of cash flow obtained from insurance | | 293,262 | 190,291 |
| Amount of loss factor allocation | | (186,907) | (19,062) |
| Other insurance service expenses | | (3,969) | (4,912) |
| 2. Other insurance operating expense | | 40,950 | 36,410 |
| | ₩ | 3,503,836 | 3,634,223 |

(15) Reinsurance cost recognized for insurance contracts held by the Company for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Estimated reinsurance | ₩ | 22,188 | 19,232 |
| Adjustment of Reinsurance estimated accident factors | | 6,023 | 4,538 |
| Change in risk adjustment | | 1,028 | (1,552) |
| Depreciation of insurance contract margin | | 4,333 | 6,738 |
| Other Reinsurance Expenses | | (32) | - |
| | ₩ | 33,540 | 28,956 |

**18. Other contract liabilities**

Other contract liabilities as of December 31, 2024 and December 31, 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Reserve for policyholder dividend stabilization | ₩ | 70,591 | 72,936 |
| Policyholder’s equity adjustment | | 101,101 | 73,969 |
| | ₩ | 171,692 | 146,905 |

**19. Other financial liabilities**

(1) Other financial liabilities as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Insurance payables: | | | |
| Dormant policies | ₩ | 23,749 | 32,173 |
| Insurance settlement adjustments | | 3,652 | 3,438 |
| | | 27,401 | 35,611 |
| Accounts payable | | 227,154 | 430,196 |
| Accrued expenses | | 355,182 | 237,470 |
| Leasehold deposits received | | 104,727 | 105,106 |
| Less: Present value discount | | (4,370) | (5,985) |
| Trust accounts liabilities | | 168,405 | 105,050 |
| Lease liabilities (*) | | 41,368 | 44,452 |
| | ₩ | 919,867 | 951,900 |

(*) Lease liabilities are recognized and measured in accordance with KIFRS 1116 Leases.

(2) Lease expenses for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Short-term lease (*) | ₩ | 5,813 | 4,120 |
| Lease of low-value asset expenses (*) | | 38 | 39 |
| Interest expense on the lease liability | | 1,716 | 1,517 |
| | ₩ | 7,567 | 5,676 |

(*) The Company recognized lease payments as an expense on a straight-line basis over the lease term.

(3) Details of Lease liabilities by maturity according to remaining lease terms as of December 31, 2024 and 2023 are as follows:

| | | 2024 | |
|---|---|---|---|
| | | Less than 1 year | 1 ~ 5 years |
| Real estates | ₩ | 22,951 | 16,664 |
| Vehicles | | 31 | 2,184 |
| | ₩ | 22,982 | 18,848 |

| | | 2023 | |
|---|---|---|---|
| | | Less than 1 year | 1 ~ 5 years |
| Real estates | ₩ | 7,673 | 37,925 |
| Vehicles | | 236 | 627 |
| | ₩ | 7,909 | 38,552 |

(4) Details of lease payments related to lease liabilities amounted to ₩38,018 million and to ₩37,363 million for the years ended December 31, 2024 and 2023, respectively.





**20. Borrowings**

(1) Borrowings as of December 31, 2024 and 2023 are summarized as follows:

| | Creditors | Interest rate (%) | Issue date | Maturity date | 2024 | 2023 |
|---|---|---|---|---|---|---|
| Non-guaranteed subordinated bonds | Individuals, etc. | 4.30% | August 6, 2024 | August 6, 2034 | 700,000 | - |
| Discount on bonds | | | | | (1,920) | - |
| Book value | | | | | ₩ 698,080 | - |

(2) Details of contractual remaining maturities of the borrowings as of December 31, 2024 is as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 ~ 5 years | More than 5 years | Total |
| Non-guaranteed subordinated bonds | ₩ - | - | 700,000 | 700,000 |

*(In millions of won)*

**21. Provisions**

(1) Changes in provisions for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Provision for restoration cost | Provision for litigation | Provision for Unsettled | Total |
| Beginning balance | ₩ | 8,603 | 772 | 17,569 | 26,944 |
| Increase | | 9,617 | - | - | 9,617 |
| Utilized | | (725) | - | - | (725) |
| Charge (reversal) for the period, net | | (9,216) | (363) | 3,882 | (5,697) |
| Ending balance | ₩ | 8,279 | 409 | 21,451 | 30,139 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Provision for restoration cost | Provision for litigation | Provision for Unsettled | Total |
| Beginning balance | ₩ | 9,308 | 1,111 | 6,645 | 17,064 |
| Increase | | 9,493 | - | - | 9,493 |
| Utilized | | (519) | - | - | (519) |
| Charge (reversal) for the period, net | | (9,678) | (339) | 10,924 | 907 |
| Ending balance | ₩ | 8,604 | 772 | 17,569 | 26,945 |

(2) The nature of the provisions and the timing of the expected outflow of economic benefits are as follows:

| | | 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1 ~ 3 years | 3 ~ 5 years | Over 5 years | Total |
| Provision for restoration costs | ₩ | 3,599 | 4,262 | 316 | 101 | 8,279 |
| Litigation | | 409 | - | - | - | 409 |
| Unused commitments | | 21,452 | - | - | - | 21,452 |
| | ₩ | 25,460 | 4,262 | 316 | 101 | 30,139 |

**22. Defined benefit liabilities**

(1) The Company operates a defined benefit plan based on compensation of pension for the employees and the period of services rendered. The Company has trusted the plan assets of defined benefit obligations at Kookmin Banks and others.

Defined benefit plan liabilities as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Present value of defined benefit obligations | ₩ | 251,135 | 250,690 |
| Fair value of plan assets | | (224,149) | (216,045) |
| Recognized liabilities for defined benefit liabilities | ₩ | 26,986 | 34,645 |

(2) Changes in the present value of defined benefit obligations for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Beginning balances | ₩ | 250,690 | 208,699 |
| Current service costs | | 56,435 | 49,482 |
| Interest expenses | | 10,219 | 9,955 |
| Remeasurements: | | (10,837) | 5,630 |
| Actual gain from change in financial assumptions | | 9,810 | 15,042 |
| Actual gain from change in population statistics | | 23 | (6,158) |
| Experience adjustments | | (20,670) | (3,254) |
| Benefits paid by the plan | | (55,372) | (23,076) |
| Ending balances | ₩ | 251,135 | 250,690 |





*(In millions of won)*

(3) Changes in the fair value of plan assets for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Beginning balances | ₩ | 216,045 | 203,996 |
| Interest income | | 8,688 | 9,710 |
| Remeasurements | | (1,050) | 194 |
| Benefit paid by the company | | 22,200 | 20,000 |
| Benefit paid by the plan | | (21,734) | (17,855) |
| Ending balances | ₩ | 224,149 | 216,045 |

(4) Plan assets as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | | Amount | Ratio (%) | Amount | Ratio (%) |
| Time deposit | ₩ | 212,031 | 94.59% | 216,027 | 99.99% |
| Debt securities | | 12,117 | 5.41% | 18 | 0.01% |
| | ₩ | 224,148 | 100.00% | 216,045 | 100.00% |

(5) Actuarial assumptions as of December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Discount rate (*) | 3.87% | 4.42% |
| | 2.00% | 1.90% |
| Future salary increasing rate | +advancement rate | +advancement rate |

(*) Considering the timing of the payments of retirement benefits, the Company applied a rate of return of unsecured debenture bonds with a rating of AA+.

(6) Sensitivity analysis
Sensitivity analysis of the present value of defined benefit obligation as of December 31, 2024 is as follows:

| | | 2024 | |
|---|---|---|---|
| | | 1% Point increase | 1% Point decrease |
| Discount rate | ₩ | (14,621) | 16,664 |
| Future salary increasing rate | | 17,533 | (15,623) |

(7) The weighted average maturity of the defined benefit obligation is 7.17 years as of December 31, 2024.

**23. Other liabilities**

Other liabilities as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Unearned income | ₩ | 8,397 | 13,728 |
| Withholdings | | 54,755 | 66,014 |
| Value added tax withheld | | 2,004 | 2,140 |
| Other liabilities (*) | | 15,800 | 15,800 |
| | ₩ | 80,956 | 97,682 |

(*) Others include the amount estimated to be paid in the future to the policyholder of the immediate annuity inheritance maturity type.

*(In millions of won)*

**24. Derivatives**

1. Derivative instruments held for trading

(1) Unsettled commitments and fair values of derivative instruments held for trading as of December 31, 2024 and 2023 are as follows:

| | Type | | 2024 | | |
|---|---|---|---|---|---|
| | | | | Cumulative valuation gains and losses | |
| | | | Unsettled commitment | Asset | Liability |
| Currency related: | Currency forward | ₩ | 7,650,336 | 118,096 | 340,593 |
| | Currency swap | | 2,853,060 | 84,966 | 339,123 |
| | Currency futures | | 40,456 | - | - |
| | | | 10,543,852 | 203,062 | 679,716 |
| Equity related: | Stock index futures | | 1,325,932 | - | - |
| | Stock index option | | 267 | - | 16 |
| | Individual stock futures | | 46,417 | - | - |
| | | | 1,372,616 | - | 16 |
| Interest related: | Interest rate futures | | 1,892,650 | - | - |
| | Interest rate forward | | 600,000 | 2,073 | 4,668 |
| | Interest rate swap | | 20,096,150 | 87,954 | 33,684 |
| | | | 22,588,800 | 90,027 | 38,352 |
| Credit risk adjustments | | | - | - | 644 |
| | | ₩ | 34,505,268 | 293,089 | 718,728 |

| | Type | | 2023 | | |
|---|---|---|---|---|---|
| | | | | Cumulative valuation gains and losses | |
| | | | Unsettled commitment | Asset | Liability |
| Currency related: | Currency forward | ₩ | 3,276,867 | 84,518 | 12,963 |
| | Currency swap | | 3,788,764 | 53,262 | 198,196 |
| | Currency futures | | 60,542 | - | - |
| | | | 7,126,173 | 137,780 | 211,159 |
| Equity related: | Stock index futures | | 1,247,235 | - | - |
| | Stock index option | | 121 | - | 2,151 |
| | Individual stock futures | | 8,610 | - | - |
| | | | 1,255,966 | - | 2,151 |
| Interest related: | Interest rate futures | | 1,123,548 | - | - |
| | Interest rate forward | | 930,000 | 92,170 | - |
| | Interest rate swap | | 12,081,500 | 48,710 | 815 |
| | | | 14,135,048 | 140,880 | 815 |
| Credit risk adjustments | | | - | - | 159 |
| | | ₩ | 22,517,187 | 278,660 | 214,284 |





*(In millions of won)*

(2) Gains and losses on valuation of derivative instruments held for trading for the periods ended December 31, 2024 and 2023 are as follows:

| | Type | | 2024 | |
|---|---|---|---|---|
| | | | Gain | Loss |
| Currency related: | Currency forward | ₩ | 113,023 | 371,946 |
| | Currency swap | | 74,283 | 227,940 |
| | Currency futures | | 2,707 | 11,919 |
| | | | 190,013 | 611,805 |
| Equity related: | Stock index futures | | 4,378 | 19,493 |
| | Stock index option | | 251 | - |
| | Individual stock futures | | 25,859 | 19,061 |
| | | | 30,488 | 38,554 |
| Interest related: | Interest rate futures | | 18,533 | 12,174 |
| | Interest rate forward | | 2,073 | 4,668 |
| | Interest rate swap | | 41,255 | 34,859 |
| | | | 61,861 | 51,701 |
| Credit risk adjustments | | | 18 | 505 |
| | | | 282,380 | 702,565 |

| | Type | | 2023 | |
|---|---|---|---|---|
| | | | Gain | Loss |
| Currency related: | Currency forward | ₩ | 34,820 | 13,256 |
| | Currency swap | | 60,327 | 55,082 |
| | Currency futures | | 4,024 | 7,737 |
| | | | 99,171 | 76,075 |
| Equity related: | Stock index futures | | 30,667 | 7,422 |
| | Stock index option | | - | 2,030 |
| | Individual stock futures | | 2,749 | 2,263 |
| | | | 33,416 | 11,715 |
| Interest related: | Interest rate futures | | 30,532 | 7,766 |
| | Interest rate forward | | 92,170 | - |
| | Interest rate swap | | 48,710 | 815 |
| | | | 171,412 | 8,581 |
| Credit risk adjustments | | | 241 | 21 |
| | | | 304,240 | 96,392 |

2. Fair value hedged item

(1) Fair value hedged items as of December 31, 2024 and 2023 and changes in fair value for the periods ended December 31, 2024 and 2023 are as follows:

| | Type | | 2024 | | |
|---|---|---|---|---|---|
| | | | Book value | Accumulated fair value adjustment | Change in fair value during the period |
| Interest rate related: | Foreign debt instrument | | - | - | - |
| Foreign exchange related: | Foreign debt instrument | ₩ | 86,396 | 6,564 | 5,535 |
| | Foreign loan securities | | 186,854 | 7,346 | 7,346 |
| | Foreign beneficiary certificate | | 2,148,900 | 309,123 | 203,971 |
| | | ₩ | 2,422,150 | 323,033 | 216,852 |

| | Type | | 2023 | | |
|---|---|---|---|---|---|
| | | | Book value | Accumulated fair value adjustment | Change in fair value during the period |
| Interest rate related: | Foreign debt instrument | | 817,533 | 12,892 | 12,892 |
| Foreign exchange related: | Foreign debt instrument | ₩ | 94,328 | 9,194 | 1,837 |
| | Foreign loan securities | | - | - | - |
| | Foreign beneficiary certificate | | 1,757,953 | 130,298 | 52,183 |
| | | ₩ | 2,669,814 | 152,384 | 66,912 |

*(In millions of won)*

(2) Derivatives designated as fair value hedging instruments as of December 31, 2024 and 2023 and changes in fair value for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
| Currency forward | ₩ | 3,131,542 | 35,982 | 249,451 | (214,817) |
| Currency swap | | 65,268 | - | 3,535 | (3,567) |
| Interest rate forward | | 239,219 | 10,091 | - | 10,091 |
| Interest rate futures | | - | - | - | - |
| | ₩ | 3,436,029 | 46,073 | 252,986 | (208,293) |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
| Currency forward | ₩ | 2,446,110 | 39,461 | 36,664 | (25,302) |
| Currency swap | | 20,536 | 133 | - | 133 |
| Interest rate forward | | 50,013 | - | 2,036 | (2,036) |
| Interest rate futures | | 1,000,385 | - | - | - |
| | ₩ | 3,517,044 | 39,594 | 38,700 | (27,205) |

(3) The amount recognized in profit or loss due to the ineffectiveness of fair value hedge for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Risk | Profit and loss related to fair value hedge designation (hedged item) | Profit and loss related to fair value hedge designation (hedging instrument) | Ineffective portion of hedge recognized in profit or loss (*) |
| Fair value hedge | ₩ | Foreign exchange | (12,146) | 10,091 | (2,055) |
| | | Foreign exchange risk | 254,784 | (265,632) | (10,848) |
| | | | 242,638 | (255,541) | (12,903) |

(*) The ineffectiveness of the hedge is the difference between the hedging gain and loss between the hedging instrument and the hedged item.

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Risk | Profit and loss related to fair value hedge designation (hedged item) | Profit and loss related to fair value hedge designation (hedging instrument) | Ineffective portion of hedge recognized in profit or loss (*) |
| Fair value hedge | ₩ | Foreign exchange | 12,892 | (13,419) | (527) |
| | | Foreign exchange risk | 70,043 | (67,646) | 2,397 |
| | | | 82,935 | (81,065) | 1,870 |

(*) The ineffectiveness of the hedge is the difference between the hedging gain and loss between the hedging instrument and the hedged item.

3. Cash flow hedge

(1) Derivatives designated as cash flow hedging instruments as of December 31, 2024 and 2023 and changes in fair value for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
| Interest rate forward | ₩ | 4,978,600 | 244,246 | 179,986 | (19,216) |
| Interest rate swap | | 56,008 | - | 1,681 | 133 |
| Currency forward | | 2,124,305 | - | 160,153 | (174,972) |
| Currency swap | | 9,085,319 | 14,152 | 1,148,536 | (1,057,355) |
| | ₩ | 16,244,232 | 258,398 | 1,490,356 | (1,251,410) |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Unrecognized firm commitments | Asset | Liability | Change in fair value for the period |
| Interest rate forward | ₩ | 5,640,000 | 207,690 | 159,156 | 452,956 |
| Interest rate swap | | 64,171 | - | 1,815 | 839 |
| Currency forward | | 1,512,549 | 12,240 | 27,034 | (39,221) |
| Currency swap | | 9,059,514 | 127,059 | 402,096 | (120,963) |
| | ₩ | 16,276,234 | 346,989 | 590,101 | 293,611 |





*(In millions of won)*

(2) Changes in the value of hedged items and cash flow hedge reserve used as a basis for recognizing the ineffectiveness of hedge for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | |
|---|---|---|---|
| | | Change in fair value used to calculate hedge ineffectiveness | Cash flow hedge reserve |
| Foreign exchange risk: | ₩ | | |
| Foreign securities | | 1,323,348 | 393,148 |
| Overseas loan receivable | | 31,533 | 3,363 |
| | | 1,354,881 | 396,511 |
| Interest rate risk: | | | |
| Bond prospective purchase transaction | | - | 18,011 |
| Domestic loan receivable | | - | (1,681) |
| | | - | 16,330 |
| | ₩ | 1,354,881 | 412,841 |

| | | 2023 | |
|---|---|---|---|
| | | Change in fair value used to calculate hedge ineffectiveness | Cash flow hedge reserve |
| Foreign exchange risk: | ₩ | | |
| Foreign securities | | 235,804 | 342,571 |
| Overseas loan receivable | | 12,431 | 3,185 |
| | | 248,235 | 345,756 |
| Interest rate risk: | | | |
| Bond prospective purchase transaction | | - | 48,534 |
| Domestic loan receivable | | - | (1,815) |
| | | - | 46,719 |
| | ₩ | 248,235 | 392,475 |

(3) Profit or loss and other comprehensive income affected from the ineffectiveness of cashflow hedge for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Risk | Hedge gain and loss recognized in other comprehensive income (*1) | Ineffectiveness of hedge recognized in profit or loss (*2) | Reclassified from cash flow hedge reserve to profit or loss |
| Cash flow hedge | ₩ | Interest rate | (19,083) | - | (2,302) |
| | | Foreign exchange | 131,964 | (10,326) | (1,332,088) |
| | ₩ | | 112,881 | (10,326) | (1,334,390) |

(*1) Other comprehensive income on the statement of comprehensive income before income tax effect.
(*2) The ineffectiveness of hedge is the difference between the hedge gain and loss of the hedging instrument and the hedged item.

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Risk | Hedge gain and loss recognized in other comprehensive income (*1) | Ineffectiveness of hedge recognized in profit or loss (*2) | Reclassified from cash flow hedge reserve to profit or loss |
| Cash flow hedge | ₩ | Interest rate | 453,795 | - | - |
| | | Foreign exchange | 86,499 | (3,063) | (239,059) |
| | ₩ | | 540,294 | (3,063) | (239,059) |

(*1) Other comprehensive income on the statement of comprehensive income before income tax effect.
(*2) The ineffectiveness of hedge is the difference between the hedge gain and loss of the hedging instrument and the hedged item.

(4) When a forecast transaction subject to cash flow hedge accounting is no longer expected to occur, the cumulative gain or loss recognized in equity is immediately transferred to the statement of comprehensive income. The expected longest period of exposure to cash flow volatility risk for derivative contracts subject to cash flow hedge is April 2, 2035.

*(In millions of won)*

**25. Equity**

(1) Equity as of December 31, 2024 and December 31, 2023 are as follows:

| | | | 2024 | 2023 |
|---|---|---|---|---|
| Capital stock | Capital stock | ₩ | 102,500 | 102,500 |
| Hybrid tier1 | Hybrid tier1 | | 2,205,726 | 1,607,440 |
| Capital surplus | Share premium | | 359,937 | 359,937 |
| | Asset revaluation surplus | | 4,502 | 4,502 |
| | Others | | 1,497 | 1,497 |
| | | | 365,936 | 365,936 |
| Capital adjustments | Negative equity changes in equity method adjustments | | (8,995) | (8,995) |
| | Other capital adjustments | | (104,412) | (104,412) |
| | Treasury shares | | (84,008) | (84,008) |
| | | | (197,415) | (197,415) |
| Accumulated other comprehensive income | Gain (loss) on valuation of financial assets at fair value | | (3,305,617) | (3,559,631) |
| | Loss allowance of debt instrument at fair value | | 5,607 | 8,962 |
| | Financial gain of insurance contract assets (liabilities), net | | 230,655 | 4,383,534 |
| | Financial gain of reinsurance contract assets (liabilities), net | | 3,809 | 12,004 |
| | Gain (loss) on valuation of cash flow hedging derivatives | | 301,368 | 265,018 |
| | Gain (loss) on revaluation of property and equipment | | 514,993 | 524,030 |
| | Remeasurement component related to defined benefit plan | | 43,453 | 36,250 |
| | | | (2,205,732) | 1,670,167 |
| Retained earnings | Legal reserve | | 51,250 | 51,250 |
| | Other legal reserves | | 275,996 | 1,096,736 |
| | Regulatory reserve for loan loss | | 126,553 | 158,499 |
| | Unappropriated retained earnings | | 6,577,245 | 5,117,641 |
| | Voluntary reserve | | 3,000 | 3,000 |
| | | | 7,034,002 | 6,427,126 |
| | | ₩ | 7,305,017 | 9,975,755 |

(2) Capital stock

Capital stock as of December 31, 2024 and December 31, 2023 are as follows:

| | | December 31, 2024 | December 31, 2023 |
|---|---|---|---|
| Number of authorized shares | | 300,000,000 shares | 300,000,000 shares |
| Par value per share in won | ₩ | 1,000 | 1,000 |
| Number of issued common stocks outstanding | | 102,500,000 shares | 102,500,000 shares |
| Capital stock | ₩ | 102,500 | 102,500 |

(3) Hybrid bonds

Hybrid bonds as of December 31, 2024 and 2023 are as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Issue date | Maturity date | Interest rate (%) | | Amount in foreign currency | | Amount of KRW equivalent |
| Overseas hybrid bonds (*1) | June 15, 2022 | June 15, 2052 | 5.90 | $ | 500,000 | ₩ | 644,850 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | - | | (4,567) |
| | | | | | | ₩ | 640,283 |
| Domestic hybrid bonds (*2) | Sept. 10, 2021 | Sept. 10, 2051 | 3.72 | ₩ | - | ₩ | 470,000 |
| Domestic hybrid bonds (*2) | May 12, 2023 | May 12, 2053 | 5.80 | ₩ | - | ₩ | 500,000 |
| Domestic hybrid bonds (*2) | Nov 12, 2024 | Nov 12, 2054 | 4.60 | ₩ | - | ₩ | 600,000 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | | | (4,557) |
| | | | | | | | 1,565,443 |
| | | | | | | ₩ | 2,205,726 |

(*1) Hybrid bonds above can be redeemed early after 5 years from the date of issuance and interest rate can be adjusted only once after 10 years from the date of issuance. Upon maturity date, the controlling company has the right to extend the maturity under the same condition.
(*2) Hybrid bonds above can be redeemed early after 5 years from the date of issuance and base interest rate and spreads can be adjusted only once after 5 or 10 years from the date of issuance. Upon maturity date, the controlling company has the right to extend the maturity under the same condition.





*(In millions of won)*

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Issue date | Maturity date | Interest rate (%) | | Issued amount | | Amount of KRW equivalent |
| Overseas hybrid bonds (*1) | June 15, 2022 | June 15, 2052 | 5.90 | $ | 500,000 | ₩ | 644,850 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | | | (4,567) |
| | | | | | | | 640,283 |
| Domestic hybrid bonds (*2) | September 10, 2021 | September 10, 2051 | 3.72 | ₩ | - | | 470,000 |
| Domestic hybrid bonds (*2) | May 12, 2023 | May 12, 2053 | 5.80 | | - | | 500,000 |
| Issuance costs (underwriting fees and other direct issuance costs) | | | | | - | | (2,843) |
| | | | | | - | | 967,157 |
| | | | | | | ₩ | 1,607,440 |

(*1) Hybrid bonds above can be redeemed early after 5 years from the date of issuance and interest rate can be adjusted only once after 10 years from the date of issuance. Upon maturity date, the controlling company has the right to extend the maturity under the same condition.
(*2) Hybrid bonds above can be redeemed early after 5 years from the date of issuance and base interest rate and spreads can be adjusted only once after 5 or 10 years from the date of issuance. Upon maturity date, the controlling company has the right to extend the maturity under the same condition.

(4) Accumulated other comprehensive income
Changes in accumulated other comprehensive income for the periods ended December 31, 2024 and 2023 are as follows:

2024

| | Gain (loss) on valuation of financial assets at fair value through profit or loss | Loss allowance for debt instruments at fair value | Financial gain (loss) on insurance contract assets (liabilities), net | Financial gain (loss) on reinsurance contract assets (liabilities), net | Valuation gain (loss) on cash flow hedge | Gain (loss) on revaluation of property and equipment | Remeasurement gain related to defined benefit plan | Total |
|---|---|---|---|---|---|---|---|---|
| Beginning balance | ₩ (3,559,631) | 8,962 | 4,383,534 | 12,004 | 265,018 | 524,030 | 36,250 | 1,670,167 |
| Fair value evaluation | 218,372 | (4,559) | (5,642,498) | (11,135) | 1,383,778 | - | 9,787 | (4,046,255) |
| Realization of income or loss | 141,458 | - | - | - | (1,334,390) | - | - | (1,192,932) |
| Policyholder's equity adjustment (*) | (14,853) | - | - | - | - | (12,279) | - | (27,132) |
| Income tax effects | (91,114) | 1,204 | 1,489,619 | 2,940 | (13,038) | 3,242 | (2,584) | 1,390,269 |
| Transfer to retained earnings | 152 | - | - | - | - | - | - | 152 |
| Ending balance | ₩ (3,305,616) | 5,607 | 230,655 | 3,809 | 301,368 | 514,993 | 43,453 | (2,205,731) |

(*) Allocation to policyholder's equity adjustment for the period ended December 31, 2024

2023

| | Gain (loss) on valuation of financial assets at fair value through profit or loss | Loss allowance for debt instruments at fair value | Financial gain (loss) on insurance contract assets (liabilities), net | Financial gain (loss) on reinsurance contract assets (liabilities), net | Valuation gain (loss) on cash flow hedge | Gain (loss) on valuation of investment of associates | Gain (loss) on revaluation of property and equipment | Remeasurement gain related to defined benefit plan | Total |
|---|---|---|---|---|---|---|---|---|---|
| Beginning balance | ₩ (5,866,022) | 6,867 | 7,927,326 | 48,117 | (92,343) | (5) | 527,671 | 40,196 | 2,591,807 |
| Fair value evaluation | 3,105,637 | 2,834 | (4,829,589) | (49,155) | 628,553 | - | - | (5,436) | (1,147,156) |
| Realization of income or loss | (35,915) | - | - | - | (142,838) | - | - | - | (178,753) |
| Policyholder's equity adjustment (*) | 74,806 | - | - | - | - | 7 | (5,224) | - | 69,589 |
| Income tax effects | (838,136) | (739) | 1,285,797 | 13,042 | (128,354) | (2) | 1,583 | 1,490 | 334,681 |
| Ending balance | ₩ (3,559,630) | 8,962 | 4,383,534 | 12,004 | 265,018 | - | 524,030 | 36,250 | 1,670,168 |

(*) Allocation to policyholder's equity adjustment for the period ended December 31, 2023.





(5) Retained earnings

(a) Legal reserve
Legal reserve is restricted for the dividend to stockholders by law or legislation. According to Commercial Act, the Company is required to appropriate a legal reserve in an amount equal to at least 10% of cash dividends for each accounting period until the reserve equals 50% of capital stock. The legal reserve may not be allocated in cash and may be used to reduce a deficit or may be transferred to capital based on the decision of board of directors.

(b) Dividend

i) Details of dividends recognized as distributions to common stockholders for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Number of shares | | 102,500,000 | 102,500,000 |
| Treasury shares | ₩ | 2,093,911 | 2,093,911 |
| Number of Shares Entitled to Dividends | | 100,406,089 | 100,406,089 |
| Par value per share in Korean won in unit | | 1,000 | 1,000 |
| Dividend rate per share | | 1.20% | - |
| Dividend per share in Korean won in unit | | 1,200 | - |

ii) Dividend payout ratio for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Dividend per share in Korean won in unit | ₩ | 120,487 | - |
| Profit for the year | | 698,736 | 632,201 |
| Dividend rate per share | | 17.24% | - |

(c) Appropriation of retained earnings

Separate statements of appropriation of retained earnings for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Unappropriated retained earnings: | | | |
| Balance at beginning of year | ₩ | 5,970,326 | 5,426,920 |
| Net income | | 698,736 | 632,201 |
| Dividends to hybrid bonds | | (91,708) | (74,245) |
| Effect of changes in accounting policies | | - | (867,236) |
| Gain(Loss) on valuation of financial assets at fair value through other comprehensive income | | (152) | - |
| | | 6,577,202 | 5,117,640 |
| Appropriation of retained earnings: | | | |
| Regulatory reserve for loss on loan receivables | | (20,915) | (31,947) |
| Dividends | | 120,487 | - |
| Dividends in cash | | 120,487 | - |
| Dividend amount per share (rate): | | | |
| December 31, 2024: 1,200 won (120%) | | | |
| December 31, 2023: 0 won (0%) | | | |
| Regulatory reserve for financial soundness | | - | (1,096,735) |
| Guarantee Reserve | | 54,782 | 275,996 |
| | | 154,354 | (852,686) |
| Unappropriated retained earnings to be carried over to subsequent year | ₩ | 6,422,848 | 5,970,326 |

The comparatively shown statement of disposal of retained earnings reflects the adjustment in accordance with the application of Corporate Accounting Standard No. 1111 'Insurance Contract' and differs from the statement of disposal of retained earnings that was finalized on March 22, 2024.

(d) Regulatory reserve for loan losses

When the Company falls short of the minimum reserve requirement for impaired credit losses specified in the supervisory regulations due to the reserve amount for expected credit losses based on Korean-adopted International Financial Reporting Standards (K-IFRS), the shortfall is reserved as a separate reserve for impaired credit losses in the financial statements at each year-end.
In consideration of the risk of surrender, in the case where the total amount of insurance liability reserve and separate account liabilities is less than the total amount of surrender value and unearned insurance premiums, the differences are accounted for as a surrender value reserve at each reporting period.

In addition, the Company is accumulating guarantee reserves already accumulated at the time of conversion to KIFRS No. 1117 at the end of 2021 and guarantee fees to be received in the future after the date of conversion as a guarantee reserve.

The regulatory reserve for loan losses is, in nature, an arbitrary reserve for retained earnings. When there is unappropriated deficits, regulatory reserve for loan losses are reserved after the deficits are appropriated. When the amount previously reserved for regulatory reserve for loan losses exceeds the amount of regulatory reserve for loan losses to be reserved as of the closing date, the reversal of the excess amount is allowed.

i) Regulatory reserve for loan losses as of December 31, 2024 and December 31, 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Regulatory reserve for loan losses accumulated | ₩ | 126,553 | 158,499 |
| To be accumulated (reversed) | | (20,915) | (31,947) |
| | ₩ | 105,638 | 126,552 |

ii) There is no accumulated surrender value reserve as of December 31, 2024 and December 31, 2023.

iii) Guarantee reserve, etc. as of December 31, 2024 and December 31, 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Guarantee reserve accumulated | ₩ | 275,996 | - |
| To be accumulated (reversed) | | 54,782 | 275,996 |
| | ₩ | 330,778 | 275,996 |

iv) Transfer (reversal) including regulatory reserve for loan losses and adjusted profit after reflection of regulatory reserve for loan losses for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Profit for the period before legal reserve | ₩ | 698,736 | 632,201 |
| Hybrid bonds dividend | | (91,708) | (74,245) |
| Charge (reversal) of regulatory reserve for loan losses | | 20,915 | 31,947 |
| Charge (reversal) of guarantee reserve | | (54,782) | (275,996) |
| Income adjusted for regulatory reserve for loan losses, etc (*) | ₩ | 573,161 | 313,907 |

(*) Net income adjusted for regulatory reserve above is non-KIFRS financial information. The adjustment amount is calculated under the assumption that provision for regulatory reserve is reflected on the current net income without considering policyholders' equity adjustment and deferred tax effect.

**26. Interest income**

Interest income for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash and due from banks | ₩ | 116,511 | 61,095 |
| Financial assets at fair value through profit or loss | | 285,029 | 323,143 |
| Financial assets at fair value through other comprehensive income | | 1,772,290 | 1,588,542 |
| Financial assets at amortized cost | | 38,378 | 41,592 |
| Loan receivables at amortized cost | | 938,440 | 841,890 |
| Derivatives | | 21,139 | 38,713 |
| Others | | 2,082 | 1,824 |
| | ₩ | 3,173,869 | 2,896,799 |

**27. Gain on valuation and disposal of financial instruments**

Gain on valuation and disposal of financial instruments for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Financial assets at fair value through profit or loss: | | | |
| Gain on valuation | ₩ | 1,117,702 | 1,866,148 |
| Gain on disposal | | 669,557 | 786,184 |
| Financial assets at fair value through other comprehensive income: | | | |
| Reversal of impairment loss | | 4,559 | - |
| Gain on disposal | | 228,922 | 204,653 |
| Financial assets at amortized cost: | | | |
| Reversal of impairment loss | | 13 | - |
| Loan receivables at amortized cost: | | | |
| Gain on disposal | | 4,804 | 12,357 |
| Derivatives: | | | |
| Gain on valuation | | 328,015 | 328,968 |
| Gain on transaction | | 702,749 | 499,537 |
| | W | 3,056,321 | 3,697,847 |

**28. Fee and commission income**

Fee and commission income for the years ended December 31, 2024 and 2023 are as follows:





| | | 2024 | 2023 |
|---|---|---|---|
| Credit placement fees | ₩ | 5,662 | 16,374 |
| Securities lending and borrowing fees | | 1,217 | 1,508 |
| Retirement pension management fee | | 164 | 172 |
| Housing mortgage bond fees | | 1,229 | 1,367 |
| Sales commissions on beneficiary certificates | | 3,422 | 2,862 |
| Others | | 13,441 | 13,303 |
| | ₩ | 25,135 | 35,586 |

**29. Dividend income**

Dividend income for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Financial assets at fair value through profit or loss: | | | |
| Equity securities | ₩ | 96,980 | 83,408 |
| Overseas securities | | 152 | 13 |
| | | 97,132 | 83,421 |
| Financial assets measured at fair value through other comprehensive income: | | | |
| Equity securities | ₩ | 10,096 | 3,685 |
| Other securities | | 36,043 | 18,306 |
| Overseas securities | | 667 | 1,010 |
| | | 46,806 | 23,001 |
| | ₩ | 143,938 | 106,422 |

**30. Other operating income**

Other operating income for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Other investment income | | 783,649 | 734,277 |
| Commission income in separate account | ₩ | 13,208 | 11,572 |
| | | 796,857 | 745,849 |

**31. Business expenses and property management expenses**

Business expenses and property Dividend income for the years ended December 31, 2024 is as follows:

| | | 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Cash flow obtained from insurance | maintenance cost | Property management expenses | Other business expenses(*1) | Total |
| Salary | W | - | 233,148 | 11,198 | 20,312 | 264,658 |
| Welfare expenses | | - | 67,079 | 2,982 | 5,222 | 75,283 |
| Proportional allowance | | 675,338 | - | - | 808 | 676,146 |
| Tax | | - | 119,101 | 9,528 | 11,775 | 140,404 |
| Commission fee | | - | 153,554 | 17,327 | 26,334 | 197,215 |
| Computerized expenses | | - | 67,065 | 4,449 | 8,123 | 79,637 |
| Store operating expenses | | 73,912 | 11,736 | - | 325 | 85,973 |
| Special bonus | | - | 114,071 | 5,395 | 9,822 | 129,288 |
| Sales promotion expenses | | 323,396 | - | - | 1,697 | 325,093 |
| Depreciation expense | | - | 57,865 | 834 | 1,514 | 60,213 |
| Management expenses | | - | 8,775 | 25,292 | 32,256 | 66,323 |
| Others | | 322,848 | 160,990 | 10,526 | 57,591 | 551,955 |
| | W | 1,395,494 | 993,384 | 87,531 | 175,779 | 2,652,188 |

(*1) Other business expenses include other business expenses, money management expenses, and other financial expenses.

| | | 2023 | | | | |
|---|---|---|---|---|---|---|
| | | Cash flow obtained from insurance | maintenance cost | Property management expenses | Other business expenses(*1) | Total |
| Salary | W | - | 218,463 | 19,110 | 22,131 | 259,704 |
| Welfare expenses | | - | 54,963 | 5,209 | 21,369 | 81,541 |
| Proportional allowance | | 504,101 | - | - | 7,724 | 511,825 |
| Tax | | - | 122,301 | 9,790 | 24,621 | 156,712 |

*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| Commission fee | - | 162,353 | 20,055 | 9,161 | 191,569 |
| Computerized expenses | - | 63,632 | 7,973 | 6,313 | 77,918 |
| Store operating expenses | 55,840 | 10,002 | - | 1,777 | 67,619 |
| Special bonus | - | 105,471 | 9,038 | 10,101 | 124,610 |
| Sales promotion expenses | 166,691 | - | - | 3,472 | 170,163 |
| Depreciation expense | - | 95,245 | 1,096 | (35,590) | 60,751 |
| Management expenses | - | 5,998 | 457 | 57,441 | 63,896 |
| Others | 288,878 | 98,379 | 12,944 | 39,042 | 439,243 |
| ₩ | 1,015,510 | 936,807 | 85,672 | 167,562 | 2,205,551 |

(*1) Other business expenses include other business expenses, money management expenses, and other financial expenses.

**32. Interest expenses**

Interest expenses for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Borrowings | ₩ | 2,506 | 30,845 |
| Derivatives | | 112,290 | 122,372 |
| Others | | 10,367 | 8,426 |
| | ₩ | 125,163 | 161,643 |

**33. Loss on valuation and disposal of financial instruments**

Loss on valuation and disposal of financial instruments for years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Financial assets at fair value through profit or loss: | ₩ | | |
| Loss on valuation | | 1,091,053 | 369,530 |
| Loss on disposal | | 528,415 | 363,473 |
| Financial assets at fair value through other comprehensive income: | | | |
| Loss on disposal | | 260,116 | 71,000 |
| Impairment loss | | - | 2,834 |
| Financial assets at amortized cost | | | |
| Impairment loss | | - | 5 |
| Loan receivables at amortized cost: | | | |
| Bad debt expense | | 53,317 | 53,054 |
| Loss on disposal | | 4,159 | 4,894 |
| Other financial assets at amortized cost: | | | |
| Bad debt expense | | 4,128 | 2,508 |
| Derivatives: | | | |
| Loss on valuation | | 2,322,489 | 394,517 |
| Trading Loss | | 756,528 | 925,138 |
| Unsettled commitments (*1) | | | |
| Bad debt expense | | 3,882 | 10,924 |
| Retirement insurance annuity (*1) expenses | | 710,392 | 561,750 |
| Financial liabilities at fair value through profit or loss: | | | |
| Loss on valuation | | - | 10 |
| | ₩ | 5,734,479 | 2,759,637 |

(*1) These are included in other financial expenses in the statement of comprehensive income.

**34. Other operating expenses**

Other operating expenses for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Depreciation of investment properties | ₩ | 10,518 | 10,543 |
| Amortization of intangible assets | | 54,971 | 61,033 |
| Others | | 13,804 | 148 |
| | ₩ | 79,293 | 71,724 |





*(In millions of won)*

**35. Foreign currency translation**

(1) Foreign currency denominated assets and liabilities as of December 31, 2024 and 2023 are as follows:

| *(In thousands of USD, EUR, JPY, GBP, AUD, CAD, SEK, and HKD)* | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | Foreign currency | | KRW equivalent | Foreign currency | | KRW equivalent |
| Cash and due from banks: | | | | | | |
| USD | 126,502 | ₩ | 186,029 | 9,200 | ₩ | 11,851 |
| EUR | 1,333 | | 2,038 | 6 | | 8 |
| JPY | 182,495 | | 1,719 | 254,468 | | 2,321 |
| Others | 880 | | 167 | 4,915 | | 810 |
| Financial assets at fair value through profit or loss: | | | | | | |
| USD | 1,524,750 | | 2,242,185 | 1,470,056 | | 1,895,086 |
| EUR | 390,364 | | 596,762 | 452,577 | | 645,642 |
| JPY | 6,201,552 | | 58,250 | 6,071,026 | | 55,394 |
| Others | 46,558 | | 30,523 | 22,755 | | 30,693 |
| Financial assets at fair value through other comprehensive income: | | | | | | |
| USD | 8,405,474 | | 12,356,047 | 7,932,559 | | 10,228,242 |
| EUR | 715,956 | | 1,094,504 | 561,935 | | 801,652 |
| JPY | 5,465,363 | | 51,182 | 5,611,028 | | 51,210 |
| Others | 2,298,017 | ₩ | 1,252,085 | 2,175,649 | ₩ | 1,087,583 |

| *(In thousands of USD, EUR, JPY, GBP, AUD, CAD, SEK, and HKD)* | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | Foreign currency | | KRW equivalent | Foreign currency | | KRW equivalent |
| Loan receivable at amortized cost | | ₩ | | | ₩ | |
| USD | 184,162 | | 270,718 | 157,945 | | 203,655 |
| EUR | 109,442 | | 167,311 | 33,500 | | 47,791 |
| Others | 168,193 | | 187,889 | 170,642 | | 178,605 |
| Marketable securities at amortized cost | | | | | | |
| USD | 39,499 | | 58,063 | 15,248 | | 19,660 |
| Other financial assets at amortized cost: | | | | | | |
| USD | 195,216 | | 286,968 | 171,825 | | 221,552 |
| EUR | 14,254 | | 21,791 | 9,394 | | 13,401 |
| JPY | 54,831 | | 513 | 18,643 | | 170 |
| Others | 83,396 | | 63,494 | 44,738 | | 27,175 |
| Financial assets | | | | | | |
| USD | 10,475,604 | | 15,400,011 | 9,756,833 | | 12,580,046 |
| EUR | 1,231,350 | | 1,882,406 | 1,057,412 | | 1,508,494 |
| JPY | 11,904,241 | | 111,665 | 11,955,165 | | 109,095 |
| Others | 2,597,045 | | 1,534,158 | 2,418,699 | | 1,324,866 |
| Financial liabilities: | | | | | | |
| USD | 22,852 | | 33,592 | - | | - |
| EUR | 232 | | 354 | - | | - |
| Others | 7,099 | ₩ | 5,393 | - | ₩ | - |

(2) Gain (loss) on foreign currency transactions for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Gain on foreign currency translation | ₩ | 2,158,582 | 363,324 |
| Gain on foreign currency transaction | | 199,981 | 88,745 |
| | ₩ | 2,358,563 | 452,069 |
| Loss on foreign currency translation | ₩ | 517 | 22,531 |
| Loss on foreign currency transaction | | 32,317 | 41,675 |

| | | |
|---|---|---|
| ₩ | 32,834 | 64,206 |

**36. Non-operating income and expenses**

(1) Non-operating income for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| ₩ | | |
| Dividend of investments in subsidiaries and associates | 6,626 | 6,148 |
| Disposal of property and equipment | 104 | - |
| Miscellaneous gains | 10,067 | 4,688 |
| Others | 11,331 | 13,774 |
| ₩ | 28,128 | 24,610 |

(2) Non-operating expenses for the years ended December 31, 2024 and 2023 are as follows:

| | 2024 | 2023 |
|---|---|---|
| Impairments of investments in subsidiaries and associates | 279,223 | 8,052 |
| Impairments of investments in property | 18 | - |
| Disposal of property and equipment | 4,603 | 4,341 |
| Impairments of property and equipment | 64 | - |
| Disposal of intangible assets | 29 | - |
| Impairments of intangible assets | 15 | 35 |
| Donations | 4,638 | 5,377 |
| Miscellaneous losses | 2,829 | 2,812 |
| Penalty | 352 | 29 |
| Others | 590 | 945 |
| ₩ | 292,361 | 21,591 |





**37. Income tax expenses**

(1) Income tax expenses for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Current income tax expenses | ₩ | 53,801 | - |
| Origination and reversal of temporary differences | | (1,258,919) | (1,140,021) |
| Income tax expense directly recognized in equity | | 1,390,268 | 1,035,731 |
| Additional payment (refund) of income taxes | | (3,097) | (1,034) |
| Adjustments recognized in the current period for past income taxes | | - | 312,677 |
| Income tax expenses | ₩ | 182,053 | 207,353 |

(2) Income tax expenses calculated by multiplying Profit before income with the expenses for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Income before income taxes | W | 880,790 | 839,554 |
| Income taxes at statutory tax rates | | 222,167 | 211,280 |
| Adjustments: | | (40,113) | (3,927) |
| Permanent difference | | (30,168) | (23,728) |
| Additional payment (refund) of income taxes | | (3,097) | (1,034) |
| Effect of changes in tax rate | | (6,848) | 20,835 |
| Income tax expenses | W | 182,054 | 207,353 |
| Effective tax rate | | 20.67% | 24.70% |

(3) Deferred tax expenses by origination and reversal of deferred tax assets and liabilities and temporary differences for the years ended December 31, 2024 is as follows:

| | | 2024 | | |
|---|---|---|---|---|
| | | Beginning balance | Increase (decrease) | Ending balance |
| Deferred tax assets: | | | | |
| Depreciation | ₩ | 9,690 | (195) | 9,495 |
| Allowance for loss | | 4,698 | 1,344 | 6,042 |
| Taxes and dues | | 12,122 | (2,416) | 9,706 |
| Defined benefit liabilities | | 10,773 | (2,678) | 8,095 |
| Accrued bonus expenses | | 13,247 | (501) | 12,746 |
| Miscellaneous losses (impairment loss on land) | | 2,837 | 1 | 2,838 |
| Miscellaneous losses (dormant insurance payments) | | 8,494 | (2,224) | 6,270 |
| Contingent liabilities | | 4,782 | (98) | 4,684 |
| Loss on revaluation of land | | 3,485 | - | 3,485 |
| Loss on valuation of financial assets at fair value through other comprehensive income (OCI) | | 1,276,824 | (91,114) | 1,185,710 |
| Loss on valuation of derivatives (OCI) | | 156,597 | 470,300 | 626,897 |
| Other (Deficit carried forward) | | 1,255,121 | (174,690) | 1,080,431 |
| Others | | 342,520 | 96,016 | 438,536 |
| | | 3,101,190 | 293,745 | 3,394,935 |
| Deferred tax liabilities: | | | | |
| Gain on valuation of financial assets at fair value through profit and loss | | (231,544) | 23,011 | (208,533) |
| Interest income | | (69,016) | (9,873) | (78,889) |
| Valuation gains on assets and liabilities in foreign currency | | (292,351) | (486,317) | (778,668) |
| Allowance related to asset revaluation | | (21,614) | - | (21,614) |
| Cost adjustment | | (186,579) | (25,423) | (212,002) |
| Gain on valuation of derivatives (OCI) | | (95,061) | (13,038) | (108,099) |
| Gain on revaluation of property and equipment | | (187,968) | 3,242 | (184,726) |
| Financial gain on insurance contract asset(liability),net (OCI) | | (1,572,355) | 1,489,620 | (82,735) |
| Financial gain on reinsurance contract asset(liability),net (OCI)) | | (4,306) | 2,940 | (1,366) |
| Loss provision on debt instruments at fair value through other comprehensive income (OCI) | | (3,215) | 1,204 | (2,011) |
| Others | | (269,643) | (20,191) | (289,834) |
| | | (2,933,652) | 965,175 | (1,968,477) |

| | | | | |
|---|---|---|---|---|
| Deferred tax assets(liabilities) | ₩ | 167,538 | 1,258,920 | 1,426,458 |

(3) Deferred tax expenses by origination and reversal of deferred tax assets and liabilities and temporary differences for the years ended December 31, 2023 is as follows:

| | | 2023 | | |
|---|---|---|---|---|
| | | Beginning balance | Increase (decrease) | Ending balance |
| Deferred tax assets: | | | | |
| Depreciation | ₩ | 9,942 | (252) | 9,690 |
| Allowance for loss | | - | 4,698 | 4,698 |
| Taxes and dues | | 11,025 | 1,097 | 12,122 |
| Defined benefit liabilities | | 4,363 | 6,410 | 10,773 |
| Accrued bonus expenses | | 13,412 | (165) | 13,247 |
| Miscellaneous losses (impairment loss on land) | | 2,848 | (11) | 2,837 |
| Miscellaneous losses (dormant insurance payments) | | 9,469 | (975) | 8,494 |
| Minimum policy holder reserves | | 318,870 | (318,870) | - |
| Contingent liabilities | | 4,861 | (79) | 4,782 |
| Loss on revaluation of land | | 3,498 | (13) | 3,485 |
| Loss on valuation of financial assets at fair value through other comprehensive income (OCI) | | - | 1,276,824 | 1,276,824 |
| Loss on valuation of derivatives (OCI) | | 33,695 | (33,695) | - |
| Loss on valuation of financial assets held for trading | | 136,151 | (136,151) | - |
| Loss on impairment of available for sale financial assets | | 15,648 | (15,648) | - |
| Loss on valuation of available for sale financial assets (OCI) | | 654,472 | (654,472) | - |
| Loss on valuation of held to maturity financial assets (OCI) | | 636,235 | (636,235) | - |
| Loss on valuation of derivatives | | 210,199 | (53,602) | 156,597 |
| Conversion to KIFRS | | 405,403 | (405,403) | - |
| Other (Deficit carried forward) | | - | 1,255,121 | 1,255,121 |
| Others | | 462,835 | (120,315) | 342,520 |
| | | 2,932,926 | 168,264 | 3,101,190 |
| Deferred tax liabilities: | | | | |
| Gain on valuation of financial assets at fair value through profit and loss | | - | (231,544) | (231,544) |
| Interest income | | (62,286) | (6,730) | (69,016) |
| Valuation gains on assets and liabilities in foreign currency | | (295,217) | 2,866 | (292,351) |
| Allowance related to asset revaluation | | (21,696) | 82 | (21,614) |
| Cost adjustment | | (151,616) | (34,963) | (186,579) |
| Gain on valuation of derivatives (OCI) | | - | (95,061) | (95,061) |
| Gain on revaluation of property and equipment | | (190,249) | 2,281 | (187,968) |
| Financial gain on insurance contract asset(liability),net (OCI) | | (2,858,152) | 1,285,797 | (1,572,355) |
| Financial gain on reinsurance contract asset(liability),net (OCI)) | | (17,348) | 13,042 | (4,306) |
| Loss provision on debt instruments at fair value through other comprehensive income (OCI) | | - | (3,215) | (3,215) |
| Others | | (308,845) | 39,202 | (269,643) |
| | | (3,905,409) | 971,757 | (2,933,652) |
| Deferred tax assets(liabilities) | ₩ | (972,483) | 1,140,021 | 167,538 |

(4) Deferred tax assets and liabilities that were directly charged or credited to equity for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | | Amount | Tax effect | Amount | Tax effect |
| Gain (loss) on valuation of financial assets at fair value through other comprehensive income | ₩ | (4,491,327) | 1,185,710 | (4,836,455) | 1,276,824 |
| Loss provision on debt instruments at fair value through other comprehensive income | | 7,618 | (2,011) | 12,177 | (3,215) |
| Financial gain or loss, net, other comprehensive income-insurance contract assets(liabilities) | | 313,390 | (82,735) | 5,955,888 | (1,572,354) |
| Financial gain or loss, net, other comprehensive income-reinsurance contract assets(liabilities) | | 5,175 | (1,366) | 16,310 | (4,306) |
| Reserve for asset revaluation | | 24,366 | (19,863) | 24,366 | (19,863) |
| Gain or loss on valuation of cash flow hedge derivatives | | 409,467 | (108,099) | 360,079 | (95,061) |
| Gain on revaluation of property and equipment | | 699,719 | (184,726) | 711,998 | (187,967) |
| Remeasurement gain (loss) related to defined benefit liabilities | | 59,039 | (15,586) | 49,253 | (13,003) |
| | ₩ | (2,972,553) | 771,324 | 2,293,615 | (618,945) |





(5) Deferred tax assets and liabilities presented on a gross basis prior to any offsetting as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Deferred tax assets | ₩ | 3,394,934 | 3,101,190 |
| Deferred tax liabilities | | (1,968,478) | (2,933,650) |
| Deferred tax assets (liabilities), net | ₩ | 1,426,456 | 167,540 |
| Current tax assets | ₩ | 219,268 | 198,365 |
| Current tax liabilities | | (53,801) | - |
| Current tax assets (liabilities), net | ₩ | 165,467 | 198,365 |

(6) Deferred corporate tax assets include ₩1,080,431 million related to Kyobo Life Insurance's loss carried forward for tax purposes. Kyobo Life Insurance concluded that the deferred tax assets will be recoverable using the predicted future taxable income based on the approved business plan and budget. Kyobo Life Insurance has offset deferred tax assets through ₩ 661,705 million of taxable income and ₩ 174,690 million of deductions for losses carried forward for tax purposes. The loss carried forward for tax purposes will be carried forward for 15 years and the expiration date is 2038.

**38. Employee benefits**

Details of employee benefits for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Short-term and other long-term employee benefits | ₩ | 393,946 | 384,646 |
| Post-employment benefits (*1) | | 125,580 | 62,392 |

(*1) Post-employment include ₩ 52,868 million of termination benefits for the year ended December 31, 2024, and ₩ 14,746 million of defined contribution plans for the years ended December 31, 2024.

**39. Commitments and contingencies**

(1) Pending litigations

There are 123 litigations in which the Company is named including the ones for the payment of insurance claims with claimed amount amounting to ₩5,833 million as of December 31, 2024. Furthermore, there are 261 litigations where the Company is the plaintiff with claimed amount amounting to ₩45,006 million. The outcome of litigations cannot be predicted as of December 31, 2024. The Company has recognized a provision of ₩5,705million for the payment of above insurance claim, and provisions of ₩409 million for the payment of the other claims.

There is a possibility of additional payments related to the immediate pension products, which have previously been paid, due to the Financial Supervisory Service's announcement of the application of regulation in July 2018. As of December 31, 2024, the Company has included the reasonable estimates of additional payments and reflected in the separate financial statements.

(2) Insurance commitments

The contract amounts under the insurance contracts in the general and separate accounts as of December 31, 2024 are as follows:

| | Number of contracts | Total contract amount |
|---|---|---|
| General accounts | 8,533,706 | 292,077,945 |
| Separate accounts | 1,135,323 | 15,999,060 |
| | 9,669,029 | 308,077,005 |

(3) Reinsurance agreements

The reinsurance agreements of individual and group insurance as of December 31, 2024 are as follows:

| Reinsurance method | Reinsurance company | Ceding ratio (%) | Nature of risk |
|---|---|---|---|
| Surplus | SCOR Reinsurance Asia-Pacific | 100 | Risk from excessive contracts |
| Surplus | SCOR Reinsurance Asia-Pacific | 100 | Risk from excess number of contracts with individuals with high-risk occupations |
| Surplus | Korean Re | 100 | Kyobo Big Love Guarantee Insurance |
| Surplus, Quota Share | Munich Re | 60 | Contract exceeding subscription limit |
| Surplus, Quota Share | Korean Re | 40 | Contract exceeding subscription limit |
| Quota Share | General Cologne Re | 10 | Accident insurance |
| Quota Share | General Cologne Re | 10 | Personal loss rider |
| Quota Share | General Cologne Re | 30 | CI whole life Reinsurance |
| Quota Share | General Cologne Re | 30 | SI Insurance |
| Quota Share | General Cologne Re | 30 | Second CI Guarantee reinsurance |
| Quota Share | Hannover Re | 10 | CI reinsurance |
| Quota Share | Hannover Re | 10 | Direct health insurance |
| Quota Share | Hannover Re | 10~25 | Personal loss rider |
| Quota Share | Hannover Re | 30 | Kyobo cancer insurance |
| Quota Share | Hannover Re | 80 | Facultative reinsurance |
| Quota Share | Swiss Re | 30 | Inpatient caregiver |
| Quota Share | Swiss Re | 50 | Re-diagnosis cancer insurance |
| Quota Share | Swiss Re | 80 | Target anticancer drug treatment |
| Quota Share | Munich Re | 10 | CI reinsurance |
| Quota Share | Munich Re | | |
| Quota Share | Munich Re | 5 ~ 20 | Whole life insurance |
| | | 5 ~ 25 | Covered Surgeries |
| Quota Share | Munich Re | 30 | LTC (Silver care insurance) |
| Quota Share | Munich Re | 30 | Premier CI Insurance |
| Quota Share | Munich Re | 80 | Facultative reinsurance |
| Quota Share | RGA Re | 20 | Kyobo cancer insurance |
| Quota Share | RGA Re | 30 | Dental Benefits |
| Quota Share | RGA Re | 40 | Children insurance |
| Quota Share | RGA Re | 50 | Mortality (term insurance and whole life insurance), diagnosis (cancer, insurance for lifestyle disease) |
| Quota Share | RGA Re | 80 | Facultative reinsurance |
| Quota Share | RGA Re | 90 | Substandard insurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 10 | Personal loss rider |
| Quota Share | SCOR Reinsurance Asia-Pacific | 15 | CI reinsurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 15 | Direct health insurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 30 ~ 60 | Top Class cancer Insurance |
| Quota Share | SCOR Reinsurance Asia-Pacific | 50 | Juvenile & Dental Benefits |
| Quota Share | SCOR Reinsurance Asia-Pacific | 50 | Diagnosis (dental benefits, excluding new contracts after 2023) |
| Quota Share | SCOR Reinsurance Asia-Pacific | 50 | Inpatient caregiver |
| Quota Share | SCOR Reinsurance Asia-Pacific | 80 | Facultative reinsurance |
| Quota Share | Korean Re | 10 | CI whole life reinsurance |
| Quota Share | Korean Re | 10 ~ 50 | SI whole life insurance |
| Quota Share | Korean Re | 15 ~ 25 | Personal loss rider |
| Quota Share | Korean Re | 30 | Kyobo cancer Insurance |
| Quota Share | Korean Re | 50 | SI Insurance, Dementia Insurance |
| Quota Share | Korean Re | 50 | Mortality (term insurance, self fit health insurance), injuries (children, accident insurance, self fit health insurance), hospitalization (children insurance, hospitalization, self fit health insurance), Surgery (Children, operation expense, self fit health insurance), diagnosis (children, accident insurance, M3 cancer insurance, fine dust disease insurance, E women's Health Insurance, B women's Health Insurance, self fit health insurance) |
| Quota Share | Korean Re | 80 | Facultative reinsurance |
| Quota Share | Korean Re | Main contract: 40<br>Joint developed special contract: 50 | Kyobo cancer insurance |
| Financial reinsurance | Munich Re | - | Mass lapse |
| | Swiss Re | - | Mass lapse |





(4) As of December 31, 2024, the Company has bank overdraft facility agreements with Standard Chartered Bank, etc. with a residuary limit of ₩290,000 million.

(5) As of December 31, 2024, the Company is provided with payment guarantee of ₩25,259 million from the Seoul Guarantee Insurance.

(6) Other commitments

Other commitments as of December 31, 2024 are as follows:

| | | Amount |
|---|---|---|
| Loan commitments | ₩ | 3,360,572 |
| Investment commitments | | 4,338,013 |
| | ₩ | 7,698,585 |

(7) Securities lending and borrowing

Securities lending and borrowing as of December 31, 2024 are as follows:

| | Type | | Amount | Valuation standard |
|---|---|---|---|---|
| Securities lent | Debt securities | ₩ | 696,937 | Fair value |

Securities lending transaction is a transaction that transfers the ownership of the same amount and kind of securities after a certain period of time and continues to be recognized as an asset of the Company because it does not meet the conditions for the removal of transfer of financial assets.

**40. Related parties**

(1) The related parties as of December 31, 2024 and December 31, 2023 are as follows:

| 2024 | |
|---|---|
| Related parties | Investor |
| **Subsidiaries** | |
| Kyobo Securities Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo Book Center Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo DTS. Co., Ltd. (*1) | Kyobo Life Insurance Co., Ltd. |
| Dplanex Co., Ltd. | Kyobo DTS. Co., Ltd. |
| Kyobo Realco Inc. | Kyobo Life Insurance Co., Ltd. |
| Jeil Total Management Co., Ltd. | Kyobo Realco Inc. |
| KCA Claim Adjustment Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| KCA Service Co., Ltd. | Kyobo Life Insurance Co., Ltd.<br>KCA Claim Adjustment Co., Ltd. |
| Kyobo Life Planet Life Insurance Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Fortress Innovation Co., Ltd | Kyobo Life Planet Life Insurance Co., Ltd. |
| Kyobo Life Asset Management (America) Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo Life Asset Management (Japan) Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo Asset Trust Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo AIM Asset Management Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo Dasom Care Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Consus BTL Private Special Asset Investment Trust 1, Consus Hope BTL Private Special Asset Investment Trust 1, Consus New Energy Private Special Asset Investment Trust 2, KIAMCO Shipping Private Special Asset Investment Trust KX-1, Kyobo AIM Core General Private Real Estate Investment Trust 1, Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1, Kyobo AIM Corporate Finance General Private Investment Trust 1 | Kyobo Life Insurance Co., Ltd. |
| Doublerich 5th Co., Ltd, Doublerich 8th Co.,Ltd., Autodream 1st Co.,Ltd., K-hotel 1st Co.,Ltd., X-med 7th Co.,Ltd., Oblique 5th Co.,Ltd., SJgreat 7th Co.,Ltd., BrightStar 4th Co.,Ltd., Whitewood 7th Co.,Ltd., X-med 9th Co.,Ltd., Intgreen 2nd Co.,Ltd., Yangdocube 1st Co.,Ltd., Metagreen 3rd Co.,Ltd., Easytree 3rd Co,Ltd., BrightStar 9th Co.,Ltd., Easyplant 4th Co.,Ltd., Ujur 2nd Co.,Ltd., Theteras 1st Co.,Ltd., Ujur 5th Co.,Ltd., Int Green 9th Co.,Ltd., Entrepo JinCheon Co.,Ltd., Asan JS 1st Co.,Ltd., KCQ 3rd Co.,Ltd., KCQ 4th Co.,Ltd., Stadblue 4th Co.,Ltd., Ujureu 7th Co.,Ltd., K Seongjeong 1st Co.,Ltd., Dreamgusam Siheung 1st Co.,Ltd., Entrepo JinCheon 4th Co.,Ltd., F.I Sancheok Co.,Ltd., Entrepo Icheon 5th Co.,Ltd., Easy Plant 8th Co.,Ltd., Dream Spare 6th Co.,Ltd., Phoenix Logistics 1st Co.,Ltd., Phoenix Logistics 2nd Co.,Ltd., Easy Plant 9th Co.,Ltd., Phoenix Living 4th Co.,Ltd., K Logistics 2nd Co.,Ltd., Perfectdream 9th Co.,Ltd., Highlight Pool 2nd Co.,Ltd., Highlight Pool 3th Co.,Ltd., H1 1st Co.,Ltd., Dreamgusam Songlim 1st Co.,Ltd., Kyobo Securities Target Income Solution 2Y General Private Equity Trust U-8, Kyobo Securities V-Long Short General Private Equity Trust, Yongin Cheoin2 1st Co.,Ltd., Dreamgusam Nonhyeon 2st Co.,Ltd., Joyce 1st Co.,Ltd., Kyobo Plant 2nd Co.,Ltd., Dreamgusam Chungra 1st Co.,Ltd., Hidream 4th Co.,Ltd. , JWD 1st Co.,Ltd., Mindfly Co., Ltd., Songdo Geoae Jaycha Co., Ltd., Dream Plant 1st Co.,Ltd., Hidream 8th Co.,Ltd. , Quad BS 1st Co.,Ltd., ND 1st Co.,Ltd., DK Namhangang Co., Ltd., Brandnew Nonhyeon Co., Ltd., BS Amnam 1st Co., Ltd., Dear Buddy 5th Co., Ltd., Dreamgusam Dangsan 1st Co., Ltd. | Kyobo Securities Co., Ltd. |

*(In millions of won)*

| | |
|---|---|
| Kyobo new technology Investment Association No. 2 | Kyobo Life Planet Life Insurance Co., Ltd.<br>Kyobo Securities Co., Ltd.<br>Kyobo Life Insurance Co., Ltd. |
| Kyobo new technology Investment Association No. 1, Kyobo Tech Value up Investment Association No. 1 | Kyobo Securities Co., Ltd. |
| **Associates** | |
| A&D Credit Information Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| **Joint Ventures** | |
| Kyobo AXA Investment Managers Co., Ltd. | Kyobo Life Insurance Co., Ltd. |

2024

| Related parties | Investor |
|---|---|
| **Others** | |
| Daesan Foundation for Rural Culture & Society, Daesan Foundation For Culture, Kyobo Foundation For Education & Culture | Kyobo Life Insurance Co., Ltd. |
| **Associates** | |
| Kyobo 13 Special Purpose Acquisition Company, Kyobo 14 Special Purpose Acquisition Company, Songsan Industrial Complex Development Co.,Ltd., Guri Galmae REIT Co.,Ltd., Yeoido H2 PFV, Logistec Yangsan Co.,Ltd., Hera Park City development PFV, Hera Park City development AMC Co.,Ltd., Chungju Biz Core City, Pecocity, Kyobo-Axis Future Technology New Technology Investment Association No.1, SBI-NTU-Kyobo Digital Innovation Fund, Kyobo-SP advanced Advanced Materials New Technology Investment Association, Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust, Jinjeop District 2 REIT Co.,Ltd., KYOBO-Mark New Technology Investment Association No.1, Kyobo 15 Special Purpose Acquisition Company, Kyobo Healthcare New Technology Investment Association 1, K&T-Kyobo ESG New Technology Investment Association , Kyobo-H Square UTG New Technology Investment Association , Kyobo IBK Advanced Materials New Technology Business Investment Association, Kyobo Mobility Advanced Materials New Technology Business Investment Association 1, Kyobo-NBH-Alpine Route Sports Innovation Investment Association, Kyobo 16 Special Purpose Acquisition Company, Kyobo 17 Special Purpose Acquisition Company, Kyobo Securities Hi-Public Stock General Private Investment Trust, Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5, Pusan Millak PFV | Kyobo Securities Co., Ltd. |
| Marston General Private Real Estate Investment Trust No. 61, The Givers, Spiderlab | Kyobo Book Center Co., Ltd. |

2023

| Related parties | Investor |
|---|---|
| **Subsidiaries** | |
| Kyobo Securities Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo Book Center Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo DTS. Co., Ltd. (*1) | Kyobo Life Insurance Co., Ltd. |
| Dplanex Co., Ltd. | Kyobo Info. & Comm. Co., Ltd. |
| Kyobo Realco Inc. | Kyobo Life Insurance Co., Ltd. |
| Jeil Total Management Co., Ltd. | Kyobo Realco Inc. |
| KCA Claim Adjustment Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| KCA Service Co., Ltd. | Kyobo Life Insurance Co., Ltd.,<br>KCA Claim Adjustment Co., Ltd.<br>Kyobo Life Insurance Co., Ltd. |
| Kyobo Life Planet Life Insurance Co., Ltd. | |
| Fortress Innovation Co., Ltd | Kyobo Life Planet Life Insurance Co., Ltd. |
| Kyobo Life Asset Management (America) Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo Life Asset Management (Japan) Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo Asset Trust Co., Ltd. | Kyobo Life Insurance Co., Ltd. |
| Kyobo AIM Asset Management Co., Ltd | Kyobo Life Insurance Co., Ltd. |
| Consus BTL Private Special Asset Investment Trust 1, Consus Hope BTL Private Special Asset Investment Trust 1, Consus New Energy Private Special Asset Investment Trust 2, KIAMCO Shipping Private Special Asset Investment Trust KX-1, Kyobo New Technology Investment Association No.1, Kyobo Tech Valueup Investment Association No. 1, Kyobo AIM Core General Private Real Estate Investment Trust 1, Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1, Kyobo AIM Corporate Finance General Private Investment Trust 1 | Kyobo Life Insurance Co., Ltd. |
| Districtyangjoo Co.,Ltd., Caba chic 3th Co.,Ltd., Goeun angol 1st Co., Ltd., Exelstonered 1st Co., Ltd., Doublerich 5th Co., Ltd., Doublerich 1st Co., Ltd., Doublerich 8th Co., Ltd., Atlantisgogyeong 1st Co., Ltd., Autodream 1st Co., Ltd., K-hotel 1st Co., Ltd., X-med 7th Co., Ltd., K Logistics 1st Co., Ltd., Lycos 1st Co., Ltd., Oblique 5th Co.,Ltd., SJgreat 7th Co., Ltd., BrightStar 4th Co.,Ltd., Whitewood 7th Co.,Ltd., X-med 9th Co., Ltd., Intgreen 2nd Co.,Ltd., Yangdocube 1st Co.,Ltd., Metagreen 3rd Co.,Ltd., Metagreen 1st Co.,Ltd., Easytree 3rd Co,Ltd., Metagreen 6th Co.,Ltd., Metagreen 8th Co.,Ltd., Theflex 1st Co.,Ltd., BrightStar 9th Co., Ltd., Easyplant 4th Co.,Ltd., Ujur 2nd Co.,Ltd., Theteras 1st Co.,Ltd., Ujur 5th Co.,Ltd., HW Yeouido 1st Co., Ltd., Phoenix Living 1st Co., Ltd., Phoenix Living 2nd Co., Ltd., Int Green 9th Co., | Kyobo Securities Co., Ltd. |





*(In millions of won)*

| | |
|---|---|
| Ltd., Entrepo JinCheon Co., Ltd., Asan JS 1st Co., Ltd., KCQ 3rd Co., Ltd., KCQ 4th Co., Ltd., Stadblue 4th Co., Ltd., Ujureu 7th Co., Ltd., K Seongjeong 1st Co., Ltd., Perfectdream 2nd Co., Ltd., Dreamgusam Siheung 1st Co., Ltd., Entrepo JinCheon 4th Co., Ltd., F.I Sancheok Co., Ltd., Entrepo Icheon 5th Co., Ltd., Easy Plant 8th Co., Ltd., Dream Spare 6th Co., Ltd., Great Ocean 2nd Co., Ltd., Phoenix Logistics 1st Co., Ltd., Phoenix Logistics 2nd Co., Ltd., Easy Plant 9th Co., Ltd., Phoenix Living 4th Co., Ltd., K Logistics 2nd Co., Ltd., Dear buddy 4th Co., Ltd., Perfectdream 9th Co., Ltd., Highlight Pool 2nd Co., Ltd., Highlight Pool 3th Co., Ltd., H1 1st Co., Ltd, Dreamgusam Songlim 1st Co., Ltd., Kyobo Securities Target Income Solution 1Y General Private Equity Trust U-4, Kyobo Securities Target Income Solution General Private Equity Investment Trust U-6, Kyobo Securities Target Income Solution 2Y General Private Equity Trust U-8, Kyobo Securities Target Income Solution 3Y General Private Equity Trust U-9, Yongin Cheoin2 1st Co., Ltd., Dreamgusam Nonhyeon 2st Co., Ltd., Joyce 1st Co., Ltd., Kyobo Plant 2nd Co., Ltd. Dreamgusam Chungra 1st Co., Ltd., Hidream 4th Co.,Ltd. JWD 1st Co.,Ltd. | |
| **Associates** | |
| A&D Credit Information Co., Ltd., | Kyobo Life Insurance Co., Ltd. |
| **Joint Ventures** | |
| Kyobo AXA Investment Managers Co., Ltd., | Kyobo Life Insurance Co., Ltd. |

(*1) During the current period, Kyobo Info. & Comm. Co., Ltd changed its name to Kyobo DTS. Co., Ltd.

2023

| Related parties | Investor |
|---|---|
| **Others** | |
| Daesan Foundation For Rural Culture & Society, Daesan Foundation For Culture, Kyobo Foundation For Education & Culture | Kyobo Life Insurance Co., Ltd. |
| Kyobo 11 Special Purpose Acquisition Company, Kyobo 12 Special Purpose Acquisition Company, Kyobo 13 Special Purpose Acquisition Company, Kyobo 14 Special Purpose Acquisition Company, Songsan Industrial Complex Development Co., Ltd., Pusan Millak PFV, Guri Galmae REIT Co., Ltd., Yeoido H2 PFV, Pusan Eco delta city PFV, Logistec Yangsan Co., Ltd., Incheon Gundam 3rd PFV , Hera Park City development PFV, Hera Park City development AMC Co., Ltd., Incheon youngjong PFV, Dongdaemoon Urban PFV, Chungju Biz Core City, Chungnam Naepo 1 PFV, Yangjuhoechun PFV, Pecocity, Incheon Youngjong 1st PFV, Changwon Gapo PFV, Osong Smart Valley Co., Ltd., Kyobo NH Healthcare New Technology Investment Association No.1, Kyobo-Kiwoom New Materials & Technology Investment Association, Kyobo-Axis Future Technology New Technology Investment Association No.1, Kyobo-YG Ilguimu new Technology Investment Association, KB | Kyobo Securities Co., Ltd. |
| Kyobo New Mobility New Technology Investment Fund, Kyobo Advanced Materials New Technology Investment Association, NH Daishin Kyobo Healthcare 1st, SBI-NTU-Kyobo Digital Innovation Fund, Kyobo-SP advanced Advanced Materials New Technology Investment Association, Kyobo OSAT New Technology Investment Fund, Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust, Jinjeop District 2 REIT Co., Ltd., KYOBO-Mark New Technology Investment Association No.1, Kyobo 14 Special Purpose Acquisition Company, Kyobo Securities Safe-Up Bond Investment Type General Private Equity Investment Trust No. 4, Kyobo Healthcare New Technology Investment Association 1, Kyobo Securities Bond Investment Type General Private Investment Trust Recovery 5, Marston General Private Real Estate Investment Trust No. 61, The Givers, Spiderlab | Kyobo Book Center Co., Ltd. |

(2) Significant balances with the related parties as of December 31, 2024 and December 31, 2023 are as follows:

| Related party | Account | | 2024 | 2023 |
|---|---|---|---|---|
| **Subsidiaries** | | | | |
| Kyobo Securities Co., Ltd. | Accounts receivables | ₩ | 10 | - |
| | Accounts payable | | 8 | 1 |
| | Deposits | | 128,261 | 36,598 |
| | Leasehold deposits received(*1) | | 2,822 | 2,822 |
| | Retirement pension(*2) | | 22,845 | 23,385 |
| Kyobo Book Center Co., Ltd. | Accounts receivables | | 36 | 293 |
| . | Accounts payable | | 167 | 298 |
| | Leasehold deposits | | 994 | 994 |
| | Leasehold deposits received | | 24,543 | 24,633 |
| | Retirement pension(*2) | | 64,630 | 20,796 |
| | Lease liabilities | | 326 | 451 |
| Kyobo Info. & Comm Co., Ltd. | Accounts receivables | | 1 | 2 |
| | Accounts payable | | 2,219 | 2,339 |
| | Leasehold deposits | | 220 | 220 |
| | Retirement pension(*2) | | 12,664 | 12,521 |
| | Lease liabilities | | 2,303 | 1,125 |
| Kyobo Realco Inc. | Accounts receivables | | 7 | - |
| | Accounts payable | | 1,995 | 2,286 |

| | | | | |
|---|---|---|---|---|
| | Leasehold deposits received | | 118 | 127 |
| | Retirement pension(*2) | | 11,844 | 12,747 |
| Jeil Total Management Co., Ltd | Retirement pension(*2) | | 576 | 554 |
| KCA Claim Adjustment Co., Ltd | Accounts receivables | | - | 2 |
| | Accounts payable | | 4,042 | 4,795 |
| | Leasehold deposits received | | 424 | 432 |
| | Retirement pension(*2) | | 15,721 | 14,917 |
| KCA Service Co., Ltd. | Accounts receivables | | 1 | 11 |
| | Accounts payable | | 1,970 | 1,356 |
| | Retirement pension(*2) | | 9,495 | 8,872 |
| Kyobo Life Planet Life Insurance Co., Ltd. | Leasehold deposits received | | 1,096 | 1,096 |
| | Accounts payable | | 3,959 | - |
| Foretress Innovation Co.,Ltd. | Retirement pension(*2) | | 265 | 198 |
| Kyobo Asset Trust Co., Ltd | Accrued revenue | | 427 | - |
| | Leasehold deposits received | | 3,000 | 3,000 |
| | Retirement pension(*2) | | 10,928 | 12,431 |
| DPLANEX Co.,Ltd. | Prepayments | | 1 | - |
| | Leasehold deposits received | | 758 | 476 |
| | Accounts payable | | 1 | - |
| Kyobo AIM Asset Management Co., Ltd. | Retirement pension(*2) | | 630 | - |
| Kyobo Dasom Care Co., Ltd. | Accounts receivables | | 3 | - |
| | Accounts payable | | 13 | - |
| **Associates** | | | | |
| A&D Credit Information Co., Ltd. | Accounts payable | | 573 | 560 |
| | Retirement pension(*2) | | 442 | 420 |
| **Joint Ventures** | | | | |
| Kyobo AXA Investment Managers Co., Ltd. | Accounts payable | | 1,306 | 779 |
| | Leasehold deposits received | | 845 | 845 |
| **Others** | | | | |
| Daesan Foundation For Rural Culture & Society, | Accounts receivables | | 1 | 1 |
| | Leasehold deposits received | | 1,363 | 1,363 |
| | Accounts payable | | - | 17 |
| Key management | Loan receivables | ₩ | 249 | 419 |

(*1) In relation to the rental deposit, a maximum mortgage of ₩3,669 million has been set up for the land and buildings of the Company.
(*2) Retirement pension is the reserves of policyholders included in investment contract liabilities.





(3) Significant transactions with the related parties for the periods ended December 31, 2024 and 2023 are as follows:

| | | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| Related party | Account | | Revenues | Expenses | Revenues | Expenses |
| **Subsidiaries** | | | | | | |
| Kyobo Securities Co., Ltd. | Insurance service income | ₩ | 211 | - | 180 | - |
| | Interest income | | 122 | - | 60 | - |
| | Fee and commission income | | 2,581 | - | 2,422 | - |
| | Rental income | | 241 | - | 229 | - |
| | Non-operating income | | 45 | - | 49 | - |
| | Other finance expense | | - | 1,331 | - | 1,266 |
| | Fee and commission expense | | - | 4,897 | - | 4,416 |
| | Insurance service expense | | - | 7 | - | 85 |
| Kyobo Book Center Co., Ltd . | Insurance service income | | 198 | - | 167 | - |
| | Fee and commission income | | 155 | - | 207 | - |
| | Rental income | | 10,829 | - | 9,068 | - |
| | Non-operating income | | - | - | 1,575 | - |
| | Other finance expense | | - | 2,419 | - | 1,133 |
| | Insurance service expense | | - | 5,673 | - | 3,621 |
| | Other insurance operating expense | | - | 834 | - | 668 |
| | Interest expenses | | - | 33 | - | 21 |
| Kyobo Hottracks Co., Ltd. (*1) | Insurance service income | | - | - | 1 | - |
| | Fee and commission income | | - | - | 14 | - |
| | Rental income | | - | - | 1,748 | - |
| | Other finance expense | | - | - | - | 100 |
| | Insurance service expense | | - | - | - | 227 |
| | Other insurance operating expense | | - | - | - | 167 |
| Kyobo Info. & Comm. Co., Ltd. | Insurance service income | | 53 | - | 60 | - |
| | Fee and commission income | | 132 | - | 64 | - |
| | Other finance expense | | - | 649 | - | 578 |
| | Insurance service expense | | - | 68,928 | - | 59,244 |
| | Other insurance operating expense | | - | - | - | 15 |
| | Interest expense | ₩ | - | 66 | - | 39 |
| Kyobo Realco Inc. | Insurance service income | ₩ | 90 | - | 86 | - |
| | Fee and commission income | | 205 | - | 255 | - |
| | Rental income | | 230 | - | 233 | - |
| | Other finance expense | | - | 645 | - | 702 |
| | Insurance service expense | | - | 46,024 | - | 44,201 |
| Jeil Total Management Co., Ltd. | Rental income | | 1 | - | 1 | - |
| | Fee and commission income | | 2 | - | 1 | - |
| | Other finance expense | | - | 27 | - | 26 |
| | Insurance service expense | | - | 953 | - | 969 |
| KCA Claim Adjustment Co., Ltd. | Insurance service income | | 57 | - | 60 | - |
| | Fee and commission income | | 38 | - | 37 | - |
| | Rental income | | 891 | - | 884 | - |
| | Interest income | | 1 | - | - | - |
| | Other finance expense | | - | 798 | - | 779 |
| | Insurance service expense | | - | 35,430 | - | 36,377 |
| KCA Service Co., Ltd. | Insurance service income | | 243 | - | 129 | - |

*(In millions of won)*

| | | | | | |
|---|---|---|---|---|---|
| | Fee and commission income | 22 | - | 22 | - |
| | Rental income | 2,487 | - | 2,770 | - |
| | Other finance expense | - | 441 | - | 446 |
| Kyobo Life Planet Life Insurance Co., Ltd. | Insurance service expense | - | 31,347 | - | 33,967 |
| | Insurance service income | 1 | - | 17 | - |
| | Fee and commission income | - | - | 115 | - |
| | Rental income | 579 | - | 580 | - |
| | Non-operating income | 51 | - | 82 | - |
| | Other finance expense | - | 1 | - | - |
| Kyobo Asset Trust Co., Ltd | Insurance service expense | - | 6 | - | 1,866 |
| | Insurance service income | 55 | - | 59 | - |
| | Fee and commission income | 259 | - | 187 | - |
| | Rental income | 2,861 | - | 2,832 | - |
| | Other finance expense | 427 | - | - | - |
| Kyobo AIM Asset Management Co., Ltd | Insurance service expense | - | 582 | - | 669 |
| | Fee and commission income | 8 | - | 6 | - |
| | Rental income | 3 | - | - | - |
| | Other finance expense | - | 19 | - | - |
| Kyobo Dasom Care Co., Ltd. | Insurance service income | 5 | - | - | - |
| | Insurance service expense | - | 19 | - | - |
| DPLANEX Co.,Ltd. | Insurance service income | 10 | - | 7 | - |
| | Rental income | 595 | - | 486 | - |
| | Non-operating income | - | - | 143 | - |
| | Insurance service expense | - | 5,030 | - | 1,699 |
| Fortress innovation Co.,Ltd. | Fee and commission income | 1 | - | - | - |
| | Other finance expense | - | 8 | - | 5 |
| Kyobo Life Asset Management (America) Co., Ltd. | Insurance service expense | - | 1,739 | - | 1,359 |
| Kyobo Life Asset Management (Japan) Co., Ltd. | Insurance service expense | - | 687 | - | 607 |
| Consus BTL Private Special Asset Investment Trust 1 | Other investment income | 309 | - | 364 | - |
| Consus Hope BTL Private Special Asset Investment Trust1 | Other investment income | 607 | - | 504 | - |
| Consus New Energy Private Special Asset Investment Trust2 | Other investment income | 234 | - | 361 | - |
| KIAMCO Shipping Private Special Asset Investment TrustKX-1 | Other investment income | 608 | - | 635 | - |
| Kyobo AIM Core General Private Real Estate Investment Trust 1 | Other investment income | 1,589 | - | - | - |
| Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1 | Other investment income | 5,984 | - | - | - |
| **Associates** | | | | | |
| A&D Credit Information Co., Ltd. | Fee and commission income | 1 | - | 1 | - |
| | Dividend income | 49 | - | 49 | - |
| | Other finance expense | - | 24 | - | 25 |
| | Insurance service expense | - | 6,894 | - | 6,671 |
| **Joint Ventures** | | | | | |
| Kyobo AXA Investment Managers Co., Ltd. | Insurance service income | 2 | - | 2 | - |
| | Fee and commission income | 182 | - | 81 | - |
| | Dividend income | 6,150 | - | 6,099 | - |
| | Rental income | 1,599 | - | 1,514 | - |
| | Insurance service expense | ₩ - | 4,207 | - | 2,669 |





*(In millions of won)*

| | | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| Related party | Account | | Revenues | Expenses | Revenues | Expenses |
| **Others** | | | | | | |
| Daesan Foundation For Rural Culture & Society | Non-operating expense | ₩ | - | 1,146 | - | 1,146 |
| Daesan Foundation For Culture | Rental income | | 71 | - | 63 | - |
| | Insurance service expense | | - | 60 | - | 51 |
| | Non-operating expense | | - | 1,018 | - | 1,018 |
| Kyobo Foundation For Education & Culture | Rental income | | 14 | - | 3 | - |
| | Non-operating expense | ₩ | - | 1,000 | - | 1,000 |

(*1) As of December 31, 2024, it was absorbed and merged with Kyobo Book Center Co., Ltd. And the transaction occurred before the merger.
(*) Insurance service incomes are calculated based on the actual amount of insurance premiums, and insurance service expenses are calculated based on actual insurance claims and actual business expenses.

(4) Significant transactions with the related parties for the periods ended December 31, 2024 and 2023 are summarized as follows:

| | | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| Related party | Account | | Acquisition | Disposition | Acquisition | Disposition |
| **Subsidiaries** | | | | | | |
| Fortress Innovation | Advanced payments | ₩ | 1,644 | - | - | - |
| Kyobo Life Planet Life Insurance Co., Ltd. | Right-of-use assets | | - | - | 33 | - |
| Kyobo Book Center Co., Ltd | Right-of-use assets | | 867 | - | 1,634 | - |
| Aston river 4th Co.,Ltd. | Loans receivables at amortized cost (*1) | | - | - | 55,000 | - |
| Kyobo DTS Co., Ltd. | Development costs | | 13 | - | - | - |
| | Advanced payments | | 3,143 | - | 869 | - |
| | Software | | 4 | - | 100 | - |
| | Right-of-use assets | | 2,954 | - | 78 | - |
| | Tool equipment | | 62 | - | 15 | - |
| The Planics Co.,Ltd. | Development costs | | 64 | - | - | - |
| Kyobo Realco Inc. | Tool equipment | | 39 | - | - | - |

(*1) It is the amount before the loss allowance is deducted, and the loss allowance for the bond is ₩34 million.

(5) The fund transactions with the related parties for the periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | |
|---|---|---|---|---|
| | | Loan transaction | | |
| Related party | | Lending | Collection | Collection of investment |
| **Subsidiaries** | | | | |
| Kyobo DTS Co., Ltd. | ₩ | - | - | 25,000 |
| Kyobo Life Planet Life Insurance Co., Ltd. | | - | - | 125,000 |
| Kyobo Asset Trust Co., Ltd. (*1) | | - | - | 278,000 |
| Kyobo Dasom Care | | - | - | 5,240 |
| Kyobo new technology Investment Association No. 1 | | - | - | 10,500 |
| Kyobo Tech Value up Investment Association No. 1 | | - | - | 14,000 |
| Consus BTL Private Special Asset Investment Trust 1 | | - | - | (1,915) |
| Consus Hope BTL Private Special Asset Investment Trust 1 | | - | - | (2,438) |
| Consus New Energy Private Special Asset Investment Trust 2 | | - | - | (3,195) |
| KIAMCO Shipping Private Special Asset Investment Trust KX-1 | | - | - | (764) |
| Kyobo AIM Core Private Real Estate Investment Trust 1 | | - | - | 73,427 |
| Kyobo AIM ESG Infrastructure General Private Special Asset Investment Trust 1 | | - | - | 239,296 |
| Kyobo AIM Corporate Finance General Private Investment Trust 1 | | | | 359,426 |
| | ₩ | - | - | 1,121,577 |

(*1) This amount includes in-kind investment of ₩ 178,000 million.

*(In millions of won)*

| Related party | | 2023 | | |
|---|---|---|---|---|
| | | Loan transaction | | |
| | | Lending | Collection | Collection of investment |
| **Subsidiaries** | | | | |
| Kyobo Tech Valueup Investment Association No.1 | ₩ | - | - | 28,000 |
| Kyobo Securities Co., Ltd. | | - | - | 250,000 |
| Kyobo Asset Trust Co., Ltd. | | - | - | 150,000 |
| Kyobo AIM Life Asset Management Co., Ltd. | | - | - | 33,500 |
| Consus BTL Private Special Asset Investment Trust 1 | | - | - | (1,855) |
| Consus Hope BTL Private Special Asset Investment Trust 1 | | - | - | (2,404) |
| Consus New Energy Private Special Asset Investment Trust 2 | | - | - | (2,172) |
| KIAMCO Shipping Private Special Asset Investment Trust KX-1 | | - | - | (728) |
| Kyobo AIM Core General Private Real Estate Investment Trust 1 | | - | - | 60,213 |
| Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1 | | | | 33,791 |
| Kyobo AIM Corporate Finance General Private Investment Trust 1 | | - | - | 92,119 |
| | ₩ | - | - | 640,464 |

(6) The trading of bonds through related parties for the periods ended December 31, 2024 and 2023 are as follows.:

| | | | 2024 | | 2023 | |
|---|---|---|---|---|---|---|
| | | | Buy | Sell | Buy | Sell |
| Kyobo AXA Investment Managers Co., Ltd. | Beneficiary certificates | ₩ | 1,872,909 | 2,047,161 | 2,400,065 | 2,630,871 |
| Kyobo Securities Co., Ltd. | Bond | | 6,441,727 | 3,795,667 | 6,164,763 | 3,790,521 |
| | Stock | | 1,299,376 | 1,334,318 | 1,440,205 | 1,406,583 |
| | Beneficiary certificates | | 1,942,603 | 2,366,302 | 2,669,920 | 2,642,921 |
| Kyobo AIM Life Asset Management Co., Ltd. | Beneficiary certificates | | 672,619 | 471 | 186,123 | - |
| | | ₩ | 12,229,234 | 9,543,919 | 12,861,076 | 10,470,896 |

(7) Details of collateral that the Company has provided to its related parties as of December 31, 2024 are as follows:

| Related party | 2024 | | | |
|---|---|---|---|---|
| | Collateral | | Book value | Purpose |
| **Subsidiaries** | | | | |
| Kyobo Securities Co., Ltd. | Available-for-sale financial asset | ₩ | 202,776 | Futures substitute Securities |
| Kyobo Securities Co., Ltd. | Available-for-sale financial asset | | 107,456 | Deposits for CCP-IRS |

(8) The Company concluded that the key management includes executives and outside directors who have authority and responsibilities for decision making of the business plan, operations and control over the Company. Key management compensation for the three-month and periods ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Long and short-term employee benefits | ₩ | 14,890 | 13,642 |
| Retirement benefits | | 4,403 | 4,009 |
| | ₩ | 19,293 | 17,651 |





*(In millions of won)*

**41. Earnings per share**

(1) Basic earnings per share for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Profit for the year | ₩ | 698,736 | 632,201 |
| Dividends to hybrid bonds | | (91,708) | (74,245) |
| Profit available for common stock | ₩ | 607,028 | 557,956 |
| Weighted average number of common shares outstanding (in hares) | | 100,406,089 | 101,777,170 |
| Earnings per share in won | ₩ | 6,046 | 5,482 |

(2) Weighted average number of common shares outstanding for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Weighted average total number of shares issued | ₩ | 102,500,000 | 102,500,000 |
| Weighted average number of treasury shares | | 2,093,911 | 722,830 |
| | ₩ | 100,406,089 | 101,777,170 |

**42. Statement of cash flows**

(1) Adjustment of earnings and expenses for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Interest expenses | W | 125,163 | 161,643 |
| Income tax expenses | | 182,054 | 207,353 |
| Bad debt expenses | | 57,187 | 63,983 |
| Gain on foreign currency transaction, net | | (2,158,065) | (340,792) |
| Loss on valuation of derivative, net | | 1,994,474 | 65,549 |
| Loss on valuation of derivative trading, net | | 40,213 | 42,193 |
| Loss on investment in associates and subsidiaries, net | | 279,223 | 8,052 |
| Depreciation of investment properties | | 10,518 | 10,543 |
| Loss on investment properties | | 18 | - |
| Loss on disposal of property, equipment and investment properties, net | | 4,499 | 4,341 |
| Depreciation of property and equipment | | 60,213 | 60,751 |
| Loss on property and equipment | | 64 | - |
| Amortization of intangible asset | | 54,971 | 61,033 |
| Impairment losses on intangible assets | | 15 | 35 |
| Loss on disposal of intangible asset | | 29 | - |
| Reinsurance premium expenses | | 33,540 | 28,956 |
| Interest income | | (3,173,869) | (2,896,799) |
| Dividend income | | (150,563) | (112,570) |
| Reinsurance income | | (31,557) | (32,408) |
| Insurance contract service revenue | | (3,979,442) | (3,863,453) |
| Insurance contract service expenses | | 3,462,885 | 3,597,813 |
| Insurance contract finance profit and loss | | 2,923,906 | 4,283,344 |
| Reinsurance contract finance expenses | | 5,609 | 6,577 |
| Reinsurance contract finance income | | (2,232) | (2,072) |
| Gain on other contract liabilities | | 662,428 | 515,584 |
| Retirement benefits | | 57,966 | 49,726 |
| Bad debt expenses for other assets | | 4,128 | 2,508 |
| Gain on cancellation of lease contracts | | (951) | (905) |
| Other gain | | (9,983) | (10,362) |
| Gain on disposal of financial assets at fair value through profit or loss | | (56,031) | (125,086) |
| Gain on valuation of financial assets at fair value through profit or loss | | (26,013) | (1,496,620) |
| Gain on disposal of financial assets at fair value through other comprehensive income | | 31,194 | (133,654) |
| Impairment losses on financial assets at fair value through other comprehensive income | | (4,559) | 2,834 |
| | | 397,032 | 158,097 |

*(In millions of won)*

(2) Changes in assets and liabilities for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Deposits | ₩ | (691,945) | (480,179) |
| Financial assets at fair value through profit or loss | | 1,490,367 | 519,839 |
| Loan receivables at amortized cost | | 160,293 | (280,644) |
| Other financial assets at amortized cost | | 174,144 | (76,203) |
| Derivatives Assets | | 315,263 | 288,734 |
| Other assets | | 1,767 | 1,388 |
| Reinsurance contract asset | | 12,585 | 37,526 |
| Insurance contract liabilities | | (853,786) | (102,101) |
| Reinsurance contract liabilities | | (31,301) | (47,083) |
| Derivatives liabilities | | (692,522) | (700,376) |
| Other financial liabilities | | 37,299 | 70,854 |
| Estimated liabilities | | (725) | (520) |
| Defined benefit liabilities | | (55,838) | (25,220) |
| Investment contract liabilities | | (89,855) | 2,859,849 |
| Other liabilities | | (13,008) | 7,909 |
| | | (237,262) | 2,073,773 |

(3) Significant non-cash activities for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Changes in valuation gains and losses on financial assets at fair value through other comprehensive income | ₩ | 254,014 | 2,306,392 |
| Insurance contract assets (liabilities) net financial profit and loss | | (4,152,878) | (3,543,792) |
| Reinsurance contract assets (liabilities) net financial profit and loss | | (8,195) | (36,113) |
| Substitution between investment property and tangible assets | | (4,178) | 3,418 |
| Changes in other comprehensive income of related subsidiaries | | - | 5 |
| Changes in remeasurements of net defined benefit obligations | | (1,050) | (3,946) |
| Changes in related to receivables of purchase of securities | | 151,300 | 227,310 |
| Changes in related to receivables of disposal of securities | | (40,465) | (7,791) |
| Substitution of tangible assets from advance payments | | - | 83 |
| Substitution of intangible assets from advance payments | | 6,041 | 7,054 |
| Change in policyholder's equity adjustment | | (27,132) | (69,589) |
| Changes in gains on revaluation of tangible assets | | - | (3,641) |
| Change in gain or loss on valuation of cash flow hedging derivatives | | 49,388 | 357,361 |
| Write-off of loan receivables, etc. | | (46,456) | (45,702) |
| Conversion and acquisition of right-of-use assets | | 48,244 | 52,167 |
| Disposition of right-of-use assets | | (13,084) | (17,633) |
| Write-off of other receivables, etc. | | (5,165) | (2,098) |
| Unpaid dividends on hybrid bonds | | 91,708 | 6,439 |
| Accumulation of regulatory reserve for loan losses | | (31,947) | (1,980) |
| Accumulation of guaranteed reserve | | 275,996 | - |
| Reversal of financial solvency reserve | | (1,096,736) | - |
| Corporate tax expense reflected directly in capital | | 1,390,268 | 334,681 |

(4) Changes in liabilities from financing activities for the years ended December 31, 2024 and 2023 are as follows:

| | | 2024 | | | |
|---|---|---|---|---|---|
| | | Beginning balance | Cash flows from financing activities | Interest expense, etc. | Ending balance |
| Leasehold deposits received | ₩ | 99,121 | (2,640) | 3,876 | 100,358 |
| Lease liabilities | | 44,452 | (32,167) | 29,083 | 41,368 |
| Borrowings | | - | 698,016 | 64 | 698,080 |

| | | 2023 | | | |
|---|---|---|---|---|---|
| | | Beginning balance | Cash flows from financing activities | Interest expense, etc. | Ending balance |
| Leasehold deposits received | ₩ | 99,702 | (283) | (298) | 99,121 |
| Lease liabilities | | 50,081 | (33,205) | 27,576 | 44,452 |
| Borrowings | | 930,000 | (930,000) | - | - |

**43. Operating segments**

The Company consists of single operating segment primarily engaging in the insurance business. The information of operating segments is disclosed in the consolidated financial statements in accordance with KIFRS No.1108 'Operating Segments'.





*(In millions of won)*

**44. Effects of changes in restatement of financial statements**

The Company corrected prior period errors in net incomes and insurance contract liabilities due to calculation of time value for amortization on contract service margin and retroactively restated the financial statements of December 31, 2023 and January 1, 2023.

44-1) Overview of prior period errors

| | Descriptions | |
|---|---|---|
| Accounting Standards | KIFRS 1117 paragraph 44, B119 | |
| Accounts | Insurance contract liabilities, Insurance service incomes and expenses, Financial loss on insurance contract assets (liabilities), Deferred tax assets(liabilities), Income tax expenses | |
| Impacts | [Financial Position] Insurance contract liabilities as of January 1, 2023 | 96,002 |
| | [Financial Position] Deferred tax liabilities as of January 1, 2023 | (25,758) |
| | [Financial Position] Retained earnings as of January 1, 2023 | (79,245) |
| | [Financial Position] Insurance contract liabilities as of December 31, 2023 | 290,457 |
| | [Financial Position] Deferred tax assets as of December 31, 2023 | 77,094 |
| | [Financial Position] Retained earnings as of December 31, 2023 | (213,364) |
| | [Statements of comprehensive income] Insurance service incomes for period ended December 31, 2023 | (202,195) |
| | [Statements of comprehensive income] Insurance service expenses for period ended December 31, 2023 | (11,586) |
| | [Statements of comprehensive income] Financial loss on insurance contract assets(liabilities) for period ended December 31, 2023 | 3,847 |
| | [Statements of comprehensive income] Income tax expenses for period ended December 31, 2023 | (51,336) |
| Errors Details | Errors in calculation of time value for amortization on contract service margin | |

44-2) The impact on the financial positions

(1) The impact on the financial position as of December 31, 2023, which was retrospectively restated is as follows:

| After restatement | | | Before restatement | | | |
|---|---|---|---|---|---|---|
| Account | | Amount | Account | | Amount | Variance |
| **Asset** | ₩ | **115,002,545** | **Asset** | ₩ | **115,079,639** | **(77,094)** |
| Cash and due from banks | | 4,265,643 | Cash and due from banks | | 4,265,643 | - |
| Financial asset | | 108,054,722 | Financial asset | | 108,054,722 | - |
| Reinsurance contract asset | | 173,481 | Reinsurance contract asset | | 173,481 | - |
| Tangible assets, etc. | | 2,132,951 | Tangible assets, etc. | | 2,132,951 | - |
| Deferred tax assets | | 167,538 | Deferred tax assets | | 244,632 | (77,094) |
| Current Tax assets | | 198,365 | Current Tax assets | | 198,365 | - |
| Other asset | | 9,845 | Other asset | | 9,845 | - |
| **Liability** | | **105,026,790** | **Liability** | | **105,317,247** | **(290,457)** |
| Insurance contract liabilities | | 87,242,879 | Insurance contract liabilities | | 87,533,336 | (290,457) |
| Reinsurance contract liabilities | | 255,241 | Reinsurance contract liabilities | | 255,241 | - |
| Investment contract liabilities | | 15,427,506 | Investment contract liabilities | | 15,427,506 | - |
| Other contract liabilities | | 146,905 | Other contract liabilities | | 146,905 | - |
| Financial liabilities | | 1,794,987 | Financial liabilities | | 1,794,987 | - |
| Deferred tax liabilities | | - | Deferred tax liabilities | | - | - |
| Current tax liabilities | | - | Current tax liabilities | | - | - |
| Other liabilities | | 159,272 | Other liabilities | | 159,272 | - |
| **Equity** | ₩ | **9,975,755** | **Equity** | ₩ | **9,762,391** | **213,364** |
| Common stocks, etc. | | 1,878,462 | Common stocks, etc. | | 1,878,462 | - |
| Accumulated other comprehensive income | | 1,670,167 | Accumulated other comprehensive income | | 1,670,167 | - |
| Retained earnings | | 6,427,126 | Retained earnings | | 6,213,762 | 213,364 |

*(In millions of won)*

(2) The impact on the financial position as of January 1, 2023, which was retrospectively restated is as follows:

| After restatement | | | Before restatement | | | |
|---|---|---|---|---|---|---|
| Account | | Amount | Account | | Amount | Variance |
| **Asset** | **₩** | **104,126,479** | **Asset** | **₩** | **104,152,237** | **(25,758)** |
| Cash and due from banks | | 3,010,066 | Cash and due from banks | | 3,010,066 | - |
| Financial asset | | 98,685,590 | Financial asset | | 98,685,590 | - |
| Reinsurance contract asset | | 177,134 | Reinsurance contract asset | | 177,134 | - |
| Tangible assets, etc. | | 2,203,122 | Tangible assets, etc. | | 2,203,122 | - |
| Deferred tax assets | | 40,546 | Deferred tax assets | | 66,304 | (25,758) |
| Current Tax assets | | - | Current Tax assets | | - | - |
| Other asset | | 10,021 | Other asset | | 10,021 | - |
| **Liability** | | **94,150,322** | **Liability** | | **94,246,324** | **(96,002)** |
| Insurance contract liabilities | | 78,495,220 | Insurance contract liabilities | | 78,591,222 | (96,002) |
| Reinsurance contract liabilities | | 218,241 | Reinsurance contract liabilities | | 218,241 | - |
| Investment contract liabilities | | 12,052,073 | Investment contract liabilities | | 12,052,073 | - |
| Other contract liabilities | | 218,961 | Other contract liabilities | | 218,961 | - |
| Financial liabilities | | 2,876,591 | Financial liabilities | | 2,876,591 | - |
| Current tax liabilities | | 183,593 | Current tax liabilities | | 183,593 | - |
| Deferred tax liabilities | | - | Deferred tax liabilities | | - | - |
| Other liabilities | | 105,643 | Other liabilities | | 105,643 | - |
| **Equity** | **₩** | **9,976,155** | **Equity** | **₩** | **9,905,911** | **70,244** |
| Common stocks, etc. | | 1,463,928 | Common stocks, etc. | | 1,463,928 | - |
| Accumulated other comprehensive income | | 2,591,807 | Accumulated other comprehensive income | | 2,591,807 | - |
| Retained earnings | | 5,920,420 | Retained earnings | | 5,850,176 | 70,244 |

(3) Each item of the statement of comprehensive income for the periods ended December 31, 2023, retrospectively restated in accordance with prior period errors corrections is as follows:

| After restatement | | | Before restatement | | | |
|---|---|---|---|---|---|---|
| Account | | Amount | Account | | Amount | Variance |
| Insurance service result | ₩ | 232,682 | Insurance service result | ₩ | 42,073 | 190,609 |
| Insurance service revenue | ₩ | 3,895,861 | Insurance service revenue | ₩ | 3,693,666 | 202,195 |
| Insurance service expense | W | 3,663,179 | Insurance service expense | ₩ | 3,651,593 | 11,586 |
| | | | | | | - |
| | | | | | | - |
| Investment service income or expense | | 603,854 | Investment service income or expense | | 600,007 | 3,847 |
| Investment service income | | 8,035,961 | Investment service income | | 8,035,961 | - |
| Financial income from reinsurance contract assets | | 2,072 | Financial income from reinsurance contract assets | | 2,072 | - |
| Financial income | | 7,153,137 | Financial income | | 7,153,137 | - |
| | | | | | | - |
| Other operating income | | 880,752 | Other operating income | | 880,752 | - |
| Investment service expense | | 7,432,107 | Investment service expense | | 7,435,954 | (3,847) |
| Financial expense from insurance contract liabilities | | 4,283,344 | Financial expense from insurance contract liabilities | | 4,287,191 | (3,847) |
| Financial expense from reinsurance contract liabilities | | 6,577 | Financial expense from reinsurance contract liabilities | | 6,577 | - |
| Financial expense | | 2,985,486 | Financial expense | | 2,985,486 | - |
| Other operating expense | | 156,700 | Other operating expense | | 156,700 | - |
| Operating profit | | 836,536 | Operating profit | | 642,080 | 194,456 |
| Non-operating income or expense | | 3,019 | Non-operating income or expense | | 3,019 | - |
| Non-operating income | | 24,610 | Non-operating income | | 24,610 | |
| Non-operating expense | | 21,591 | Non-operating expense | | 21,591 | - |
| Profit before income tax | | 839,555 | Profit before income tax | | 645,099 | 194,456 |
| Income tax expense | | 207,353 | Income tax expense | | 156,017 | 51,336 |
| Profit or loss for the period | | 632,202 | Profit or loss for the period | | 489,082 | 143,120 |
| Accumulated other comprehensive income or loss | | (921,639) | Accumulated other comprehensive income or loss | | (921,639) | - |
| Net financial income or loss from insurance contract assets (liabilities) | | (3,543,792) | Net financial income or loss from insurance contract assets (liabilities) | | (3,543,792) | - |
| Net financial income or loss from reinsurance contract assets (liabilities) | | (36,113) | Net financial income or loss from reinsurance contract assets (liabilities) | | (36,113) | - |
| Other | | 2,658,266 | Other | | 2,658,266 | - |
| Total comprehensive income | ₩ | (289,437) | Total comprehensive income | ₩ | (432,557) | 143,120 |

(4) Each item of the statement of changes in equity for the period ended December 31, 2023, retrospectively restated in accordance with prior period errors corrections is as follows:





*(In millions of won)*

| | | 2023 | | |
|---|---|---|---|---|
| | | After restatement | Before restatement | Variance |
| Balance as of January 1, 2023 (Before change) | ₩ | 12,785,876 | 12,715,631 | 70,245 |
| Effects of changes in accounting policies | | (2,809,721) | (2,809,721) | - |
| Balance as of January 1, 2023 (After change) | | 9,976,155 | 9,905,910 | 70,245 |
| Changes in equity | | (399) | (143,518) | 143,119 |
| Profit of loss for the period | | 632,201 | 489,082 | 143,119 |
| Accumulated other comprehensive income or loss | | (921,639) | (921,639) | - |
| Transactions with owners | | 289,039 | 289,039 | - |
| **Balance as of December 31, 2023** | ₩ | 9,975,756 | 9,762,392 | 213,364 |

(5) Each item of the statement of cash flows for the period ended December 31, 2023, retrospectively restated in accordance with prior period errors corrections is as follows:

| | | 2023 | | |
|---|---|---|---|---|
| | | After restatement | Before restatement | Variance |
| I. Cash flows from operating activities | ₩ | 5,168,274 | 5,168,274 | - |
| 1. Cash flows from operating activities | | 2,864,070 | 2,864,070 | - |
| (1) Profit or loss for the period | | 632,201 | 489,081 | 143,120 |
| (2) Adjustments | | 158,096 | 301,216 | (143,120) |
| (3) Changes in operating assets and liabilities | | 2,073,773 | 2,073,773 | - |
| 2. Income tax refunded(paid) | | (381,622) | (381,622) | - |
| 3. Interest received | | 2,715,386 | 2,715,386 | - |
| 4. Interest paid | | (155,786) | (155,786) | - |
| 5. Dividend received | | 126,226 | 126,226 | - |
| ii) Cash flows from investing activities | | (3,724,371) | (3,724,371) | - |
| iii) Cash flows from financing activities | ₩ | (668,011) | (668,011) | - |

(4) Each item of the notes, retrospectively restated in accordance with errors corrections are [17. Insurance contract liabilities and reinsurance contract liabilities], [25. Equity], [37. Income tax expense], [42. Statements of cash flows].

**45. Risk management**

**45-1) General**

(1) Risk management overview
The objective of risk management is to effectively manage and control various uncertainties that prevent the controlling company from achieving its business goal. The controlling company supports its stable business activities by setting the appropriate risk limits to ensure the regulatory capital is maintained above the minimum risk-based capital required by the Financial Supervisory Service even in the environment which various risks may actually realize simultaneously, and also comprehensively manages assets and liabilities portfolios to enhance profitability compared to risk.
The controlling company's risk management process is as follows:

1) Risk identification and classification
The controlling company identifies risks related to market, credit, interest, insurance, liquidity, operation, strategy, reputation, and variable insurance guarantee as significant risks. Market, credit, interest, insurance, liquidity and variable insurance guarantee risks are classified as financial risks, while operation, strategy, reputation risks are classified as non-financial risks.

2) Risk measurement and management
Market, credit, interest, insurance and operational risks are measured using Value at Risk (VaR) method. Liquidity risk is periodically monitored and managed to ensure liquidity level is adequately maintained by setting the minimum liquidity limit that reflects cash flows and variability for the last 6 months. Various measured risk amounts are operated with annual limits, and compliance with the limits and adequacy are regularly checked and managed.
The controlling company continues to maintain Asset-Liability Management (ALM) policy to secure long-term stable interest rate margins. In order to consistently improve the asset and liability structure, the product sales mix has been weighted more heavily in favor of investment linked products and floating-rate type policies, while cash flow stability has been strengthened through the increase of long-term fixed-rate interest assets. In addition, constant improvements are being made to the ALM systems.

3) Risk control
To hedge, accept, transfer and mitigate risks, the controlling company sets risk limits at adequate level and monitors if these limits are appropriate and in compliance with the risk management policies and procedures. The risk limits are adjusted as necessary, and a contingency plan is also placed in operation.
In addition, the risk management department provides timely feed backs and ensures fast and proper decision-making process for any important decision-making matters.

4) Risk monitoring and reporting
The controlling company monitors various macroeconomic indicators such as interest rates, stock prices, exchange rates, individual risk volume and related monitoring indicators, and risk-related indicators such as solvency ratio on a daily, monthly, and quarterly basis using checklists and if any unusual instances are identified, they are reported to the management and appropriate action is taken.

(2) Risk management framework
Risk management organization is divided into division in charge of risk management and division managing individual risks.
The controlling company's major risk management organization is as follows.

1) Risk Management Committee

The Risk Management Committee is comprised of three outside directors and has overall responsibility for establishing basic directions and major policies of risk management consistent with management strategies and setting appropriate risk limits for the controlling company.

2) Risk Management Council
The Risk Management Council sets the agenda that will be discussed at the Risk Management Committee, implements strategies established by the Risk Management Committee, sets the limit for each risk factor and prepares suitable solution when risk limit exceeds or may exceed the set limit.

3) Risk Management Team
The controlling company runs the Risk Management Team and a risk management unit for each risk to support the Risk Management Committee and the Risk Management Council. The Risk Management Team who is independent from the business operation departments plans and sees company level of financial and non-financial risk management by preparing risk management policies, regulations.

Risk Management Support Team, in charge of risk management, performs plan-see functions independent from Sales Department (including non-financial risk management) such as establishing risk management policies and plan, regulations and rules, and setting risk limits. Individual risk management departments perform Do functions and operate in 7 teams.

- Market risk: asset portfolio management team
- Credit risk: investment asset evaluation team/retail credit marketing team
- Interest rate risk: financing team
- Liquidity risk: accounting team
- Insurance risk: insurance risk management support team
- Variable insurance guarantee risk: variable hedge part

**45-2) Regulatory capital adequacy**

(1) Kyobo Life Insurance

1) K-ICS: Korean - Insurance Capital Standard

The controlling company measures, manages and discloses K-ICS ratio according to the Regulation on Supervision of Insurance Business to maintain required capital for the solvency margin.
K-ICS (Newly adopted Solvency ratio) is a system that ensures that companies have equity capital to cover unexpected losses. The solvency ratio is a ratio calculated by dividing the solvency amount (available capital), which is the capital that can be used to absorb losses, by the solvency standard amount (required capital), which is the amount of loss that may occur to the Company in the next one year, and this is a measure of a life insurance company's financial soundness or ability to pay claims.
The solvency amount is calculated by adding or subtracting certain items depending on the presence or absence of loss absorption from the amount of assets (net assets) exceeding liabilities in the statement of financial position under Prudential Accounting Principles. The solvency standard amount measures the potential loss amount that may occur within the 99.5% confidence level over the next year as the basic required capital and is calculated by subtracting the corporate tax adjustment amount from the basic required capital and adding other required capital.
The basic required capital is calculated by calculating the life/long-term non-life insurance, market, credit, and operational risk amounts respectively and then applying the correlation coefficient.
The Financial Supervisory Service ("FSS") mandates that the K-ICS ratio be maintained at 100% or more based on consolidated financial statements, and in cases where it falls short, timely corrective action is taken to maintain financial soundness.

| | Solvency ratio | Corrective action |
|---|---|---|
| Improvement recommended | Above 50% and below 100% | -Requires increasing capital<br>-Limits new business entering<br>-Requires management replacement<br>-Re-organization of subsidiaries<br>-Suspension of management duties<br>-Suspension of insurance business |
| Improvement required | Above 0% and below 50% | |
| Improvement commanded | Below 0% | |

The controlling company complies with the K-ICS ratio prescribed by the FSS.

2) Measurement and management of capital adequacy

The Company sets the total risk limits and guidance as a part of annual business plan to ensure, even though risks are possible, the risk capital (e.g. solvency margin) is greater than minimum required risk-based capital on the standard guidelines promulgated by the Financial Supervisory Service. Risk capital is monitored on a monthly basis to maintain at appropriate level against the amount of total risks of the assets. The controlling company reviews acceptability of risk capital under the case of abnormally increased risks by measuring sensitivity and conducting scenario method stress test for significant risk factors with supplementing the limitation of Value at Risk base measurement.

**45-3) Insurance risk**

(1) Overview
Insurance risk refers to the risk that arises in relation to the underwriting of insurance contracts and payment of insurance benefits, which are the unique tasks of an insurance company. It refers to the possibility of loss that may occur due to the actual risk becoming greater at the time of payment than the risk expected at the time of signing the insurance contract.
The insurance risk amount covers assets and liabilities that may directly or indirectly cause loss to the insurance company when actuarial assumptions change, and in the case of assets, if the value changes due to future cash flow changes when actuarial assumptions change (e.g. This applies only to insurance policy loans, reinsurance contracts, etc.), and in the case of liabilities, it is calculated for all insurance contracts. However, retirement insurance and retirement pension are not included in the measurement of life long-term non-life insurance risk.

(2) Status of insurance risk amount
Insurance risk refers to the risk that arises in relation to the underwriting of insurance contracts and payment of insurance benefits, which are the unique tasks of an insurance company. It refers to the possibility of loss that may occur due to the actual risk becoming greater at the time of payment than the risk expected at the time of signing the insurance contract.
Insurance risk amount covers assets and liabilities that may directly or indirectly cause loss to the insurance company in the event of changes in actuarial assumptions and for assets, this applies only to cases where the value changes due to future cash flow changes when actuarial assumptions change (e.g., insurance





policy loans, reinsurance contracts, etc.), and for liabilities, it is calculated for all insurance contracts. However, retirement insurance and retirement pension are not included in the measurement of life long-term non-life insurance risk.

The Company measures the amount of exposure to insurance risk as [current estimated liabilities - cedant insurance assets]. The amount exposed to insurance risk as of December 31, 2024 and 2023 are as follows:

| | | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|---|
| | | Insurance contract liabilities | Reinsurance contract assets | Sum | Insurance contract liabilities | Reinsurance contract assets | Sum |
| Death | ₩ | 21,952,013 | (133,534) | 21,818,479 | 18,181,834 | (116,987) | 18,064,847 |
| Health | | 9,894,998 | 38,286 | 9,933,284 | 9,552,627 | 29,178 | 9,581,805 |
| Annuity/Savings | | 42,196,864 | - | 42,196,864 | 38,767,286 | - | 38,767,286 |
| Others | | 464,191 | 15,709 | 479,900 | 495,822 | 6,050 | 501,872 |
| Pension savings/asset linked | | 5,703,641 | - | 5,703,641 | 5,823,847 | - | 5,823,847 |
| Death (Variable) | | 5,345,127 | - | 5,345,127 | 5,054,116 | - | 5,054,116 |
| Health (Variable) | | - | - | - | - | - | - |
| Annuity (Variable) | | | | | | | |
| Savings (Variable) | | 8,884,450 | - | 8,884,450 | 9,367,348 | - | 9,367,348 |
| Others (Variable) | | - | - | - | - | - | - |
| | ₩ | 94,441,284 | (79,539) | 94,361,745 | 87,242,879 | (81,759) | 87,161,120 |

The Company calculates the risk concentration by considering the past rate related to the issued insurance contract and the reinsurance contract in possession. In addition, it is identified as a common characteristic in relation to the calculated risk concentration.

The present value estimate of future cash flows for each type of insurance that the Company deems significant is equal to the exposure amount of insurance risk.

(3) Assumptions applied when measuring insurance contract liabilities

The assumptions and calculation basis for the current estimates of future cash flows applied by the Company to the holding contracts as of December 31, 2024 and 2023 are as follows.

| Item | Assumption 2024 | Assumption 2023 | Basis for calculation |
|---|---|---|---|
| Surrender rate | 0.25%<br>~ 56.25% | 0%<br>~ 53.5% | Surrender rate calculated based on payment method, payment status, product classification, dividend status, and channel based on the past 5 years of experience statistics as of June 30, 2024.<br>(In the case of payment in progress, it is calculated as the ratio of the target contract insurance premium to the effective lapsed insurance premium, and in the case of after payment, the ratio of the target contract insurance premium reserve to the effective lapsed insurance premium reserve.) |
| Risk rate | 31%<br>~ 272.5% | 14.5%<br>~ 363% | The ratio of insurance premiums paid to risk insurance premiums calculated by collateral, channel, and product based on the past five years of experience statistics as of June 30, 2024.<br>※Insurance claims payment is calculated based on final payment that uses statistics for the previous five years as of the date of the accident and reflects the progress rate of incurred but not reported losses |
| Operating expense rate | - | - | Calculated as unit cost in proportion to operating expense execution performance, conversion results based on insurance business standards, number of new/owned contracts, insurance premiums, insurance reserves, policy loan balance, etc.<br>※ Performance statistics period: applicable to 1 year |
| Discount rate | -4.2%<br>~ 16.9% | - 4%<br>~ 17.5% | Parameters consistent with assets traded in the market are estimated in the adjusted risk-free interest rate term structure (reflecting long-term forward interest rates and liquidity premiums) and applied to 1,000 interest rate scenarios. |
| Risk adjustment confidence level for non-financial risks | 75% | 75% | Under the assumption that the probability distribution of the present value of future cash flows at each reporting time follows a normal distribution, the portion where the 75% percentile exceeds the probability-weighted average of the present value of future cash flows is calculated as risk adjustment. |

1) Insurance risk sensitivity analysis

The Company conducts a sensitivity analysis of current estimates based on discount rates, risk ratios, and expense ratios that are judged to have a significant impact on the uncertainty about the amount and timing of future cash flows arising from insurance contracts and through this, manages insurance risk.

| 2024 | | | 2023 | | |
|---|---|---|---|---|---|
| Effect on | Effect on net profit | Effect on equity | Effect on | Effect on net profit | Effect on equity |

*(In millions of won)*

| | Fulfilment Cashflows | or loss (*1) | (*2) | Fulfilment Cashflows | or loss (*1) | (*2) |
|---|---|---|---|---|---|---|
| Before risk reduction by cedant insurance ₩ | | | | | | |
| 10% increase in operating expense | 694,588 | (61,802) | (61,802) | 605,237 | (69,445) | (69,445) |
| 10% decrease in operating expense | (694,447) | 61,805 | 61,805 | (605,232) | 69,456 | 69,456 |
| 10% increase in payout rate | 2,510,409 | (91,647) | (91,647) | 1,833,688 | 52,039 | 52,039 |
| 10% decrease in payout rate | (2,502,433) | (313,712) | (313,712) | (2,163,269) | (272,463) | (272,463) |
| 10% increase in surrender rate | 720,627 | 16,028 | 16,028 | 761,987 | 16,616 | 16,616 |
| 10% decrease in surrender rate | (779,378) | (15,292) | (15,292) | (825,599) | (15,905) | (15,905) |
| After risk reduction by cedant insurance | | | | | | |
| 10% increase in operating expense | 694,588 | (61,802) | (61,802) | 605,237 | (69,445) | (69,445) |
| 10% decrease in operating expense | (694,447) | 61,805 | 61,805 | (605,232) | 69,456 | 69,456 |
| 10% increase in payout rate | 2,441,325 | (91,647) | (91,647) | 1,790,544 | 52,039 | 52,039 |
| 10% decrease in payout rate | (2,442,050) | (313,712) | (313,712) | (2,121,353) | (272,463) | (272,463) |
| 10% increase in surrender rate | 715,655 | 16,028 | 16,028 | 770,461 | 16,616 | 16,616 |
| 10% decrease in surrender rate | (774,018) | (15,292) | (15,292) | (836,331) | (15,905) | (15,905) |

(*1) Profit or loss before corporate tax.
(*2) Effect on equity is the amount before the deferred income tax is distributed.

2) Insurance claims development

The Company regularly verifies the adequacy of reserves using the bulk reserving method. The Bulk reserve amount is estimated and calculated by applying methods permitted by supervisory regulations, such as the Paid Loss Development Method (PLDM), Incurred Loss Progress Method (ILDM), Frequency/Severity Method, and Bornhuetter-Ferguson Method.

The actual insurance claim amount (insurance claims development) compared to the Company's past estimates of undiscounted insurance claims is as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| Progressive Year | Year-end of accident | 1 year later | 2 years later | 3 years later | 4 years later | 5 years later | Total |
| Cumulative amount of nominal insurance payment ₩ | | | | | | | |
| Year of accident | | | | | | | |
| 2020 | 1,091,496 | 240,324 | 30,633 | 13,151 | 4,347 | - | 1,379,951 |
| 2021 | 1,194,889 | 265,991 | 35,918 | 12,725 | - | - | 1,509,523 |
| 2022 | 1,215,904 | 289,971 | 37,791 | - | - | - | 1,543,666 |
| 2023 | 1,266,759 | 283,860 | - | - | - | - | 1,550,619 |
| 2024 | 1,308,654 | - | - | - | - | - | 1,308,654 |
| | 6,077,702 | 1,080,146 | 104,342 | 25,876 | 4,347 | - | 7,292,413 |
| Liability for incurred claims for insurance claims payments incurred after 2020 | - | 358,645 | 66,755 | 27,560 | 12,409 | 6,779 | 472,148 |
| Liability for incurred claims for insurance claims payments incurred before 2020 | | | | | | | 5,925 |
| Discount effects | | | | | | | (13,137) |
| Amount incurred in previous years, etc. (*) | | | | | | | 2,129,661 |
| Risk adjustments for non-financial risks | | | | | | | 17,077 |
| Liability for incurred claims at the end of reporting period | | | | | | | 2,611,674 |

(*) This amount includes the accident in the previous year and preparations for cost evaluation.

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Year-end of accident | 1 year later | 2 years later | 3 years later | 4 years later | 5 years later | Total |
| Cumulative amount of nominal insurance payment ₩ | | | | | | | |
| Year of accident | | | | | | | |
| 2019 | 1,173,980 | 207,347 | 27,934 | 13,746 | 5,065 | - | 1,428,073 |
| 2020 | 1,161,006 | 205,366 | 29,614 | 13,469 | - | - | 1,409,455 |
| 2021 | 1,267,559 | 243,887 | 34,637 | - | - | - | 1,546,084 |
| 2022 | 1,271,070 | 263,421 | - | - | - | - | 1,534,491 |
| 2023 | 1,329,554 | - | - | - | - | - | 1,329,554 |
| | 6,203,169 | 920,021 | 92,185 | 27,215 | 5,065 | - | 7,247,657 |





*(In millions of won)*

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Liability for incurred claims for insurance claims payments incurred after 2019 | - | 380,355 | 59,689 | 26,152 | 11,240 | 6,012 | 411,448 |
| Liability for incurred claims for insurance claims payments incurred before 2019 | | | | | | | 5,474 |
| Discount effects | | | | | | | (15,284) |
| Amount incurred in previous years, etc. (*) | | | | | | | 2,267,837 |
| Risk adjustments for non-financial risks | | | | | | | 23,271 |
| Liability for incurred claims at the end of reporting period | | | | | | | 2,692,746 |

(*) This amount includes the accident in the previous year and preparations for cost evaluation.

(4) Management of insurance risk

Insurance risk is the death risk amount for each risk factor. Longevity risk, disability and disease risk, wealth and other risks. It is managed by dividing it into termination risk, project cost risk, and major disaster risk, and the details are as follows:

A. Death risk and longevity risk refer to the risk of unexpected losses related to the death of the policyholder and is measured by the risk that net asset value will decrease due to changes in the level, trend, and volatility of death.
B. Disability and disease risk is the risk of unexpected losses related to the policyholder's disability and disease and is measured by the risk that net asset value will decrease due to changes in the risk rate, trend, volatility, etc. of disability and disease coverage.
C. Property and other risks are the risk of unexpected losses related to property, cost, and compensation and other collateral and is measured as the risk of a decrease in net asset value due to changes in the level of risk, trends, volatility, etc.
D. Termination risk is the risk of unexpected losses due to policyholder's exercise of options such as termination or renewal of the contract or choosing an annuity and is measured by the risk that net asset value will decrease due to changes in the policyholder's option exercise rate or group termination of policyholders.
E. Operating expense risk includes the risk arising from changes in expenditure due to the level of future costs and inflation in relation to insurance contract costs. Expenses related to insurance contracts include all expenses except for allowances.
F. Catastrophe risk refers to risks arising from exceptional risks (e.g. new infectious diseases, etc.) that could not be considered in the risk of death or disability or disease.

The Corporation calculates the risk amount for each factor on a quarterly basis in accordance with the Regulation on Supervision Article 7-2 (the Solvency standard amount).

(5) Credit risk from insurance contracts

① Overview

Credit risk is the risk of financial loss to the Company due to debtor’s bankruptcy or if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and the risk amount (the unexpected loss) exceeds the expected loss, and credit risk from insurance contract arising mainly from reinsurer’s default risk.

When selecting a reinsurer, the Company deals with high-quality insurance companies who have investment qualifications such as credit rating, solvency, K-ICS, performance, market share, etc. (BBB or higher by S&P, Baa or higher by Moody's, B+ or higher by A.M. Best, or an equivalent level of credit from an institution recognized by public trust). The Company periodically evaluate the monitoring of the stability of reinsurance operations, including sudden declines in the reinsurer's credit rating, and if the evaluation results show a significant impact on the stability of reinsurance transactions, the Company prepares and operates countermeasures such as termination of reinsurance contracts.

② Credit rating of reinsurance contract assets by reinsurance company

The credit rating of reinsurance contract assets recognized by each reinsurance company as of December 31, 2024 and 2023 are as follows.

| | 2024 | 2023 |
|---|---|---|
| AA+~AA- | (118,860) | (110,704) |
| A+~A- | 39,321 | 28,944 |
| Total | (79,539) | (81,760) |

**45-4) Interest rate risk**

(1) Overview

Interest rate risk from insurance contracts is the risk that the Company's net asset value (including accounting value and economic value) will decrease due to future changes in market interest rates, which is caused by inconsistencies in the maturity structure and interest rate conditions of assets and liabilities.

(2) Measurement (recognition) and management methods

① Measurement

The Company uses both the standard model (K-ICS) and the internal model for the measurement of interest rate risk.
The standard model measures the amount of interest rate risk in accordance with the method set forth in Article 7-2 (4) of the Insurance Business Supervision Regulations and uses the method of measuring the amount of reduction in net asset value through the impact scenario method.

In the case of the internal model, the standard model is applied to measure the interest rate risk, but it is measured using assumptions that reflect the Company's asset/liability attributes. The confidence level of interest rate risk measurement is 99.5% (the probability of occurring once every 200 years) in both internal and standard models.

② Management methods

Interest rate risk is continuously pursuing ALM policies (such as management of the duration gap) in the mid- to long-term to reduce the duration gap of assets/liabilities and is managed by setting interest rate risk targets (limits) in consideration of the company's equity capital, payment capacity, and risk policies.

In addition, crisis scenario tests are regularly conducted and managed in consideration of abnormal economic conditions.

③ Status of interest rate risk

Current status of major exposures to interest rate-bearing assets and interest-bearing liabilities as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Interest bearing asset: | | | |
| Financial assets at fair value through profit or loss (*1) | ₩ | 11,730,123 | 12,788,179 |
| Financial assets at fair value through other comprehensive income | | 56,985,856 | 49,057,442 |
| Securities at amortized cost | | 1,213,163 | 1,263,548 |
| Loan & receivables at amortized cost | | 19,226,225 | 19,360,276 |
| Other receivables at amortized cost | | 1,017,378 | 992,782 |
| | ₩ | 90,172,745 | 83,462,227 |
| Interest bearing liabilities: | | | |
| Insurance contract liabilities (assets) | | 94,441,284 | 87,242,879 |
| Reinsurance contract liabilities (assets) | | 79,539 | 81,759 |
| Investment contract liabilities | | 16,000,079 | 15,427,506 |
| | ₩ | 110,520,902 | 102,752,144 |

(*1) Includes debt securities and bond-type beneficiary securities.

**45-5) Credit risk**

(1) Overview
Credit risk is the risk of financial loss to the Company due to debtor's bankruptcy or if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and the risk amount (the unexpected loss) exceeds the expected loss.

(2) Measurement and management
The Company measures credit risk using the standard model and the internal model. The standard model calculates credit risk amount according to the fourth clause of Article 7-2 of the Regulation on Supervision of Insurance Business.

The internal model calculates credit risk amount using VaR calculated from the Company's Credit Risk Management System after reflecting correlation and portfolio distribution effect. For corporate borrower, the Company uses mark-to-market method, and for individual borrower, the Company uses Default Mode (DM) using loan pool. The Company manages credit risk by setting VaR limit and maximum credit exposure. Compliance with credit risk management policy is monitored by checking the breaches of the VaR limit on a monthly basis and reviewing the risk tolerance by analysing credit risk amount under normal and stress situation.

The Company sets credit exposure limit for each borrower base on its industry and credit rating. The conformity of this limit is reviewed every month. After the loan initiation, credit review for each significant borrower is performed regularly. The Company revises exposure limit, decreases credit line, collects the loan or increases collateral if any symptom of credit rating drop.

After the loan initiation, credit review for each significant borrower is performed regularly. The Company revises exposure limit, decreases credit line, collects the loan or increases collateral if any symptom of credit rating drop. Appropriate steps, such as collection, are taken when the borrower's credit rating becomes





speculative. The Company establishes action plan by reviewing the financial structure and payment ability of the currently or potentially problematic borrowers through designated units (e.g. Investment Asset Analysis Team, Loan Management Team, etc.)

(3) Maximum exposure to credit risk

The Company's maximum exposure to credit risk as of December 31, 2024 and 2023 are as follows:

| | | 2024 | 2023 |
|---|---|---|---|
| Cash and due from banks (*1) | ₩ | 3,500,742 | 4,265,131 |
| Financial assets at fair value through profit or loss (*2) | | 7,991,054 | 10,853,819 |
| Financial assets at fair value through other comprehensive income (*2) | | 56,985,856 | 49,057,442 |
| Securities at amortized cost (*3) | | 1,213,163 | 1,263,548 |
| Loan & receivables at amortized cost (*3) | | 19,226,225 | 19,360,276 |
| Other receivables at amortized cost (*3) | | 1,017,378 | 992,782 |
| Derivative assets | | 597,560 | 665,243 |
| | ₩ | 90,531,978 | 86,458,241 |
| Loan commitment | ₩ | 7,698,585 | 8,068,901 |

(*1) The maximum exposure amounts for cash and due from banks in the statement of financial position exclude cash on hand without credit risk.
(*2) Financial instruments in the nature of equity securities among financial assets at fair value through other comprehensive income in the statement of financial position.
(*3) The maximum exposure amounts for loans at amortized cost and other receivables at amortized cost are presented as net of allowance.

(4) Impairment information of loan receivables

The expected credit loss of a financial instrument is measured by reflecting the probability of default by the counterparty and the estimated recovery rate.

The book value of financial instruments by credit rating as of December 31, 2024 is as follows:

| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
|---|---|---|---|---|---|
| | | | Non impaired | Impaired | |
| Cash and due from banks | ₩ | | | | |
| Grade 1 | | 1,987,342 | - | - | 1,987,342 |
| Grade 2 | | 110 | - | - | 110 |
| Grade 3 | | 1,513,290 | - | - | 1,513,290 |
| | | 3,500,742 | - | - | 3,500,742 |
| Financial assets at fair value through other comprehensive income | | | | | |
| Grade 1 | | 55,540,557 | - | - | 55,540,557 |
| Grade 2 | | 1,445,298 | - | - | 1,445,298 |
| Grade 3 | | - | - | 1 | 1 |
| | | 56,985,855 | - | 1 | 56,985,856 |
| Securities at amortized cost | | | | | |
| Grade 1 | | 1,213,163 | - | - | 1,213,163 |
| Grade 2 | | - | - | - | - |
| Grade 3 | | - | - | - | - |
| | | 1,213,163 | - | - | 1,213,163 |
| Loan and receivables at amortized cost | | | | | |
| Grade 1 | | 16,679,640 | 351 | 42 | 16,680,033 |
| Grade 2 | | 965,884 | 607,280 | 678 | 1,573,842 |
| Grade 3 | | 553,821 | 381,069 | 37,460 | 972,350 |
| | | 18,199,345 | 988,700 | 38,180 | 19,226,225 |

*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| Other receivables at amortized cost | | | | |
| Grade 1 | 504,749 | 1 | 1 | 504,751 |
| Grade 2 | 11,804 | 3,297 | 17 | 15,118 |
| Grade 3 | 475,692 | 1,637 | 20,180 | 497,509 |
| | 992,245 | 4,935 | 20,198 | 1,017,378 |
| Loan commitment | | | | |
| Grade 1 | 4,080,258 | - | - | 4,080,258 |
| Grade 2 | 3,618,328 | - | - | 3,618,328 |
| Grade 3 | - | - | - | - |
| | 7,698,586 | - | - | 7,698,586 |
| ₩ | 88,589,936 | 993,635 | 58,379 | 89,641,950 |

The book value of financial instruments by credit rating as of December 31, 2023 is as follows:

| | | Lifetime expected credit loss measurement | | |
|---|---|---|---|---|
| | 12-month expected credit loss measurement | Non impaired | Impaired | Total |
| Cash and due from banks ₩ | | | | |
| Grade 1 | 4,205,002 | - | - | 4,205,002 |
| Grade 2 | 60,128 | - | - | 60,128 |
| Grade 3 | - | - | - | - |
| | 4,265,130 | - | - | 4,265,130 |
| Financial assets at fair value through other comprehensive income | | | | |
| Grade 1 | 47,857,344 | - | - | 47,857,344 |
| Grade 2 | 1,200,097 | - | - | 1,200,097 |
| Grade 3 | - | - | 1 | 1 |
| | 49,057,441 | - | 1 | 49,057,442 |
| Securities at amortized cost | | | | |
| Grade 1 | 1,263,548 | - | - | 1,263,548 |
| Grade 2 | - | - | - | - |
| Grade 3 | - | - | - | - |
| | 1,263,548 | - | - | 1,263,548 |
| Loan and receivables at amortized cost | | | | |
| Grade 1 | 16,903,873 | 314,324 | 309 | 17,218,506 |
| Grade 2 | 1,018,252 | 382,362 | 6,511 | 1,407,125 |
| Grade 3 | 549,411 | 146,422 | 38,812 | 734,645 |
| | 18,471,536 | 843,108 | 45,632 | 19,360,276 |
| Other receivables at amortized cost | | | | |
| Grade 1 | 556,497 | 769 | 1 | 557,267 |
| Grade 2 | 12,487 | 911 | 9 | 13,407 |
| Grade 3 | 404,710 | 783 | 16,615 | 422,108 |
| | 973,694 | 2,463 | 16,625 | 992,782 |
| Loan commitment | | | | |
| Grade 1 | 8,068,901 | - | - | 8,068,901 |
| Grade 2 | - | - | - | - |





*(In millions of won)*

| | | | | |
|---|---|---|---|---|
| Grade 3 | - | - | - | - |
| | 8,068,901 | - | - | 8,068,901 |
| ₩ | 82,100,250 | 845,571 | 62,258 | 83,008,079 |

The credit soundness of financial products is classified as follows based on the following credit ratings.

| | Household (external rating) | Company (internal rating) | Company (domestic agency) | Corporate (Moody's) | Corporate (S&P) | |
|---|---|---|---|---|---|---|
| Grade 1 | 1 ~ 3 rating | AAA ~ BBB | AAA ~ A- | Aaa ~ Baa3 | AAA ~ BBB- | Low credit risk applied |
| Grade 2 | 4 ~ 5 rating | BB+ ~ B | BBB+ ~ BB+ | Ba1 ~ B1 | BB+ ~ B+ | Significant increase in credit risk |
| Grade 3 | Under 6 rating | Under CCC | Under BB | Under B2 | Under B | Differential divergence point |

(5) Concentration of debt securities by industry

The concentration of credit risk in securities measured at amortized cost by major industry as of December 31, 2024 and 2023 are as follows:

| 2024 | Country & public institution ((Government bonds, Public bonds) | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Real estate & rental | Others | Total |
|---|---|---|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 4,054,424 | 2,313,437 | 533,196 | 81,673 | 69,681 | 938,643 | 7,991,054 |
| Financial assets at fair value through other comprehensive income | 39,065,913 | 5,580,576 | 2,560,132 | 1,941,029 | 78,053 | 7,760,154 | 56,985,857 |
| Financial assets at amortized cost | 1,155,100 | 8,725 | - | - | - | 49,338 | 1,213,163 |
| Total | 44,275,437 | 7,902,738 | 3,093,328 | 2,022,702 | 147,734 | 8,748,135 | 66,190,074 |

| 2023 | Country & public institution ((Government bonds, Public bonds) | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Real estate & rental | Others | Total |
|---|---|---|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 4,107,234 | 5,050,511 | 616,441 | 107,573 | 188,113 | 783,946 | 10,853,818 |
| Financial assets at fair value through other comprehensive income | 32,625,132 | 5,198,160 | 1,876,491 | 1,672,542 | 75,644 | 7,609,473 | 49,057,442 |
| Financial assets at amortized cost | 1,243,887 | 19,661 | - | - | - | - | 1,263,548 |
| Total | 37,976,253 | 10,268,332 | 2,492,932 | 1,780,115 | 263,757 | 8,393,419 | 61,174,808 |

(6) Concentration of debt securities by country

The concentration of credit risk in debt securities by country as of December 31, 2024 and 2023 are as follows:

| 2024 | Korea | USA | England | France | China | Others | Total |
|---|---|---|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 7,755,502 | 83,090 | 72,908 | - | - | 79,554 | 7,991,054 |
| Financial assets at fair value through other comprehensive income | 44,114,897 | 9,886,676 | 307,116 | 548,931 | 2,829 | 2,125,407 | 56,985,856 |
| Financial assets at amortized cost | 1,163,825 | - | - | - | - | 49,338 | 1,213,163 |
| Total | 53,034,224 | 9,969,766 | 380,024 | 548,931 | 2,829 | 2,254,299 | 66,190,073 |

| 2023 | Korea | USA | England | France | China | Others | Total |
|---|---|---|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 10,701,209 | 82,121 | 64,002 | - | - | 6,486 | 10,853,819 |
| Financial assets at fair value through other comprehensive income | 38,637,544 | 7,904,779 | 282,970 | 499,487 | 8,048 | 1,724,615 | 49,057,442 |

*(In millions of won)*

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Financial assets at amortized cost | 1,263,548 | - | - | - | - | - | 1,263,548 |
| Total | 50,602,300 | 7,986,900 | 346,972 | 499,487 | 8,048 | 1,731,101 | 61,174,809 |

(7) The concentration of credit risk in loan and receivables at amortized cost by industry as of December 31, 2024 and 2023 are as follows:

| 2024 | Real estate & rental | Retail, wholesale, ransportation, lodgir | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Others | Total |
|---|---|---|---|---|---|---|---|
| Real estate mortgage loan | 2,192,961 | 40,000 | 1,955,600 | - | - | 2,469,349 | 6,657,910 |
| Credit loan | 2,646,075 | 602,511 | 1,263,403 | 2,190,823 | 1,079,108 | 2,649,532 | 10,431,452 |
| Payment guarantee loan | 1,062,406 | - | - | 8,612 | 33,809 | 105,736 | 1,210,563 |
| Others | 97,359 | 100,752 | 127,125 | 199,499 | - | 401,565 | 926,300 |
| | 5,998,801 | 743,263 | 3,346,128 | 2,398,934 | 1,112,917 | 5,626,182 | 19,226,225 |

| 2023 | Real estate & rental | Retail, wholesale, ransportation, lodgir | Finance, Insurance | Electricity, gas, steam and water supply | Construction | Others | Total |
|---|---|---|---|---|---|---|---|
| Real estate mortgage loan | 1,682,545 | 54,345 | 2,534,300 | - | - | 2,372,204 | 6,643,394 |
| Credit loan | 3,085,407 | 652,423 | 1,205,541 | 1,967,555 | - | 3,759,573 | 10,670,499 |
| Payment guarantee loan | 774,153 | - | - | - | 232,761 | 119,832 | 1,126,746 |
| Others | - | - | - | - | - | 919,637 | 919,637 |
| | 5,542,105 | 706,768 | 3,739,841 | 1,967,555 | 232,761 | 7,171,246 | 19,360,276 |

(8) Credit reinforcement of loan and receivables at amortized cost

| 2024 | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
|---|---|---|---|---|---|
| | | | Non impaired | Impaired | |
| Guarantee | ₩ | 1,207,904 | 1,025 | 1,634 | 1,210,563 |
| Real estates | | 6,417,142 | 232,576 | 8,192 | 6,657,910 |
| Total | | 7,625,046 | 233,601 | 9,826 | 7,868,473 |

| 2023 | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
|---|---|---|---|---|---|
| | | | Non impaired | Impaired | |
| Guarantee | ₩ | 1,122,424 | 2,069 | 2,253 | 1,126,746 |
| Real estates | | 6,450,910 | 186,655 | 5,829 | 6,643,394 |
| Total | | 7,573,334 | 188,724 | 8,082 | 7,770,140 |

(9) Impairment information according to credit risk of off-balance sheet accounts

Impairment information based on credit risk of the investment agreement as of December 31, 2024 is as follows.

| | | 12-month expected credit loss measurement | Lifetime expected credit loss measurement | | Total |
|---|---|---|---|---|---|
| | | | Non impaired | Impaired | |
| As of December 31, 2024 | ₩ | 7,698,585 | - | - | 7,698,585 |
| As of December 31, 2023 | | 8,068,901 | - | - | 8,068,901 |

**45-6) Market risk**

(1) Overview
Market risk is the risk that the Company incurs loss due to decrease in asset value caused by changes in market prices such as foreign exchange rates, interest rates and stock prices.

(2) Measurement and management
The Company measures market risk using the standard model and the internal model. The standard model evaluates the market risk according to the fourth clause





*(In millions of won)*

of Article 7-2 of the Regulation on Supervision of Insurance Business. One-year 99.5% VaR is utilized for the internal model. The Company mainly uses the delta-normal method that assumes normal distribution return rate and linear valuation. The Company also measures daily VaR based on simulation method as an assistance method.

The market risk limit is set up based on VaR and monitored daily so that it stays below the annual market risk limit. Other than VaR, the sensitivity indices, for instance, the duration and the beta are used as a supplementary market risk measurement. In order to supplement VaR measurement method, loss measurement is conducted under a variety of scenarios covering severe market condition such as IMF or financial economic crisis in 2008. The Company regularly reviews the impact of loss on profit or loss before dividends and K-ICS ratio and establishes countermeasure plan. In addition, the Company maintains adequate level of risk in holding equities by managing investment limit and foreign exchange translation hedge of asset group that influences market risk.

(3) Sensitivity analysis to risk factors including interest rates, etc.
Sensitive analysis of foreign exchange rate, interest rate and equity market as of December 31, 2024 and 2023 are as follow:

| 2024 | Risk factor | | Profit or loss effect (*1,3) | Equity effect (*2,3) |
|---|---|---|---|---|
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ | 53,067 | 50,725 |
| | ₩ 100 decrease in KRW/USD FX Rate | | (53,067) | (50,725) |
| Interest rate | 100bp increase | | (50,664) | (5,422,831) |
| | 100bp decrease | | 50,664 | 5,422,831 |
| Stock prices | 10% increase in equity index | | 74,110 | 16,194 |
| | 10% decrease in equity index | | (74,110) | (16,194) |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.
(*3) Sensitivities of assets linked to general accounts, asset linked and annuity savings.

| 2023 | Risk factor | | Profit or loss effect (*1,3) | Equity effect (*2,3) |
|---|---|---|---|---|
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ | 50,606 | 61,658 |
| | ₩ 100 decrease in KRW/USD FX Rate | | (50,606) | (61,658) |
| Interest rate | 100bp increase | | (47,520) | (5,186,734) |
| | 100bp decrease | | 47,520 | 5,186,734 |
| Stock prices | 10% increase in equity index | | 87,119 | 10,571 |
| | 10% decrease in equity index | | (87,119) | (10,571) |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.
(*3) Sensitivities of assets linked to general accounts, asset linked and annuity savings.

(4) Sensitivity analysis of insurance liabilities to risk factors including interest rates

Sensitivity analysis of changes in insurance liabilities and their impact on profits and losses and capital due to exchange rate, interest rate, and stock price fluctuations as of December 31, 2024 and 2023 are as follows:

| 2024 | Risk factor | | Estimated future cash flow | Estimated CSM | Estimated Other comprehensive income | Profit or loss effect (*1) | Equity effect (*2) |
|---|---|---|---|---|---|---|---|
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ | - | - | - | - | - |
| | ₩ 100 decrease in KRW/USD FX Rate | | - | - | - | - | - |
| Interest rate | 100bp increase | | (7,805,326) | 452,950 | 7,352,376 | - | 7,352,376 |
| | 100bp decrease | | 9,888,921 | (684,640) | (9,204,282) | - | (9,204,282) |
| Stock prices | 10% increase in equity index | | - | - | - | - | - |
| | 10% decrease in equity index | | - | - | - | - | - |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.

| 2023 | Risk factor | Estimated future cash flow | Estimated CSM | Estimated | Profit or loss effect (*1) | Equity effect (*2) |
|---|---|---|---|---|---|---|

*(In millions of won)*

| | | | | Other comprehensive income | | |
|---|---|---|---|---|---|---|
| Foreign exchange | ₩ 100 increase in KRW/USD FX Rate | ₩ - | - | - | - | - |
| | ₩ 100 decrease in KRW/USD FX Rate | - | - | - | - | - |
| Interest rate | 100bp increase | (6,825,773) | 223,143 | 6,602,630 | - | 6,602,630 |
| | 100bp decrease | 8,109,537 | (642,983) | (7,466,553) | - | (7,466,553) |
| Stock prices | 10% increase in equity index | - | - | - | - | - |
| | 10% decrease in equity index | - | - | - | - | - |

(*1) Profit before income tax expenses.
(*2) Changes in accumulated other comprehensive income are calculated before adjusting policyholders' equity and allocating the deferred tax.

**45-7) Liquidity risk**

(1) Overview
Liquidity risk is the risk that the Company is unable to meet its payment obligations arising from financial liabilities as they fall due or raise funds with high interest rates and unfavorable disposal of securities to solve the shortage of funds or facing inability to pay due to unexpected cash flows.

(2) Recognition and management
1) Management index of liquidity risk
Liquidity risk is measured by liquidity gap and liquidity ratio.
Liquidity ratio is the percentage of the Company's assets convertible to cash with the within 3 months maturities against claims paid for the past three months. The liquidity ratio is an indicator that evaluates the adequacy of current asset holdings as the ratio of current assets with a maturity of less than 3 months to the average 3-month insurance payment and is maintained above 150%. Liquidity gap is the index representing shortage or oversupply of the cash flow within a month, a quarter, half a year, and more than a year. The Company calculates liquidity gap on a monthly or weekly basis and manages supply and demand schedule of the cash flow to ensure this index stays in positive.

2) Management method
- Periodic establishment of plans for demand and supply of fund
All cash flow information from financial assets and liability and insurance liability is gathered for liquidity risk management on a monthly or weekly basis to prepare for unforeseen cash flow surplus and deficit. And funds are daily checked if they flow by the schedule and any changes are reflected on the fund schedule. For the analysis of long-term cash flow projection of insurance liability, the Company utilizes ALM system. The Company prepares for unforeseen cash flow deficit caused by the concentrated number of maturities.
- Maintaining target liquidity fund level
The Company keeps a certain amount of the liquidity fund to prepare for unexpected liquidity deficit. The level of liquidity fund is revised dynamically in line with trend of the financial market status and the volatility of claim payments.
- Liquidity contingency plan
The Company sets a contingency plan to appropriately respond to emergency situation such as the massive claim of the cash payment in an economic crisis. Liquidity contingency plan defines an action plan regarding the priorities of funding, roles & responsibilities of each department and the form of the emergency committee. Simulated liquidity exercise under various possible scenarios is performed regularly so as to investigate and improve its contingency plans.





*(In millions of won)*

(3) Liquidity risk exposure

| | | 2024 | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | Over 5 years | Total |
| Insurance contracts and financial liabilities: | | | | | | | | |
| Insurance contract liabilities (*3) | ₩ | 4,163,974 | 2,319,419 | 6,236,318 | 2,241,871 | 2,458,178 | 69,241,129 | 86,660,889 |
| Reinsurance contract liabilities (*3) | | (57,667) | 79 | 583 | 1,524 | 1,420 | 79,120 | 25,059 |
| Other financial liabilities (*1) | | 842,323 | 19,238 | 9,620 | 1,238 | 2,879 | 3,201 | 878,499 |
| Derivative liabilities | | 1,031,716 | 831,474 | 146,297 | 205,983 | 199,073 | 47,527 | 2,462,070 |
| Borrowings | | - | - | - | - | - | 698,080 | 698,080 |
| | | 5,980,346 | 3,170,210 | 6,392,818 | 2,450,616 | 2,661,550 | 70,069,057 | 90,724,597 |
| Off-balance items | | | | | | | | |
| Loan agreement (*2) | | 3,360,572 | - | - | - | - | - | 3,360,572 |
| Investment agreement (*2) | | 4,338,013 | - | - | - | - | - | 4,338,013 |
| | ₩ | 7,698,585 | - | - | - | - | - | 7,698,585 |

(*1) Lease liabilities are excluded (See Note 19. (3)).
(*2) These are the maximum amounts that the Company may pay in future by the contract. As of December 31, 2024, the Company expects that actual payments will be less than the commitment amounts in consideration of past experiences and characteristics of commitment, and it is difficult to reasonably estimate the timing, amounts, and feasibility of actual payment.
(*3) In accordance with paragraph 132 of the KIFR-1117, the amount to be paid upon request is ₩86,038.5 billion for the year ended December 31, 2024.

*(In millions of won)*

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Less than 1 year | 1~2 years | 2~3 years | 3~4 years | 4~5 years | Over 5 years | Total |
| Insurance contracts and financial liabilities: | | | | | | | |
| Insurance contract liabilities (*3) | ₩ 4,761,746 | 2,607,974 | 2,658,775 | 6,031,041 | 2,642,334 | 61,474,187 | 80,176,057 |
| Reinsurance contract liabilities (*3) | (42,092) | 4,213 | 4,031 | 3,838 | 3,356 | 50,670 | 24,016 |
| Other financial liabilities (*1) | 827,647 | 54,810 | 15,308 | 5,071 | 1,864 | 2,748 | 907,448 |
| Derivative liabilities | 332,714 | 220,221 | 190,248 | 24,099 | 14,067 | 61,737 | 843,086 |
| | 5,880,015 | 2,887,218 | 2,868,362 | 6,064,049 | 2,661,621 | 61,589,342 | 81,950,607 |
| Off-balance items | | | | | | | |
| Loan agreement (*2) | 2,637,875 | - | - | - | - | - | 2,637,875 |
| Investment agreement (*2) | 5,431,026 | - | - | - | - | - | 5,431,026 |
| | ₩ 8,068,901 | - | - | - | - | - | 8,068,901 |

(*1) Lease liabilities are excluded (See Note 19. (3)).
(*2) These are the maximum amounts that the Company may pay in future by the contract. As of December 31, 2024, the Company expects that actual payments will be less than the commitment amounts in consideration of past experiences and characteristics of commitment, and it is difficult to reasonably estimate the timing, amounts, and feasibility of actual payment.
(*3) In accordance with paragraph 132 of the KIFR-1117, the amount to be paid upon request is ₩82,625.6 billion for the year ended December 31, 2023.





*(In 100 million of won)*

**46. Summary of Financial Information**

**46-1) Summary of financial information**

Operating profit for the current year is ₩ 1.15 trillion. Of the operating profit of ₩ 1.15 trillion, insurance profit is ₩ 473.6 billion, and investment profit is ₩ 671.4 billion. Non-operating loss is ₩ 264.2 billion, and net income before income tax expense is ₩ 880.8 billion. Net income for the year, reflecting income tax expense of ₩ 182.1 billion, is ₩ 698.7 billion.

The main reasons for the insurance profit of the original insurance are the difference between the actual insurance claim and the planned insurance claim of ₩ 41 billion, and the difference between the planned operating expenses and the actual operating expenses of ₩ 87.1 billion.

Contractual service margin was amortized to 9.4% of the total ₩ 6.4 trillion, or ₩ 601 billion, and recognized as revenue. Risk adjustment was amortized to 11.1% of the total ₩ 1.3 trillion, or ₩ 147.1 billion, and recognized as revenue. Reinsurance loss of the Company was ₩ 2 billion.

Investment income consists of interest income of ₩ 3.2 trillion, gain (loss) on disposal of financial assets of ₩ 122.7 billion, valuation gain (loss) of ₩ 14.5 billion, foreign exchange transaction gain (loss) of ₩ 232.6 billion, and other investment gain (loss) of ₩ 131.6 billion. The insurance finance cost incurred during the current period (including reinsurance) is ₩ 2.9 trillion.

Non-operating income (loss) was ₩ (-) 264.2 billion, consisting of ₩ 6.6 billion in dividends from affiliates and ₩ 279.2 billion in impairment losses.

Assets amount to ₩ 122 trillion, of which operating assets amount to ₩ 104 trillion, consisting of ₩ 44.5 trillion in bonds, ₩ 0.6 trillion in stocks, ₩ 14.4 trillion in beneficiary certificates, ₩ 1.9 trillion in real estate, ₩ 18.7 trillion in loans, ₩ 17.3 trillion in overseas securities, ₩ 0.8 trillion in other securities, ₩ 2.9 trillion in investments in affiliates, and ₩ 3.1 trillion in cash and deposits. Non-operating assets amounts to ₩ 3.4 trillion, and separate account assets amounts to ₩ 14.8 trillion.

Total operating assets increased by ₩ 7 trillion compared to the previous year, with the main factors being an increase of ₩ 5.2 trillion in bonds, ₩ 2.8 trillion in foreign currency marketable securities, and a decrease of ₩ 1.3 trillion in beneficiary certificates. The increase in bonds and foreign currency marketable securities is due to the influence of major economic variables such as interest rates and exchange rates, as well as decision-making based on the Company's ALM.

The insurance liabilities for direct insurance consist of a best estimate liability of ₩ 86.7 trillion, a risk adjustment of ₩ 1.3 trillion, and a contractual service margin of ₩ 6.4 trillion. The main changes in the best estimate liability compared to the end of the previous period include a decrease of ₩ 275.7 billion due to changes in actuarial assumptions, a decrease of ₩ 1.5 trillion due to the effect of new contracts, an increase of ₩ 5.6 trillion due to changes in fair value from discount rate changes, and an increase of ₩ 2.8 trillion in insurance finance costs recognized in profit or loss.
The main changes in the contractual service margin are an increase of ₩ 1.4 trillion due to new contracts, a decrease of ₩ 258.1 billion due to changes in assumptions, an increase of ₩ 93.3 billion due to volume changes, and a decrease of ₩ 587.8 billion due to amortization.

The equity amounts to ₩ 7.3 trillion, consisting of capital stock of ₩ 102.5 billion, hybrid capital securities of ₩ 2.2 trillion, capital surplus of ₩ 365.9 billion, capital adjustments of ₩ (-)197.4 billion, retained earnings of ₩ 7 trillion, and accumulated other comprehensive income of ₩ (-)2.2 trillion. The change in retained earnings of ₩ 606.9 billion is due to an increase from net income of ₩ 698.7 billion and a decrease from hybrid capital securities dividends of ₩ 91.7 billion. The decrease of ₩ 3.9 trillion in accumulated other comprehensive income is due to a decrease of ₩ 4.2 trillion from changes in the fair value of insurance liabilities and an increase of ₩ 250.7 billion from changes in the fair value of financial assets.

**46-2) Insurance Liabilities by Accounting Model and Portfolio**

| | | | General approach | | | Variable fee approach | | |
|---|---|---|---|---|---|---|---|---|
| Portfolio | | | Best estimate Liabilities | Risk adjustment | Insurance contract margin | Best estimate Liabilities | Risk adjustment | Contract margin |
| Non-Par | Dividend insurance of death | ₩ | 104 | 1 | 4 | - | - | - |
| | Non-dividend insurance of death | | 61,896 | 2,176 | 12,881 | - | - | - |

*(In 100 million of won)*

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Dividend insurance of health | 3,963 | 32 | 352 | - | - | - |
| | Non-dividend insurance of health | 78,357 | 2,595 | 8,114 | - | - | - |
| | Dividend insurance of annuity/saving | 196,726 | 1,159 | 34 | - | - | - |
| | Non-dividend insurance of annuity/saving | 114,389 | 177 | 2,263 | - | - | - |
| Indirect-Par | Non-dividend insurance of death | 105,004 | 4,706 | 25,814 | - | - | - |
| | Non-dividend insurance of health | 1,337 | 425 | 2,293 | - | - | - |
| | Dividend insurance of annuity/saving | 1,462 | 6 | - | - | - | - |
| | Non-dividend insurance of annuity/saving | 92,745 | 238 | 2,032 | - | - | - |
| | Asset linked of annuity/saving | 54,911 | 88 | 1,297 | - | - | - |
| Direct-Par | Variable insurance of death | - | - | - | 46,272 | 1,310 | 5,637 |
| | Variable insurance of annuity/saving | - | - | - | 84,162 | 340 | 3,659 |
| | ₩ | 710,895 | 11,602 | 55,085 | 130,434 | 1,650 | 9,296 |





*(In 100 million of won)*

**46-3) Changes in insurance contract liabilities**

A. Actuarial Assumption

| | | 2024 | | |
|---|---|---|---|---|
| | | Best estimate Liabilities | Risk adjustment | Contract margin |
| Change of future service | ₩ | (9,852) | 1,931 | 11,110 |
| 1. Effect of new contract | | (14,700) | 1,480 | 13,716 |
| 2. Effect of others | | 4,848 | 452 | (2,606) |
| (1) Change of assumption | | (2,757) | - | 2,757 |
| - Change of termination rate assumption | | 5,965 | - | (5,965) |
| - Change of risk rate assumption | | (7,007) | - | 7,007 |
| - Change of business rate assumption | | (1,321) | - | 1,321 |
| - Change of other assumption | | (393) | - | 393 |
| (2) Difference of quantity | | 7,605 | 452 | (8,057) |
| (3) Element of loss | ₩ | - | - | 2,694 |

B. Amortization of contractual service margin (Unit: 100 million KRW)

| Portfolio | | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Non-Par | Dividend insurance of death | ₩ | 0.4 | 0.3 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.4 | 0.2 | 0.1 | 0.1 | 1.4 | 4.3 |
| Indirect-Par | Non-dividend insurance of death | | 1,180 | 933 | 767 | 645 | 545 | 468 | 403 | 352 | 313 | 279 | 1,250 | 722 | 431 | 619 | 3,974 | 12,881 |
| | Dividend insurance of health | | 47 | 36 | 28 | 22 | 18 | 14 | 11 | 9 | 8 | 6 | 22 | 9 | 4 | 2 | 115 | 352 |
| | Non-dividend insurance of health | | 1,014 | 712 | 557 | 444 | 358 | 298 | 251 | 214 | 184 | 156 | 631 | 332 | 184 | 195 | 2,586 | 8,114 |
| | Dividend insurance of annuity/saving | | 2.7 | 2.3 | 2.0 | 1.8 | 1.5 | 1.3 | 1.2 | 1.0 | 0.9 | 0.8 | 3.4 | 1.9 | 1.1 | 1.3 | 10.7 | 34.0 |
| | Non-dividend insurance of annuity/saving | | 366 | 261 | 190 | 97 | 75 | 62 | 52 | 45 | 39 | 33 | 143 | 81 | 49 | 63 | 707 | 2,263 |
| | Non-dividend insurance of death | | 1,929 | 1,640 | 1,420 | 1,240 | 1,076 | 941 | 822 | 727 | 653 | 594 | 2,703 | 1,603 | 999 | 1,533 | 7,937 | 25,815 |
| | Non-dividend insurance of health | | 245 | 188 | 149 | 121 | 100 | 84 | 71 | 60 | 51 | 45 | 196 | 111 | 64 | 86 | 721 | 2,293 |
| | Non-dividend insurance of annuity/saving | | 252 | 192 | 151 | 120 | 96 | 78 | 63 | 50 | 41 | 34 | 133 | 70 | 41 | 55 | 655 | 2,032 |
| | Asset linked of annuity/saving | | 111 | 92 | 77 | 65 | 55 | 47 | 41 | 35 | 31 | 28 | 122 | 73 | 48 | 68 | 404 | 1,297 |
| Direct-Par | Variable insurance of death | | 441 | 378 | 328 | 286 | 246 | 214 | 186 | 163 | 145 | 130 | 570 | 327 | 200 | 268 | 1,757 | 5,637 |

*(In 100 million of won)*

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Variable insurance of annuity/saving | 416 | 323 | 256 | 206 | 167 | 137 | 113 | 95 | 81 | 70 | 282 | 148 | 86 | 106 | 1,173 | 3,659 |
| | 6,003 | 4,759 | 3,925 | 3,247 | 2,738 | 2,345 | 2,014 | 1,752 | 1,545 | 1,375 | 6,057 | 3,478 | 2,108 | 2,995 | 20,041 | 64,381 |

(*) This is written for contractual service margin of the original insurance contracts and reinsurance contracts ceded. Amount allocated at each period is the net allocated amount that reflects the interest accrual effect of the relevant period deducted from the amount to be allocated according to the transfer of the insurance contract service.

**46-4) Best estimation**

A. Current difference ratio between expected and actual insurance claim

| Expected loss rate (A) (%) (*1) | Actual loss ratio (B) (%) (*2) | Difference (C = B-A) (%) |
|---|---|---|
| 76.40 | 75.90 | 50.00 |

(*) This is the loss ratio at the company income statement level, prepared for direct insurance and reinsurance contracts.
(* 1) Expected loss rate (A) = Expected insurance claim for the current period ÷ Actual risk insurance premium for the current period
(* 2) Actual loss ratio (B) = (Current incurred insurance claim + Current incurred accident factor adjustment) ÷ Current actual risk insurance premium

B. Expected insurance claim compared to risk insurance premium (Unit: 100 million KRW)

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Non Par | Dividend insurance of death | Expected insurance | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.7 | 0.7 | 3.3 | 2.3 | 0.9 | (0.4) | (2.9) | 9.4 |
| | | Risk insurance premium | 4.9 | 4.3 | 4.3 | 4.3 | 4.8 | 5.8 | 4.8 | 4.7 | 4.7 | 5.1 | 25.3 | 23.8 | 19.7 | 14.2 | 17.6 | 90.5 |
| | | Rate | 15.60% | 17.90% | 18.00% | 17.40% | 15.80% | 13.10% | 16.10% | 16.10% | 15.40% | 14.00% | 12.90% | 9.80% | 4.30% | -2.90% | -16.40% | 10.40% |
| | Non-dividend insurance of death | Expected insurance | 1,907 | 1,996 | 1,999 | 1,994 | 1,977 | 1,954 | 1,939 | 1,943 | 1,947 | 1,942 | 9,492 | 8,678 | 7,157 | 5,470 | 12,920 | 36,101 |
| | | Risk insurance premium | 3,113 | 3,250 | 3,262 | 3,284 | 3,308 | 3,324 | 3,342 | 3,383 | 3,418 | 3,420 | 17,411 | 16,872 | 14,890 | 12,730 | 28,537 | 68,045 |
| | | Rate | 61.30% | 61.40% | 61.30% | 60.70% | 59.80% | 58.80% | 58.00% | 57.40% | 57.00% | 56.80% | 54.50% | 51.40% | 48.10% | 43.00% | 45.30% | 53.10% |
| | Dividend insurance of health | Expected insurance | 158 | 148 | 139 | 128 | 118 | 109 | 101 | 92 | 85 | 78 | 300 | 182 | 108 | 57 | 28 | 1,386 |
| | | Risk insurance premium | 319 | 307 | 293 | 277 | 261 | 248 | 234 | 220 | 207 | 196 | 815 | 529 | 304 | 146 | 65 | 3,278 |
| | | Rate | 49.40% | 48.30% | 47.30% | 46.30% | 45.10% | 43.90% | 43.10% | 42.10% | 40.90% | 39.70% | 36.80% | 34.40% | 35.30% | 39.40% | 43.00% | 42.30% |
| | Non-dividend insurance of health | Expected insurance | 6,694 | 6,547 | 6,420 | 6,238 | 6,033 | 5,835 | 5,703 | 5,551 | 5,341 | 4,998 | 21,172 | 17,022 | 13,046 | 9,138 | 13,971 | 87,656 |
| | | Risk insurance premium | 7,524 | 7,524 | 7,360 | 7,251 | 7,272 | 6,934 | 6,987 | 6,779 | 6,274 | 5,827 | 28,653 | 18,472 | 12,517 | 8,491 | 10,604 | 101,219 |
| | | Rate | 89.00% | 87.00% | 87.20% | 86.00% | 83.00% | 84.10% | 81.60% | 81.90% | 85.10% | 85.80% | 73.90% | 92.10% | 104.2% | 107.6% | 131.8% | 86.60% |





*(In 100 million of won)*

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Dividend insurance of annuity/saving | Expected insurance | 186.3 | 179.4 | 170.2 | 162 | 155.3 | 149.2 | 143.6 | 138.2 | 133 | 127.6 | 577.6 | 527.4 | 527.1 | 492.9 | 986.8 | 2,706.2 |
| | Risk insurance premium | 840.1 | 814.8 | 791.9 | 778.1 | 763.3 | 750.7 | 739.9 | 729 | 719 | 707.2 | 3,374.9 | 3,127.3 | 2,735.6 | 2,157.5 | 2,792.2 | 13,445 |
| | Rate | 22.2% | 22% | 21.5% | 20.80% | 20.3% | 19.9% | 19.4% | 19% | 18.5% | 18% | 17.1% | 16.9% | 19.3% | 22.8% | 35.3% | 20.1% |
| Non-dividend insurance of annuity/saving | Expected insurance | 31 | 37 | 42 | 8 | (25) | (42) | (57) | (63) | (101) | (155) | (768) | (411) | (224) | (180) | (387) | (1,236) |
| | Risk insurance premium | 111 | 122 | 88 | 39 | 32 | 27 | 24 | 22 | 20 | 21 | 160 | 249 | 297 | 297 | 768 | 1,139 |
| | Rate | 28.40% | 30.30% | 47.90% | 20.20% | -79.70% | -157.00% | -237.00% | -293.50% | -502.80% | -728.10% | -481.00% | -165.00% | -75.50% | -60.40% | -50.40% | -108.50% |

B. Expected insurance claim compared to risk insurance premium, continued (Unit: 100 million KRW)

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Indirect -Par | Non-dividend insurance of death | Expected insurance | 7,481 | 7,717 | 7,969 | 8,168 | 8,156 | 8,055 | 7,988 | 8,019 | 8,139 | 8,350 | 44,251 | 46,828 | 48,079 | 47,099 | 187,745 | 204,113 |
| | | Risk insurance premium | 9,694 | 10,077 | 10,344 | 10,542 | 10,478 | 10,330 | 10,235 | 10,236 | 10,340 | 10,531 | 54,170 | 55,495 | 55,335 | 52,126 | 189,480 | 242,339 |
| | | Rate | 77.20% | 76.60% | 77.00% | 77.50% | 77.80% | 78.00% | 78.00% | 78.30% | 78.70% | 79.30% | 81.70% | 84.40% | 86.90% | 90.40% | 99.10% | 84.20% |
| | Dividend insurance of death | Expected insurance | 392 | 374 | 352 | 339 | 333 | 328 | 327 | 318 | 318 | 328 | 1,824 | 2,097 | 2,197 | 2,014 | 4,352 | 8,182 |
| | | Risk insurance premium | 465 | 452 | 428 | 410 | 398 | 384 | 375 | 359 | 352 | 354 | 1,841 | 1,944 | 1,932 | 1,801 | 3,802 | 8,289 |
| | | Rate | 84.20% | 82.60% | 82.30% | 82.70% | 83.80% | 85.50% | 87.20% | 88.60% | 90.10% | 92.60% | 99.10% | 107.90% | 113.70% | 111.80% | 114.50% | 98.70% |
| | Dividend insurance of annuity/saving | Expected insurance | 2.6 | 2.4 | 2.4 | 2.3 | 2.2 | 2.1 | 1.9 | 1.8 | 1.7 | 1.6 | 6.1 | 3.4 | 1.5 | 0.4 | - | 24.8 |
| | | Risk insurance premium | 8.1 | 7.6 | 7.1 | 6.5 | 6.0 | 5.6 | 5.2 | 4.8 | 4.5 | 4.1 | 15.9 | 10.4 | 6.9 | 5.3 | 7.4 | 75.4 |
| | | Rate | 31.50% | 31.90% | 33.30% | 35.00% | 36.00% | 36.50% | 36.90% | 37.40% | 37.30% | 38.20% | 38.50% | 33.10% | 21.30% | 8.30% | -0.20% | 32.90% |
| | Non-dividend insurance of annuity/saving | Expected insurance | 54.6 | 43.2 | 36.7 | 30.8 | 24.5 | 16.5 | 9.0 | 1.7 | -2.8 | -3.9 | -11.9 | 24.9 | 24.7 | 12.2 | 6.3 | 220.8 |
| | | Risk insurance premium | 113.7 | 112.5 | 103.7 | 92.7 | 88.1 | 84.7 | 81.2 | 77.5 | 74.5 | 73.1 | 362.4 | 380.9 | 401.4 | 403.3 | 1,404.5 | 1,885.1 |
| | | Rate | 48.00% | 38.40% | 35.40% | 33.20% | 27.80% | 19.50% | 11.10% | 2.20% | -3.70% | -5.30% | -3.30% | 6.50% | 6.10% | 3.00% | 0.40% | 11.70% |
| | Asset linked of annuity/saving | Expected insurance | (31.9) | (34.2) | (36.2) | (37.9) | (39.3) | (40.2) | (40.7) | (40.4) | (39.0) | (36.5) | (143.5) | (86.9) | (52.7) | (33.8) | (45.6) | (512.3) |
| | | Risk insurance premium | 1.7 | 1.5 | 1.3 | 1.2 | 1.0 | 0.9 | 0.7 | 0.6 | 0.5 | 0.4 | 1.1 | 0.5 | 0.3 | 0.3 | 0.8 | 10.3 |
| | | Rate | -1835.80% | -2247.40% | -2685.70% | -3195.60% | -3860.40% | -4543.00% | -5514.40% | -6845.20% | -8037.20% | -9735.90% | -13144.60% | -17771.10% | -15178.70% | -11744.40% | -5749.30% | -4992.80% |
| | Variable insurance of death | Expected insurance | 1,890 | 1,963 | 2,042 | 2,109 | 2,128 | 2,145 | 2,196 | 2,251 | 2,310 | 2,389 | 13,210 | 15,513 | 17,887 | 19,305 | 77,674 | 68,589 |
| | | Risk insurance premium | 2,744 | 2,879 | 2,990 | 3,078 | 3,110 | 3,148 | 3,219 | 3,292 | 3,386 | 3,504 | 19,482 | 23,230 | 27,103 | 29,431 | 114,578 | 102,314 |
| | | Rate | 68.90% | 68.20% | 68.30% | 68.50% | 68.40% | 68.20% | 68.20% | 68.40% | 68.20% | 68.20% | 67.80% | 66.80% | 66.00% | 65.60% | 67.80% | 67.00% |
| | | Expected insurance | 57 | 52 | 47 | 43 | 39 | 36 | 34 | 33 | 34 | 35 | 196 | 219 | 217 | 172 | 143 | 833 |

*(In 100 million of won)*

| | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Direct -Par | Variable insurance of annuity/saving | Risk insurance premium | 110 | 98 | 85 | 74 | 64 | 58 | 53 | 51 | 52 | 55 | 307 | 340 | 343 | 275 | 204 | 1,362 |
| | | Rate | 52.00% | 53.50% | 55.80% | 57.90% | 60.60% | 62.80% | 64.40% | 65.10% | 65.10% | 64.40% | 64.10% | 64.50% | 63.20% | 62.70% | 69.70% | 61.20% |
| | Total | Expected insurance | 18,821 | 19,027 | 19,185 | 19,184 | 18,902 | 18,549 | 18,345 | 18,246 | 18,165 | 18,055 | 90,109 | 90,600 | 88,967 | 83,547 | 297,390 | 408,074 |
| | | Risk insurance premium | 25,048 | 25,649 | 25,758 | 25,837 | 25,785 | 25,299 | 25,300 | 25,157 | 24,852 | 24,698 | 126,619 | 120,674 | 115,884 | 107,877 | 352,260 | 543,491 |
| | | Rate | 75.10% | 74.20% | 74.50% | 74.20% | 73.30% | 73.30% | 72.50% | 72.50% | 73.10% | 73.10% | 71.20% | 75.10% | 76.80% | 77.40% | 84.40% | 75.10% |

(*) Prepared for the remaining coverage component of direct insurance contracts, with the surrender value at the time of termination deducted when calculating the expected insurance benefits.

C. Expected maintenance fee compared to appointed maintenance premium (Unit: 100 million KRW)

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Non-Par | Dividend insurance of death | Expected | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 1.4 | 1.2 | 1.0 | 0.7 | 0.9 | 5.3 |
| | | Appointed | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | Rate | 15327.80% | 15960.20% | 16812.20% | 14396.30% | 14776.70% | 15216.40% | 15845.30% | 16763.40% | 17816.90% | 18885.50% | 21046.70% | 23549.10% | 24917.20% | 24398.70% | 23546.60% | 18731.50% |
| | Non-dividend insurance of death | Expected | 2,511 | 1,018 | 983 | 895 | 874 | 837 | 671 | 611 | 596 | 559 | 2,499 | 2,315 | 2,030 | 1,734 | 4,700 | 14,156 |
| | | Appointed | 2,761 | 2,378 | 2,161 | 2,012 | 1,874 | 1,683 | 1,086 | 859 | 793 | 683 | 2,608 | 2,150 | 1,607 | 1,276 | 3,215 | 19,349 |
| | | Rate | 90.90% | 42.80% | 45.50% | 44.50% | 46.60% | 49.70% | 61.80% | 71.10% | 75.10% | 81.90% | 95.80% | 107.70% | 126.30% | 135.90% | 146.20% | 73.20% |
| | Dividend insurance of health | Expected | 18 | 17 | 15 | 13 | 12 | 11 | 10 | 9 | 8 | 8 | 29 | 17 | 9 | 4 | 2 | 140 |
| | | Appointed | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 0 | 0 | 11 |
| | | Rate | 1356.30% | 1336.20% | 1348.10% | 1206.90% | 1223.50% | 1242.30% | 1264.00% | 1290.00% | 1317.90% | 1346.60% | 1410.50% | 1462.10% | 1423.50% | 1351.20% | 1287.70% | 1325.70% |
| | Non-dividend insurance of health | Expected | 1,239 | 887 | 822 | 723 | 673 | 631 | 601 | 569 | 534 | 489 | 1,981 | 1,587 | 1,252 | 871 | 1,743 | 9,828 |
| | | Appointed | 1,472 | 1,310 | 1,206 | 1,113 | 1,021 | 938 | 884 | 834 | 780 | 705 | 2,812 | 2,488 | 2,128 | 1,553 | 3,397 | 14,619 |
| | | Rate | 84.20% | 67.70% | 68.20% | 65.00% | 65.90% | 67.30% | 68.00% | 68.30% | 68.50% | 69.40% | 70.50% | 63.80% | 58.80% | 56.10% | 51.30% | 67.20% |
| | Dividend insurance of annuity/saving | Expected | 300 | 303 | 303 | 248 | 248 | 246 | 245 | 243 | 240 | 236 | 1,111 | 949 | 752 | 550 | 777 | 4,297 |
| | | Appointed | 98 | 97 | 95 | 94 | 92 | 91 | 90 | 88 | 87 | 86 | 404 | 361 | 308 | 246 | 430 | 1,611 |
| | | Rate | 305.80% | 314.00% | 318.60% | 264.50% | 267.90% | 270.60% | 272.90% | 274.70% | 275.80% | 276.60% | 274.70% | 263.10% | 244.40% | 223.40% | 180.90% | 266.70% |
| | Non-dividend insurance of annuity/saving | Expected | 358 | 316 | 274 | 143 | 127 | 120 | 116 | 114 | 105 | 91 | 337 | 211 | 137 | 90 | 161 | 2,056 |
| | | Appointed | 258 | 213 | 179 | 107 | 81 | 70 | 64 | 60 | 45 | 27 | 73 | 41 | 24 | 14 | 18 | 1,091 |
| | | Rate | 139.10% | 147.90% | 153.20% | 133.40% | 156.80% | 171.50% | 180.70% | 188.60% | 232.30% | 339.90% | 460.60% | 514.20% | 571.90% | 655.00% | 905.80% | 188.50% |



Kyobo Life Insurance Co., Ltd.
Notes to the separate financial statements
**For the years ended December 31, 2024 and 2023**

*(In 100 million of won)*

| | Portfolio | | 1 year | 2 year | 3 year | 4 year | 5 year | 6 year | 7 year | 8 year | 9 year | 10 year | 11 year ~ 15 year | 16 year ~ 20 year | 21 year ~ 25 year | 26 year ~ 30 year | After 30 year | Present Value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Indirect -Par | Non-dividend insurance of death | Expected | 2,289 | 2,120 | 2,055 | 1,873 | 1,781 | 1,670 | 1,570 | 1,473 | 1,408 | 1,368 | 6,292 | 5,504 | 4,798 | 4,217 | 13,941 | 29,492 |
| | | Appointed | 3,983 | 3,702 | 3,525 | 3,381 | 3,150 | 2,890 | 2,658 | 2,426 | 2,286 | 2,203 | 10,077 | 8,629 | 7,615 | 7,264 | 29,053 | 50,267 |
| | | Rate | 57.50% | 57.30% | 58.30% | 55.40% | 56.50% | 57.80% | 59.00% | 60.70% | 61.60% | 62.10% | 62.40% | 63.80% | 63.00% | 58.00% | 48.00% | 58.70% |
| | Dividend insurance of death | Expected | 240 | 185 | 174 | 159 | 150 | 141 | 134 | 127 | 122 | 119 | 514 | 313 | 230 | 163 | 350 | 2,120 |
| | | Appointed | 447 | 401 | 362 | 332 | 304 | 277 | 257 | 239 | 225 | 213 | 888 | 443 | 260 | 165 | 399 | 3,777 |
| | | Rate | 53.50% | 46.20% | 48.00% | 47.90% | 49.40% | 50.70% | 52.10% | 53.20% | 54.30% | 55.70% | 57.90% | 70.80% | 88.50% | 98.50% | 87.60% | 56.10% |
| | Dividend insurance of annuity/saving | Expected | 3.1 | 2.6 | 2.4 | 1.8 | 1.7 | 1.6 | 1.4 | 1.3 | 1.2 | 1.1 | 4.4 | 2.9 | 1.9 | 1.3 | 1.3 | 22.4 |
| | | Appointed | 0.8 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.1 | - | - | - | 2.3 |
| | | Rate | 385.00% | 774.00% | 968.50% | 876.50% | 954.30% | 1030.90% | 1125.80% | 1203.00% | 1330.00% | 1418.80% | 2078.50% | 4349.70% | 9586.30% | 11010.10% | 13582.40% | 966.80% |
| | Non-dividend insurance of annuity/saving | Expected | 316.3 | 275.2 | 246.9 | 185.7 | 170.4 | 155.7 | 142.9 | 129.1 | 114.2 | 102.9 | 400.2 | 271.8 | 187.4 | 131.8 | 284.9 | 2,248.5 |
| | | Appointed | 237.8 | 188.6 | 152.0 | 125.9 | 105.5 | 87.3 | 73.3 | 59.8 | 46.8 | 39.0 | 133.2 | 79.8 | 51.3 | 34.6 | 71.2 | 1,187.1 |
| | | Rate | 133.00% | 145.90% | 162.40% | 147.50% | 161.40% | 178.40% | 194.90% | 215.90% | 244.20% | 263.80% | 300.40% | 340.40% | 365.50% | 381.30% | 400.10% | 189.40% |
| | Asset linked of annuity/saving | Expected | 180.3 | 168.3 | 157.4 | 122.9 | 115.4 | 108.3 | 102.1 | 95.8 | 89.2 | 82.5 | 329.2 | 220.5 | 145.2 | 95.4 | 151.0 | 1,556.2 |
| | | Appointed | 133.0 | 112.0 | 92.5 | 77.7 | 65.5 | 55.8 | 47.7 | 40.6 | 34.3 | 29.1 | 94.0 | 41.9 | 16.9 | 6.1 | 2.8 | 709.5 |
| | | Rate | 135.50% | 150.20% | 170.20% | 158.30% | 176.00% | 194.00% | 214.00% | 236.00% | 260.00% | 283.80% | 350.10% | 526.70% | 861.80% | 1557.80% | 5326.20% | 219.40% |
| | Variable insurance of death | Expected | 657 | 636 | 616 | 584 | 548 | 512 | 484 | 457 | 432 | 410 | 1,803 | 1,482 | 1,205 | 971 | 2,672 | 8,215 |
| | | Appointed | 1,585 | 1,505 | 1,430 | 1,328 | 1,189 | 1,062 | 956 | 867 | 796 | 738 | 3,231 | 2,794 | 2,510 | 2,229 | 7,380 | 17,417 |
| | | Rate | 41.50% | 42.30% | 43.10% | 44.00% | 46.00% | 48.20% | 50.60% | 52.70% | 54.30% | 55.50% | 55.80% | 53.00% | 48.00% | 43.60% | 36.20% | 47.20% |
| Direct -Par | Variable insurance of annuity/saving | Expected | 325 | 299 | 273 | 243 | 222 | 202 | 186 | 170 | 155 | 141 | 538 | 338 | 208 | 126 | 195 | 2,682 |
| | | Appointed | 283 | 241 | 188 | 150 | 125 | 107 | 92 | 80 | 71 | 64 | 240 | 157 | 102 | 65 | 129 | 1,597 |
| | | Rate | 114.90% | 124.20% | 145.40% | 162.40% | 178.00% | 188.80% | 202.00% | 211.70% | 218.40% | 221.90% | 224.30% | 215.40% | 204.50% | 192.80% | 151.00% | 168.00% |
| | Total | Expected | 8,438 | 6,227 | 5,923 | 5,191 | 4,921 | 4,636 | 4,262 | 3,999 | 3,806 | 3,607 | 15,839 | 13,212 | 10,955 | 8,955 | 24,979 | 76,817 |
| | | Appointed | 11,261 | 10,149 | 9,392 | 8,720 | 8,009 | 7,263 | 6,209 | 5,555 | 5,165 | 4,787 | 20,562 | 17,186 | 14,623 | 12,853 | 44,096 | 111,636 |
| | | Rate | 74.90% | 61.40% | 63.10% | 59.50% | 61.40% | 63.80% | 68.60% | 72.00% | 73.70% | 75.40% | 77.00% | 76.90% | 74.90% | 69.70% | 56.60% | 68.80% |

(*) Prepared for the remaining coverage component of direct insurance contracts, with the surrender value at the time of termination deducted when calculating the expected insurance benefits.

**46-5) Assumption sensitivity**

A. Insurance Risk

The company conducts sensitivity analysis of current estimates based on loss rates (mortality rate, disability rate), surrender rates, and operating expenses, which are judged to have a significant impact on the uncertainty of the amount and timing of future cash flows arising from insurance contracts, and manages insurance risks through this procedure.

| Shock Level (*1) | Base price | | Variance price | | Effect of profit and capital (Before tax) | |
|---|---|---|---|---|---|---|
| | Fulfilment cashflow (*3) | Contract margin | Fulfilment cashflow (*3) | Contract margin | Profit or loss (*2) | Other comprehensive income |

*(In 100 million of won)*

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Mortality rate | Up 3.27% | | | ₩ | 978 | (2,115) | 1,078 | 60 |
| Disability rate (Fixed) | Up 3.40% | | | | 7,509 | (7,426) | (136) | 53 |
| Disability rate (Actual) | Up 2.62% | | | | | | | |
| Surrender rate (Up) | Up 9.16% | 853,916 | 64,381 | | 7,013 | (7,690) | 136 | 541 |
| Surrender rates (Down) | Down 9.16% | | | | (7,572) | 8,280 | (129) | (580) |
| Operating expense (Degree) | Up 2.62% | | | | 2,392 | (2,196) | (195) | |
| Operating expense (Inflation) | 0.26%p | | | ₩ | | | | |

(*1) This is a sensitivity analysis of the remaining coverage components of original insurance and reinsurance contracts ceded, and the shock level of the actuarial assumptions is based on the risk adjustment calculation standard (confidence level 75%) in the supervisory standards.
(*2) The impact on net income refers to the increase in best estimate liabilities that causes losses by exceeding the carrying amount of the contractual service margin due to changes in assumptions.
(*3) The shock was not applied to risk adjustment among the fulfillment cash flows.

B. Interest Rate Risk

The impact of interest rate fluctuations on the profit or loss of financial assets, insurance contracts, reinsurance contracts held, and other comprehensive income as of December 31, 2024, is as follows.

| | | | Profit or loss (before tax) | other comprehensive income (before tax) |
|---|---|---|---|---|
| UP | Financial asset | ₩ | - | - |
| 100bp | Insurance contract | | - | 73,524 |
| | Reinsurance ceded contract | | - | 208 |
| Down 100bp | Financial asset | | - | - |
| | Insurance contract | | - | (92,043) |
| | Reinsurance ceded contract | ₩ | - | (239) |



**Report on Independent Auditor's**
**Review of Internal Control over Financial Reporting**
(English Translation of a Report Originally Issued in Korean)

To the Shareholders, Board of Directors, and Audit Committee of
Kyobo Life Insurance Co., Ltd.

We have reviewed the accompanying management's report on the effectiveness of Internal Control over Financial Reporting ("ICFR") of Kyobo Life Insurance Co., Ltd. (the "Company") as of December 31, 2024. The Company's management is responsible for designing and operating ICFR and for its assessment of the effectiveness of ICFR. Our responsibility is to review the management's report on the effectiveness of ICFR and issue a report based on our review. Management's report on the effectiveness of ICFR of the Company states that "Based on the assessment results, Chief Executive Officer and ICFR Officer believe that the Company's ICFR, as at December 31, 2024, is designed and operating effectively, in all material respects, in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting.

Our review was conducted in accordance with ICFR review standards established by the Korean Institute of Certified Public Accountants. Those standards require that we plan and perform, in all material respects, the review of the management's report on the effectiveness of ICFR to obtain a lower level of assurance than an audit. A review is to obtain an understanding of a company's ICFR and consists principally of inquiries of management and, when deemed necessary, a limited inspection of underlying documents, which is substantially less in scope than an audit.

An entity's ICFR is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea. An entity's ICFR 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 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 those charged with governance; 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 financial statements.

Because of its inherent limitations, ICFR may not prevent, or detect and correct, 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.

Based on our review, nothing has come to our attention that causes us to believe that the management's report on the effectiveness of ICFR, referred to above, is not presented fairly, in all material respects, in accordance with the Best Practice Guideline for Evaluating and Reporting Internal Control over Financing Reporting.

Our review is based on the Company's ICFR as of December 31, 2024, and we did not review management's assessment of its ICFR subsequent to December 31, 2024. This report has been prepared pursuant to the Acts on External Audit for Stock Companies, etc. in Korea and may not be appropriate for other purposes or for other users.

Samil PricewaterhouseCoopers
March 5, 2025

This report is effective as of March 5, 2025, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the Company's internal control over financial reporting thereto. Accordingly, the readers of the review report should understand that there is a possibility that the above review report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

## Internal Control over Financial Reporting Operating Status Report

To the Shareholders, Board of Directors, and Audit Committee of Kyobo Life Insurance Co.,Ltd.

We, as the Chief Executive Officer and the Internal Accounting Manager of Kyobo Life Insurance Co., Ltd. ("the Company"), assessed operating status of the Company's Internal Control over Financial Reporting("ICFR") for the year ending December 31, 2024 .

Design and operation of ICFR is the responsibility of the Company's management, including the Chief Executive Officer and the Internal Accounting Manager(collectively, "We", "Our" or "Us").
We evaluated whether the Company effectively designed and operated its ICFR to prevent and detect errors of frauds which may cause a misstatement in financial statements to ensure preparation and disclosure of reliable financial information.
We used the '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") as the criteria for design and operation of the Company's ICFR.
And we conducted an evaluation of ICFR based on the 'Management Guideline for Evaluating and Reporting Effectiveness of Internal Control over Financial Reporting' established by the ICFR Committee.

Based on our assessment, we believe that the Company's ICFR is designed and operated effectively as of December 31, 2024 , in all material respects, in accordance with the '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 the this report does not contain or present any statements which might cause material misunderstandings of the readers, and we have reviewed and verified this report with sufficient care.

March 5, 2025

Chang Jae Shin
Chief Executive Officer

Hang Nam Park
Internal Accounting Manager

# Business Network

## Global Business Organizations

### Kyobo Life Asset Management Co.,Ltd.
(AMERICA)

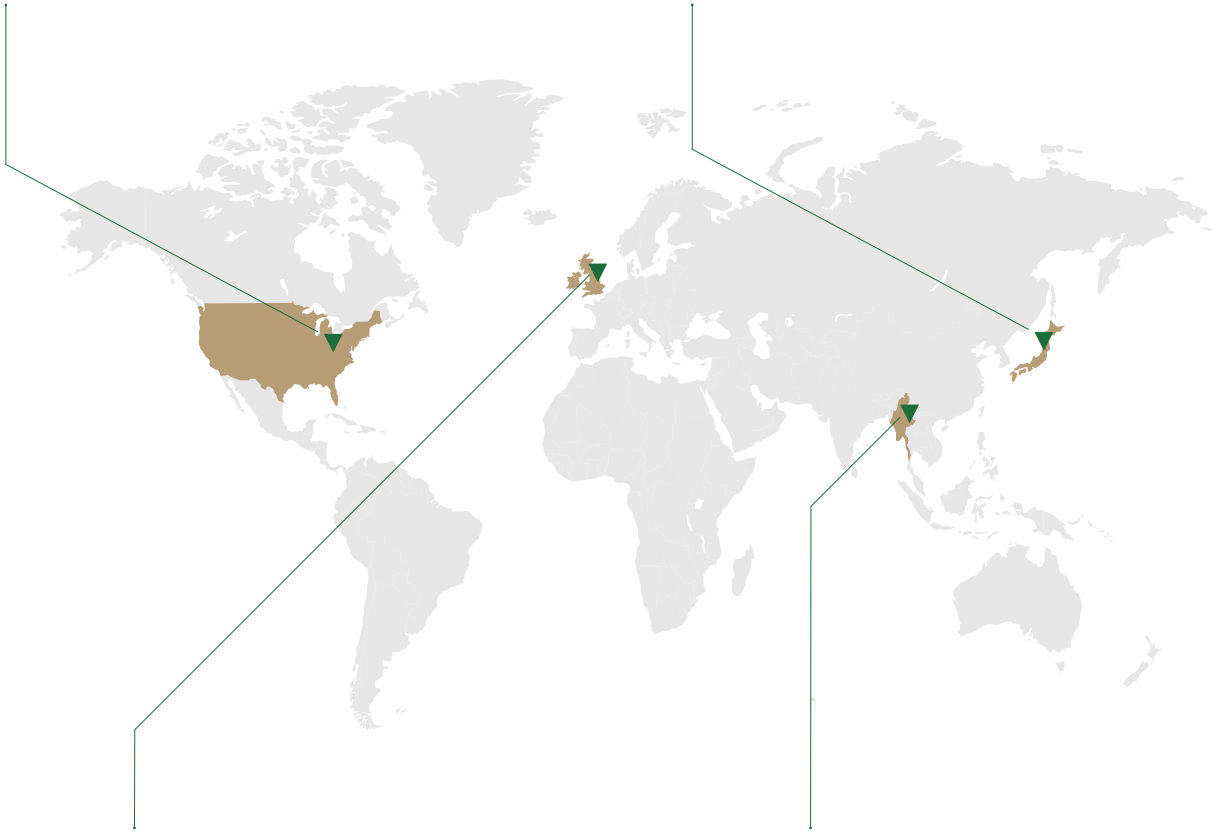
Room 1405, 120 West 45th Street New York,
10036 USA

**Office Tel**: +1-646-590-3774

### Kyobo Life Asset Management Co., Ltd.
(JAPAN)

7F, 2-chome-2-31 Kojimachi, chiyoda-ku,
Tokyo, Japan

**Office Tel**: +81-3-6206-1398



### Kyobo Life London Representative Office

Level 1, Devonshire House, One Mayfair Place, Mayfair,
United Kingdom, W1J 8AJ

**Office Tel**: +44-20-7268-4835

### Kyobo Life Yangon Representative Office

Corner of Kan Yeik Thar Street

& Kabaraye Pagoda Road, No.12/A1-5th Floor,
Mayangon, Yangon Region, Myanmar

**Office Tel**: +95-9-976-654-118

[As of Feb.28,2025]

## Domestic Business Organizations

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Supporting Units | 64 | FP | 58 | GFP | 3 | Direct | 3 |
| Branches | 439 | FP | 399 | GFP | 22 | Direct | 18 |

※ Except Sales Unit

**Seoul**

Supporting Units : 18
Branches : 115

**Gyeongin**

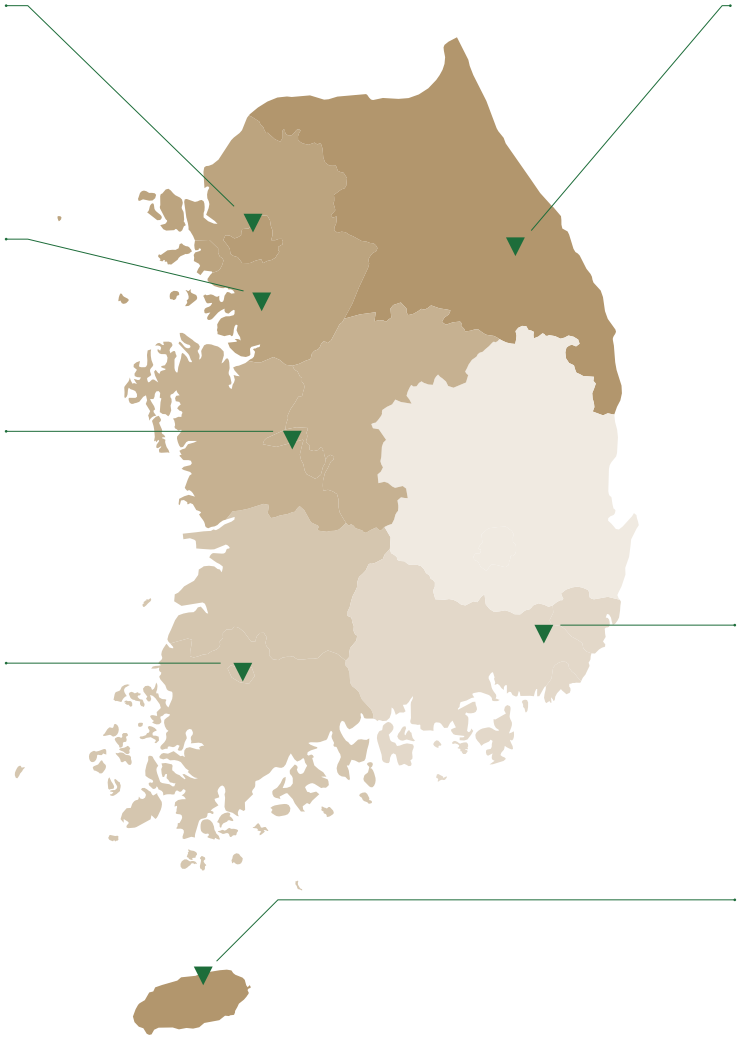
Supporting Units : 14
Branches : 98

**Joongbu**

Supporting Units : 5
Branches : 39

**Honam**

Supporting Units : 6
Branches : 42



**Gangwon**

Supporting Units : 2
Branches : 12

**Youngnam**

Supporting Units : 18
Branches : 122

**Jeju**

Supporting Units : 1
Branches : 11

[As of Feb.28,2025]

KYOBO

**Kyobo Life Insurance Co., Ltd.**
1, Jong-ro, Jongno-Gu, Seoul, Korea 03154
Tel : 82-1588-1001
www.kyobo.com

FSC
www.fsc.org
MIX
Paper | Supporting responsible forestry
FSC® C129206