KYOBO LIFE

2025 Annual Report

KYOBO Life

KYOBO LIFE FY2025 Annual Report

Prologue	**03**
CEO Message	04
Financial Highlights	08
FY2025 at a Glance	10
Corporate Social Responsibility	**12**
Vision	14
Corporate History	16
Transparent Management	18
Sustainability Management	22
Community Relations	24
Intangible Value Drivers	**28**
Customer	30
Brand	32
People	34
AI-DX	36
Market & Strategy	**38**
Insurance Business	40
Asset Management	41
Risk Management	43
Financial Section	**46**
Management's Discussion and Analysis	48
Appendix	**54**
Auditors' Report (Consolidated)	
Auditors' Report (Separate)	
Business Network	

Prologue

Kyobo Life will strengthen our core insurance competitiveness through customer coverage-focused innovation and build a foundation for sustainable profitable growth.

Kyobo Life was founded in 1958 in the aftermath of war, driven by the firm conviction of our founder, Yong Ho Shin, that education would form the foundation of Korea's economic independence. Since its inception, Kyobo Life has pursued continuous innovation and bold challenges, playing a leading role in the growth and advancement of Korea's insurance industry.

Last year, the domestic insurance industry faced significant challenges amid heightened global economic uncertainty arising from global tariff disputes and conflicts in the Middle East, compounded by structural factors such as low growth, low birth rates, population aging and an economic downturn.
Even under these conditions, Kyobo Life reinforced its core business competitiveness through business innovation, steadily advancing toward its Vision 2025 as becoming a "leading financial company that delivers value beyond insurance."

Guided by a customer-centric management philosophy, Kyobo Life delivers differentiated products and services. By analyzing VOC data, social media and insurance claims data, Kyobo Life actively responds to evolving customer needs and market trends, realizing data-driven customer communication and personalized services.

At the same time, Kyobo Life is expanding customer touchpoints through its website and mobile app that support the entire insurance lifecycle - from subscription and policy retention to claims payment - in real time. Moreover, by leveraging MyData-based protection analysis and offering lifestyle care content - including health and reading programs - Kyobo Life is evolving into a comprehensive financial and lifestyle platform that strengthens everyday customer engagement. Furthermore, Kyobo Life operates tools such as the "Coverage Analysis AI Supporter" and the "FP AI Assistant," embedding generative AI across our sales processes to simultaneously enhance field productivity and elevate customer responsiveness, thereby accelerating meaningful digital transformation.

Kyobo Life is also generating tangible results in new business areas. The launch of the "Lifelong Peace-of-Mind Trust" strengthens our comprehensive wealth management capabilities and enables broader support across customers' asset life cycles. Kyobo Life's healthcare business is generating meaningful progress and opening new avenues for future expansion. In parallel, Kyobo Life is proactively extending our business footprint into digital asset opportunities built on the Web 3.0 ecosystem to prepare for the evolving financial landscape.

Life insurance began with the understanding that "anyone may encounter unforeseen adversity" and with "the spirit of ordinary people caring for their neighbors." Kyobo Life will continue to carry forward this noble purpose of life insurance, delivering its true meaning to customers and the market with sincerity while growing as a financial institution that adapts swiftly to change.

CEO Message

Chairman & CEO
Chang Jae Shin

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

Korean insurance industry is currently facing a so called “triple challenge” - a simultaneous decline in growth, profitability and financial soundness - marked by an aging population, declining birth rates, persistent low interest rates and tightening regulatory requirements. Amid these demanding conditions, Kyobo Life continues to pursue sustainable growth by driving innovation and actively seeking new engines of value creation.

Allow me to share Kyobo Life’s business performance in 2025 and then outline our key management goals for 2026.

The Year in Review

The Kyobo Life management directive in 2025 was to “strengthen core business competitiveness through business innovation.” To this end, we remained fully committed to executing our strategy and delivering meaningful progress.

Our insurance business achieved its goals across all major indicators, including channel expansion, customer acquisition, new policy sales, and policy retention. At the same time, we laid the groundwork for future growth by generating early momentum in adjacent areas such as comprehensive wealth management and healthcare. Beyond traditional life insurance, we continued to diversify our portfolio by acquiring a stake in “SBI Savings Bank” while also expanding into digital asset-related businesses within the Web 3.0 ecosystem, including stablecoins.

As a result, on a consolidated basis, Kyobo Life recorded KRW 148 trillion in total assets, KRW 752.3 billion in net income, and an ROE of 9.1% in 2025.

Kyobo Life maintained its A+ (Stable) credit rating from Fitch for the 13th consecutive year and A1 (Stable) rating from Moody’s - among the highest in the industry - for the 11th straight year. We also ranked first in the life insurance category of the Korea Sustainability Index for the 16th consecutive year and were named at the top of the “Most Admired Companies in Korea” within the life insurance industry for the third year running, as well as being included in the “All Star 30” for the second straight year.

Insurance Business

The year 2025 presented a challenging landscape for the insurance industry. Low economic growth, relentless inflationary pressures, and shifting demographic structures led to a contraction in the overall market, while competition to secure Contractual Service Margin (CSM) reached new heights.

In the face of these headwinds, Kyobo Life remained steadfast in its commitment to customer-centric marketing, creating sustainable value through innovative products and services. Our primary focus has been to provide balanced protection across the key pillars of our customers' lives: family, health, and retirement. We strengthened our sales efforts centered on protection-type insurance, achieving stable growth in both our new and existing customer bases. Furthermore, we successfully expanded our exclusive distribution channels through a systematic approach to recruiting and nurturing high-caliber financial consultants.

Asset Management

In 2025, global financial markets were characterized by persistent volatility, as government policies and geopolitical variables created diverging impacts across nations, industries, and social sectors. Amidst this uncertainty, Kyobo Life remained committed to its core principles as a life insurer, focusing on balancing profitability and stability through a long-term investment lens.

Our Asset Management Division prioritized increasing allocation to assets with strong risk-adjusted returns, particularly infrastructure alternative assets. We also strategically rebalanced our bond portfolio to capitalize on interest rate fluctuations, ensuring a steady stream of long-term recurring income.

Simultaneously, we pursued qualitative structural improvements by proactively managing risk assets, strengthening post-investment monitoring for alternative assets, and rigorously managing delinquency rates in light of household debt conditions. Despite the widening interest rate differentials between domestic and international markets, we mitigated capital volatility by executing strategic hedging for foreign currency assets. We maintained a disciplined Asset-Liability Management (ALM) approach to match asset and liability cash flows, thereby stabilizing our Korea Insurance Capital Standard (K-ICS) ratio, a key indicator of capital adequacy.

Thanks to these efforts, we achieved significant milestones, exceeding our business targets in all core metrics, including investment yield, portfolio yield, and recurring income.

AI-Based Digital Transformation (AI-DX) and New Businesses

In 2025, Kyobo Life focused on solidifying a foundation to establish artificial intelligence technology as a core strategic asset. We are driving AI-DX with the goal of integrating AI across the entire insurance value chain - from product development and marketing to underwriting and claims processing - thereby enhancing operational efficiency and elevating the customer experience.

We supported this transition by refining and advancing our infrastructure, enabling both field offices and headquarters to utilize AI for improving the quality and speed of customer services, sales activities, and administrative workflows. Key innovations such as the "Coverage Analysis AI Supporter" and "FP AI Assistant" have been deployed throughout our sales networks and internal operations to assist with core tasks, while the implementation of "AI-Desk" has significantly bolstered the productivity of our entire workforce. Furthermore, we have transformed customer feedback data into a strategic asset by analyzing counseling sessions at our customer centers and have built a sophisticated system capable of responding more effectively to evolving customer needs.

On the digital front, we have enhanced service touchpoints throughout the entire policy lifecycle of subscription, retention, and claims payment. As a comprehensive financial and lifestyle platform, we provide personalized coverage analysis based on MyData (a licensed financial data-management service in Korea) alongside life-care content in areas such as health and reading.

In our new business sector, we draw on external capabilities and expertise through open innovation and strategic investments, identifying future growth opportunities in industries adjacent to insurance. Leveraging our corporate venture capital, we have executed strategic investments and directly funded promising startups. We continue to drive tangible commercialization outcomes in diverse fields by participating in government-backed tech startup programs and operating our proprietary accelerator, "INNOSTAGE."

The Year Ahead

The business landscape remains clouded by uncertainty in 2026. The government has initiated large-scale fiscal measures aimed at economic recovery, yet persistent challenges - including high inflation, high exchange rates, and rising household debt - continue to weigh on financial markets. Consequently, major domestic and international institutions project South Korea's economic growth to remain sluggish in the mid-to-high 1% range.
Global concerns are mounting that "low growth is becoming entrenched." This is driven by sluggish employment and consumption in the US and other major advanced economies, the rise of protectionist trade policies, and prolonged conflicts in Ukraine and the Middle East.

These external headwinds are expected to weigh on the domestic insurance industry, leading to a decline in premium growth and an overall slowdown in expansion and profitability.
The implementation of the new insurance accounting standards in 2023 has caused competition over new contract CSM to remain fierce. In this environment, we must, now more than ever, focus on generating profit by accumulating total CSM, improving our K-ICS ratio, and ensuring regulatory compliance.

Against this backdrop, Kyobo Life seeks to go beyond merely reacting to uncertainty. Instead, we are committed to taking a proactive stance, driving innovation to cultivate new growth engines. We will pursue continuous profit growth by enhancing customer protection services across the entire policy lifecycle - from subscription and retention to claims payment - and by expanding our pool of high-caliber financial consultants. Furthermore, we will sharpen our internal asset management capabilities and identify new core businesses to deliver visible results.

Accordingly, we have defined our 2026 management directive as "enhancing core competitiveness by innovating policy retention and claims payment service marketing to improve customer coverage and building a foundation for sustainable profitable growth." Under this guiding principle, we will execute our key strategic priorities with discipline and focus.

- First, we will take the lead in financial consumer protection by ensuring comprehensive customer coverage - including complete subscription, complete retention and prompt and fair claims payment.
- Second, we will expand market presence through qualitative and quantitative growth of the exclusive in-person sales channel.
- Third, we will strengthen family and health protection business competitiveness through customer-needs-driven product marketing promotion.
- Fourth, we will raise total CSM by generating stable new contract CSM and improve persistency rates.
- Fifth, we will modernize asset management capabilities to elevate internal expertise and improve earnings generation capacity.
- Sixth, we will establish a foundation for business performance-driven AX (AI-DX) transformation.
- Seventh, we will build a platform for innovation through a profitability-centered management culture.

Marking a historic milestone in 2026, Kyobo Life officially proclaims Vision 2030, which aims for us to become a "leading financial services provider that protects customers' futures by providing value beyond insurance." The phrase "value beyond insurance" represents our ambition to be a comprehensive protection provider - offering both psychological and financial stability throughout our customers' lives - while creating greater value by expanding our reach across the broader financial landscape.

We invite you to join us and lend your support as Kyobo Life embarks on this bold new journey toward Vision 2030. Thank you.

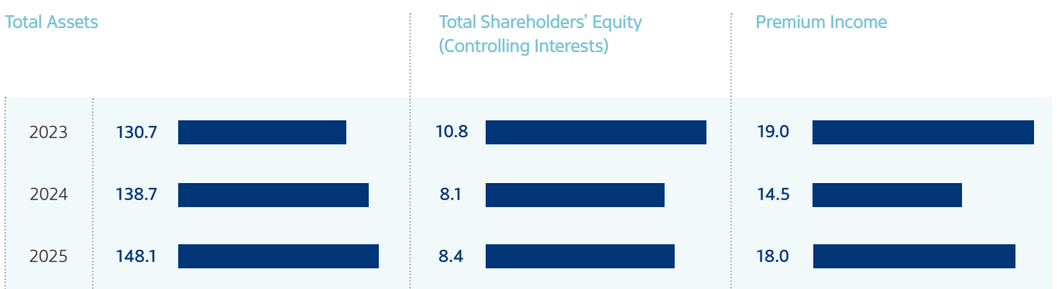
March 2026
Chairman & CEO **Chang Jae Shin**

Financial Highlights

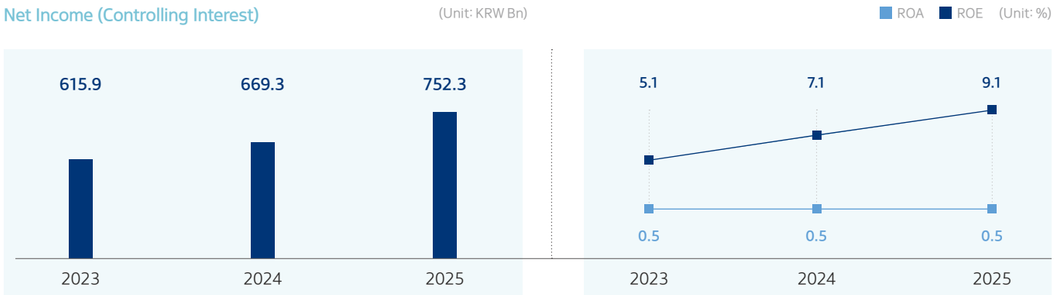
(Based on Consolidated Statements)

Growth

(Unit: KRW Tn)

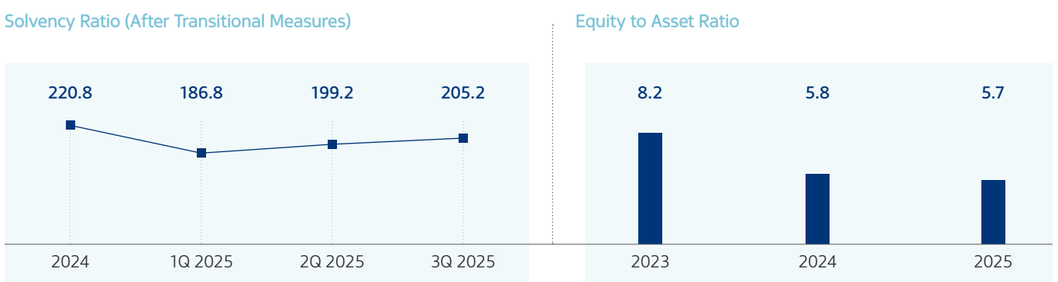


Profitability



Stability

(Unit: %)



Key Figures

Summary of Income Statement

(Unit: KRW Bn)

	2023	2024	2025
Operating Revenues	16,893.4	18,123.4	21,703.4
Operating Expenses	16,082.5	17,220.9	20,652.3
Operating Profit	810.9	902.5	1,051.1
Non-operating Profit	26.5	11.9	-7.9
Profit before Tax	837.4	914.4	1,043.3
Income Tax Expense	206.4	228.2	270.2
Net Income	631.0	686.3	773.1
Net Income attributable to Controlling Interests	615.9	669.3	752.3

Summary of Balance Sheet

(Unit: KRW Bn)

	2023	2024	2025
Total Assets	**130,708.8**	**138,723.1**	**148,069.5**
Cash and Deposits	5,107.3	4,803.7	5,398.2
Securities	96,377.5	103,837.2	110,623.8
Loans	22,273.5	22,021.9	22,651.9
Investment in Associates	149.4	160.0	147.5
Investment Property	1,022.8	1,005.5	1,018.0
Property and Equipment	1,444.5	1,447.3	1,401.3
Intangible Assets	237.1	143.9	145.4
Other Assets	4,096.8	5,303.5	6,683.4
Total Liabilities	**119,679.9**	**130,358.2**	**139,351.5**
Insurance Liabilities(Policy reserve under IFRS4)	87,824.5	95,023.0	97,375.5
Other Liabilities	31,855.4	35,335.2	41,976.0
Policyholder's Equity Adjustment			
Total Shareholders' Equity	**11,029.0**	**8,364.9**	**8,718.0**
Total Shareholders' Equity attributable to Controlling Interests	**10,773.6**	**8,071.6**	**8,407.4**

※ Other liabilities include investment contract liabilities and other contract liabilities.
※ Due to a change in accounting policy related to the adjustment of policyholder equity, the relevant amount has been reclassified as equity and the comparative statement of financial position has been retrospectively restated.

FY2025 at a Glance

Presidential Citation Achieved, Industry-Leading Credit Ratings and Sustainability Index!

Kyobo Life has once again demonstrated industry-leading excellence in financial soundness and sustainability - the two most critical pillars of competitiveness for a life insurer.

Despite continued global and domestic uncertainty throughout 2025, Kyobo Life maintained the highest credit standing in the industry, sustaining Moody's A1 rating for 11 consecutive years and Fitch A+ rating for 13 consecutive years with unwavering stability. Kyobo Life also topped Korean Sustainability Index (KSI) in Life Insurance category for the 16th consecutive year and was named one of Korea's Most Admired Companies for the third straight year. In addition, Kyobo Life was honored with the Presidential Commendation for Sustainable Management at the National Quality Management Convention, as well as a Presidential Citation on Environment Day.

Going forward, Kyobo Life will continue to strengthen stakeholder-centric management, deepen customer trust, and deliver sustainable growth supported by robust financial soundness.

Kyobo Life became the first company in the industry to achieve Consumer Centered Management (CCM) certification for 10 consecutive terms and was honored with a Presidential Citation. Kyobo Life was also named Best Company in the Korea Consumer Protection Index (KCPI) for five consecutive years and received Consumer Grand Prize from the Korean Society of Consumer Studies.

At a time when expectations for financial consumer protection have never been higher, Kyobo Life has strengthened its commitment by establishing a robust consumer protection governance structure reporting directly to the CEO and advancing a sophisticated VOC-driven management framework. These efforts allow us to carefully monitor and continuously improve protections across the entire subscription-retention-benefits payment journey, ensuring that customers are supported fairly and transparently at every step.

Kyobo Life regards financial consumer protection as a core management value. By deepening trust and acting in customer's best interests, Kyobo Life will continue to build sustainable growth and reinforce our role as a life insurer that stands beside customers as they prepare for a secure and confident future.

Certified Consumer Centered Management (CCM) for 10th Consecutive Time, A Trusted Legacy of Consumer Protection!

Everyday Innovation, Big and Small, AI Moves Us One Step Closer to the Future!

In 2025, Kyobo Life laid a strong foundation for innovation through active adoption of AI. Going beyond digital transformation, Kyobo Life focused on using AI-driven operational innovation to strengthen core business and ultimately deliver greater value to the customers.

Kyobo Life introduced the "AI-Desk," supporting employees in their everyday use of ChatGPT; the "FP AI Assistant," which learns from the expertise and experience of branch managers to support manager tasks; and the "Coverage Analysis AI Supporter," which distills complex coverage analysis into clear, single-page insights. These initiatives were formally recognized under the financial authorities' Innovative Financial Services designation, reinforcing Kyobo Life's commitment to responsible innovation. Building on this momentum, Kyobo Life continues to work to dramatically improve enterprise-wide efficiency.

Looking ahead, Kyobo Life will progressively introduce AI-powered claims assessment and advisory services, while continuously advancing AI capabilities. Through these efforts, Kyobo Life aims to elevate customer satisfaction and lead innovation across the industry.

FY2025 marks its second year of the "Balanced Protection" campaign and it has been delivering meaningful and measurable results. The initiative was designed to go beyond traditional accident and illness coverage and build a well-balanced protection framework that supports customers across their entire life journey.

On the product front, Kyobo Life further enhanced "Kyobo MyPlan Health Insurance," flagship health protection product, by adding competitive riders including major cancer treatment benefit rider and the Heavy Ion Radiation Therapy rider. These additions enhance our competitive edge in coverage, aligning with the evolving medical landscape and broadening treatment options for our customers. Furthermore, Kyobo Life has built a comprehensive product portfolio that offers wide-ranging protection for major illnesses through differentiated new offerings, including "Kyobo Double-Up Women's Health Insurance." Alongside these product innovations, Kyobo Life has focused on fostering a sound sales culture by upgrading our Coverage Analysis System and launching campaigns that support the standardized activities of financial consultants.

Kyobo Life is committed to serving as a reliable lifelong partner, ensuring comprehensive protection and providing uncompromising value to the customers.

Delivering Well-Rounded Balance in Coverage, Visible Results from Year Two of the "Balanced Protection" Campaign!

CORPORATE SOCIAL RESPONSIBILITY

Vision 14

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

Corporate History 16

Kyobo Life has been growing together with a variety of stakeholders.

Transparent Management 18

Kyobo Life maintains a clear shareholding structure and transparent decision-making system.

Sustainability Management 22

Kyobo Life pursues long-term mutual growth with all stakeholders.

Community Relations 24

Kyobo Life builds a healthy society and a world we share together.

HONESTY & INTEGRITY

We will always be honest and sincere in every respect.

Vision

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

Kyobo Life has set its Vision 2030 as becoming a “leading financial company that protects customers’ futures by providing value beyond insurance,” in response to rapid environmental changes and to ensure sustainable growth. To achieve this vision, Kyobo Life will pursue strategies that drive both qualitative and quantitative growth through customer-centric business innovation and optimal capital utilization. Kyobo Life will further strengthen its competitiveness in the health insurance business by leveraging its robust exclusive tied agent channels, thereby expanding its market presence. In addition, by maintaining stable profitability through high-quality sales practices, Kyobo Life will pursue sustainable growth as a comprehensive risk protection company.

Vision 2030

To become the leading financial company that protects customers’ futures by providing value beyond insurance

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

Tenacity and Creativity	Customer-Oriented	Honesty and Integrity
We will always innovate, starting over again if at first we do not succeed	We will put our customers first in our thoughts and actions	We will always be honest and sincere in every respect

FY2026 Management Directive

Enhance core competitiveness by innovating policy retention and claims payment service marketing to improve customer coverage and building a foundation for sustainable profitable growth.

Kyobo Life seeks sustainable profitable growth by driving customer protection innovation across the entire insurance lifecycle - from subscription and retention to payment. To this end, Kyobo Life will proactively identify customers’ latent needs, wants, and preferences, and continuously expand its new customer base through the development of products and marketing strategies aligned with customer and market demand.

All employees will clearly understand profit and loss concepts and embed day-to-day innovation into their work, guided by an entrepreneurial mindset rooted in long-term business sustainability. Furthermore, Kyobo Life will continue to enhance its internal asset management capabilities and identify future core new businesses capable of offsetting the anticipated decline in insurance industry profitability, with the goal of generating tangible and visible results.

To strengthen our core business competitiveness through innovation in policy retention and claims payment service marketing that enhances customer coverage, and to establish a foundation for sustainable profit growth, Kyobo Life has set its 2026 management directive as “enhancing core competitiveness by innovating policy retention and claims payment service marketing to improve customer coverage and building a foundation for sustainable profitable growth.”

Under this directive, Kyobo Life will actively pursue the following strategic initiatives.

Corporate History

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)
Jul. 7, 1988	Established Kyobo Investment Advisory co., Ltd. (now Kyobo AXA Investment Managers Co., Ltd.)
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 (Stable) 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)
Nov. 17, 2009	Received S-Grade Certification for Best Family-Friendly Company, awarded by the Ministry of Gender Equality and Family
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 & CEOChang Jae Shin received 29th KASBA CEO Grand Prize from Korean Academic Society of Business Administration
Oct. 14, 2014	Awarded the Presidential Citation as one of Korea's Most Admired Companies
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, Légion 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 Information 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 ~

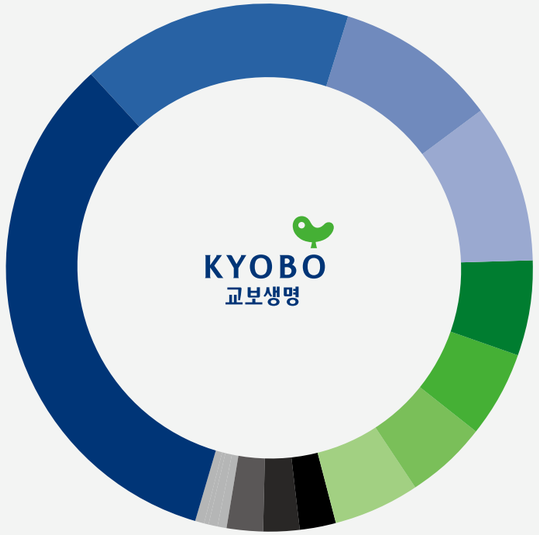
Apr. 28, 2021	Proclaimed Kyobo Vision 2025
Jul. 01, 2021	Certified Consumer Centered Management (CCM)
Jan. 28, 2022	Launched financial MyData business (a personal credit information management business)
Aug. 31, 2022	Received ISO 14001 Certification, Environmental Management System international standard
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
Apr. 3, 2023	Acquired Pavilion Asset Management Co., Ltd. and rebranded it as Kyobo AIM Asset Management Co., Ltd.
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. 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)
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
Feb. 25, 2025	Ranked No. 1 in the life insurance industry for three consecutive years and selected for the "All Star 30" for the second consecutive year in Korea's Most Admired Companies, hosted by Korea Management Association Consultants (KMAC)
Mar. 5, 2025	Maintained a credit rating of A+ for the 13th consecutive year from Fitch Ratings
Jun. 4, 2025	Maintained a credit rating of A1 for the 11th consecutive year from Moody's
Jun. 5, 2025	Received the Presidential Commendation for Environmental Education and Social Contribution
Nov. 14, 2025	Named Korea's Best KCPI company by KMAC for 5th consecutive year
Nov. 19, 2025	Received the Presidential Commendation for Sustainable Management at the 51st National Quality Management Convention
Nov. 26, 2025	Topped Korean Sustainability Index (KSI) in Life Insurance category for 16th consecutive year
Dec. 12, 2025	Certified Consumer Centered Management (CCM) for 10th consecutive time and received the Presidential Commendation for Consumer-Centered Management of the Year

Transparent Management

Kyobo Life maintains 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 Kyobo Life. In 2007, through a capital increase and the sale of existing shares, Corsair Capital (now Corsair Korea Co., Ltd.) and AXA SA became shareholders of Kyobo Life. In 2012, EQT and IMM acquired the stake previously held by Daewoo International, thereby joining the shareholder base. In 2023, Kyobo Life completed a share buyback from minority shareholders. In 2025, SBI Holdings Inc. and Shinhan KIS Alpha Co., Ltd. became shareholders through the acquisition of shares held by Affinity, GIC, Affirma, and OTTP.



Chang Jae Shin	33.78%
SBI Holdings Inc	16.72%
Corsair Korea Co., Ltd.	9.79%
Shinhan KIS Alpha Co., Ltd.	9.78%
Korea EXIM Bank	5.85%
KLIC HOLDINGS LIMITED (EQT)	5.23%
Hoenir INC (IMM)	5.23%
In Jae Shin, Kyung Ae Shin, Young Ae Shin	5.12%
LIFE INVESTORS OF KOREA, L.P. (Pantheon)	2.30%
AXA SA	2.24%
Treasury Stock	2.04%
Others	1.92%

As of December 31, 2025

Board of Directors

The Board of Directors, the final decision-making body that reviews and approves major corporate policies, consists of two inside directors and five outside directors with expertise in finance, management, digital, and law. 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 shareholder meeting and those unique to the Board of Directors to committee under the Board.

Audit Committee

The Audit Committee is composed entirely of 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 establishes the company's risk management framework and key policies and approves major management strategies based on a risk-based approach. It oversees risks in a systematic and proactive manner through regular risk assessments, mitigation planning, and ongoing monitoring.

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.

Internal Control Committee

The Internal Control Committee establishes fundamental policies and strategies for internal control, while fostering an organizational culture that emphasizes professional ethics and compliance. It supports the Board of Directors in effectively fulfilling its oversight responsibilities for internal control.

Management Committee

The Management Committee is responsible for making comprehensive management decisions, including 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

Chairman & CEO	Chang Jae Shin
President & CEO	Dae Kyu Cho
Outside Director	Beom Ha Jee, Hyo Eun Mun, Doo Cheol Kim, Doo Bong Lee, So Jung Park

As of February 28, 2026

Management

As of February 28, 2026

Senior Executive Vice President (SEVP)

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

Executive Vice President (EVP)

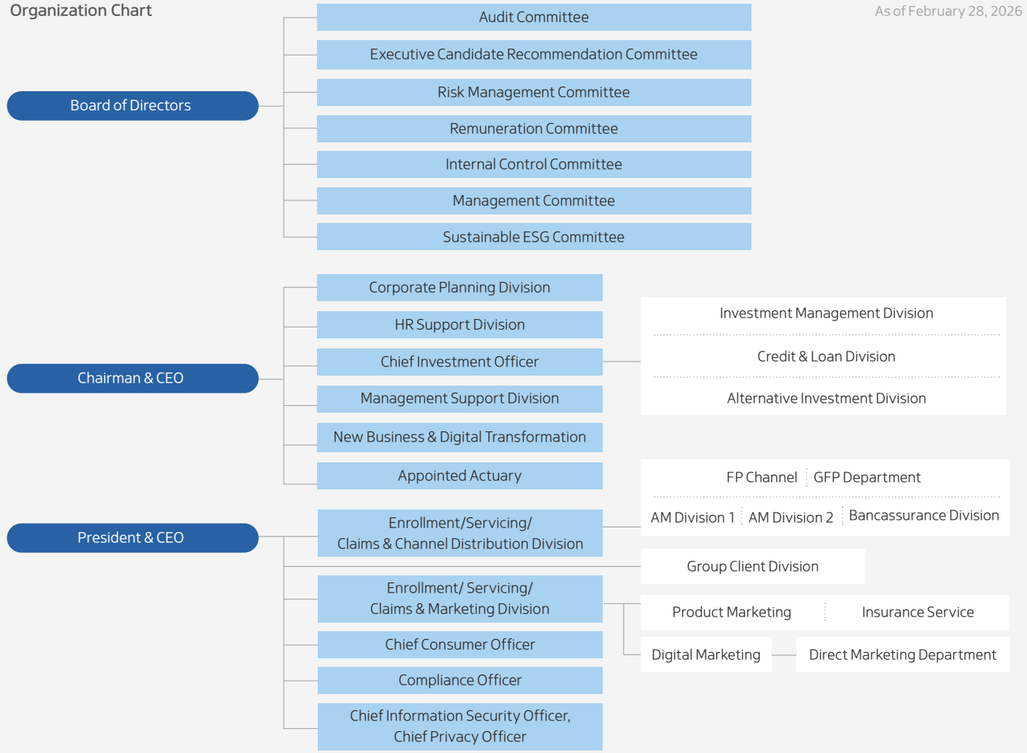
Ki Ryong Cho	Head of Legal Services Division
Mee Young Lee	Head of Customer Strategy
Jin Mo Jang	Head of Brand Public Relations
Hyung Gyoo Won	Healthcare Business TF
Young Kyu Youn	Head of Insurance Service Division
Kyung Bae Kim	Head of Corporate Planning Division
Seok Joon Huh	Chief Global Capital Raising Officer
Chul Lee	Head of New Business & Digital Planning
Kwan Sang Lee	Head of High-Performing Sales Force Expansion
Young Dae Son	Head of Channel Marketing Support Division / Head of Consultant Support Center
Jong Kil Park	Chief Risk Officer / Risk Manager

Senior Vice President (SVP)

Hong Yoo	Head of Labor-Management Support Division
Bong Hyun Jeong	Head of IT Support Division / Head of System Team 3
Kwang Soo Mun	Honam Regional Manager
Hong Min Chung	Compliance Officer / Compliance Program Manager
Ji Hyun Jo	Head of Business AI Support Team 2
Jae Hyuck Jeong	Head of Credit & Loan Division
Gyoung Jong Suh	Head of Product Marketing
Jun Hyun Kim	Gangbuk Regional Manager
Sung Soo Kim	Head of AI Infrastructure/ AI Infrastructure Security Team
Seung Yong Rho	Head of Bancassurance Division
Gi Hwan Jung	Head of AM2 Division
Gi Beom Kim	Head of AM1 Division
Young Mi Moon	Head of Group Client Division
Young Jae Kim	Head of Healthcare Center
Tae Dong Lee	Head of AI Technology
Seung Won Kim	Head of Human Resources Support Division
Jung Sik Park	Chief Customer Officer / Head of Customer Care Center / Financial Consumer Protection Manager
Dong Mo Lee	Head of Asset Management Strategy / Head of Asset Portfolio Management Team
Seung Hyun Byun	Head of New Business Planning Team
Sang Woo Nam	Head of Digital Marketing
Joong Ho Kim	Daegu Regional Manager
Heon Jae Kim	Head of CSM Strategy Team
Hyo Young Lee	Joongbu Regional Manager
Se Hyun Lim	Head of AX Strategy
In Kyu Choi	Head of Policy Research Support Team
Jong Hyuk Paik	Head of Investment Management Division
Si Hyun Sung	Gyeongin Regional Manager
Chul Gyun Ahn	Head of Sales Planning Team
Myung Hee Kim	Head of Direct Marketing Department
Joong Phil Noh	Head of Family & Senior Protection Division / Head of Family & Senior Product Development Team
Seung Ho Park	Variable Asset Management
Hang Nam Park	Head of Financial Management / Internal Accounting Manager
Ji Hyun Kim	Head of Treasury
Choong Ha Shin	Head of Company-wide AX Support / Head of Group Management Strategy / Vice Head of New Business & Digital Transformation
Hyun Mo Kang	Head of Project Management Office (PMO) Team
Kook Hyun Kim	Head of Audit Team
Chang won Park	Head of AX Strategy Team
Dae Geun Bae	Gangnam Regional Manager
Hyun Woo Noh	Busan Regional Manager
Bum Seok Kwon	Head of Group Sales Division 1
Ji Kwang Choi	Head of Health Protection Division
Bo Kyung Kim	Chief Information Security Officer (CISO) / Chief Privacy Officer (CPO) / Credit Information Protection Manager / Head of Information Security
Jeong Bum Park	Head of Alternative Investment Division
Jae Woong Jang	Head of Investment Operations
Hoe Eun Yang	Appointed Actuary
Sung Joo Park	Head of Business AI Support
Ji Young Kim	Head of Executive Support Team

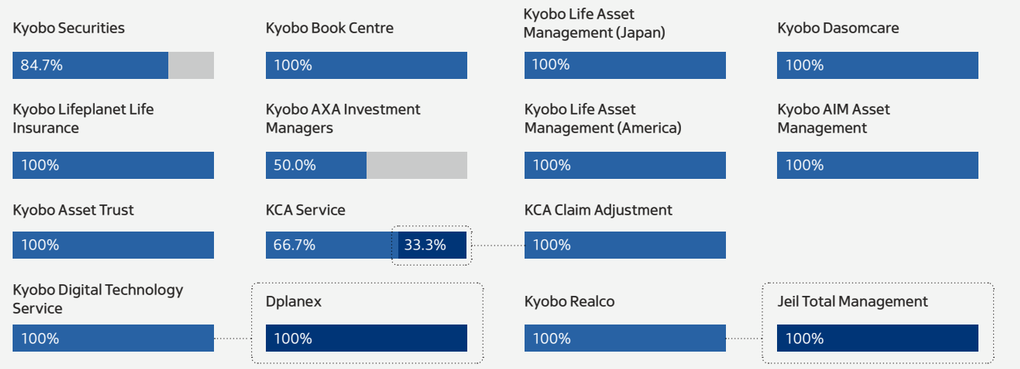
Organization Chart

As of February 28, 2026



Overview of Affiliates

As of February 28, 2026



Sustainable Management

Kyobo Life pursues 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 a sustainable management framework unique to the company by defining its commitments and principles toward stakeholders, under its philosophy of "pursuing mutual growth with all stakeholders."

Sustainable Management Framework

Sustainable Management Philosophy Pursue the Mutual Growth with All Stakeholders

▼

Stakeholders	Customers	Financial Planners	Employees	Investors	Affiliates and Partners (Ecosystem Players)	Government and Local Communities
Commitment	Provide comprehensive customer protection	Succeed together with financial planners	Grow together with employees	Deliver sustainable value to investors	Create shared value with affiliates and partners	Advance together with government and local communities
Principle	① We will listen closely to the voices of our customers and manage the company from the customer's perspective.	③ We will respect and trust our financial planners as valued business partners.	⑥ We will foster an engaging corporate culture built on enjoyment, pride and trust.	⑨ We will continue to generate sustainable and high-quality earnings through sound growth.	⑪ We will pursue mutual growth with our partners through fair and transparent business practices.	⑬ We will fulfill our tax obligations and cooperate on taxation matters in full compliance with applicable tax laws and regulations.
	② We will enhance service quality across the entire customer journey, from policy acceptance and retention to claims payment.	④ We will establish fair standards and provide an environment in which sales and service activities can be carried out with confidence.	⑦ We will provide equal opportunities and ensure fair compensation based on objective performance evaluations.	⑩ We will enhance corporate value through proactive management of both financial and non-financial risks.	⑫ We will collaborate with affiliates, partners, and other ecosystem participants to achieve shared and sustainable growth.	⑭ We will fulfill our social and environmental responsibilities as a responsible corporate citizen.
		⑤ We will support their development as insurance professionals.	⑧ We will support employees in growing and developing as professionals.			

Building on this foundation, in 2012, Kyobo Life formally articulated its sustainability philosophy in the preface of its Articles of Incorporation, thereby reaffirming its commitment to the practice of sustainable management.

> 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

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. As a result of these continued efforts, in 2025 Kyobo Life received the Presidential Commendation for Sustainability Management, awarded for the first time in the insurance industry at the National Quality Management Convention hosted by the Ministry of Trade, Industry and Energy. In the same year, Kyobo Life ranked No. 1 in the life insurance category for 16 consecutive years in the Korea Sustainability Index (KSI) at the Korea Sustainability Conference hosted by the Korean Standards Association (KSA).

Sustainability Management (ESG Management) Initiatives

To pursue authentic and effective sustainability management, Kyobo Life implements a wide range of initiatives across the three pillars of E (Environment), S (Social), and G (Governance). Kyobo Life has established and disclosed ESG policies outlining its strategic response to key ESG issues. Based on these policies, Kyobo Life actively promotes business-led execution initiatives to strengthen the effectiveness and practical implementation of its sustainability strategy.

Environmental (E)

As part of its social responsibility as a financial company, Kyobo Life measures and manages climate-related risks and financed emissions associated with its asset holdings and has established a sustainable investment framework by incorporating an ESG investment checklist into its investment review process. In addition, Kyobo Life continuously pursues initiatives to minimize environmental impacts arising from business operations, including campaigns such as the recycling of disposable paper towels.

Social (S)

Through its consistent commitment to consumer-centered management and customer value innovation, Kyobo Life received the Presidential Commendation for Consumer Centered Management (CCM) from the Fair Trade Commission. Kyobo Life also places strong emphasis on personal data protection for customers and employees, having obtained ISO/IEC 27001 (Information Security Management System) certification and ISMS-P (Personal Information & Information Security Management System) certification.

Governance (G)

Kyobo Life operates the Sustainable ESG Committee under its BOD, along with the ESG Working Level Council composed of key executives, both of which convene on a regular basis. ESG execution initiatives and the operation of these governance bodies are supported by a dedicated ESG department. In addition, Kyobo Life manages its BOD with due consideration for independence, expertise, and diversity, thereby protecting the rights and interests of shareholders and other stakeholders.

ESG Policy

Environmental	Environment Policy
	Sustainable Investment Policy
Social	Human Rights Policy
	Anti-harassment and Bullying Policy
	Diversity Policy
	Occupational Safety and Health Policy
	Information Security Policy
	Financial Inclusion Policy
Governance	Board Independence Policy
	Board Diversity Policy
	Anti-Bribery Policy
	Tax Policy

Community Relations

Kyobo Life builds a healthy society and a world we share together.

Kyobo Life respects the values that people hold dear and strives to help them realize those values. Kyobo Life'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	Long-term partnerships with nonprofit organizations	Enhance efficiency in community relations	Conduct evaluations on projects
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.	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.	Kyobo Life improves efficiency of community relations by helping beneficiaries overcome hardships on their own through supporting capacity improvement and job creation.	Kyobo Life will facilitates long-term development of projects by evaluating social impact and efficiency of each project.

Sharing Healthy Lives with Others

Wow Dasomi Project for the Hearing-Impaired

The Wow Dasomi Project for the Hearing-Impaired supports children with congenital hearing impairments by helping them receive timely treatment so they regain hearing and develop normally. The project provides financial support for cochlear implant surgery, as well as speech and language rehabilitation therapy and the replacement of external devices to help children overcome language impairments caused by hearing loss. Most children who benefit from this project grow up healthy and attend mainstream schools rather than special education institutions and grow up in good health. Kyobo Life is committed to helping children pursue their dreams without limitations imposed by disability.

Ties of Love

Since 2003, the Ties of Love program has supported children from underserved backgrounds, including those from child-headed households, single-parent families, and those from baby boxes, helping them learn and grow in a more stable and supportive environment. The program is funded through voluntary monthly contributions from employees, who donate a portion of their salaries. Each participating employee is matched with a child, and their contribution is combined with additional support from the company to create the "Fund of Love." Following established procedures, these funds are delivered to support children's living and childcare expenses. Kyobo Life remains committed to carrying this spirit of care forward, so that more children can grow up experiencing happiness, stability, and hope.

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 (體), mind (德), and intellect (智). 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.

Creating Dreams and Hopes Together

Kyobo Dream Makers: ICT-Based Future Talent Development

Kyobo Dream Makers is an ICT-based social contribution program designed to provide underprivileged youth with opportunities to develop ICT competencies essential for the Fourth Industrial Revolution.

- ICT future talent cultivation

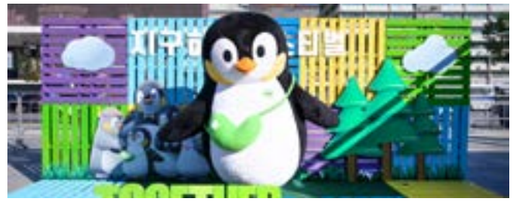
The program supports youth from underserved communities in making informed educational and career choices on their path toward economic self-reliance by offering training for nationally recognized certifications required in the digital era, including ITQ, CDT, and GTQ, as well as providing specialized courses in drone technology, webtoons, and video production.

- ICT creative convergence experiential education

Through hands-on experiential learning in ICT fields, the program introduces youth to new experience such as ChatGPT, drones, webtoon creation, robotics and software coding, and VR/MR-based autonomous driving. These experiences help young people grow into innovative talents in the digital age.

Let's Add Impact to the World! UP!

This is a new social contribution initiative dedicated to identifying and nurturing impact enterprises that deliver digital-based education and services to underprivileged children and youth - the future generation of society. Impact enterprises aim to create meaningful social value by addressing key societal challenges, including environmental issues, support for vulnerable communities, and job creation. Kyobo Life advances digital inclusion and future readiness by providing underserved youth with access to ICT-based services and technology skills development, while simultaneously fostering an ecosystem of technology-enabled impact enterprises.



Nationwide Environmental Education Campaigns (Earth Festival, environmental musical, and mobile environmental classrooms)

In October 2025, Kyobo Life, in partnership with the Ministry of Environment, hosted the 3rd Earth Festival at Gwanghwamun Square to promote public engagement in environmental protection. The event brought together over 30 organizations, including the Ministry of Environment and the Korea Environmental Conservation Institute (KECI), and featured hands-on eco-friendly activities and environmental conservation booths, creating an educational space for environmental awareness. Approximately 6,000 students and citizens participated. A key highlight was the "Earth Love Hope Tree Donation Ceremony," where Kyobo Life donated 2,364 "Hope Trees" to impoverished farming families in Vietnam along with participants pledging to practice carbon neutrality in their daily lives.

Kyobo Life also presented the touring environmental musical titled "Brand New Saerona Challenge with Kko-ok," enabling children to learn the importance of climate action and develop a commitment to resource circulation through the arts. Across eight performances, approximately 3,600 elementary school students discovered the values of waste separation and recycling in an engaging and accessible way.

Finally, Kyobo Life introduced "Kyobo Life's Puremi Mobile Eco-class," where its eco-friendly hydrogen-powered bus brought hands-on environmental education straight to the classroom. By visiting 207 schools and organizations, the class empowered 26,000 young students with the knowledge and tools they need to practice eco-friendly living and value nature conservation.

Kyobo Life's Dream Goblin Project

Kyobo Life's Dream Goblin Project is designed to support children who face challenges as they prepare to transition from foster care to independence. Employees volunteer as mentors, teaching essential life skills through education in language skills, character 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, to ensure no child is left behind in their journey toward self-reliance.

Expanding its reach globally this year, Kyobo Life's employees and the children traveled to Laos to build a library and improve local schools. By giving back to others, the children discover their own potential and the joy of growing together as global citizens.

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.

A Beautiful Life of Sharing Together

Kyobo Dasomi Volunteer Team

The Kyobo Dasomi Volunteer Team is an employee-led initiative dedicated to sharing care with communities in need through meaningful volunteer activities. Each month, volunteer teams across the country participate in environmental plogging at 43 locations nationwide. For every team that joins a plogging activity, one meter of a Metasequoia forest trail is created along the Jungnangcheon Stream, contributing to long-term environmental restoration. In addition, volunteer teams are matched one-to-one with community child and youth care centers to support children and adolescents who need social care by providing cultural and recreational experiences. Kyobo Life will continue to expand and support volunteer activities to extend the reach of sharing and care to more communities.

"One Branch-One School" Financial Education Program

The One Branch-One School Financial Education Program aims to reduce gaps in financial literacy and address underserved areas of financial education by partnering with nearby schools.

Professional instructors from Kyobo Life deliver classes using case-based materials and interactive games, making financial concepts easy and engaging for students. The program also offers hands-on experiences, including site visits and career guidance, to provide practical support for students as future economic participants.

Kyobo Life is committed to helping children develop a sound understanding of finance from an early age through diverse and accessible educational programs.

Social Contribution Projects for Global Society

Kyobo Dasomi Global Volunteers

Since 2011, the Kyobo Dasomi Global Volunteers, made up of company employees, has been actively working to improve educational and living conditions in underdeveloped countries such as Vietnam and Laos. The volunteers have helped build libraries and houses of love, providing safe and comfortable homes for those in need. To support economic independence for impoverished farming families, the volunteers also planted seedlings and provided agricultural resources. Beyond infrastructure, the Dasomi volunteers organized small but meaningful events like sports competitions and graduation photo shoots for local children, creating cherished memories for them. Kyobo Life remains committed to improving educational opportunities and building safe homes so that children worldwide can continue their learning journey in a supportive environment.

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 is Korea's first public foundation dedicated to supporting agriculture and rural communities. The Foundation operates the Daesan Agriculture Award, the most prestigious award in the agricultural sector, while also fostering next-generation agricultural leaders and supporting farmer-led applied agricultural research. To promote understanding of the value of agriculture, the Foundation runs a wide range of public-interest programs, including family-oriented rural experience programs, local food and culture initiatives, farm-to-table projects, and support for regional cultural events. Through these activities, the Foundation contributes to building a sustainable society where urban and rural communities thrive together.

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 commemorative literary events honoring authors on the 100th anniversary of their birth.

Kyobo Foundation for Education

The Kyobo Foundation for Education, 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 30

Kyobo Life place the highest priority on our customers and always strive to innovate customer value.

Brand 32

Kyobo Life Brand realizes the value of respect for humanity.

People 34

Kyobo Life aims for mutual growth with all employees.

AI-DX 36

Kyobo Life enhances customer value while pursuing sustainable, profit-driven growth by embedding AI technologies across the entire insurance value chain.

CUSTOMER ORIENTED

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

Customer

Kyobo Life place the highest priority on our customers and always strive to innovate customer value.

Kyobo Life always strives to think from the customers' perspective and to become a company that excels at providing the highest level of customer protection. Through genuine understanding of the customers, Kyobo life strengthens the competitiveness of our products and channels, providing extended customer value that goes beyond the expected "financial security" and "psychological stability" throughout the entire process of subscription-retention-claim payment. Kyobo Life is committed to doing our best to enable customers to lead prosperous and happy lives. Furthermore, the company concentrates 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 practices the Lifelong Care Service, guided by the philosophy that serving existing customers comes before acquiring new policies. This service reflects our customer-centric management approach, designed to respond to changing customer needs and market conditions while growing together with customers through long-term trust. Under the Lifelong Care Service, all financial consultants regularly meet with customers to carefully review customer information, re-explain existing coverage, and provide guidance on unclaimed benefits. The service also assesses customers' coverage needs based on life-stage changes and financial conditions, helping them maintain the most appropriate coverage over time. Through this customer coverage-focused approach, Kyobo Life enhances the customer experience and reinforces the core role of life insurance in providing security and peace of mind. Over the past 15 years, approximately 2 million customers have benefitted from the service. This long-term commitment has 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 retention to claim payment - through our website and mobile app. To further enhance convenience, Kyobo Life continues to develop our mobile sales support system, allowing FPs to provide one-stop insurance services anytime, anywhere via smartphones and tablet PCs. Additionally, Kyobo Life offers enhanced digital services such as personalized coverage analysis driven by data and quick access tools to ensure that each customer gets the most suitable coverage.

Commitment to Consumer Centered Management (CCM)

Kyobo Life regards consumer-centered management as a core source of corporate competitiveness and has established a governance framework led by an independent Chief Consumer Officer (CCO) in accordance with the "Act on the Protection of Financial Consumers." Consumer protection principles are embedded throughout the entire value chain, from product development to post-sales management, to safeguard customer rights at every stage.

Following a 2025 organizational restructuring, Kyobo Life strengthened specialization by reorganizing consumer protection function into dedicated areas, including consumer protection support, internal control, and external complaint and dispute resolution. The headquarters-based Consumer Protection Team works closely with seven regional Consumer Protection Centers nationwide, carrying out field-oriented complaint prevention activities.

Key indicators, including VOC trends and consumer protection assessment results, are regularly reported to the Board of Directors. In addition, complaint incidence and internal control compliance are reflected in employee KPIs, reinforcing accountability at the management level and execution across the organization.

In response to digital transformation, Kyobo Life is advancing toward an AI- and data-driven intelligent consumer protection framework. Kyobo Life has continuously enhanced the VOC management support system, first established in 2022, enabling AI-based, high-precision responses to customer inquiries and an online-centered customer guidance system. These improvements have significantly increased the speed and accuracy of complaint handling. In addition, through the Product Monitoring Support Center, Kyobo Life proactively respond to strengthened regulatory expectations by mandating AI-based monitoring of fair sales practices, reinforcing consumer protection and compliance across the sales process.

As a result of these efforts, Kyobo Life became the first company in the industry to achieve Consumer Centered Management (CCM) certification for 10 consecutive terms and has been named Best Company in the Korea Consumer Protection Index (KCPI) for five consecutive years, setting a benchmark for the industry. Looking ahead, Kyobo Life will continue to leverage VOC data as a strategic management asset to proactively address customer inconvenience and further strengthen trust, positioning itself as the most trusted company that delivers the fundamental value of insurance.

Top-Tier Comprehensive Asset Management and Trust Services for a Super-Aging Society

Kyobo life provides top-tier comprehensive asset management services designed to help customers grow, manage, and transfer their wealth across generations. Building on life insurance-based family, health, and retirement protection, Kyobo Life offers differentiated solutions addressing a wide range of financial needs, including inheritance planning, gifts, and real estate management.

Customers receive tailored advisory services through a multidisciplinary team comprising Wealth Experts and Wealth Managers, alongside lawyers, tax advisors, labor specialists, and certified accountants, all working together to enhance long-term financial stability.

In 2025 alone, Kyobo Life provided comprehensive asset management consultations to 7,100 customers and hosted asset management seminars attended by more than 5,000 invited participants, sharing practical insights into wealth preservation and succession.

Kyobo Life stands at the forefront of the industry with best-in-class expertise in comprehensive property trusts, a vital solution for wealth management in an era of unprecedented longevity. Our comprehensive property trust services - encompassing testamentary, gift, and guardianship trusts - provide a sophisticated framework for seniors to secure their assets and ensure a seamless, effective transfer of wealth to the next generation.

A hallmark of our commitment is the "Lifelong Peace-of-Mind Trust," launched in response to the "Dementia Money" crisis that emerged as a significant social issue in 2025. This specialized solution has earned widespread acclaim from senior clients by providing a direct and reliable mechanism to safeguard their financial security.

Kyobo Life holds unrivaled capabilities in the field of Life Insurance Trust, empowering policyholders to ensure their insurance proceeds are utilized precisely according to their intended purposes.

Furthermore, leveraging our premier expertise in comprehensive property trusts, Kyobo Life is enhancing competitive edge by integrating trust services with innovative financial solutions. This strategic initiative is designed to facilitate seamless capital raising for Korea's most promising and innovative enterprises.

"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, Kyobo Life offers 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 offers highly customized corporate training programs designed to enhance organizational excellence across the board. The service includes CS quality enhancement to optimize external customer satisfaction, organizational revitalization to boost employee engagement and performance, and essential statutory training required for corporate compliance.

Since its inception in 2005, the DA-Win Service has been delivered to 1.28 million employees across approximately 20,000 diverse organizations, including public institutions, medical centers, and private enterprises. Through this initiative, Kyobo Life continues propagate our core philosophy of prioritizing customers and championing their long-term success.

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

Kyobo Life has long offered moments of pause and reflection in the midst of busy everyday lives through initiatives such as the Gwanghwamun Poem Board. Rooted in our brand value of "Respect for Humanity," Kyobo Life has long operated the humanities program "Read, Walk, and Feel in Gwanghwamun." To reach more customers, Kyobo Life has 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, Kyobo Life ensures that customers can engage with humanities content with ease and without burden. By leveraging digital technology, Kyobo Life continues to expand shared moments of reflection and empathy across generations, making humanities content accessible to everyone, regardless of age or background. Through our distinctive humanities service, "Haru It Literature," Kyobo Life will continue to create value beyond insurance - adding depth to everyday life and growing together with our customers.

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 people support one another, overcome life's uncertainties, and pursue their dreams with lasting financial security and peace of mind.

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 Kyobo Life wishes to deliver to society and our customers.

Kyobo Life's Brand Platform

Brand Philosophy
Respecting Human Values

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

Brand Mission
Kyobo Life is committed to helping people support one another, overcome life's uncertainties, and pursue their dreams with lasting financial security and peace of mind.

Brand Pledge

Emotional Aspect	Functional Aspect
· Cheering and encouraging · Understanding customers and actively taking care of them	· Reliable · Equipped with world-class professionalism

Kyobo Life Wordmark	Kyobo Life Slogan
KYOBO Inspired by the gogok - a traditional symbol of life and vitality - the brand motif brings together images of sprouts, birds, and fruit, expressing the continuity and preciousness of life	소중한 꿈을 지켜주는 Expressing the brand philosophy

"Kko-ok Family": A Character Celebrating Mutual Support

Kyobo Life introduced its new characters, the "Kko-ok Familiy," to communicate its core values in a more approachable way and strengthen emotional connections with customers. The name of the main character, Kko-ok, reflects the promise of warmly embracing one another in times of hardship and protecting customers' cherished dreams. Centered around Kko-ok, the Kko-ok Family is portrayed as a family of emperor penguins, including a younger sibling "Kko-mul," parents, and grandparents. The character concept is inspired by the emperor penguins' survival behavior known as "huddling" - enduring the harsh Antarctic cold by sharing warmth. This spirit of cooperation closely aligns with the essence of life insurance: mutual support, making it a natural motif for the brand.

The main character, "Kko-ok," has a positive personality and takes pride in helping others. Kko-ok's signature gogok-shaped bag - symbolizing life and care - carries solutions for supporting family and neighbors, clearly reflecting Kyobo Life's practical commitment to helping customers overcome life's challenges. Through the Kko-ok Family, Kyobo Life will continue to share the value of mutual support at the heart of insurance in a more friendly and accessible way, fostering sincere and lasting communication with customers.

Kko-ok

Kko-ok Family

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, Kyobo Life 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 1,446.5 billion from a credible global brand ratings agency.

※ As of the 2025, announced by Interbrand

FB 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.

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

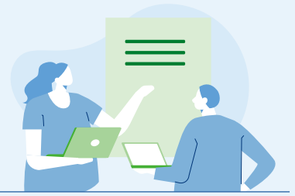
[FP Brand System and Its Visual Expression]

	Basic Image	Special Image	Leading Image
Target Image	Be Personalized & Specialized	Be First in Promise	Be Insightful
Brand Concept	Smart Friend		
Brand Slogan	Trusted Companion by Your Side, Kyobo Life FP		

FP Brand Wordmark	FP Brand Design Concept and Motif	Connecting Hands
든든한 내편 하나 교보생명 FP		This design visualizes Kyobo Life's FPs walking hand in hand as partners with its customers.

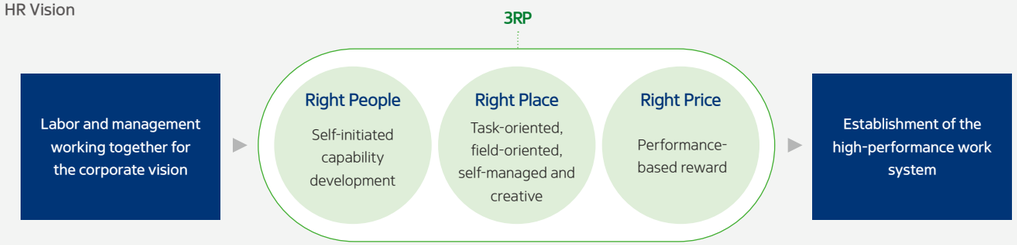
People

Kyobo Life aims for mutual growth with all employees.



Kyobo Life is committed to achieving a vision where both our employees and the company grow together. The company strives 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, Kyobo Life will continue to align the company's vision with the 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.

HR Vision



Strengthening the Job-Oriented HR Management System

Since 2010, Kyobo Life has reinforced job-oriented HR management across all areas, including recruitment, internal mobility, promotion, performance, and compensation. Starting in 2016, Kyobo Life developed an enhanced selection process focused on specific job requirements to identify talent best suited for both the role and the organization. In 2020, Kyobo Life restructured our compensation framework by expanding the job-based pay system. Moving forward, Kyobo Life will continue to strengthen its job- and data-driven HR operations, fostering a fair and objective HR management system that contributes to organizational performance and employee growth.

Strengthening Performance Management System to Establish an HPWS Culture

Kyobo Life holds heads of all business units, including top management, accountable for performance by clearly defining their responsibilities for each role. Kyobo Life is dedicated to establishing a field-driven "High Performance Work System (HPWS)" to ensure that every employee understands company 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, Kyobo Life has implemented a structured talent selection and development system, and in 2006, Kyobo Life launched the "KL (Kyobo Leader) Session," where top management, the heads and directors of each business unit and the HR team identify and nurture future organizational leaders. Since 2012, Kyobo Life has 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, Kyobo Life actively recruits 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, Kyobo Life provides 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.

Enhancing Positive Employee Experience

Kyobo Life conducts regular company-wide surveys to meticulously assess the level of employee experience. We define employee experience as the sum of all interactions and touchpoints an employee encounters throughout their tenure. Our primary goal in managing employee experience is to foster a workplace where employees feel genuinely inspired and motivated to come to work. Since 2023, we have utilized a proprietary diagnostic framework that evaluates four key dimensions of the employee journey (Work, Relationships, Systems and Culture). Based on these diagnostic insights, we identify and implement various strategic initiatives - such as the Begin Again, Mindfulness, Nobiliaire, Kyobo Family Day, and Harmony programs - designed to elevate organizational commitment and job satisfaction. By continuously refining these initiatives through rigorous effectiveness heart-checks, Kyobo Life remains dedicated to cultivating a positive and thriving employee experience.

Strengthening Customer-Centric Marketing and Human Capital Development for Sustainable Profit Growth

In 2025, Kyobo Life spearheaded a comprehensive business innovation initiative spanning sales to marketing, rooted in profitability-centered mindsets to reinforce our core business competitiveness. Simultaneously, we fortified our foundation for performance by advancing AI and functional competencies, while systematically nurturing the performance coaching capabilities of executives and managers alongside our future leader pipeline.

To achieve this, we implemented foundational job-specific training to deepen employees' understanding of the insurance business and profit and loss impact, thereby instilling a strong sense of profitability across the organization. We also enhanced the speed and accuracy of operational problem-solving through AI application and data analytics training tailored for specialists, such as DT Translators. Furthermore, by introducing Innovation Experiment Methodology training, we fostered a culture where field challenges are resolved through empirical testing and verification.

To systematically elevate leadership, we conducted performance coaching sessions, expert lectures, and book discussions, improving the competencies essential for driving results. We also expanded our organizational execution capacity by fostering a culture of mutual respect and seamless communication through collaboration-based teamwork programs.

Beyond company-led initiatives, we broadened autonomous growth paths by supporting our internal learning platform "Learning Together," Korea Insurance Institute courses, external professional training, and certification programs. Our proprietary platform, Learning Together, has become a hub for sharing knowledge and operational know-how, accumulating the organization's collective intelligence.

In 2025, we hosted the DEI (Diversity, Equity, and Inclusion) Conference under the theme, "From Diversity, Equity, and Inclusion to Belonging." This annual event, held since 2012, brings together employees, affiliates, and corporate clients to internalize DEI principles and embed them into our corporate culture.

Building on these efforts, Kyobo Life will continue to advance AX (AI-DX)-driven operational and job-centric competencies. By strengthening our customer-centric insurance marketing capabilities, we will empower our employees to enhance our core competitiveness and remain committed to delivering perfect protection to our customers.

Establishing Advanced Labor-Management Relations and Welfare Systems Centered on Employee Needs

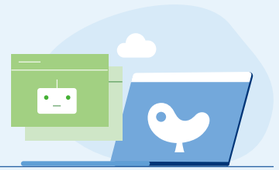
Kyobo Life regards advanced labor-management relations, built on a foundation of trust and mutual respect, as a core engine of our corporate management. We have solidified a strategic partnership that strictly adheres to laws and principles. By operating multi-dimensional communication channels - including regular Labor-Management Councils and HR Working-Level Committees - we have established a virtuous cycle where organizational growth leads to an enhanced quality of life for our employees, all while fostering a strong sense of ownership. Our commitment to win-win labor relations has earned prestigious external recognition, including being named a Best Labor-Management Culture Enterprise and receiving the Transparency Award.

Building on this tradition of mutual prosperity, Kyobo Life is continuously evolving its job-oriented HR system to remain resilient in a rapidly changing business environment. By strengthening a fair and rational HR framework based on professional expertise, we are firmly embedding a performance-driven culture. This strategic approach simultaneously enhances our organizational competitiveness and increases job satisfaction among our workforce.

Furthermore, Kyobo Life has maintained Family-Friendly Certification for 17 years in a row and was honored as Korea's No.1 Family-Friendly Company, a testament to our proactive support for employee work-life balance. To uphold this reputation, we lead the way in creating an environment that maximizes work engagement by encouraging annual leave for sufficient recharge and effectively implementing flexible work arrangements. We also maximize employee satisfaction by improving user-centered welfare processes and strategically managing our Employee Welfare Fund. Moving forward, Kyobo Life will continue to innovate the workplace environment based on our robust labor-management partnership, ensuring that every member can take pride in their work and grow together.

AI-DX

Kyobo Life enhances customer value while pursuing sustainable, profit-driven growth by embedding AI technologies across the entire insurance value chain.



Kyobo Life applies AI-driven digital transformation (AI-DX) across all core insurance functions - from product development and marketing to underwriting and claims payments - improving operational efficiency and advancing the customer experience. By integrating AI seamlessly with the core strengths of life insurance, Kyobo Life is reinforcing a stable earnings base while evolving into an innovative financial services provider that delivers tangible benefits across customers' lives, beyond traditional finance.

Strengthening Core Insurance Competitiveness through AI and Data

Enhancing Field Productivity through AI Adoption

Kyobo Life is applying generative AI technologies directly to business processes to improve productivity and operational effectiveness. Building on the introduction of "AI-Desk" in 2023, Kyobo Life operates AI-powered tools such as the "Coverage Analysis AI Supporter" and "FP AI Assistant," designed to enhance efficiency in sales and advisory operations. In addition, Kyobo Life has deployed "Enterprise GPT Service" supporting HR, legal affairs, retirement pension operations, and more across 11 internal functions, significantly improving employee convenience and efficiency. Notably, the designation of certain AI initiatives as innovative financial services has enabled secure internal network deployment while maintaining regulatory compliance, laying a strong foundation for expanding enterprise-wide AI utilization capabilities.

VOC* Data-Driven Customer Insights and Business Integration

Kyobo Life recognizes VOC data as a core strategic asset and actively integrates customer insights into product and service improvements. Using STT** technology, Kyobo Life conducts in-depth analysis of customer consultation records, complemented by detailed customer surveys to identify latent needs. In 2025, Kyobo Life further enhanced analytics capabilities by establishing a social data analysis framework, enabling proactive responses to emerging market trends. In addition, insurance claims data is analyzed to deliver tailored guidance and precautionary information, advancing data-driven and precise customer communication across touchpoints.

* VOC (Voice of Customer): On- and offline feedback collected from customers using products or services
** STT (Speech to Text): Technology that converts spoken language into written text

Advancing Digital Channels and Expanding the Platform Ecosystem

User-Centered Digital Design and Service Consistency

In response to the rapidly evolving financial environment, Kyobo Life has advanced its digital channels across the entire insurance lifecycle, including subscription, policy retention, and claims payment. We redesigned our mobile application's main interface and menu structure with a strong focus on user convenience and accessibility, while digitizing key insurance processes to enhance service delivery across digital touchpoints.

Expanding Services into a Comprehensive Financial and Life Platform

Kyobo Life is expanding its digital channels beyond insurance-related services to become a comprehensive financial and life platform. Enhanced My Data-based coverage analysis and retirement planning services strengthen our asset management capabilities, while integrated life-care services, including health management, personalized nutritional supplement recommendations, and content designed to encourage reading habits, broaden daily customer engagement across. As of the end of 2025, we served approximately 2.84 million digital members. Kyobo Life will continue to enhance customer-facing services through AI and data-driven innovation.

Building a Business Ecosystem and Fostering an Innovation Culture

Strategic Collaboration through Open Innovation and Securing Future Growth Engines

At Kyobo Life, we actively embrace external innovation to expand our business ecosystem and build new engines for sustainable growth. Through the Kyobo New Technology Investment Fund No.1 (CVC*), a KRW 200 billion fund established in 2021, we completed 26 strategic investments by 2025. In parallel, we continue to support promising startups through direct investments and participation in the TIPS** initiative and have seen meaningful results from our in-house venture incubation program, which has led to the successful spin-off of three independent startups. In addition, through our proprietary INNOSTAGE program, we have identified and developed around 60 collaboration projects with startups in areas such as insurance claims processing and health prediction, steadily moving these initiatives toward commercialization.

* 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

Establishing a Secure Cloud and Security Framework for Responsible AI Adoption

To ensure stable and sustainable business performance, Kyobo Life operates a multi-CSP* environment. We have also established standardized development environments - including integrated APIs and DevOps frameworks - to improve accessibility for business teams and increase resource efficiency. In response to regulatory and financial supervisory requirements, we apply a DevSecOps** framework across the entire lifecycle, from development to operations. By embedding security and internal controls from the outset, we are building a trusted digital financial environment that enables safe and responsible use of AI technologies.

* CSP (Cloud Service Provider): A company that provides cloud computing services such as servers, storage, and networks
** DevSecOps (Development, Security, And Operations): A methodology that integrates security into every stage of software development and operations through automation and early design

Embedding Customer-Centered Innovation

At Kyobo Life, we begin innovation not from a provider's perspective, but from customers' real pain points. Through our Innovation Lab, we apply a "working backward" approach - defining customer problems first and repeatedly validating solutions - to support company-wide business innovation. In 2025, we addressed practical challenges such as improving claims assessment processes and proposing new models that connect healthcare services with insurance. Through these efforts, we are steadily building a culture of innovation where our frontline teams and headquarters work closely together to turn ideas into action.

Strengthening Digital Infrastructure and Governance to Support Business Innovation

Enhancing Data Value through an Integrated Infrastructure across Our Affiliates

To unlock data synergies across our affiliates, we have advanced an affiliates-wide integrated business infrastructure. By establishing an AI-ready data architecture, we streamlined data sourcing and analytics processes, enabling more effective use of data. This foundation supports joint marketing and shared business opportunities across the group, helping transform data into measurable business outcomes.

MARKET & STRATEGY

Insurance Business 40

Kyobo Life will strengthen customer-centric marketing and drive innovation across policy subscription, retention and claims payment.

Asset Management 41

As a life insurance company, Kyobo Life remains firmly committed to disciplined, long-term asset management aimed at delivering stable investment returns.

Risk Management 43

Kyobo Life maximizes 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

Kyobo Life will strengthen customer-centric marketing and drive innovation across policy subscription, retention and claims payment.

The essence of life insurance lies in practicing human solidarity and mutual support, helping people overcome life's uncertainties and challenges. Kyobo Life takes great pride and responsibility in upholding this core purpose and remains committed to delivering differentiated products and services rooted in this belief. To provide both financial security and peace of mind, Kyobo Life is enhancing customer-driven marketing strategies and driving innovation across the entire insurance journey - from subscription and retention to claims payments. 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 2025

In 2025, the insurance market faced an increasingly challenging environment marked by low economic growth and persistent inflation, alongside structural social and demographic changes. These factors led to a contraction in traditional life insurance demand and intensified competition, particularly from non-life insurers offering overlapping products. With the advent of an era of longer life expectancy accompanied by chronic health conditions, growing health awareness, and continued advances in medical technology, overall healthcare spending continued to grow, fueling greater demand for insurance coverage for individuals with pre-existing conditions.

In addition, the development of health insurance products, including disease-focused and senior/pre-existing condition coverage, gained momentum. Following the full implementation of IFRS 17, competition in health insurance sales heightened as insurers sought to secure Contractual Service Margin (CSM).

Insurance Business Performance in 2025

In 2025, Kyobo Life strengthened customer-centric marketing by conducting in-depth customer analysis and creating customer value through innovative products and new services based on identified needs. As a result, we expanded customers' protection asset through a focus on 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 ongoing 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 2026

In 2026, low economic growth is expected to persist, driven by continued demographic shifts such as low birth rates and population aging, alongside high household debt burdens and prolonged inflation.

At the same time, the ongoing implementation of IFRS 17 and the Korean Insurance Capital Standard (K-ICS), together with strengthened consumer protection policies, will further raise expectations for transparency, accountability, and sound management across the insurance industry.

The health insurance market is expected to continue expanding, with greater product segmentation based on health conditions, including coverage for customers with pre-existing conditions. Competition is likely to intensify in the third-sector insurance market between life and non-life insurers as they seek to secure Contractual Service Margin (CSM). In the traditional life insurance market, demographic shifts, including the growth of single-person households, are expected to diversify protection needs, further intensifying competition.

Against this backdrop, insurers are expected to respond proactively to changing customer needs and market conditions by introducing new products and services that deliver differentiated customer experiences.

Insurance Business Strategy in 2026

In 2026, Kyobo Life will focus on achieving its growth objectives by strengthening the core competitiveness of its insurance business and responding more effectively to changes in customer needs and market conditions. By deepening our understanding of customers' needs and wants, we will provide pro ducts and services that support protection across the entire life cycle. At the same time, we will continue to enhance our insurance capabilities through the practical application of digital technologies.

To deliver more relevant value, we will further refine customer-centric marketing, enhancing targeted approaches through more detailed customer segmentation. Our product lineup will also be expanded to ensure that each customer can access the most appropriate coverage for their individual situation.

Across distribution channels, our tied agent channel will pursue both qualitative and quantitative growth, aligned with Kyobo Life's management philosophy, organizational culture, and sales capabilities. Non-exclusive channels will play a complementary role, helping us respond flexibly to market changes and support sustainable growth.

We will also strengthen persistency and retention services by upgrading in-force policy management systems and providing differentiated coverage management. In parallel, we will improve the convenience of claims and payment processes, enhancing customer satisfaction and ensuring comprehensive protection.

Finally, by expanding the use of digital and non-face-to-face channels, we will improve customer convenience while increasing efficiency in frontline operations.

Asset Management

As a life insurance company, Kyobo Life remains firmly committed to disciplined, long-term asset management aimed at delivering stable investment returns.

Kyobo Life strives to maintain optimal asset portfolios within the constraints of risk limits, duration gap targets, and other asset management regulations, securing stable and sustainable investment performance. Grounded in Asset Liability Management (ALM) tailored to the long-term nature of life insurance products and guided by the risk appetite and risk limits approved by the Board, we pursue stable long-term returns through Strategic Asset Allocation (SAA). At the same time, we respond proactively to short-term market fluctuations through Tactical Asset Allocation (TAA), seeking to generate additional returns while maintaining disciplined risk management.

Financial Market Overview in 2025

In 2025, the global economy and financial markets increasingly reflected a K-shaped growth pattern, marked by widening disparities in the pace and direction of recovery across countries, industries, and income groups. At the global level, economic polarization became more pronounced, with the United States, India, and resource- and technology-driven economies maintaining relatively solid growth, while China and parts of Europe continued to experience slowing momentum. By industry, high value-added sectors such as AI, semiconductors, and energy transition led growth, whereas traditional manufacturing and domestic demand-oriented industries showed signs of stagnation.

The United States displayed a particularly clear K-shaped dynamic, as AI- and big tech-driven companies and asset holders benefited from rising equity markets and incomes, while small businesses and lower-income households faced mounting pressure from weak employment conditions and high interest rates.

A similar pattern emerged in Korea, where export-oriented industries and large corporations - led by semiconductors, AI, secondary batteries, defense, and shipbuilding - benefitted from recovering global demand and technological competitiveness, driving improved performance and robust capital market momentum. This translated into rising equity prices and increased foreign investment inflows, with the KOSPI surging by more than 75% over the year to close at a record high of around 4,200 points. By contrast, self-employed businesses, domestic service sectors, and small and medium-sized enterprises continued to face challenges amid high interest rates, elevated household debt burdens, and subdued consumer spending.

Kyobo Life's 2025 Asset Management Performance Overview

In fiscal year 2025, our asset management division adeptly navigated a highly volatile financial market, delivering solid performance in both profitability and risk management. From a performance perspective, we enhanced portfolio returns by expanding investments in assets with attractive risk-adjusted returns, including infrastructure-related investments. In addition, we leveraged interest rate fluctuations to strategically rebalance our bond holdings, ensuring a stable and sustainable source of recurring income over the long term. Variable assets were managed flexibly, with equity and fixed-income allocations adjusted in line with market conditions, generating returns that outperformed benchmarks.

On the risk management front, Kyobo Life focused on reducing asset-liability cash flow mismatches from an ALM standpoint to mitigate capital volatility arising from interest rate fluctuations and to maintain a stable K-ICS ratio. We also proactively managed credit and market risks through strategic foreign-currency hedging and early interventions in higher-risk assets. In addition, we strengthened post-investment oversight of alternative investments, including overseas real estate, and enhanced delinquency monitoring to address rising concerns over household debt deterioration in a prolonged high-interest-rate environment, thereby continuously improving the overall quality of our asset portfolio.

Financial Market Outlook in 2026

The global economy in 2026 is expected to remain broadly stable, despite a moderation in overall growth. While inflation has receded from the sharp surge seen in recent years, differences in policy direction, exchange-rate dynamics, and trade conditions across countries are likely to lead to divergent inflation paths. As a result, financial markets are expected to remain highly sensitive to policy developments.

The U.S. economy is projected to continue on a soft-landing trajectory in 2026, sustaining moderate growth. Although tariff policies and ongoing supply chain realignment may slow the pace of disinflation in certain goods categories, they are unlikely to trigger a renewed rise in broad-based inflation. Accordingly, monetary policy is expected to retain a gradual easing bias. U.S. bond yields may move toward lower and more stable levels in line with this policy stance; however, political developments, including the November midterm elections, as well as shifts in fiscal policy, could contribute to periods of heightened volatility through supply-and-demand dynamics. Equity markets are likely to remain differentiated, driven more by corporate earnings and sector-specific structural changes than by the broader economic cycle.

The Korean economy is expected to post moderate, export-led growth, while the recovery in domestic demand remains limited. Although IT exports - particularly semiconductors - and select industries may benefit from an improvement in global demand, the pace of domestic consumption is likely to be constrained by household debt burdens, the lingering impact of high interest rates, and inflation uncertainty associated with elevated exchange rates. In this environment, the Bank of Korea's policy flexibility is expected to remain limited, resulting in a more cautious stance than in the previous year. Korea's equity market is likely to continue the polarization observed in the prior year, while the bond market is expected to maintain a broadly stable trend.

Asset Management Strategies for Kyobo Life in 2026

In 2026, heightened polarization across asset classes, regions, and industries is expected to persist, driven by ongoing policy uncertainty and geopolitical factors both domestically and globally. In this environment, Kyobo Life will focus on further enhancing its asset management capabilities to generate systematic and sustainable earnings.

Asset Management Strategies for Kyobo Life in 2026

First	We aim to achieve an asset investment yield that exceeds the cost of liabilities under the IFRS 17 framework.
Second	We will continue efforts to minimize capital volatility by strengthening cash flow matching between assets and liabilities.
Third	We will reinforce risk management by advancing processes across the entire alternative investment lifecycle and manage our asset portfolio with a long-term perspective to establish a stable and sustainable foundation for earnings growth.

Risk Management

Kyobo Life maximizes 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. Kyobo Life has 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.

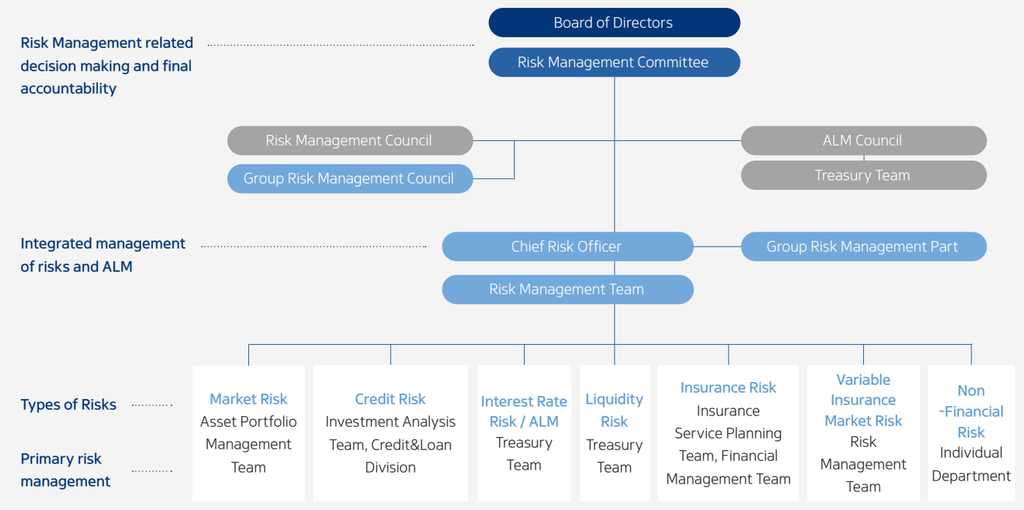
Strategic Risk Management to Maximize Corporate Value

Kyobo Life actively monitors risk limits that could impact the company's capital to ensure financial soundness and stability. Kyobo Life has adopted an ALM policy that considers both liabilities and assets, supporting long-term corporate value growth. In particular, Kyobo Life incorporates non-financial risks, including operational, strategic, and reputational risks, into the risk management framework. To strengthen company-wide risk control, Kyobo Life conducts 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.

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.

Risk Management 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.

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 gains targets, and ensure stable profitability in this area.

Liquidity 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 shifts. 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 analyses to assess their financial impact. We disclose our 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 RBC, 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 Group: Kyobo Life, Kyobo Securities, Kyobo Lifeplanet Life Insurance, Kyobo AXA Investment Managers, Kyobo Asset Trust

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 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 48

Management's Discussion and Analysis

Introduction

The Management's Discussion and Analysis section contains forward-looking statements relating to Kyobo Life's historical operating results, as well as the future economic environment, the outlook for the life insurance industry, and Kyobo Life's future objectives and strategies. These statements involve uncertainties and other factors that are difficult to predict at the present time; accordingly, actual economic conditions or operating results in the future may differ materially from those expressed or implied herein. Readers are therefore advised to exercise caution when interpreting the information contained in this section.

Kyobo Life's fiscal year begins on January 1 and ends on December 31. In this report, references to "FY2025" or the "2025 Fiscal Year" refer to the period from January 1, 2025, to December 31, 2025, and the same convention applies to other fiscal years unless otherwise indicated.

Accounting standards applicable to life insurance companies are broadly classified into Generally Accepted Accounting Principles (GAAP), which represent general corporate accounting standards, and Statutory Accounting Principles (SAP), which are supervisory standards applicable to the insurance industry. Operating profit under GAAP and SAP may differ due to differences in the classification of operating and non-operating activities. In addition, beginning in December 2025, exceptional accounting treatment relating to policyholder equity adjustments will be discontinued. Under GAAP, the portion of valuation gains arising from assets held that is attributable to participating policyholders is recognized as equity, whereas under SAP such amounts are recognized as liabilities. This Management's Discussion and Analysis presents financial performance on an SAP basis, which separates revenues and expenses and facilitates analysis of underwriting and investment performance, while allowing comparability with the prior year.

Overview of Key Financial Performance

1. Growth

Kyobo Life has achieved sustained growth based on its strong asset management capabilities, robust risk management framework, market-leading product development capabilities, and a powerful exclusive distribution channel. Following thorough preparation for the adoption of new accounting standards, the company successfully stabilized the implementation of IFRS 17. As a result, Kyobo Life prevented a decline in asset levels, and total assets increased by approximately 4.7% year-on-year to KRW 128.16 trillion in FY2025.

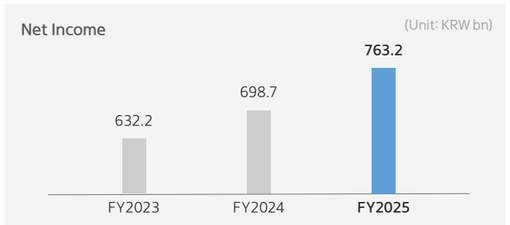
Despite an increase in insurance liabilities resulting from the decline in discount rates for insurance liabilities following the Financial Supervisory Service's policy to align liability discount rates with market levels, total equity increased by 4.9% to KRW 7.67 trillion as of the end of FY2025. In addition, retained earnings increased by KRW 541.8 billion compared with the previous year. Through continued profit generation, the company remains focused on strengthening both the scale and quality of its capital base.

Growth Indicators (Unit: KRW bn)

	FY2023	FY2024	FY2025
Total Assets	115,002.5	122,409.0	128,161.3
Total Equity	9,975.8	7,305.0	7,666.6
Premium Income	18,987.0	14,548.8	17,979.9
General Accounts	11,178.7	9,952.8	11,310.4
Separate Accounts	7,808.3	4,596.0	6,669.5

2. Profitability

Kyobo Life prioritizes providing optimal protection to its customers while maintaining a strong focus on long-term profitability. As a result, the company has continued to deliver stable growth in net income following the adoption of the new accounting standards. In FY2025, Kyobo Life recorded net income of KRW 763.2 billion, representing a 9.2% increase year-on-year. This performance was supported by solid insurance earnings driven primarily by the amortization of the Contractual Service Margin (CSM), as well as investment income centered on recurring earnings.



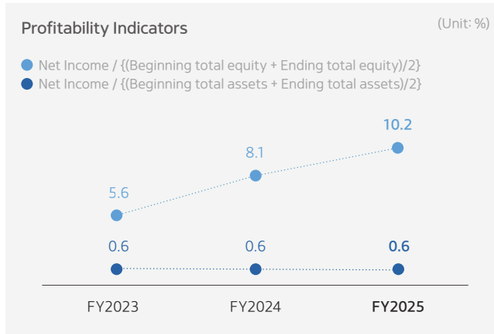
Competition to secure the Contractual Service Margin (CSM) - a key source of future earnings - remained intense in 2025, following the competitive environment seen in 2024. To ensure stable future profit generation, Kyobo Life actively implemented the second year of its "Balanced Protection" campaign, focusing on expanding sales of protection-type products and securing a stable level of CSM.

As of the end of 2025, Kyobo Life's CSM stood at KRW 6.51 trillion, an increase of KRW 72.9 billion compared with the end of 2024. Despite intensifying market competition, the company continued to strengthen its CSM, thereby reinforcing a stable foundation for future earnings.

Contractual Service Margin (Unit: KRW bn)

	FY2024	FY2025
Contractual Service Margin (CSM)	6,438.1	6,511.0
New Business CSM	1,371.6	1,278.1

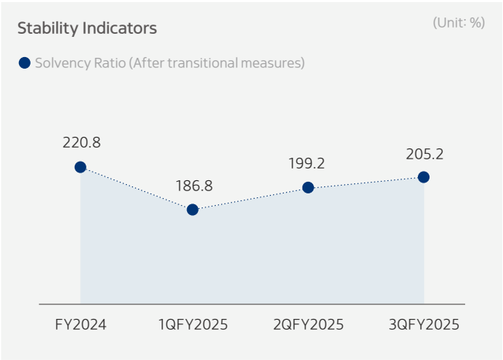
ROE increased by 2.1%p year-on-year to 10.2%, driven by higher net income.



3. Financial Soundness

Kyobo Life recognizes that effective risk management is a core competitive strength in the insurance industry. Through a comprehensive and integrated risk management framework, the company seeks to minimize management uncertainty in advance and maintain financial stability. Since 2016, Kyobo Life has developed the necessary infrastructure and systems in preparation for the implementation of the International Financial Reporting Standard for insurance contracts (IFRS 17) and the Korean Insurance Capital Standard (K-ICS). As a result, the company maintained a stable solvency ratio under the new regulatory framework. Given the heightened volatility in both domestic and global economic conditions, Kyobo Life applied to the financial authorities in February 2023 to adopt transitional measures under the K-ICS framework in order to mitigate potential fluctuations.

The discount rate for insurance liabilities reflects the time value of money and financial risks associated with future cash flows. A decline in the discount rate increases insurance contract liabilities. As insurance liabilities increase, shareholders' equity decreases, which in turn may lower the K-ICS ratio, a key indicator of capital adequacy. In FY2025, the discount rate for insurance liabilities declined due to the Financial Supervisory Service's policy to align insurance liability discount rates with market levels, resulting in increased downward pressure on the K-ICS ratio. Nevertheless, Kyobo Life maintained a K-ICS ratio of 205.2% as of the third quarter of 2025, demonstrating solid financial soundness with a steady quarterly improvement.



* Available Capital / Total Risk under the K-ICS framework
* Based on consolidated financial statements

Insurance Business Analysis

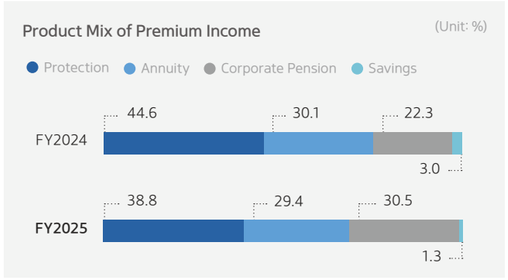
1. Premium Income

Competition to secure CSM, a key source of future earnings for insurers, remained intense in 2025, following the competitive environment observed in 2024. Life insurers focused on expanding sales of protection-type products, which are more favorable for generating CSM. Kyobo Life likewise implemented its "Balanced Protection" campaign to secure stable premium income by strengthening sales of protection-type products. As a result, despite intensifying market competition, premium income from protection-type products grew by 7.4% year-on-year to KRW 6.97 trillion in FY2025. Through the "Balanced Protection" project launched in 2024, Kyobo Life rebalanced its product portfolio toward protection-type products, reducing sales of savings-type insurance products that had temporarily increased under high-interest rate conditions to secure liquidity. Meanwhile, premium income from retirement pensions increased by 69.2% year-on-year in 2025, supported by continued expansion in both the retirement pension market and the individual annuity market, driven in part by the growing number of retirees since the end of 2024. As a result, Kyobo Life's total premium income in FY2025 increased by 23.6% year-on-year to KRW 17.98 trillion.

Premium Income by Product (Unit: KRW bn)

	FY2024	FY2025	Change
Protection	6,484.9	6,967.2	7.4%
Annuity	4,385.8	5,290.0	20.6%
Savings	433.2	231.4	-46.6%
Corporate Pension	3,244.9	5,491.3	69.2%
Total	14,548.8	17,979.9	23.6%

While responding to the growing retirement pension market, Kyobo Life continued to expand sales of protection-type products, which offer higher profitability and support improved policy persistency. As a result, protection-type products accounted for 38.8% of total premium income in 2025, while retirement pensions accounted for 30.5%.



Kyobo Life maintains a product portfolio centered on whole life and health insurance products, which exhibit strong policy persistency. By focusing on long-term protection-type products with stable retention characteristics, the company has maintained a 13th-month policy persistency ratio of over 80%.

13th-Month Persistency Ratio

FY2023	FY2024	FY2025
81.8%	86.0%	82.9%

* 13th-month persistency ratio = policies in force at the 13th month / policies issued 13 months earlier (two-month grace period, cumulative basis)

2. New Business

In FY2025, Kyobo Life recorded new business APE (Annualized Premium Equivalent) of KRW 2.25 trillion.

As the company entered the second year of its “Balanced Protection” campaign, it actively promoted the project to provide systematic protection analysis and optimal coverage solutions for customers. In particular, Kyobo Life launched a range of new protection-type products designed to address diverse customer needs, including policies covering women’s health, diabetes, hypertension and hyperlipidemia, as well as cancer and cardio-cerebrovascular care. The company also introduced products such as the “3 Balanced Protection Insurance,” which offers comprehensive coverage with competitive premium pricing. As a result, APE from protection-type products increased by 5.7% year-on-year to KRW 1.63 trillion.

Looking ahead to FY2026, Kyobo Life plans to further strengthen its insurance business competitiveness by positioning family protection and health protection as core strategic priorities. The company will focus on expanding its lineup of differentiated protection-type products and strengthening its distribution capabilities.

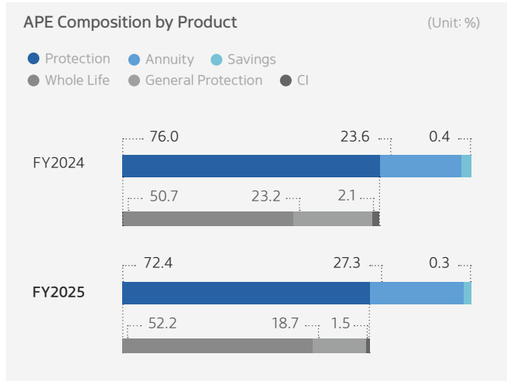
APE by Product

(Unit: KRW bn)

	FY2024	FY2025	Change
Protection	1,543.4	1,632.0	5.7%
Whole Life	1,030.1	1,177.4	14.3%
CI	42.6	32.8	-23.0%
General Protection	470.7	421.8	-10.4%
Annuity	479.1	616.1	28.6%
Savings	8.9	6.4	-28.1%
Total	2,031.4	2,254.5	11.0%

* Corporate pension excluded

Despite intense market competition in FY2025 to secure CSM through the sale of protection-type products, Kyobo Life maintained a stable protection-type APE ratio of 72.4%.

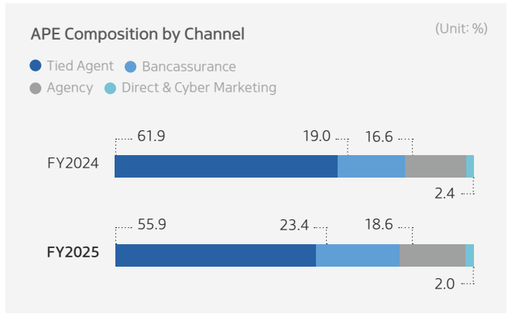


* Corporate pension excluded

3. Sales by Channel

Kyobo Life addresses a wide range of policyholder needs by delivering differentiated products and services through a diversified distribution network, including its tied agent channel, as well as bancassurance, agencies, direct, and corporate sales channels.

In FY2025, the Consultant channel organization recorded stable net growth, supported by the company’s strong competitiveness in tied agent channel. However, driven by strong sales of annuity products through the bancassurance channel, the APE contribution from the bancassurance channel increased by 4.4%p year-on-year to 23.4%. Accordingly, the tied agent channel’s APE contribution was slightly adjusted to 55.9%. In addition, Kyobo Life continued its efforts to expand sales through the agency channel, resulting in a 2.0%p year-on-year increase in the agency channel’s new business APE contribution, demonstrating steady growth.



* Corporate pension excluded

4. Insurance Service Income

The strengthening of Kyobo Life’s protection-type insurance portfolio through the “Balanced Protection” campaign contributed to realization of stable insurance service income.

As of the end of FY2025, Kyobo Life recorded insurance service income of KRW 391.6 billion. The experience variance, which represents the difference between expected and actual claims and expenses, amounted to KRW 193.2 billion, reflecting higher expected expenses associated with increased new business alongside continued efforts to enhance expense management efficiency. In addition, the company recognized KRW 588.0 billion in CSM amortization, contributing to stable insurance earnings. Going forward, Kyobo Life plans to further strengthen new business generation and experience variance management in order to maintain stable insurance service income.

Insurance Service Income

(Unit: KRW bn)

	FY2024	FY2025	Change
Insurance Revenue	3,979.4	4,308.8	8.3%
Expected Incurred Claims	1,988.9	2,158.6	8.5%
Expected Operating Expenses	1,168.0	1,163.2	-0.4%
Change in the Risk Adjustment	147.1	150.6	2.4%
Amortization of Contractual Service Margin	585.6	588.0	0.4%
Other Insurance Revenue	89.9	248.3	176.2%
Insurance Service Expenses	3,462.9	3,862.5	11.5%
Incurred Claims	1,947.9	2,081.3	6.9%
Actual Operating Expenses	1,080.9	1,047.4	-3.1%
Losses on Onerous Contracts	318.9	452.0	41.7%
Adjustment to Incurred Claims	12.8	34.8	172.0%
Other Insurance Expenses	102.4	247.0	141.3%
Reinsurance Income	-2.0	9.2	-
Other Operating Expenses	41.0	63.9	56.1%
Insurance Service Income	473.6	391.6	-17.3%

Asset Management Analysis

1. Asset Portfolio

Kyobo Life manages its investments from a long-term perspective, consistently pursuing stable returns by constructing an optimal asset portfolio based on an Asset Liability Management (ALM) strategy tailored to the long-term nature of life insurance products.

As of the end of FY2025, Kyobo Life’s invested assets totaled KRW 107.3 trillion. In particular, the company actively expanded investments in domestic and overseas bonds in order to secure stable high-yield assets.

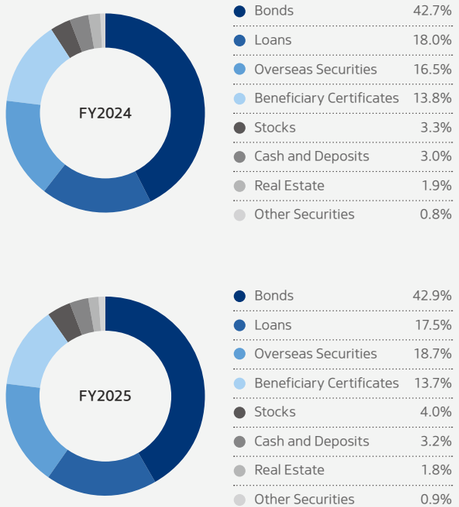
Asset Portfolio

(Unit: KRW bn)

	FY2024	FY2025
Operating Assets	104,248.2	107,254.3
Cash and Deposits	3,101.5	3,358.4
Stocks	3,490.2	4,188.7
Bonds	44,462.5	44,690.2
Overseas Securities	17,252.5	19,538.2
Beneficiary Certificates	14,429.9	14,328.2
Other Securities	837.3	951.2
Loans	18,736.3	18,282.0
Real Estate	1,938.1	1,917.4
Non-operating Assets	3,353.4	3,260.4
Derivative Instruments	597.2	261.3
Other Non-operating Assets	2,756.2	2,999.1
Total Operating Assets	107,601.6	110,514.7

Domestic bonds accounted for the largest share of Kyobo Life's invested assets at 42.9%, maintaining a stable allocation within the portfolio.

Composition of Operating Asset Portfolio (Unit: %)



2. Investment Income

In FY2025, Kyobo Life recorded investment income of KRW 574.5 billion. In order to ensure stable generation of investment income, the company has continuously expanded its base of recurring investment income, achieving solid results in this area. Interest income from bond and loan assets increased by KRW 241.3 billion year-on-year, while dividend income, mainly from alternative investment assets, also increased by KRW 43.0 billion compared with the previous year.

Following the adoption of IFRS 17, investment performance arising from variable insurance contracts is recognized as insurance finance income for accounting purposes. As a result, insurance finance income may temporarily appear as a loss. However, given that the investment risk and performance of variable insurance products are attributable to policyholders, such accounting treatment does not affect the company's proprietary investment results.

Investment Income (Unit: KRW bn)

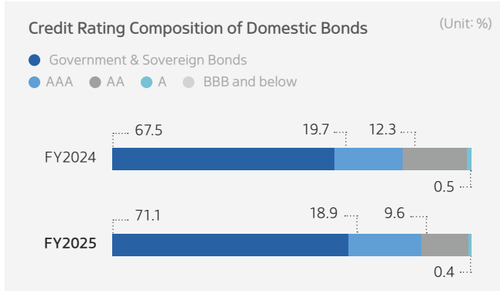
	FY2024	FY2025
Recurring Investment Income	306.9	-1,807.9
Interest Income	3,173.9	3,415.1
Dividend Income	150.6	193.6
Rental Income	103.3	107.8
Fee Income	19.1	23.5
Insurance Finance Income	-2,927.3	-5,270.2
Investment Administration Expense	87.5	88.8
Interest Expense	125.2	188.9
Non-recurring Investment Income	104.5	2,382.4
Gain/Loss on Disposal of Financial Instruments	122.7	1,461.5
Gain/Loss on Valuation of Financial Instruments	14.5	2,535.9
Impairment Losses and Reversals	-336.0	-200.8
Gain/Loss on Foreign Exchange and Derivative Instruments	277.5	-1,472.6
Other Gain/Loss	25.8	58.4
Investment Income	411.4	574.5

In FY2025, favorable market conditions contributed to an expansion in valuation gains on financial instruments. In addition, the company disposed of certain assets with relatively higher volatility as part of its profit-taking and risk management strategy, resulting in recognized gains on disposal of financial instruments.

3. Domestic Bond Portfolio

As of the end of FY2025, Kyobo Life's domestic bond holdings totaled KRW 44.69 trillion. Considering the company's asset-liability matching strategy aimed at reducing balance sheet volatility, the scale of domestic bond investments is expected to remain relatively stable going forward. In terms of the credit rating composition of domestic bonds, 99.6% of the portfolio consists of high-quality bonds rated AA or higher, including government and public bonds. In addition, as a result of continued efforts to strengthen asset quality in preparation for a potential economic slowdown, the proportion of government and public bonds increased by 3.6%p year-on-year.

Credit Rating Composition of Domestic Bonds (Unit: %)



4. Overseas Securities Portfolio

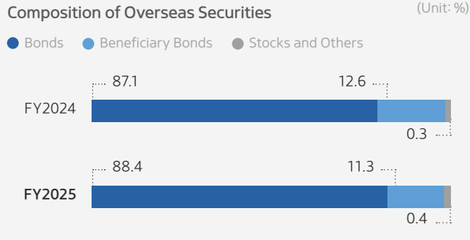
As of the end of FY2025, Kyobo Life's overseas securities holdings amounted to KRW 19.54 trillion. Taking advantage of the prolonged high-interest-rate environment, the company expanded new investments in higher-yielding overseas bonds. As a result, overseas bond holdings increased by 14.9% year-on-year to KRW 17.27 trillion. In addition, the total balance of overseas securities grew as foreign exchange effects were reflected in the valuation of foreign-currency-denominated assets.

Overseas Securities Portfolio (Unit: KRW bn)

	FY2024	FY2025	Change
Bonds	15,022.7	17,265.6	14.9%
Stocks	30.3	15.2	-50.0%
Beneficiary Certificates	2,177.9	2,200.2	1.0%
Hybrid Securities	-	-	-
Others	21.5	57.2	166.0%
Total	17,252.5	19,538.2	13.2%
Total (USD million)	11,736.4	13,625.0	16.1%

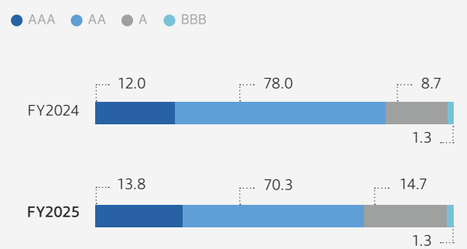
Among overseas securities, overseas bonds accounted for 88.7% of the portfolio, increasing by 1.3%p year-on-year, reflecting the company's strategy to expand new investments in higher-yielding overseas bonds amid the rising interest-rate environment. The share of overseas securities was 11.3%, decreasing by 1.4%p compared with the previous year.

Composition of Overseas Securities (Unit: %)



All overseas bonds held by Kyobo Life are investment-grade securities, with 98.7% rated A or higher. By credit rating, the proportion of A-rated bonds increased by 6.0%p, mainly due to the reclassification of French government bonds from AA to A following the downgrade of France's sovereign credit rating. Considering potential market volatility arising from heightened global policy uncertainty, Kyobo Life plans to continue focusing on investments in high-quality overseas bonds going forward.

Overseas Bonds by Credit Rating (Unit: %)



APPENDIX

Auditors' Report (Consolidated)

Auditors' Report (Separate)

Business Network

Kyobo Life Insurance Co., Ltd.
and its subsidiaries

Consolidated financial statements

for the year ended December 31, 2025
with the independent auditor's report

Contents

Independent auditor's report

	Page
Consolidated financial statements	
Consolidated statements of financial position	1
Consolidated statements of comprehensive income or loss	2
Consolidated statements of changes in equity	5
Consolidated statements of cash flows	7
Notes to the consolidated financial statements	8

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Independent auditor's report
(English translation of a report originally issued in Korean)

The Shareholders and Board of Directors
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 statement of financial position as of December 31, 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended December 31, 2025, and the 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 of December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2025 in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS").

Basis for opinion

We conducted our audit in accordance with Korean Standards on Auditing ("KSA"). 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 that are relevant to our audit of the consolidated financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The consolidated financial statements for the year ended December 31, 2024 have been audited by another auditor whose report dated March 5, 2025 expressed an unqualified opinion thereon.

Meanwhile, the consolidated financial statements for the year ended December 31, 2024 on which the other auditor expressed the unqualified opinion are the financial statements not reflecting the adjustments described in Note 46 to the consolidated financial statements, whereas the consolidated financial statements for the year ended December 31, 2024 presented herein for comparative purposes have been retrospectively restated to reflect the adjustments described in Note 46.

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 KIFRS, and for such internal control as management determines is necessary to enable the preparation of the 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, or has no realistic alternative but to do so.

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 KSA 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

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As part of an audit in accordance with KSA, 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 Group'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 6, 2026

This audit report is effective as of March 6, 2026, the independent auditor's report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's report to the time this report is used. Such events and circumstances could significantly affect the accompanying consolidated financial statements and may result in modifications to this report.

Kyobo Life Insurance Co., Ltd. and its subsidiaries

Consolidated financial statements

for each of the two years in the period ended December 31, 2025

"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.

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(Contact) 1588-1001

Kyobo Life Insurance Co., Ltd. and its subsidiaries

Consolidated statements of financial position

as of December 31, 2025, December 31, 2024, and January 1, 2024

(In Korean won)	Note		December 31, 2025	December 31, 2024	January 1, 2024
Assets					
Cash and due from banks	4,11,12	₩	5,398,153,686,058	4,803,711,843,557	5,107,297,868,564
Financial assets at fair value through profit or loss	5,11,12		47,155,640,110,589	43,755,496,807,742	44,501,060,931,792
Derivative assets	11,12,25		1,041,233,246,844	1,417,898,211,875	1,395,597,282,005
Financial assets at fair value through other comprehensive income	6,11,12		62,158,403,103,197	58,868,566,094,052	50,576,574,453,167
Securities at amortized cost	7,11,12		1,309,734,576,418	1,213,151,580,928	1,299,927,415,644
Loan receivables at amortized cost	8,11,12		22,651,882,948,686	22,021,883,801,895	22,273,414,255,306
Other financial assets at amortized cost	9,11,12		3,451,927,955,511	1,716,723,834,741	1,855,469,017,729
Investments in associates	10		147,532,673,599	160,021,502,083	149,405,184,745
Reinsurance contract assets	17		192,173,997,900	195,125,460,005	178,129,424,254
Investment properties	13		1,018,031,883,851	1,005,545,282,814	1,022,842,573,321
Property and equipment	14		1,401,299,980,123	1,447,324,617,858	1,444,470,607,329
Intangible assets	15		145,431,036,062	143,949,056,506	237,066,922,086
Current tax assets	38		252,722,146,849	205,981,956,078	251,635,222,007
Deferred tax assets	38		1,456,472,506,027	1,521,676,375,664	194,617,232,347
Other assets	16		288,851,216,060	246,017,747,379	221,340,210,952
Total assets			**148,069,491,067,774**	**138,723,074,173,177**	**130,708,848,601,248**
Liabilities					
Insurance contract liabilities	17		97,375,512,779,926	95,022,959,070,719	87,824,479,717,965
Participating insurance contract liabilities			26,334,165,935,245	27,405,481,302,615	25,682,817,407,571
Non-participating insurance contract liabilities			54,933,119,860,506	53,392,092,030,123	47,724,373,775,291
Variable insurance contract liabilities			16,108,226,984,175	14,225,385,737,981	14,417,288,535,103
Reinsurance contract liabilities	17		261,619,711,575	273,252,185,639	255,808,267,685
Investment contract liabilities	11,12,18		18,392,813,832,856	15,846,521,377,630	15,321,085,379,599
Other contract liabilities	18		167,845,375,053	170,057,936,297	172,402,429,093
Financial liabilities at fair value through profit or loss	11,12,19		6,069,134,652,686	5,438,807,256,405	5,045,132,388,656
Derivative liabilities	11,12,25		3,806,338,382,330	3,654,935,207,927	1,859,098,032,542
Borrowings	11,12,20		7,688,272,690,189	6,198,119,810,304	5,918,190,920,045
Other financial liabilities	11,12,21		4,788,781,200,832	3,055,227,880,003	2,821,006,198,665
Provisions	22		234,580,764,126	169,365,406,291	56,050,584,307
Net defined benefit liabilities	23		203,725,703,195	159,905,693,492	106,608,827,945
Current tax liabilities	38		2,670,615,002	1,504,432,796	1,019,302,057
Deferred tax liabilities	38		177,339,654,660	167,617,316,043	89,123,072,951
Other liabilities	24		182,836,978,195	199,921,664,654	209,865,379,892
Total liabilities			**139,351,472,340,625**	**130,358,195,238,200**	**119,679,870,501,402**
Equity					
Capital stocks	26		102,500,000,000	102,500,000,000	102,500,000,000
Hybrid bonds	26		2,205,726,208,213	2,205,726,208,213	1,607,440,428,213
Capital surplus	26		630,502,257,887	638,071,296,632	643,824,180,663
Capital adjustments	26		(200,426,331,923)	(200,823,603,885)	(200,363,103,885)
Accumulated other comprehensive income (loss)	26		(2,329,257,175,544)	(2,140,783,751,703)	1,730,933,503,788
Retained earnings	26		7,998,365,619,472	7,466,935,526,646	6,889,223,819,180
Non-controlling interests	26		**310,608,149,044**	**293,253,259,074**	**255,419,271,887**
Total equity			**8,718,018,727,149**	**8,364,878,934,977**	**11,028,978,099,846**
Total liabilities and equity		₩	**148,069,491,067,774**	**138,723,074,173,177**	**130,708,848,601,248**

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

Kyobo Life Insurance Co., Ltd. and its subsidiaries

Consolidated statements of comprehensive income or loss

for each of the two years in the period ended December 31, 2025

(In Korean won)	***Note***		**December 31, 2025**	**December 31, 2024**
Insurance service income and expenses				
Insurance service income				
Insurance income	17	₩	4,336,519,205,521	3,998,297,763,310
Reinsurance income	17		40,685,174,934	31,599,636,964
			4,377,204,380,455	**4,029,897,400,274**
Insurance service expenses				
Insurance expenses	17,32		3,906,480,833,502	3,499,587,020,500
Reinsurance premium expenses	17		31,661,886,311	35,490,348,378
Other insurance operating expenses	32		67,478,175,429	46,343,531,870
			4,005,620,895,242	**3,581,420,900,748**
Investment income and expenses				
Investment income				
Insurance finance income	17		675,719,034	620,008,406
Reinsurance finance income	17		4,003,985,740	3,050,178,758
Interest income	11,27		4,020,659,884,939	3,760,585,483,336
Gain on valuation and disposal of financial assets at fair value through profit or loss	11,28		5,464,781,718,508	2,296,104,625,796
Gain on valuation and disposal of financial assets at fair value through other comprehensive income	11,28		299,500,550,011	244,445,865,792
Gain on valuation and disposal of financial assets at amortized cost	11,28		11,106,825,769	5,632,515,917
Gain on valuation and disposal of derivative assets	11,28		4,022,891,558,998	2,647,728,312,752
Gain on foreign currency transaction	11,36		844,958,822,547	2,648,568,709,569
Fee and commission income	29		407,039,680,281	351,386,210,795
Rental income			100,323,879,321	94,262,408,582
Dividend income	11,30		202,038,766,274	155,170,023,379
Other investment income	31		816,791,351,736	799,069,145,594
		₩	**16,194,772,743,158**	**13,006,623,488,676**
Investment expenses				
Insurance finance expenses	17	₩	5,288,823,682,799	2,946,417,296,864
Reinsurance finance expenses	17		6,249,745,190	6,362,363,978
Interest expenses	11,33		418,666,705,745	362,345,452,228
Loss on valuation and disposal of financial assets at fair value through profit or loss	11,34		1,906,630,342,420	2,164,052,920,026
Loss on valuation and disposal of financial assets at fair value through other comprehensive income	11,34		75,820,584,104	257,208,879,421
Loss on valuation and disposal of financial assets at amortized cost	11,34		309,496,137,192	395,592,975,011
Loss on valuation and disposal of derivative assets	11,34		5,294,145,612,958	4,684,248,581,102
Asset management expenses	34		88,848,517,940	87,499,136,193
Loss on foreign currency transaction	11,36		860,252,847,058	389,619,652,797
Other financial expenses	32		860,577,482,473	707,280,061,923
Other investment expenses	35		118,294,733,077	253,367,138,144
		₩	**15,227,806,390,956**	**12,253,994,457,687**
Other operating income	31		1,131,419,330,148	1,086,892,614,606
Other operating expenses	35		1,418,839,932,683	1,385,467,731,828
			(287,420,602,535)	(298,575,117,222)
Operating profit		₩	**1,051,129,234,880**	**902,530,413,293**

(Continued)

Kyobo Life Insurance Co., Ltd. and its subsidiaries

Consolidated statements of comprehensive income or loss, continued

for each of the two years in the period ended December 31, 2025

(In won)	***Note***		**December 31, 2025**	**December 31, 2024**
Non-operating income and expenses				
Non-operating income	37	₩	41,433,641,330	78,110,679,653
Non-operating expenses	37		49,301,104,873	66,191,597,263
			(7,867,463,543)	11,919,082,390
Profit before income tax expenses			1,043,261,771,337	914,449,495,683
Income tax expenses	38		270,189,576,778	228,150,931,145
Profit for the period		₩	**773,072,194,559**	**686,298,564,538**

(Continued)

Kyobo Life Insurance Co., Ltd. and its subsidiaries

Consolidated statements of comprehensive income or loss, continued

for each of the two years in the period ended December 31, 2025

(In won)	*Note*		December 31, 2025	December 31, 2024
Other comprehensive income (loss)				
Items that will be reclassified to profit or loss:				
Gain (loss) on valuation of debt instrument at fair value through other comprehensive income	26	₩	(1,992,677,110,860)	253,632,483,003
Loss allowance of debt instrument at fair value through other comprehensive income	26		(607,638,747)	(3,115,658,287)
Net financial gain (loss) on insurance contracts	26		2,211,188,119,590	(4,175,206,953,548)
Net financial loss on reinsurance contracts	26		(1,135,373,690)	(8,963,159,546)
Gain on valuation of investments in associates	26		7,982,351	1,302,357
Gain (loss) on valuation of derivative instruments for hedging purpose	26		(503,822,326,163)	36,349,574,740
Gain (loss) on translation of foreign operations	26		(236,613,108)	1,109,960,383
			(287,282,960,627)	**(3,896,192,450,898)**
Items that will not be reclassified subsequently to profit or loss:				
Gain on valuation of investments in securities at fair value through other comprehensive income	26		113,834,880,281	19,903,809,402
Loss on valuation of derivative instruments for hedging purpose	26		(1,283,875,333)	-
Credit risk adjustments of financial liabilities designated at fair value through profit or loss	26		(1,020,759,650)	3,818,987,468
Asset revaluation surplus of property and equipment	26		(10,064,991,715)	(27,125,865)
Remeasurements on defined benefit obligation	26		12,195,726,221	275,119,601
			113,660,979,804	**23,970,790,606**
Other comprehensive loss for the period, net of income tax			**(173,621,980,823)**	**(3,872,221,660,292)**
Total comprehensive income (loss) for the period		₩	**599,450,213,736**	**(3,185,923,095,754)**
Profit for the period attributable to:				
Owners of the parent company		₩	752,269,916,736	669,304,460,271
Non-controlling interests			20,802,277,823	16,994,104,267
		₩	**773,072,194,559**	**686,298,564,538**
Total comprehensive income (loss) for the period attributable to:				
Owners of the parent company		₩	578,811,346,658	(3,202,172,699,776)
Non-controlling interests			20,638,867,078	16,249,604,022
		₩	**599,450,213,736**	**(3,185,923,095,754)**
Earnings per share				
Basic earnings per share	42	₩	**6,339**	**5,752**

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 each of the two years in the period ended December 31, 2025

(In Korean 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 (loss)	Retained earnings	Subtotal	
Balance as of January 1, 2024 (Before adjustment)	₩ 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
Decrease due to accounting policy changes	-	-	-	-	(3,655,570,987)	-	(3,655,570,987)	-	(3,655,570,987)
Balance as of January 1, 2024 (After adjustment)	102,500,000,000	1,607,440,428,213	643,824,180,663	(200,363,103,885)	1,730,933,503,788	6,889,223,819,180	10,773,558,827,959	255,419,271,887	11,028,978,099,846
Total comprehensive loss :	-	-	-	-	(3,871,717,255,491)	669,544,555,715	(3,202,172,699,776)	16,249,604,022	(3,185,923,095,754)
Profit for the period	-	-	-	-	-	669,304,460,271	669,304,460,271	16,994,104,267	686,298,564,538
Other comprehensive loss	-	-	-	-	(3,871,717,255,491)	240,095,444	(3,871,477,160,047)	(744,500,245)	(3,872,221,660,292)
Gain on valuation of financial assets at fair value through other comprehensive income	-	-	-	-	274,063,290,557	154,630,592	274,217,921,149	(681,628,744)	273,536,292,405
Loss allowance of debt instruments at fair value through other comprehensive income	-	-	-	-	(3,115,658,287)	-	(3,115,658,287)	-	(3,115,658,287)
Net financial loss on insurance contracts	-	-	-	-	(4,175,206,953,548)	-	(4,175,206,953,548)	-	(4,175,206,953,548)
Net financial loss on reinsurance contracts	-	-	-	-	(8,963,159,546)	-	(8,963,159,546)	-	(8,963,159,546)
Share of other comprehensive income of associates	-	-	-	-	1,110,115	-	1,110,115	192,242	1,302,357
Gain on valuation of derivative instruments for hedging	-	-	-	-	36,349,574,740	-	36,349,574,740	-	36,349,574,740
Gain on translation of 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
Revaluation of property and equipment	-	-	-	-	(27,125,865)	-	(27,125,865)	-	(27,125,865)
Remeasurement gain on defined benefit obligations	-	-	-	-	890,409,579	-	890,409,579	(615,289,978)	275,119,601
Transactions with the owners:	-	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 of 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)	174,385,440	(1,833,743,910)
Disposal of investments in subsidiaries	-	-	-	-	-	-	(254,524,706)	-	(254,524,706)
Unequal dividends paid to non-controlling interests	-	-	-	-	-	-	(3,490,229,975)	3,490,229,975	-
Others:	-	-	-	(460,500,000)	-	-	(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)	(2,140,783,751,703)	7,466,935,526,646	8,071,625,675,903	293,253,259,074	8,364,878,934,977

(Continued)

Kyobo Life Insurance Co., Ltd. and its subsidiaries

Consolidated statements of cash flows

for each of the two years in the period ended December 31, 2025

(In Korean won)

	Note		2025	2024
Cash flows from operating activities				
Cash flows from operating activities:		₩	2,272,940,317,063	(260,770,800,509)
Profit			773,072,194,559	686,298,564,538
Adjustments	43		389,916,150,446	257,008,175,313
Changes in operating assets and liabilities	43		1,109,951,972,058	(1,204,077,540,360)
Income taxes paid			(125,206,984,628)	(47,450,083,629)
Interest received			3,658,875,695,850	3,538,829,559,964
Interest paid			(407,997,866,978)	(356,565,386,123)
Dividend received			196,218,295,746	169,792,651,066
Net cash flows provided by operating activities			5,594,829,457,053	3,043,835,940,769
Cash flows from investing activities:				
Acquisition of financial assets at fair value through other comprehensive income			(27,084,038,546,988)	(24,750,497,265,077)
Disposal of financial assets at fair value through other comprehensive income			21,661,201,846,779	18,850,897,346,063
Acquisition of securities at amortized cost			(329,590,411,000)	(95,734,850,700)
Repayment of securities at amortized cost			183,015,185,446	184,474,857,237
Acquisition of financial assets at fair value through profit or loss			(10,667,885,123,777)	(10,063,361,793,202)
Disposal of financial assets at fair value through profit or loss			9,962,837,801,014	10,639,893,170,332
Cash inflows from derivatives held for hedging			185,236,257,398	88,168,524,987
Cash outflows from derivatives held for hedging			(25,552,881,195)	(9,541,772,488)
Acquisition of investments in associates			(71,032,080,888)	(78,841,415,674)
Disposal of investments in associates			75,414,990,651	75,013,480,960
Dividends of investments in associates			8,369,039,427	36,579,558,875
Acquisition of property and equipment			(48,897,519,509)	(53,679,065,038)
Disposal of property and equipment			511,421,459	8,961,294,499
Acquisition of investment properties			(3,047,713,599)	(1,446,132,961)
Disposal of investment properties			4,009,500,000	2,563,960,649
Acquisition of intangible assets			(39,248,423,697)	(27,604,151,888)
Disposal of intangible assets			5,137,256,043	3,208,936,900
Increase in leasehold deposits			(31,899,662,381)	(26,425,438,613)
Decrease in leasehold deposits			34,491,950,745	28,429,765,852
Net cash flows used in investing activities			(6,180,967,114,072)	(5,188,940,989,287)
Cash flows from financing activities:				
Dividends paid to non-controlling interests			(8,160,464,500)	(4,080,232,250)
Issuance of hybrid bonds			-	619,825,280,000
Redemption of hybrid bonds			217,293,642	-
Increase in leasehold deposits received			63,489,256,057	20,748,867,023
Decrease in leasehold deposits received			(72,814,360,505)	(23,073,040,120)
Dividends paid			(120,487,306,800)	-
Hybrid bonds dividend			(117,686,250,000)	(87,806,125,000)
Borrowings, net			1,323,458,936,297	266,196,315,874
Repayment of lease labilities			(43,158,111,275)	(44,812,566,468)
Acquisition of investments in subsidiaries without change in control			(698,133,559)	(1,833,743,911)
Net cash flows provided by financing activities			1,024,160,859,357	745,164,755,148
Effect of exchange rate fluctuations on cash and cash equivalents held			(3,777,391,954)	(4,314,227,908)
Net increase (decrease) in cash and cash equivalents			434,245,810,384	(1,404,254,521,278)
Cash and cash equivalents at the beginning of the period			1,776,277,416,800	3,180,531,938,078
Cash and cash equivalents at the end of the period		₩	2,210,523,227,184	1,776,277,416,800

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, continued

for each of the two years in the period ended December 31, 2025

(In Korean 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 (loss)	Retained earnings	Subtotal		
Balance as of January 1, 2025	₩ 102,500,000,000	2,205,726,208,213	638,071,296,632	(200,823,603,885)	(2,140,783,751,703)	7,466,935,526,646	8,071,625,675,903	293,253,259,074	8,364,878,934,977
Total comprehensive income :	-	-	-	-	(188,473,423,841)	767,284,770,499	578,811,346,658	20,638,867,077	599,450,213,735
Profit for the period	-	-	-	-	-	752,269,916,736	752,269,916,736	20,802,277,823	773,072,194,559
Other comprehensive loss	-	-	-	-	(188,473,423,841)	15,014,853,764	(173,458,570,077)	(163,410,746)	(173,621,980,823)
Loss on valuation of financial assets at fair value through other comprehensive income	-	-	-	-	(1,898,609,566,897)	19,631,360,603	(1,878,978,206,294)	135,975,715	(1,878,842,230,579)
Loss allowance of debt instruments at fair value through other comprehensive income	-	-	-	-	(607,638,747)	-	(607,638,747)	-	(607,638,747)
Net financial gain on insurance contracts	-	-	-	-	2,211,188,119,590	-	2,211,188,119,590	-	2,211,188,119,590
Net financial loss on reinsurance contracts	-	-	-	-	(1,135,373,690)	-	(1,135,373,690)	-	(1,135,373,690)
Share of other comprehensive income of associates	-	-	-	-	6,866,511	-	6,866,511	1,115,840	7,982,351
Loss on valuation of derivative instruments for hedging	-	-	-	-	(500,448,093,717)	(4,658,107,779)	(505,106,201,496)	-	(505,106,201,496)
Loss on translation of foreign operations	-	-	-	-	(236,613,108)	-	(236,613,108)	-	(236,613,108)
Credit risk adjustments of financial liabilities designated at fair value through profit or loss	-	-	-	-	(914,758,571)	41,600,940	(873,157,631)	(147,602,019)	(1,020,759,650)
Revaluation of property and equipment	-	-	-	-	(9,892,126,445)	-	(9,892,126,445)	(172,865,270)	(10,064,991,715)
Remeasurement gain on defined benefit obligations	-	-	-	-	12,175,761,233	-	12,175,761,233	19,964,988	12,195,726,221
Transactions with the owners:	-	-	(7,569,038,745)	397,271,962	-	(235,945,810,870)	(243,117,577,653)	(3,283,977,107)	(246,401,554,760)
Annual dividends	-	-	-	-	-	(120,487,306,800)	(120,487,306,800)	(8,160,464,500)	(128,647,771,300)
Dividends to hybrid bonds	-	-	-	-	-	(115,825,476,631)	(115,825,476,631)	(1,727,000,000)	(117,552,476,631)
Redemption of hybrid bonds	-	-	-	217,293,642	-	-	217,293,642	-	217,293,642
Acquisition of treasury shares	-	-	29,966,480	179,978,320	-	-	209,944,800	-	209,944,800
Acquisition of investments in subsidiaries	-	-	(688,133,559)	-	-	366,972,561	(321,160,998)	(376,972,560)	(698,133,558)
Disposal of investments in subsidiaries	-	-	69,588,287	-	-	-	69,588,287	-	69,588,287
Unequal dividends paid to subsidiaries	-	-	(6,980,459,953)	-	-	-	(6,980,459,953)	6,980,459,953	-
Others:	-	-	-	-	-	91,133,197	91,133,197	-	91,133,197
Balance as of December 31, 2025	₩ 102,500,000,000	2,205,726,208,213	630,502,257,887	(200,426,331,923)	(2,329,257,175,544)	7,998,365,619,472	8,407,410,578,105	310,608,149,044	8,718,018,727,149

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 Act* 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, 2025, the Group has 7 Financial Planner (FP) offices, 64 supporting offices and 420 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, 2025.

	Insurance products in effect		
Type	Available	Discontinued	Total
Individual annuity	16	94	110
Pure endowment	46	63	109
Death	25	213	238
Endowment	3	49	52
Group insurance	20	26	46
	110	445	555

(2) Shareholders

The Company's major shareholders and their respective shareholdings as of December 31, 2025 are as follows:

	Number of shares	Ownership (%)
Chang-Jae Shin	34,628,997	33.78
SBI Holdings LP	17,140,750	16.72
Corsair Korea Investors LLC	10,038,830	9.79
Shinhan Kis Alpha Co., Ltd	10,022,075	9.78
The Export-Import Bank of Korea	5,995,005	5.85
KLIC Holdings Limited	5,355,625	5.23
Hoenir Inc.	5,355,625	5.23
Kyobo Life Insurance Co., Ltd.	2,089,425	2.04
Young-Ae Shin	1,199,960	1.17
Employee Stock Ownership Association	569,303	0.56
Others	10,104,405	9.85
	102,500,000	100.00

(3) Subsidiaries

	County of domicile	Reporting date	Ownership (%) 2025	Ownership (%) 2024	Industry
Kyobo Securities Co., Ltd.	Korea	31 December	84.70	84.70	Stock brokerage
Kyobo Book Center Co., Ltd.	Korea	31 December	100	100	Retail of books and magazines
Kyobo DTS Co., Ltd.	Korea	31 December	100	100	Software advisory and development
D Planex Co.,Ltd.	Korea	31 December	100	100	Data processing and data analysis, provision
Kyobo Realco Inc.	Korea	31 December	100	100	Non-residential property managements
Jeil Total Management Co., Ltd.	Korea	31 December	100	100	Safety and cleaning service
KCA Claim Adjustment Co., Ltd.	Korea	31 December	100	100	Service related to insurance and pension
KCA Service Co., Ltd.	Korea	31 December	100	100	Service
Kyobo Life Planet Life Insurance Company	Korea	31 December	100	100	On-line life insurance
Fortress Innovation Co., Ltd	Korea	31 December	100	94.30	Actuary software development and sales
Kyobo Asset Trust Co., Ltd.	Korea	31 December	100	100	Real Estate Trust
Kyobo AIM Asset Management Co., Ltd.	Korea	31 December	100	100	Trust and collective investment
Kyobo Dasom Care Co., Ltd.	Korea	31 December	100	100	Maintenance and promotion of health or prevention of diseases
Kyobo Life Asset Management (USA) Co., Ltd.	USA	31 December	100	100	Asset management
Kyobo Life Asset Management (Japan) Co., Ltd.	Japan	31 December	100	100	Asset management
Kyobo new technology Investment Association No. 1	Korea	31 December	100	100	Investment association
Kyobo new technology Investment Association No. 2	Korea	31 December	90.90	100	Investment association
Kyobo Tech Value up Investment Association No. 1	Korea	31 December	100	100	Beneficiary certificates
Consus BTL Private Special Asset Investment Trust 1	Korea	31 December	57.20	57.20	Beneficiary certificates
Consus Hope BTL Private Special Asset Investment Trust 1	Korea	31 December	66.70	66.70	Beneficiary certificates
Consus New Energy Private Special Asset Investment Trust 2	Korea	31 December	68.80	68.80	Beneficiary certificates
KIAMCO SHIPPING Private Equity Special Asset Investment Trust KX-No.1	Korea	31 December	100	100	Beneficiary certificates
Kyobo AIM Core General Private Real Estate Investment Trust 1	Korea	31 December	98.10	98.10	Beneficiary certificates

Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1	Korea	31 December	98.10	98.10	Beneficiary certificates
Kyobo AIM Corporate Finance General Private Investment Trust No. 1	Korea	31 December	99.80	99.80	Beneficiary certificates
Kyobo AIM Corporate Finance General Private Investment Trust No. 2	Korea	31 December	99.80	-	Beneficiary certificates
Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 2	Korea	31 December	96.20	-	Beneficiary certificates
F.I Sancheok Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Entrepo Icheon 5th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Entrepo JinCheon 4th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Entrepo JinCheon Co., Ltd.	Korea	31 December	-	-	SPC (*1)
BrightStar 4th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Highdream 8th Co.,Ltd.	Korea	31 December	-	-	SPC (*1)
Yangdocube 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
SJgreat 7th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Ujureu 7th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Autodream 1st Co., Ltd	Korea	31 December	-	-	SPC (*1)
Quad BS 1st Co.,Ltd.	Korea	31 December	-	-	SPC (*1)
Dreamgusam Nonhyeon 2nd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Dreamgusam Songlim 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Dreamgusam Siheung 1st Co., Ltd	Korea	31 December	-	-	SPC (*1)
Easytree 3rd Co,Ltd.	Korea	31 December	-	-	SPC (*1)
ND 1st Co.,Ltd.	Korea	31 December	-	-	SPC (*1)
Dreamgusam Dangsan 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Stadblue 4th Co., Ltd	Korea	31 December	-	-	SPC (*1)
X-med 9th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
X-med 7th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Intgreen 2nd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
K Logistics 2nd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
K Seongjeong 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
KCQ 4th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
K-hotel 1st Co., Ltd	Korea	31 December	-	-	SPC (*1)
Phoenix Living 4th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Phoenix Logistics 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Doublerich 5th Co., Ltd	Korea	31 December	-	-	SPC (*1)
Asan JS 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
H1 1st Co., Ltd	Korea	31 December	-	-	SPC (*1)
Yongincheoin2 1st Co.	Korea	31 December	-	-	SPC (*1)
Ujur 2nd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Easy Plant 8th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Easy Plant 9th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Perfectdream 9th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Highdream 4th Co.,Ltd.	Korea	31 December	-	-	SPC (*1)
Highlightful 2nd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Highlightful 3rd Co., Ltd	Korea	31 December	-	-	SPC (*1)
Whitewood 7th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
DK Namhangang Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Dear Buddy 5th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Oblique 5th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Dream Spare 6th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Dream Plant 1st Co.,Ltd.	Korea	31 December	-	-	SPC (*1)
Trustsuncheon 1st Co.,Ltd	Korea	31 December	-	-	SPC (*1)
Quad SRP 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Namsan Dream Hilton 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Milkyway 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
J-A Story 12th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Brand New Sejong Co., Ltd.	Korea	31 December	-	-	SPC (*1)
DH Eagle 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
I PRO Golden 4th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Milkyway 4th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Brand New Nokchon Co., Ltd.	Korea	31 December	-	-	SPC (*1)
PINIX Anseong 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Lucky Vicky 2nd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
IB Together 2nd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
IB Together 3rd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Milkyway 5th Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Cherryblossom 3rd Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Legend of Autumn 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
K-The CL 1st Co., Ltd.	Korea	31 December	-	-	SPC (*1)
Kyobo Securities V-Long Short General Private Equity Investment Trust	Korea	31 December	98.10	93.70	Collective investment

(*1) Although the Group does not hold any equity interest in the structured entity established for asset securitization, it concluded that it controls the investee, as it has power over the relevant activities, exposure to variable returns, and the ability to use its power to affect those returns.

(4) Changes in subsidiaries

Changes in subsidiaries for the year ended December 31, 2025 are as follows:

Category	Subsidiaries	Reason
Newly acquired subsidiaries:	Kyobo AIM Corporate Finance General Private Investment Trust No. 2	New acquisition
	Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 2	
	Starlike 4th Co.,Ltd.	Provision of purchase commitment (*1)
	Trustsuncheon 1st Co.,Ltd.	
	Quad SRP 1st Co., Ltd.	
	Namsan Dream Hilton 1st Co., Ltd.	
	Milkyway 1st Co., Ltd.	
	J-A Story 12th Co., Ltd.	
	Brand New Sejong Co., Ltd.	
	DH Eagle 1st Co., Ltd.	
	I PRO Golden 4th Co., Ltd.	
	Starlike 3rd Co., Ltd.	
	Milkyway 4th Co., Ltd.	
	Brand New Nokchon Co., Ltd.	
	Lucky Vicky 2nd Co., Ltd.	
	IB Together 2nd Co., Ltd.	
	IB Together 3rd Co., Ltd.	
	Milkyway 5th Co., Ltd.	
	Cherryblossom 3rd Co., Ltd.	
	Legend of Autumn 1st Co., Ltd.	
	K-The CL 1st Co., Ltd.	
	PINIX Anseong 1st Co., Ltd.	Acquisition of private placement bond
Excluded from consolidation:	Metagreen 3rd Co., Ltd.	Termination of commitment obligations
	Dreamgusam Chungra 1st Co.,Ltd.	
	Joyce 1st Co., Ltd.	
	Theteras 1st Co., Ltd.	
	Mindfly Co., Ltd.	
	Intgreen 9th Co., Ltd.	
	KCQ 3rd Co., Ltd.	
	Phoenix Logistics 2nd Co., Ltd.	
	Doublerich 8th Co., Ltd	
	JWD 1st Co.,Ltd.	
	BrightStar 9th Co., Ltd.	
	BS Amnam 1st Co., Ltd.	
	Easyplant 4th Co., Ltd.	
	Kyobo Plant 2nd Co.Ltd.	
	Starlike 4th Co.,Ltd.	
	Songdo GOA 2nd Co., Ltd.	
	Brandnew Nonhyeon Co., Ltd.	
	Ujureu 5th Co., Ltd.	
	Starlike 3rd Co., Ltd.	
	Kyobo Securities target income solution 3Y General Private Equity Investment Trust U-8	Loss of control due to the full disposal of ownership interest, liquidation, etc.

(*1) 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.

(5) Financial information of subsidiaries

(a) The financial information on subsidiaries as of and for the year ended December 31, 2025 is as follows:

Company	Assets	Liabilities	Revenue	Net profit (loss)	Total comprehensive income (loss)
Kyobo Securities Co., Ltd. ₩	19,120,813	17,112,175	4,518,423	144,106	142,928
Kyobo Book Center Co., Ltd.	516,463	295,963	986,281	7,019	8,532
Kyobo DTS Co., Ltd.	140,275	28,029	181,015	5,151	5,677
D Planex Co.,Ltd.	8,918	1,724	6,569	(1,899)	(1,899)
Kyobo Realco Inc.	68,811	8,958	127,406	6,243	6,524
Jeil Total Management Co., Ltd.	7,120	2,044	28,970	876	959
KCA Claim Adjustment Co., Ltd.	45,766	4,173	42,288	3,106	3,753
KCA Service Co., Ltd.	20,169	4,812	33,299	758	819
Kyobo Life Planet Life Insurance Company	682,132	548,862	59,315	(20,114)	(17,363)
Fortress Innovation Co., Ltd	6,974	779	3,173	(599)	(599)
Kyobo Asset Trust Co., Ltd.	901,660	543,708	121,705	(149,620)	(149,123)
Kyobo AIM Asset Management Co., Ltd.	22,212	7,611	11,425	1,723	1,653
Kyobo Dasom Care Co., Ltd.	8,216	1,698	7,040	1,912	1,912
Kyobo Life Asset Management (USA) Co., Ltd.	11,613	23	2,374	697	487
Kyobo Life Asset Management (Japan) Co., Ltd.	2,540	64	710	90	38
Kyobo new technology Investment Association No. 1	85,107	1,513	28,684	15,063	15,063
Kyobo new technology Investment Association No. 2	3,349	75	8	(336)	(336)
Kyobo Tech Value up Investment Association No. 1	64,265	1,198	10,392	7,969	7,969
Consus BTL Private Special Asset Investment Trust 1	19,936	8,448	1,136	966	966
Consus Hope BTL Private Special Asset Investment Trust 1	15,306	4,505	1,774	1,006	1,006
Consus New Energy Private Special Asset Investment	1,807	556	408	411	411

Trust 2					
KIAMCO SHIPPING Private Equity Special Asset Investment Trust KX-No.1	11,068	3	570	556	556
Kyobo AIM Core General Private Real Estate Investment Trust 1	322,445	9,764	20,283	18,416	18,416
Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1	377,339	18,553	22,933	18,778	18,778
Kyobo AIM Corporate Finance General Private Investment Trust No. 1	579,817	65,715	106,986	30,634	30,634
Kyobo AIM Corporate Finance General Private Investment Trust No. 2	390,353	134,717	46,616	(76,715)	(76,715)
Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 2	53,019	2,468	814	(319)	(319)
F.I Sancheok Co., Ltd.	2,125	2,125	228	-	-
Entrepo Icheon 5th Co., Ltd.	20,841	20,830	-	-	-
Entrepo JinCheon 4th Co., Ltd.	2,213	2,229	-	-	-
Entrepo JinCheon Co., Ltd.	5,022	5,078	-	(31)	(31)
BrightStar 4th Co., Ltd.	2,603	2,636	-	(7)	(7)
Highdream 8th Co.,Ltd.	23,433	23,614	1,890	(181)	(181)
Yangdocube 1st Co., Ltd.	30,245	33,957	-	(1,101)	(1,101)
SJgreat 7th Co., Ltd.	1,915	1,918	-	(1)	(1)
Ujureu 7th Co., Ltd.	12,647	13,150	-	-	-
Autodream 1st Co., Ltd	12,000	12,185	-	(186)	(186)
Quad BS 1st Co.,Ltd.	7,954	7,889	530	(7)	(7)
Dreamgusam Nonhyeon 2nd Co., Ltd.	10,483	10,205	1,313	278	278
Dreamgusam Songlim 1st Co., Ltd.	20,813	20,877	1,961	(4)	(4)
Dreamgusam Siheung 1st Co., Ltd	7,561	7,835	-	(7)	(7)
Easytree 3rd Co,Ltd.	3,011	3,002	-	-	-
ND 1st Co.,Ltd.	2,084	2,227	393	34	34
Dreamgusam Dangsan 1st Co., Ltd.	13,209	13,213	1,106	(129)	(129)
Stadblue 4th Co., Ltd	1,047	1,014	65	23	23
X-med 9th Co., Ltd.	330	404	-	-	-
X-med 7th Co., Ltd.	10,024	10,410	-	(5)	(5)
Intgreen 2nd Co., Ltd.	10,155	10,112	440	59	59
K Logistics 2nd Co., Ltd.	28,713	26,351	1,962	1,031	1,031
K Seongjeong 1st Co., Ltd.	35,265	34,694	2,483	238	238
KCQ 4th Co., Ltd.	1,027	1,017	24	5	5
K-hotel 1st Co., Ltd	8,082	8,212	-	-	-
Phoenix Living 4th Co., Ltd.	3,014	3,198	-	-	-
Phoenix Logistics 1st Co., Ltd.	10,114	9,732	1,232	4	4
Doublerich 5th Co., Ltd	1,068	1,051	50	17	17
Asan JS 1st Co., Ltd.	3,632	3,092	313	320	320
H1 1st Co., Ltd	10,798	11,900	1	(537)	(537)
Yongincheoin2 1st Co.	2,843	2,829	246	(84)	(84)
Ujur 2nd Co., Ltd.	6,067	6,062	91	5	5
Easy Plant 8th Co., Ltd.	3,052	3,119	-	-	-
Easy Plant 9th Co., Ltd.	5,062	5,134	114	(72)	(72)
Perfectdream 9th Co., Ltd.	18,181	18,734	1	(389)	(389)
Highdream 4th Co.,Ltd.	50,013	50,093	3,325	-	-
Highlightful 2nd Co., Ltd.	6,044	6,140	176	(28)	(28)
Highlightful 3rd Co., Ltd	3,513	3,582	161	(30)	(30)
Whitewood 7th Co., Ltd.	12,241	12,229	1,203	13	13
DK Namhangang Co., Ltd.	9,118	9,118	527	-	-
Dear Buddy 5th Co., Ltd.	49,270	49,268	3,352	2	2
Oblique 5th Co., Ltd.	716	984	-	(32)	(32)
Dream Spare 6th Co., Ltd.	10,154	10,154	1,081	-	-
Dream Plant 1st Co.,Ltd.	15,471	15,471	1,317	-	-
Trustsuncheon 1st Co.,Ltd	10,401	10,251	732	150	150
Quad SRP 1st Co., Ltd.	30,854	30,295	1,372	559	559
Namsan Dream Hilton 1st Co., Ltd.	30,454	30,454	1,160	-	-
Milkyway 1st Co., Ltd.	15,946	16,005	797	(60)	(60)

(In millions of Korean won)

J-A Story 12th Co., Ltd.	14,174	14,309	530	(134)	(134)
Brand New Sejong Co., Ltd.	30,327	30,329	978	(2)	(2)
DH Eagle 1st Co., Ltd.	10,531	10,529	291	2	2
I PRO Golden 4th Co., Ltd.	12,759	14,603	69	(1,844)	(1,844)
Milkyway 4th Co., Ltd.	41,514	41,516	994	(2)	(2)
Brand New Nokchon Co., Ltd.	30,464	30,464	495	-	-
PINIX Anseong 1st Co., Ltd.	25,116	25,116	786	1	1
Lucky Vicky 2nd Co., Ltd.	30,836	30,837	397	(1)	(1)
IB Together 2nd Co., Ltd.	11,632	11,633	91	(1)	(1)
IB Together 3rd Co., Ltd.	102,368	102,369	184	(1)	(1)
Milkyway 5th Co., Ltd.	4,801	4,801	42	-	-
Cherryblossom 3rd Co., Ltd.	5,051	5,100	1	(49)	(49)
Legend of Autumn 1st Co., Ltd.	14,273	14,273	115	-	-
K-The CL 1st Co., Ltd.	13,065	12,819	327	246	246
Kyobo Securities V-Long Short General Private Equity Investment Trust	3,266	1	24,244	11,838	11,838

(b) The financial information on subsidiaries as of and for the year ended December 31, 2024 is as follows:

Company	Assets	Liabilities	Revenue	Net profit (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)
Kyobo new technology Investment Association No. 2	1,100	19	-	(19)	(19)
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 GOA 2nd 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)

(In millions of Korean won)

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 2nd 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)
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)
Easy Plant 4th Co., Ltd.	6,318	6,320	358	-	-
Ujur 2nd Co., Ltd.	6,117	6,117	557	-	-
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)

2. Basis of preparation and Material accounting policy information

The following are material 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 the International Financial Reporting Standards as adopted by the Republic of Korea ("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 accompanying consolidated 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 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; and
- insurance contract liabilities and reinsurance contract assets (including liabilities).

KIFRS allows the use of material accounting estimates in preparing consolidated 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 material assumptions and estimates are explained in Note 3.
The consolidated financial statements of the Group were approved by the Board of Directors on March 6, 2026, and are subject to approval for amendment at the Annual General Meeting of Shareholders scheduled for March 27, 2026.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company 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; and
- 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 Material accounting policy information

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 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 with market data are classified as level 2; and
- 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

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

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 (presented as "Korean won", "₩" or "KRW"), 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 assets
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 by 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 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 are measured initially at their cost. Transaction costs are included in the initial measurement. Subsequently, investment properties are carried at depreciated cost less any accumulated impairment losses. Investment properties 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 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 methods 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.
The estimated useful lives and amortization methods of the Group's intangible assets are as follows:

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 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 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 and its ability to measure reliably the expenditure during development. 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. The Group tests development costs recognized as assets for impairment at each reporting date.

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, the Group assesses at each reporting date whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the recoverable value of the asset. A previously recognized impairment loss for assets other than goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable value since the last impairment loss was recognized. The carrying amount of the asset is increased to its recoverable value, but not above the carrying amount that would have been determined, net of amortization or depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal of impairment loss is recognized in profit or loss.
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.

2.3.11 Financial instruments

(1) Classification
Financial assets are classified as follows:
- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

- financial assets at amortized cost.

Financial assets are classified based on the business model and the contractual cash flow characteristics of the financial assets. ains 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. or 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 assets 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 losses related to financial instruments measured at fair value through other comprehensive income.
(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 gains and losses related to financial instrument measured at fair value through profit or loss.
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.
(5) 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 gains or losses related to derivatives.
(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, and changes in the fair value of the hedged item due to the hedged risk are also recognized in profit or loss. 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 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 profit or loss. The amount accumulated in accumulated other comprehensive income is recognized in the statement of comprehensive income as profit or loss for 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 profit or loss when expected transactions are recognized in the statement of comprehensive income. 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 profit or loss.
(2) Embedded derivatives
A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Changes in the fair value of embedded derivatives separated from the host contract are recognized as part of the net gain(loss) of financial instruments at fair value through profit or loss.

2.3.13 Assets 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, in 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 the consolidated statement of comprehensive income.
(1) Retirement benefits: defined contribution plan
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 plan
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.
(1) 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 estimating 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 an onerous contract group, the expected net outflow amount is recognized as profit or loss, and it is subsequently measured as a loss element.

1) 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.

2) 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.

3) 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.

(1) Investment contract liabilities

Investment contract liabilities are liabilities related to participating and pprincipal and interest guaranteed retirement pensions and are accounted for in accordance with the KIFRS 1109 *Financial Instruments* as investment contracts without discretionary participation features in accordance with the classification standards for insurance contracts and investment contracts.

(2) Other contract liabilities

The reserve for stabilization of policyholder dividends, accumulated from the revaluation surplus arising from asset revaluation pursuant to the Assets Revaluation Act to ensure stable dividend payments, and the public interest contribution fund, accumulated from the same surplus for contributions to public interest activities, are accumulated as policyholder's equity adjustments and recorded as other contract liabilities.

2.3.18 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.

2.3.19 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. - 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. 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.

- identifying the contracts with a customer.
- identifying the performance obligations in the contract
- determining the transaction price
- allocating the transaction price to each performance obligation

- recognizing 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.

2.3.20 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
- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting profit nor taxable income at the time of the transaction; and
- 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; and
- 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.

2.3.21 Correction of errors

The Group corrects potential errors identified during the current period before the issuance authorization date of the consolidated 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 consolidated 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 Change in accounting policies

KIFRS 1117 requires that liabilities for participating insurance contracts be measured by estimating the related cash flows for future dividends and applying a discount rate that reflects current assumptions and risks. Specifically, when measuring insurance contract liabilities, reasonable and supportable information available without undue cost or effort must be reflected, excluding any arbitrary plans or intentions of a company, and until changes in laws are substantively enacted, current expectations of future amendments are not reflected in the measurement of insurance contract liabilities, and neutral estimates free from bias or subjectivity are required in estimating the corresponding cash flows. Accordingly, when calculating insurance contract liabilities (best estimate liability ("BEL"), liability for remaining coverage ("LRC")), insurance companies do not derive investment yield scenarios based on individual disposal plans for held assets. Instead, these scenarios are calculated based on the discount rate adjusted for volatility effects as prescribed in KIFRS 1117. In response to these requirements, upon the adoption of KIFRS 1117 in 2023, the Group estimated the future expected dividend cash flows of participating contracts by neutrally reflecting reasonable and supportable information, including the Group's experience statistics (such as historical dividend payments under the relevant contracts), management's asset management plans, and risk management strategies. In particular, when the management has finalized a specific disposal plan for assets, such as disposal of operating assets or approval of the board of directors for specific assets, the Group measures insurance contract liabilities by considering the expected gains or losses on disposal of the relevant assets and reflecting this in cash flow to determine whether a policyholder dividend will be generated. However, the Group determined that measuring insurance contract liabilities in accordance with KIFRS 1117 from the date of adoption in 2023 would result in a significant portion of the policyholders' equity adjustment, previously presented as a liability and is now reclassified as equity, leading to an understatement of total liabilities which would conflict with the "Objective of Financial Statements" set out in the Conceptual Framework for Financial Reporting and constitute one of the ''extremely rare circumstances'' described in paragraph 19 of KIFRS 1001, potentially misleading users of the financial statements. Accordingly, comprehensive liabilities (policyholder dividends) to future policyholders expected to arise from unrealized gains and losses on assets as of the end of the reporting period have been measured as liabilities by applying the method stipulated in Article 4-1, Paragraph 2 of the *Detailed Regulations on Supervision of Insurance Business* of Korea. In December 2025, the Financial Supervisory Service of Korea ("FSS") issued a response to the Group's inquiry regarding the accounting treatment of policyholders' equity adjustments (accounting departure) applied by life insurers, stating that it is difficult to conclude definitively whether applying KIFRS 1117 to dividend payment obligations related to participating insurance contracts would mislead users of financial statements and expressing the view that, considering (i) the need to eliminate unnecessary controversies arising from the continued application of accounting departure as KIFRS 1117 stabilizes following the transition period and (ii) concerns that the Republic of Korea may not be regarded as a full adopter of IFRS if domestic life insurers continue to apply such accounting departure, it would be appropriate to discontinue the application of accounting departure at this time. Furthermore, the FSS indicated that, even if management believes that compliance with KIFRS 1117 may conflict with the purpose of financial statements as set forth in the *Conceptual Framework for Financial Reporting*, continuation of accounting departure would not be acceptable from a regulatory perspective. In other words, the response to the inquiry states that life insurance companies may no longer apply the accounting departure (policyholders' equity adjustment) under paragraph 19 of KIFRS 1001 *Presentation of Financial Statements* to dividend payment obligations related to participating insurance contracts in financial statements prepared in accordance with the *Act on External Audit of Stock Companies*, etc., and such obligations should instead be accounted for in accordance with KIFRS 1117 *Insurance Contracts*. After comprehensive consideration of the circumstances described above, the Group changed its accounting policy to measure insurance contract liabilities in compliance with KIFRS 1117 as of December 31, 2025. This change in accounting policy does not affect the contractual rights of participating policyholders under the relevant insurance terms and conditions. In addition, the FSS stated that when life insurance companies change the measurement basis for dividend payment obligations from accounting departure to KIFRS 1117, such change should be accounted for as a change in accounting policy under KIFRS 1008. Accordingly, the Group has applied the effects of this change retrospectively in accordance with KIFRS 1008. The effects of the retrospective application in accordance with KIFRS 1008 *Accounting Policies, Changes in Accounting Estimates and Errors* are disclosed in Note 46.

2.4.2. 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, 2025.

(1) Amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability*

The amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability*, effective for the year beginning on or after January 1, 2025, clarifies how companies assess the exchangeability of a currency with another currency and determine the spot exchange rate when exchangeability is lacking. Additionally, these amendments require disclosure of information that enables users of consolidated financial statements to understand how non-convertible currencies affect, or are expected to affect, a company's financial performance, financial position, and cash flows. The Group does not expect this amendment to have a material impact on the consolidated financial statements.

(2) Amendments to KIFRS 1117 *Insurance Contracts - Disclosure of Methods for Estimating Inputs Used to Measure Insurance Contract*

The amendments to KIFRS 1117 *Insurance Contracts*, effective for annual reporting periods ending on or after December 31, 2025, specify disclosure requirements applied when the entity with insufficient historical data or experience available is required to use principle-based estimation techniques in accordance with insurance-related laws and regulations. If the entity uses the estimation techniques for inputs in measuring insurance contracts different from the principle-based estimation techniques as required by insurance-related laws and regulations and the information about such differences is judged to be relevant and material to users of financial statements, the entity is required to disclose the followings:

A. the methods that the entity used for estimating inputs based on its significant judgment and the basis of such judgment, and the difference between the estimation technique used by the entity and the principle-based estimation techniques required by laws and regulations; and
B. the impact of applying the principle-based estimation techniques required by laws and regulations on the estimates of future cash flows, insurance contract margins, insurance revenues and insurance service expenses.

However, the amendments will remain effective until the annual reporting period that includes December 31, 2029 and the material impact of the application of the standard on the financial statements is disclosed in Note 49.

2.4.3 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, 2025 are follows:

(1) Amendment to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosure*

The amendments to KIFRS 1109 and KIFRS 1107 *Classification and Measurement of Financial Instruments* include:

- a clarification that a financial liability is derecognized on the "settlement date" and the introduction of an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date;
- additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed;
- clarifications on what constitute "non-recourse features" and what are the characteristics of contractually linked instruments; and
- the introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments measured at fair value through other comprehensive income (OCI).

The amendments are effective for annual periods beginning on or after January 1, 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Group is currently in review of impact the amendments on its financial statements.

(2) Annual Improvement of KIFRS Volume 11

Annual Improvements to KIFRS - Volume 11 have been announced for the purpose of improving consistency of requirements set out in each standard, enhancing clarity, and providing better understanding of the amendments.

- Amendments to KIFRS 1101 First-time adoption of KIFRS: Hedge accounting by a first-time adopter

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

- Amendments to KIFRS 1107 Financial Instruments: Disclosures: Gain or loss on derecognition, Guidance for application of amendments in practice
- Amendments to KIFRS 1109 Financial Instruments: Accounting for derecognition of lease liabilities and definition of transaction prices
- Amendments to KIFRS 1110 Consolidated Financial Statements: Determination of a 'de facto agent'
- Amendments to KIFRS 1007 Statement of Cash Flows: Cost Method

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted and must be disclosed. The amendments are not expected to have a material impact on the Group's financial statements.

(3) Amendment to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Contracts Referencing Nature-dependent Electricity*

Amendments to KIFRS 1109 and 1107, which address contracts referencing nature-dependent electricity have been announced and key details include:

(1) clarification of the application of the "own-use" requirement to contracts within the scope of application;
(2) amendments to the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts; and
(3) addition of new disclosure requirements to enable investors to understand the effect of these contracts on an entity's financial performance and cash flow.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted and must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the disclosure amendments to KIFRS 1107 must be implemented alongside the amendments to KIFRS 1109. If an entity does not restate comparative information, it cannot present comparative disclosures. The amendments are not expected to have a material impact on the Group's financial statements.

(4) KIFRS 1118 *Presentation and Disclosure in Financial Statement*

KIFRS 1118 has been issued, which replaces KIFRS 1001 *Presentation of Financial Statements*. KIFRS 1118 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to KIFRS 1007 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. KIFRS 1118, and the amendments to the other standards, are effective for annual reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. KIFRS 1118 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

3. Material accounting judgments, estimates and assumptions

3.1 Accounting estimates and changes

The key sources of the uncertainty concerning material assumptions and estimation on the future at the reporting date that have a material 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 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 assets. For the calculation of present value of future expected cash flows, adequate discount rate should be chosen.

(4) Deferred tax assets

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 mentioned in Note 2.3. 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 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 are made.

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

Under the Special Taxation for Facilitation of Investment and Mutually Beneficial Cooperation, if a certain portion of taxable income is not used for investment, wage increases, and mutually beneficial cooperation, the Group is required to pay additional corporate income tax calculated in accordance with the methods prescribed by the tax laws. Accordingly, in measuring corporate income tax for the relevant period, the Group reflects the tax effects arising from this taxation regime, and the corporate income tax to be borne by the Group in future periods may vary depending on the level of investment, wage increases, and mutually beneficial cooperation in each year.

(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) Details of cash and cash equivalent as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Cash	₩	986	906
Current deposits		8,225	6,461
Demand deposits		144,088	170,874
MMDA		394,337	564,373
CD		10,000	-
Other deposits		1,652,888	1,033,664
	₩	2,210,524	1,776,278

(2) Details of dues from banks as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Time deposits	₩	1,259,740	1,441,290
Future transactions deposits		215,623	85,887
Reserve for claims of customers' deposits		361,530	607,232
Other deposits		1,354,787	894,107
(Allowance for loss)		(4,050)	(1,082)
	₩	3,187,630	3,027,434

(3) Details of bank deposits that are restricted in use as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024	Details
Separate deposits	₩	-	2,613	Deposit for collateral
Demand deposits		-	50	Court Seizure
Guarantee deposits for current deposits		22	22	Guarantee deposits for checking accounts
Time deposits		600	600	Deposit for collateral
Future transactions deposits		165,353	214,148	In relation to derivatives transactions
Reserve for claims of customers' deposits		361,530	607,232	Reserve for return of customer deposits
Other deposits		524,990	387,414	Customers' deposits of overseas futures FX margin, etc.
	₩	1,052,495	1,212,079	

(4) Changes in loss allowances for deposits at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,082	-	-	1,082
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Charge for the period, net		2,968	-	-	2,968
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending balance	₩	4,050	-	-	4,050

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	669	-	-	669
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Charge for the period, 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 amounts of deposits at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	3,028,516	-	-	3,028,516
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		163,164	1,000	-	163,164
Ending balance	₩	3,191,680	1,000	-	3,191,680

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,927,435	-	-	1,927,435
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		1,101,081		-	1,101,081
Ending balance	₩	3,028,516	-	-	3,028,516

5. Financial assets at fair value through profit or loss

(1) Details of financial assets at fair value through profit or loss as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Shares	₩	6,748,290	4,304,466
Equity investments		207,040	189,551
Beneficiary certificates (*)		19,438,091	18,504,217
Government and public bonds		6,407,829	7,429,082
Special bonds		2,907,510	3,231,014
Financial institutions bonds		2,764,630	2,950,949
Corporate bonds		2,466,777	1,976,329
Foreign securities		5,262,718	4,638,442
Other securities		952,755	531,401
Loan receivables		-	46
	₩	47,155,640	43,755,497

(*) As of December 31, 2025 and 2024, the amounts of ₩284,889 million and ₩263,593 million, respectively, were included in relation to a fund associated with Corsair, a major shareholder of the Group. Dividend income recognized from the fund amounts to ₩6,715 million for the year ended December 31, 2025, and ₩1,686 million for the year ended December 31, 2024. In addition, the amount of additional acquisition for the years ended December 31, 2025 and 2024 is ₩13,276 million and ₩6,072 million, respectively, while the amount of disposal for the years ended December 31, 2025 and 2024 is ₩27,161 million and ₩3,517 million, respectively.

(2) Financial assets at fair value through profit or loss pledged as collateral as of December 31, 2025 and 2024 are as follows:

Purpose		December 31, 2025	December 31, 2024	Counter party
Related to deposit payment and sale with repurchase agreement, etc.	₩	6,366,346	7,045,232	KSD, etc
Collateral for derivative contracts		1,831,637	865,930	KSFC, etc.

(3) Details of securities for lending in relation with financial assets at fair value through profit or loss, as of December 31, 2025 and 2024, as lending securities that do not meet the derecognition criteria per KIFRS 1109 are as follows:

			December 31, 2025	December 31, 2024
Government and public bonds	Financial assets at fair value through profit or loss	₩	899,536	301,143
Shares	Financial assets at fair value through profit or loss		6,274	136,255

6. Financial assets at fair value through other comprehensive income

(1) Details of financial assets at fair value through other comprehensive income as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Equity securities:			
Shares	₩	434,703	327,401
Overseas equity investments		-	46,051
Other securities		948,648	835,368
		1,383,351	1,208,820
Debt securities:			
Equity investments		265	310
Government and public bonds		32,517,653	30,000,705
Special bonds		6,171,744	6,372,769
Financial institutions bonds		1,177,854	1,720,506
Corporate bonds		4,019,863	4,857,690
Overseas debt instruments		16,887,673	14,707,766
		60,775,052	57,659,746
	₩	62,158,403	58,868,566

(2) Details of and reasons for being designated as equity instruments at fair value through other comprehensive income as of December 31, 2025 and 2024 are as follows:

		December 31, 2025 (*)
Korea Exchange	₩	172,921

SK telecom Hybrid 3		157,289
IBK CoCo bonds 24030		153,492
Smallstream 3rd 1 (Hybrid)		70,234
KB FG CoCo bonds 12		62,768
Shinhan FG CoCo bonds 14		53,077
DGB FG CoCo bonds 7		52,870
Woori FG CoCo bonds 16		52,530
Hana FG CoCo bonds 14		52,428
Shinhan Bank CoCo bonds 28-04		50,931
Others		504,811
	₩	1,383,351

(*) The option to elect to be measured at fair value through other comprehensive income was exercised as required to be held by policy.

		December 31, 2024(*)
SK telecom Hybrid 3	₩	171,846
IBK CoCo bonds 24030		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 option to elect to be measured at fair value through other comprehensive income was exercised as required to be held by policy.

(3) Details of dividend income recognized from equity instruments designated as at fair value through other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Shares	₩	16,944	15,683
Overseas equity securities		959	668
Other securities		41,457	36,043
	₩	59,360	52,394

(4) Details of equity instruments designated as at fair value through other comprehensive income which have been disposed of for each of the two years in the period ended December 31, 2025 are as follows:

		2025		
		Fair value at disposal	Cumulative valuation gain (loss)	Details
SouthEastPower1-2	₩	50,000	-	Early redemption
BLACKSTONE ISG INVESTMENT PARTNERS - R (BMU) L.P. (*)		60,384	19,631	Early redemption
		110,384	19,631	

(*) The cumulative valuation gain (loss) recognized in other comprehensive income was reclassified to retained earnings upon the disposal of BLACKSTONE ISG INVESTMENT PARTNERS - R (BMU) L.P.

		2024		
		Fair value at disposal	Cumulative valuation gain (loss)	Details
E-mart Hybrid tier 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	

(*) The cumulative valuation gain (loss) recognized in other comprehensive income was reclassified to retained earnings upon the disposal of SK E&S Hybrid Capital Securities, E-mart Everyday and Tongyang Leisure shares.

(5) Changes in loss allowances for financial assets at fair value through other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	7,889	-	-	7,889
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Reversal for the period, net		(682)	-	-	(682)
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending Balance	₩	7,207	-	-	7,207

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	12,209	-	-	12,209
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Reversal for the period, net		(4,319)	-	-	(4,319)
Write off, etc		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending Balance	₩	7,890	-	-	7,890

(6) Changes in the carrying amounts of debt securities measured at fair value through other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
			Non impaired	Impaired	
Beginning balance	₩	57,659,745	-	1	57,659,746
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		3,115,306	-	-	3,115,306
Ending balance	₩	60,775,051	-	1	60,775,052

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
			Non impaired	Impaired	
Beginning balance	₩	49,734,665	-	1	49,734,666
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		7,925,080	-	-	7,925,080
Ending balance	₩	57,659,745	-	1	57,659,746

(7) Details of securities lent in relation to financial assets at fair value through other comprehensive income as of December 31, 2025 and 2024 as a transfer transaction that does not meet the derecognition requirements of KIFRS 1109 are as follows:

		Classification	December 31, 2025	December 31, 2024
Government and public bonds	₩	Financial assets at fair value through other comprehensive income	1,040,912	715,889

(8) Financial assets pledged as collateral as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024	Counterparty
Collateral for derivative contracts	₩	3,227,597	2,399,956	BNP Paribas, etc.
CCP-IRS substitute securities		228,964	240,198	NH investment & securities, etc.
Futures substitute securities		60,341	13,693	Hanwha Investment & Securities, etc.
Bonds sold under repurchase agreements, etc.		419,967	109,229	Korea Securities Finance, etc.
Borrowing of institutional operating funds		172,921	148,295	Korea Exchange

(9) Details of the total gains and losses related to financial assets at fair value through other comprehensive income and their allocation to deferred tax liabilities and accumulated other comprehensive income as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Total gains and losses related to financial assets at fair value through other comprehensive income	₩	(7,219,848)	(4,542,475)
Amount allocated to deferred tax liabilities		(1,977,397)	(1,198,633)
Amount allocated to accumulated other comprehensive income		(5,242,451)	(3,343,842)

7. Securities at amortized cost

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

		December 31, 2025	December 31, 2024
Debt securities:			
Government and public bonds	₩	7,108	2
Special bonds		521,381	586,901
Corporate bonds		529,831	568,200
Overseas bonds		251,426	58,063
		1,309,746	1,213,166
Loss allowances		(11)	(14)
	₩	1,309,735	1,213,152

(2) Changes in the loss allowance for securities at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

(In millions of Korean won)

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	14	-	-	14
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Reversal for the period, net		(3)	-	-	(3)
Write off, etc		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending balance	₩	11	-	-	11

		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					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Reversal for the period, net		(13)	-	-	(13)
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending balance	₩	14	-	-	14

(3) Changes in the carrying amounts of financial assets at amortized for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
			Non impaired	Impaired	
Beginning balance	₩	1,213,166	-	-	1,213,166
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		96,580	-	-	96,580
Ending balance	₩	1,309,746	-	-	1,309,746

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
			Non impaired	Impaired	
Beginning balance	₩	1,299,954	-	-	1,299,954
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		(86,788)	-	-	(86,788)
Ending balance	₩	1,213,166	-	-	1,213,166

(4) Financial assets at amortized cost pledged as collateral as of December 31, 2025 and 2024 are as follows:

Purpose		December 31, 2025	December 31, 2024	Counter party
Loan execution	₩	7,106	-	Kookmin bank

8. Loan receivables at amortized cost

(1) Details of loan receivables at amortized cost as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Loan receivables secured by investment	₩	1,301,073	681,602
Loan receivables secured by real estate		6,978,502	7,739,672
Unsecured loan receivables		11,085,945	10,940,688
Guaranteed loan receivables		1,252,796	1,210,563
Other loan receivables		2,986,017	2,099,713
		23,604,333	22,672,238
Less: present value discount		(4,753)	(1,756)
Less: deferred loan origination costs and fees		(43,021)	(54,504)
Less: allowance for loss on loan receivables		(904,676)	(594,094)
	₩	22,651,883	22,021,884

(2) Changes in loss allowances for loan receivables at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

	2025			
	12-month expected credit loss measurement	Lifetime expected credit loss measurement		
		Non impaired	Impaired	Total

(In millions of Korean won)

Beginning balance	₩	34,572	50,422	509,100	594,094
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		6,980	(6,980)	-	-
Reclassified as lifetime expected credit loss		(2,363)	2,747	(384)	-
Reclassified as credit-impaired financial assets		(1,131)	(16,279)	17,410	-
		3,486	(20,512)	17,026	-
Provision for the period, net		482	5,501	280,248	286,231
Write off, etc.		(20)	(2,393)	12,549	10,136
Recovery of amortized receivables		-	-	14,215	14,215
Ending balance	₩	38,520	33,018	833,138	904,676

		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					
Reclassified as 12-month expected credit loss		6,228	(6,218)	(10)	-
Reclassified as lifetime expected credit loss		(2,481)	11,428	(8,947)	-
Reclassified as credit-impaired financial assets		(1,575)	(27,715)	29,290	-
		2,172	(22,505)	20,333	-
Provision for the period, net		10,190	22,405	345,545	378,140
Write off, etc.		-	(1,521)	(70,966)	(72,487)
Recovery of amortized receivables		-	-	13,442	13,442
Ending balance	₩	34,572	50,422	509,100	594,094

(3) Changes in loan receivables at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
			Non impaired	Impaired	
Beginning balance	₩	20,560,060	1,215,263	896,915	22,672,238
Reclassified as 12-month expected credit loss		181,100	(181,100)	-	-
Reclassified as lifetime expected credit loss		(393,800)	394,787	(987)	-
Reclassified as lifetime expected credit loss of impaired receivables		(97,588)	(80,439)	178,027	-
Purchases or derecognition, etc.		1,146,947	(517,194)	302,342	932,095
Ending balance	₩	21,396,719	831,317	1,376,297	23,604,333

		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
Reclassified as 12-month expected credit loss		119,861	(119,849)	(12)	-
Reclassified as lifetime expected credit loss		(409,128)	421,923	(12,795)	-
Reclassified as lifetime expected credit loss of impaired receivables		(82,863)	(140,385)	223,248	-
Purchases or derecognition, etc.		(130,668)	(167,838)	353,819	55,313
Ending balance	₩	20,560,060	1,215,263	896,915	22,672,238

(4) Changes in deferred loan origination costs and fees for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Beginning balance	₩	(54,504)	(64,243)
Loan originations		(15,385)	(23,545)
Amortization		26,868	33,284
Ending balance	₩	(43,021)	(54,504)

(5) There is no loan receivable of which contractual cash flow has changed for the year ended December 31, 2025, 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, 2025.

(7) Contractual uncollected loan receivables which have been amortized but are still being collected amount to ₩162,882 million as of December 31, 2025.

9. Other financial assets at amortized cost

(1) Details of other financial assets at amortized cost as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Insurance receivables	₩	4,313	4,675
Accounts receivables		977,451	452,780
Guarantee deposits		1,167,260	206,614
Accrued income		1,255,161	1,000,059
Finance lease receivables		5,193	7,231
Others		107,884	102,523
		3,517,262	1,773,882
Less: present value discount		(2,238)	(1,926)
Less: allowance for other receivables		(63,096)	(55,232)
	₩	3,451,928	1,716,724

(2) Changes in allowances for losses on other financial assets at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

	2025			
	12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
		Non impaired	Impaired	
Beginning balance	₩ 4,631	3,531	47,070	55,232
Changes due to significant increases and decreases in credit risk				
Reclassified as 12-month expected credit loss	78	(78)	-	-
Reclassified as lifetime expected credit loss	(16)	35	(19)	-
Reclassified as credit-impaired financial assets	(976)	(25)	1,001	-
	(914)	(68)	982	-
Provision for the period, net	140	159	10,892	11,191
Write off, etc.	-	(173)	(3,154)	(3,327)
Ending balance	₩ 3,857	3,449	55,790	63,096

	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				
Reclassified as 12-month expected credit loss	30	(30)	-	-
Reclassified as lifetime expected credit loss	(13)	17	(4)	-
Reclassified as credit-impaired financial assets	(262)	(231)	493	-
	(245)	(244)	489	-
Provision for the period, net	935	1,867	10,411	13,213
Write off, etc.	1,186	-	(5,321)	(4,135)
Ending balance	₩ 4,632	3,530	47,070	55,232

(3) Changes in other financial assets at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

	2025			
	12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
		Non impaired	Impaired	
Beginning balance	₩ 1,682,036	11,298	80,548	1,773,882
Reclassified as 12-month expected credit loss	900	(832)	(68)	-
Reclassified as lifetime expected credit loss	(7,577)	7,596	(19)	-
Reclassified as lifetime expected credit loss of impaired receivables	(2,557)	(251)	2,808	-
Purchases or derecognition, etc.	1,748,025	1,237	(5,883)	1,743,379
Ending balance	₩ 3,420,827	19,048	77,386	3,517,261

	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
Reclassified as 12-month expected credit loss	100,873	(45,490)	(55,383)	-
Reclassified as lifetime expected credit loss	(7,978)	874	7,104	-
Reclassified as lifetime expected credit loss of impaired receivables	(107)	(50)	157	-
Purchases or derecognition, etc.	(149,344)	1,536	16,053	(131,755)
Ending balance	₩ 1,682,035	11,297	80,550	1,773,882

(4) Gross investment in finance lease receivables and present value of minimum lease payments as of December 31, 2025 and 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Gross investment	Present value of minimum lease payment	Gross investment	Present value of minimum lease payment
Not later than 1 year	₩ 2,824	2,639	₩ 2,974	3,350
Over one year and up to five years	4,535	3,487	3,659	6,330
Ending balance	₩ 7,359	6,126	₩ 6,633	9,680

(5) The unearned finance income included in the gross investment in the lease amounts to ₩153 million as of December 31, 2025.

10. Investments in associates and joint ventures

(1) Details of investments in associates and joint ventures as of December 31, 2025 and 2024 are summarized as follows:

	Country of domicile	Reporting date	December 31, 2025		December 31, 2024	
			Book value	Ownership (%)	Book value	Ownership (%)
Associates:						
A&D Credit Information Co., Ltd. (*1)	Korea	Dec. 31, 2025	₩ 3,616	19.50	3,554	19.50
Songsan Industrial Complex Development Co., Ltd. (*1,	Korea	Sep. 30, 2025	-	14.12	-	14.12

*3, *6)						
Guri Galmae REIT Co., Ltd. (*1,*6)	Korea	Sep. 30, 2025	21	0.14	14	0.14
Yeouido H2 PFV (*1,*6)	Korea	Sep. 30, 2025	480	5.00	286	5.00
Pusan Eco delta city PFV (*1,*4)	Korea	Dec. 31, 2025	-	-	-	-
Logistec Yangsan Co., Ltd. (*1)	Korea	Dec. 31, 2025	150	19.90	221	19.90
Incheon Gundam 3rd PFV (*1,*4)	Korea	Dec. 31, 2025	-	-	-	-
Hera Park City development PFV (*1)	Korea	Dec. 31, 2025	371	19.50	531	19.50
Hera Park City development AMC (*1,*3)	Korea	Dec. 31, 2025	-	19.50	-	19.50
Incheon Yeongjong PFV (*1,*4)	Korea	Dec. 31, 2025	-	-	-	-
Dongdaemoon Urban PFV (*1,*4)	Korea	Dec. 31, 2025	-	-	-	-
Chungju Biz Core City Co., Ltd. (*1,*3)	Korea	Dec. 31, 2025	-	10.00	-	10.00
Chungnam Naepo 1 PFV (*1,*4)	Korea	Dec. 31, 2025	-	-	-	-
Peco-city Co., Ltd. (*1,*6)	Korea	Sep. 30, 2025	71	12.50	91	12.50
Incheon Yeongjong 1st PFV (*1,*4)	Korea	Dec. 31, 2025	-	-	-	-
Jinjeop District 2 REIT Co., Ltd. (*1,6)	Korea	Sep. 30, 2025	63	0.44	46	0.44
Together Nonhyeon-dong Office No.8 REIT Co., Ltd. (*1,*6)	Korea	Sep. 30, 2025	697	6.78	-	-
Kyobo 13 Special Purpose Acquisition Company (*5)	Korea	Dec. 31, 2025	-	-	21	0.25
Kyobo 14 Special Purpose Acquisition Company (*1)	Korea	Dec. 31, 2025	20	0.24	20	0.24
Kyobo 15 Special Purpose Acquisition Company (*1)	Korea	Dec. 31, 2025	20	0.26	20	0.26
Kyobo 16 Special Purpose Acquisition Company (*1)	Korea	Dec. 31, 2025	20	0.16	20	0.16
Kyobo 17 Special Purpose Acquisition Company (*1)	Korea	Dec. 31, 2025	14	0.14	14	0.14
Kyobo 18 Special Purpose Acquisition Company (*1)	Korea	Dec. 31, 2025	19	0.20	-	-
Kyobo 19 Special Purpose Acquisition Company (*1)	Korea	Dec. 31, 2025	19	0.19	-	-
Kyobo 20 Special Purpose Acquisition Company (*1)	Korea	Dec. 31, 2025	16	1.75	-	-
Kyobo Axis Future & New Technology Investment Association 1st (*5)	Korea	Dec. 31, 2025	-	-	1,212	9.43
KYOBO-SP Advanced Materials New Technology Investment Association	Korea	Dec. 31, 2025	1,732	21.69	2,446	21.69
Kyobo-Mark New Technology Investment Association 1(*2)	Korea	Dec. 31, 2025	340	18.75	296	18.75
Kyobo Healthcare New Technology Investment Association 1 (*2)	Korea	Dec. 31, 2025	2,004	19.05	1,862	19.05
K&T-Kyobo ESG New Technology Investment Association (*2)	Korea	Dec. 31, 2025	1,796	14.78	1,663	14.78
Kyobo-H Square UTG New Technology Investment Association	Korea	Dec. 31, 2025	1,539	25.81	1,530	25.81
Kyobo IBK Advanced Materials New Technology Business Investment Association (*2)	Korea	Dec. 31, 2025	1,926	19.05	1,812	19.05
Kyobo Mobility Advanced Materials New Technology Business Investment Association(*5)	Korea	Dec. 31, 2025	-	-	1,702	21.51
Kyobo Hyundai Mezzanine No.1 Private Equity Partnership	Korea	Dec. 31, 2025	4,092	29.56	-	-
IBKC Kyobo Mezzanine New Technology Investment Association No.1	Korea	Dec. 31, 2025	4,619	49.50	-	-
Kyobo KDBC Moneyball New Technology Investment Association No. 1	Korea	Dec. 31, 2025	6,991	48.70	-	-
Kyobo Big Inning Semiconductor Equipment New Technology Investment Association No. 1	Korea	Dec. 31, 2025	2,976	19.86	-	-
Kyobo-NBH-Alpenroot Sports Innovation Investment Association (*2)	Korea	Dec. 31, 2025	1,234	9.95	632	9.95
Kyobo-CELTIS AI New Technology Investment Association	Korea	Dec. 31, 2025	496	27.78	-	-
Kyobo GNTech Startup Korea Venture Investment Association (*2)	Korea	Dec. 31, 2025	1,200	13.33	-	-
SBI-NTU-Kyobo Digital Innovation Fund (*2, *6)	Singapore	Sep. 30, 2025	129	0.75	72	0.75
Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust (*2)	Korea	Dec. 31, 2025	68	0.16	65	0.07
Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5 (*5)	Singapore	Dec. 31, 2025	-	-	61,292	16.75
Kyobo Securities Hi-Public Stock General Private Investment Trust (*2)	Korea	Dec. 31, 2025	214	0.98	204	0.98
Kyobo Securities Solid Income 1Y General Private Investment Trust No.3 (*2)	Korea	Dec. 31, 2025	4,350	4.44	-	-
Kyobo Securities Solid Income 1Y General Private Investment Trust No.5 (*2)	Korea	Dec. 31, 2025	2,517	4.19	-	-
Kyobo Securities Solid Income 1Y General Private Investment Trust No.6 (*2)	Korea	Dec. 31, 2025	2,867	4.57	-	-
Kyobo Securities Solid Income 1Y General Private Investment Trust No.7 (*2)	Korea	Dec. 31, 2025	4,119	4.63	-	-
Kyobo Securities Solid Income 1Y General Private Investment Trust No.8 (*2)	Korea	Dec. 31, 2025	2,699	4.57	-	-
The Givers	Korea	Dec. 31, 2025	6,169	29.80	6,280	29.80
Marston General Private Real Estate Investment Trust 61	Korea	Dec. 31, 2025	38,783	32.79	38,560	32.79
Spiderlab (*3)	Korea	Dec. 31, 2025	-	22.97	2,242	22.97
Kyobo AIM Europe Private Debt Private Investment Trust Fund II	Korea	Dec. 31, 2025	2,634	21.17	-	-
			101,091		126,708	
Joint venture:						
Kyobo AXA Investment Management Co., Ltd.	Korea	Dec. 31, 2025	34,338	50.00	33,315	50.00
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership	Korea	Dec. 31, 2025	12,104	29.58	-	-
			46,442		33,315	

	₩	147,533	160,023

(*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 the Group has significant influence over the entities.
(*2) The entities are classified as associates even though the Group holds less than 20% of shares in the entities 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 resulting in the carrying amount of investments in the entities to be decreased to nil and discontinued to recognize its shares of profit or loss of the associate.
(*4) KIFRS 1109 is applied to the entities as the Group invests in preferred stocks issued by the investees over which it has significant influence and accordingly does not have the right to the profits associated with the investments in the associates in substance.
(*5) The entities are excluded from associates because the investment shares were recovered for the year ended December 31, 2025.
(*6) As the financial statements for the period ended December 31, 2025 were not available, the equity method was applied using the financial statements prepared as of the date prior to December 31, 2025. Significant transactions or events occurring between the end of the associates' reporting period and the end of the Group's reporting period have been appropriately reflected.

(2) Changes in investments in associates and joint ventures for each of the two years in the period ended December 31, 2025 are as follows:

		2025						
		Beginning balance	Acquisition	Disposal	Gain (loss) on equity-method accounting	Dividend	Capital change	Ending balance
Associates:								
A&D Credit Information Co., Ltd.	₩	3,554	-	-	111	(49)	-	3,616
Songsan Industrial Complex Development Co., Ltd. (*1)		-	-	-	-	-	-	-
Guri Galmae REIT Co., Ltd.		14	-	-	7	-	-	21
Yeouido H2 PFV		286	-	-	194	-	-	480
Logistec Yangsan Co., Ltd.		221	-	-	(71)	-	-	150
Hera Park City development PFV		531	-	-	(160)	-	-	371
Hera Park City development AMC (*1)		-	-	-	-	-	-	-
Chungju Biz Core City Co., Ltd. (*1)		-	-	-	-	-	-	-
Peco-city Co., Ltd.		91	-	-	(20)	-	-	71
Jinjeop District 2 REIT Co., Ltd.		46	-	-	17	-	-	63
Together Nonhyeon-dong Office No.8 REIT Co., Ltd.		-	700	-	(3)	-	-	697
Kyobo 13 Special Purpose Acquisition Company (*2)		21	-	(7)	-	-	(14)	-
Kyobo 14 Special Purpose Acquisition Company		20	-	-	-	-	-	20
Kyobo 15 Special Purpose Acquisition Company		20	-	-	-	-	-	20
Kyobo 16 Special Purpose Acquisition Company		20	-	-	-	-	-	20
Kyobo 17 Special Purpose Acquisition Company		14	-	-	-	-	-	14
Kyobo 18 Special Purpose Acquisition Company		-	10	-	5	-	4	19
Kyobo 19 Special Purpose Acquisition Company		-	10	-	4	-	5	19
Kyobo 20 Special Purpose Acquisition Company		-	10	-	-	-	6	16
Kyobo Axis Future & New Technology Investment Association 1st (*2)		1,212	-	-	-	(1,212)	-	-
KYOBO-SP Advanced Materials New Technology Investment Association		2,446	-	(868)	555	(401)	-	1,732
Kyobo-Mark New Technology Investment Association 1		296	-	-	44	-	-	340
Kyobo Healthcare New Technology Investment Association 1		1,862	-	-	142	-	-	2,004
K&T-Kyobo ESG New Technology Investment Association		1,663	-	-	133	-	-	1,796
Kyobo-H Square UTG New Technology Investment Association		1,530	-	-	9	-	-	1,539
Kyobo IBK Advanced Materials New Technology Business Investment Association		1,812	-	-	114	-	-	1,926
Kyobo Mobility Advanced Materials New Technology Business Investment Association (*2)		1,702	-	(1,702)	-	-	-	-

	2025							
	Beginning balance	Acquisition	Disposal	Gain (loss) on equity-method accounting	Dividend	Impairment	Capital change	Ending balance
Associates:								
Kyobo Hyundai Mezzanine No.1 Private Equity Partnership	-	3,900	-	192	-	-	-	4,092
IBKC Kyobo Mezzanine New Technology Investment Association No.1	-	4,554	-	65	-	-	-	4,619
Kyobo KDBC Moneyball New	-	6,486	-	505	-	-	-	6,991

Technology Investment Association No. 1								
Kyobo Big Inning Semiconductor Equipment New Technology Investment Association No. 1	-	2,800	-	176	-	-	-	2,976
Kyobo-NBH-Alpenroot Sports Innovation Investment Association	632	640	-	(38)	-	-	-	1,234
Kyobo-CELTIS AI New Technology Investment Association	-	500	-	(4)	-	-	-	496
Kyobo GNTech Startup Korea Venture Investment Association	-	1,200	-	-	-	-	-	1,200
SBI-NTU-Kyobo Digital Innovation Fund	72	49	-	(2)	-	-	10	129
Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust	65	-	-	3	-	-	-	68
Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5 (*2)	61,292	754	(61,292)	-	(754)	-	-	-
Kyobo Securities Hi-Public Stock General Private Investment Trust	204	-	-	10	-	-	-	214
Kyobo Securities Solid Income 1Y General Private Investment Trust No.3	-	7,000	-	(2,650)	-	-	-	4,350
Kyobo Securities Solid Income 6M General Private Investment Trust No.4 (*2)	-	6,750	(6,750)	-	-	-	-	-
Kyobo Securities Solid Income 1Y General Private Investment Trust No.5	-	4,400	-	(1,883)	-	-	-	2,517
Kyobo Securities Solid Income 1Y General Private Investment Trust No.6	-	4,800	-	(1,933)	-	-	-	2,867
Kyobo Securities Solid Income 1Y General Private Investment Trust No.7	-	7,300	-	(3,181)	-	-	-	4,119
Kyobo Securities Solid Income 1Y General Private Investment Trust No.8	-	4,800	-	(2,101)	-	-	-	2,699
The Givers	6,280	-	-	(111)	-	-	-	6,169
Marston General Private Real Estate Investment Trust 61	38,560	-	-	1,534	(1,311)	-	-	38,783
Spiderlab	2,242	-	-	(50)	-	(2,192)	-	-
Kyobo AIM Europe Private Debt Private Investment Trust Fund II	-	2,537	-	213	(116)	-	-	2,634
	126,708	59,200	(70,619)	(8,174)	(3,843)	(2,192)	11	101,091
Joint ventures:								
Kyobo AXA Investment Management Co., Ltd.	33,315	-	-	7,953	(6,930)	-	-	34,338
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership	-	11,833	-	271	-	-	-	12,104
	33,315	11,833	-	8,224	(6,930)	-	-	46,442
	₩ 160,023	71,033	(70,619)	50	(10,773)	(2,192)	11	147,533

(*1) The Group recognized equity method losses, resulting in a nil carrying amount of the investments, and accordingly discontinued recognizing its share of profit or loss of the associates.
(*2) The entities are excluded from associates because the investment shares were recovered for the year ended December 31, 2025.

		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

(In millions of Korean won)

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 Technology Investment Association 1st (*2)	2,502	-	(2,500)	808	(810)	-	-
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	-	200	-	4	-	-	-	204

(In millions of Korean won)

Stock General Private Investment Trust								
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, 2024.

(3) Details of accumulated unrecognized change in equity due to discontinued use of the equity method as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	
	Unrecognized losses	Accumulated unrecognized losses
Songsan Industrial Complex Development Co., Ltd.	₩ 138	2,664
Hera Park City development AMC	56	119
Chungju Biz Core City Co., Ltd.	72	164
	₩ 266	2,947

	December 31, 2024	
	Unrecognized losses	Accumulated unrecognized losses
Songsan Industrial Complex Development Co., Ltd.	₩ 301	2,525
Yeouido H2 PFV	(9)	-
Hera Park City development AMC	63	63
Chungju Biz Core City Co., Ltd.	22	92
	₩ 377	2,680

(4) The condensed financial information on the Group's associates and joint ventures as of December 31, 2025 and 2024 is summarized as follows:

	December 31, 2025			
	Assets	Liabilities	Operating profit	Net income (loss)
Associates:				
A&D Credit Information Co., Ltd.	₩ 30,287	11,744	33,203	565
Songsan Industrial Complex Development Co., Ltd.	27,788	46,655	-	(230)
Guri Galmae REIT Co., Ltd.	82,729	67,463	-	(151)
Yeouido H2 PFV	18,899	9,291	35,146	3,972
Logistec Yangsan Co., Ltd.	9,089	8,336	150	(328)
Hera Park City development PFV	18,093	16,190	-	(538)
Hera Park City development AMC	398	1,007	400	(201)
Chungju Biz Core City Co., Ltd.	2,061	3,704	-	(624)
Peco-city Co., Ltd.	566	-	-	(149)
Jinjeop District 2 REIT Co., Ltd.	55,851	41,521	-	(138)
Together Nonhyeon-dong Office No.8 REIT Co., Ltd.	49,927	133	-	(85)
Kyobo 14 Special Purpose Acquisition Company	10,297	1,809	-	98
Kyobo 15 Special Purpose Acquisition Company	9,181	1,521	-	69
Kyobo 16 Special Purpose Acquisition Company	15,113	2,802	-	116
Kyobo 17 Special Purpose Acquisition Company	12,094	1,618	-	203
Kyobo 18 Special Purpose Acquisition Company	11,483	1,924	-	(83)
Kyobo 19 Special Purpose Acquisition Company	11,829	1,403	-	(26)
Kyobo 20 Special Purpose Acquisition Company	3,177	2,276	-	(25)
KYOBO-SP Advanced Materials New Technology Investment Association	8,017	34	2,684	2,553
Kyobo-Mark New Technology Investment Association 1	1,823	8	267	235
Kyobo Healthcare New Technology Investment Association 1	10,564	44	928	758
K&T-Kyobo ESG New Technology Investment Association	12,147	-	1,086	895
Kyobo-H Square UTG New Technology Investment Association	5,967	5	112	35
Kyobo IBK Advanced Materials New Technology Business Investment Association	10,111	-	-	596
Kyobo Hyundai Mezzanine No.1 Private Equity Partnership	14,082	237	1,065	650
IBKC Kyobo Mezzanine New Technology Investment Association No.1	9,369	39	531	130
Kyobo KDBC Moneyball New Technology Investment Association No. 1	14,372	17	1,055	1,038
Kyobo Big Inning Semiconductor Equipment New Technology Investment Association No. 1	14,999	15	898	884
Kyobo-NBH-Alpenroot Sports Innovation Investment Association	12,517	118	66	(382)
Kyobo-CELTIS AI New Technology Investment Association	1,789	2	-	(14)
Kyobo GNTech Startup Korea Venture Investment Association	9,000	-	-	-
SBI-NTU-Kyobo Digital Innovation Fund	17,163	35	13	(218)
Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust	41,988	19	3,570	3,348
Kyobo Securities Hi-Public Stock General Private Investment	54,292	32,545	829	1,043

	December 31, 2025			
	Assets	Liabilities	Operating profit	Net income (loss)
Trust				
Kyobo Securities Solid Income 1Y General Private Investment Trust No.3	726,040	568,005	4,018	535
Kyobo Securities Solid Income 1Y General Private Investment Trust No.5	480,705	375,796	2,610	(91)
Kyobo Securities Solid Income 1Y General Private Investment Trust No.6	487,858	383,136	2,060	(278)
Kyobo Securities Solid Income 1Y General Private Investment Trust No.7	704,193	548,197	5,013	(1,505)
Kyobo Securities Solid Income 1Y General Private Investment Trust No.8	467,290	363,544	2,904	(1,254)
The Givers	7,887	687	694	(371)
Marston General Private Real Estate Investment Trust 61	229,495	145,282	16,511	4,866
Spiderlab	554	620	1,303	(218)
Kyobo AIM Europe Private Debt Private Investment Trust Fund II	10,894	5	1,103	1,088
Joint ventures:				
Kyobo AXA Investment Management Co., Ltd.	84,929	16,251	35,402	15,908
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership	41,188	272	979	916

	December 31, 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
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

(5) The market values of associates and joint ventures which are publicly traded as of December 31, 2025 and 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Fair value	Book value	Fair value	Book value
Kyobo 13 Special Purpose Acquisition Company	₩ -	-	21	21
Kyobo 14 Special Purpose Acquisition Company	21	20	21	20
Kyobo 15 Special Purpose Acquisition Company	24	20	21	20
Kyobo 16 Special Purpose Acquisition Company	21	20	20	20
Kyobo 17 Special Purpose Acquisition Company	15	14	14	14
Kyobo 18 Special Purpose Acquisition Company	21	19	-	-
Kyobo 19 Special Purpose Acquisition Company	20	19	-	-

11. Classification of financial instruments by category

(1) The carrying amounts of financial assets and financial liabilities by category as of December 31, 2025 and 2024 are summarized as follows:

	December 31, 2025							
	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	₩ -	-	-	5,398,154	-	-	-	5,398,154
Financial assets at fair value through profit or loss	47,155,640	-	-	-	-	-	-	47,155,640
Derivative assets	954,284	-	-	-	86,950	-	-	1,041,234
Financial assets at fair value through other comprehensive income	-	62,158,403	-	-	-	-	-	62,158,403
Securities at amortized cost	-	-	1,309,735	-	-	-	-	1,309,735
Loan receivables at amortized cost	-	-	-	22,651,883	-	-	-	22,651,883
Other financial assets at amortized cost	-	-	-	3,451,928	-	-	-	3,451,928
	₩ 48,109,924	62,158,403	1,309,735	31,501,965	86,950	-	-	143,166,977
Financial liabilities:								
Investment contract liabilities	₩ -	-	-	-	-	-	18,392,814	18,392,814
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	5,559,369	-	5,559,369
Financial liabilities at fair value through profit or loss	-	-	-	-	-	509,765	-	509,765
Derivative liabilities	-	-	-	-	2,031,897	1,774,441	-	3,806,338
Borrowings	-	-	-	-	-	-	7,688,273	7,688,273
Other financial liabilities	-	-	-	-	-	-	4,788,781	4,788,781
	₩ -	-	-	-	2,031,897	7,843,575	30,869,868	40,745,340

	December 31, 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	₩ -	-	-	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	-	-	-	-	-	4,839,246	-	4,839,246

designated at fair value through profit or loss								
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

(2) Gains (losses) on financial instruments by category for each of the two years in the period ended December 31, 2025 are as follows:

	2025						
	Net profit (loss) (*3)						Other comprehensive income (loss) (*2)
	Interest income (expense)	Gain (loss) on disposal	Gain (loss) on valuation (*4)	Impairment gain (loss)	Other gain (loss) (*1)	Subtotal	
Financial assets at fair value through profit or loss ₩	579,207	1,559,342	2,591,621	-	930,012	5,660,182	-
Financial assets at fair value through other comprehensive income	2,076,223	222,998	-	682	2,089	2,301,992	(1,879,450)
Securities at amortized cost	47,452	(1)	-	3	(21)	47,433	-
Loan receivables at amortized cost	1,113,525	1,786	-	(286,231)	19,640	848,720	-
Other financial assets at amortized cost	163,121	-	-	(14,159)	713	149,675	-
Derivatives	(106,632)	(918,849)	(352,405)	-	10,177	(1,367,709)	(500,448)
Investment contract liabilities	-	-	-	-	(760,381)	(760,381)	-
Financial liabilities designated at fair value through profit or loss	-	(159,816)	(184,579)	-	21,630	(322,765)	(1,021)
Financial liabilities at fair value through profit or loss	-	(142,364)	(106,052)	-	-	(248,416)	-
Financial liabilities at amortized cost	(270,902)	-	-	-	13,548	(257,354)	-
₩	3,601,994	563,096	1,948,585	(299,705)	237,407	6,051,377	(2,380,919)

(*1) Including gains or losses from foreign currency transactions, dividend income, other operating income and other financial expenses.
(*2) Amounts adjusted for income tax effect.
(*3) Including gains or losses from performance-based dividends.
(*4) In accordance with KIFRS 1109, a loss of ₩3,749 million was recognized in profit or loss as the debt securities measured at fair value through other comprehensive income held by the Group for the year ended December 31, 2025 (Account name: US Treasury N/B) has been designated as the hedged item in a fair value hedge.

	2024						
	Net profit (loss) (*3)						Other comprehensive income (loss) (*2)
	Interest income (expense)	Gain (loss) on disposal	Gain (loss) on valuation	Impairment gain (loss)	Other gain (loss) (*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	270,422
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 financial assets 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	310,591

(*1) Including gains or losses from foreign currency transactions, dividend income, other operating income and other financial expenses.
(*2) Amounts adjusted for income tax effect.
(*3) Including gains or losses from performance-based dividends.

12. Fair value of financial assets and liabilities

(1) The book values and fair values of financial assets and liabilities as of December 31, 2025 and 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Book value	Fair value	Book value	Fair value
Financial assets:				
Cash and due from banks ₩	5,398,154	5,398,154	4,803,712	4,803,712
Financial assets at fair value through profit or loss	47,155,640	47,155,640	43,755,497	43,755,497
Derivative assets	1,041,234	1,041,234	1,417,898	1,417,898
Financial assets at fair value through other comprehensive income	62,158,403	62,158,403	58,868,566	58,868,566
Securities at amortized cost	1,309,735	1,232,458	1,213,152	1,148,751
Loan receivables at amortized cost	22,651,883	22,431,288	22,021,884	22,132,574
Other financial assets at amortized cost	3,451,928	3,452,123	1,716,724	1,716,587
₩	143,166,976	142,869,299	133,797,433	133,843,585
Financial liabilities:				
Investment contract liabilities ₩	18,392,814	18,392,814	15,846,521	15,846,521
Financial liabilities designated at fair value through profit or loss	5,559,369	5,559,369	4,839,246	4,839,246
Financial liabilities at fair value through profit or loss	509,765	509,765	599,561	599,561
Borrowings	7,688,273	7,692,388	6,198,120	6,215,000
Derivative liabilities	3,806,338	3,806,338	3,654,935	3,654,935
Other financial liabilities	4,788,781	4,789,235	3,055,228	3,054,414
₩	40,745,340	40,749,909	34,193,611	34,209,677

(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 are classified as fair value level 1;
- Level 2: Financial instruments measured using valuation techniques where all significant inputs are observable with market data are classified as level 2; and
- 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 the transfers between levels of fair value hierarchy at the end of the reporting period.

Details of financial instruments measured at fair value as of December 31, 2025 and 2024 are as follows:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss ₩	14,643,783	17,496,239	15,015,618	47,155,640
Financial assets at fair value through other comprehensive income	37,043,409	24,891,435	223,559	62,158,403
Derivative assets	2,206	883,447	155,581	1,041,234
₩	51,689,398	43,271,121	15,394,758	110,355,276
Financial liabilities:				
Financial liabilities designated at fair value through profit or loss ₩	-	-	5,559,369	5,559,369
Financial liabilities at fair value through profit or loss	509,765	-	-	509,765
Derivative liabilities	27,466	3,159,286	619,586	3,806,338
₩	537,231	3,159,286	6,178,955	9,875,472

	December 31, 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

(3) Changes in financial instruments at the level 3 fair value hierarchy for each of the two years in the period ended December 31, 2025 are as follows:

	2025				
	Financial liabilities 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	₩	(4,839,246)	14,866,112	234,826	(643,331)	9,618,361
Purchases		(5,052,745)	2,750,783	400	(113,538)	(2,415,100)
Settlements/disposals		4,496,811	(2,607,617)	(46,056)	157,658	2,000,796
Transfers between levels (*)		-	(42,762)	(176)	-	(42,938)
Total comprehensive income:		(164,189)	49,102	34,565	135,206	54,684
Profit (loss)		(162,948)	49,102	-	135,206	21,360
Other comprehensive income (loss)		(1,241)	-	34,565	-	33,324
Ending balance	₩	(5,559,369)	15,015,618	223,559	(464,005)	9,215,803

(*) Transfers between levels occurred due to a change in the availability of observable market data for the financial instrument.

2024

		Financial liabilities 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		(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
Other		-	21,511	-	-	21,511
Total comprehensive income:		(102,514)	407,625	13,513	(134,456)	184,168
Profit (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

(4) The total gains or losses for each of the two years in the period ended December 31, 2025 recognized in profits or losses and gains or losses relating to financial instruments in level 3 at the end of the reporting period are presented in the consolidated statement of comprehensive income as follows:

2025

		Total Losses	Gains relating to financial instruments held
Recognized in profit or loss relating to financial instruments in level 3	₩	(143,351)	21,360

2024

		Total Losses	Gains relating to financial instruments held
Recognized in profit or loss relating to financial instruments in level 3	₩	(92,921)	165,719

(5) The valuation techniques and inputs used in measuring the fair values of financial instruments classified as level 2 as of December 31, 2025 and 2024 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, Net asset value approach, Reference price, Option pricing 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	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.

(6) There was no transfer between level 1 and level 2 fair value measurement for each of the two years in the period ended December 31, 2025.

(7) The information on significant unobservable inputs in measuring financial instruments categorized in level 3 as of December 31, 2025 and 2024 is as follows:

December 31, 2025

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, Discounted cash flow ("DCF") model, Net asset value method, Price formulas, Simulation, etc.	Growth rate	0%-1%	A significant increase in growth rate would result in a higher fair value
		Discount rate	3.72%-21.54%	A significant increase in discount rate would result in a lower fair value
		The volatility of liquidation value rate	-	A significant increase in the volatility of liquidation value rate would result in a higher fair value
		Volatility	0%-99%	Not standardized but depends on the structure of financial instrument
		Correlation coefficient	-0.99-0.99	
Financial assets at fair value through other comprehensive income	DCF model, Comparable company method, Residual profit model, Net asset value method	Growth rate	1%	A significant increase in growth rate would result in a higher fair value
		Discount rate	8.80%-14.34%	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.
Derivative assets	Price formulas, Simulation, 1-factor Gaussian Copular model	Correlation coefficient	-0.99-0.99	

Investments in subsidiaries and associates	Net asset value method	The volatility of liquidation value rate	-	A significant increase in liquidation value would result in a higher fair value
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	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	

December 31, 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 value 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 asset value method	Growth rate	1%	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
		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.
Derivative assets	Price formulas, Simulation, 1-factor Gaussian Copular model	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	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	

(8) The sensitivity analysis on the fair value measurement arising from changes in the significant unobservable inputs as of December 31, 2025 and 2024 is as follows:

December 31, 2025

		Profit (loss)		Other comprehensive income (loss)	
		Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets:					
Financial assets at fair value through profit or loss (*1)	₩	161,344	(143,859)	-	-
Financial assets at fair value through other comprehensive income (*2)		-	-	11,388	(8,178)
Derivative assets		15,901	(16,569)	-	-
Financial liabilities:					
Financial liabilities designated at fair value through profit or loss	₩	13,032	(7,642)	-	-
Derivative liabilities		17,253	(18,507)	-	-

(*1) A change in fair value is calculated by increasing or decreasing stock price (-1%~1%), volatility (-1%~1%), liquidation value (-1%~1%), discount rate (-1%~1%) and growth rate (-1% ~1%).

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

December 31, 2024

		Profit (loss)		Other comprehensive income (loss)	
		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		-	-	9,343	(7,126)

other comprehensive income (*2)					
Derivative assets		9,093	(21,474)	-	-
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 stock price (-1%~1%), volatility (-1%~1%), liquidation value (-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%) and discount rate (-1%~1%).

(9) The fair values of financial assets and financial liabilities by hierarchy level, which are not measured at fair value but whose fair values are disclosed as of December 31, 2025 and 2024, are as follows:

		December 31, 2025			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and due from banks	₩	986	5,397,168	-	5,398,154
Securities at amortized cost		-	1,028,212	204,246	1,232,458
Loan receivables at amortized cost		-	16,995	22,414,293	22,431,288
Other financial assets at amortized cost		-	7,285	3,444,838	3,452,123
	₩	986	6,449,660	26,063,377	32,514,023
Financial liabilities:					
Investment contract liabilities	₩	-	-	18,392,814	18,392,814
Borrowings		-	702,360	6,990,028	7,692,388
Other financial liabilities		-	5,890	4,783,345	4,789,235
	₩	-	708,250	30,166,187	30,874,437

		December 31, 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

(10) Offsetting of financial assets and financial liabilities

The Group is subject to enforceable master netting arrangements 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, securities lending transactions, etc.

Details of financial assets and financial liabilities subject to enforceable master netting agreements and similar agreements as of December 31, 2025 and 2024 are as follows:

		December 31, 2025					
					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	Financial instruments received (provided) as collateral	Net amounts
Financial assets:							
Derivative assets	₩	1,136,726	-	1,136,726	653,180	172,868	310,678
Receivables from KRX		527,006	430,279	96,727	-	-	96,727
Securities lending agreement		1,946,722		1,946,722	1,946,722	-	-
Others		33,796	-	33,796	-	-	33,796
	₩	2,810,773	430,279	2,380,494	1,766,425	172,868	441,201
Financial liabilities:							
Securities sold	₩	509,765	-	509,765	509,765	-	-
Derivative liabilities		3,858,454	-	3,858,454	653,180	2,305,842	899,432
Bonds sold under repurchase agreements		3,768,976	-	3,768,976	3,768,976	-	-
Payables to KRX		751,031	430,279	320,752	-	-	320,752
	₩	8,888,226	430,279	8,457,947	4,931,921	2,305,842	1,220,184

		December 31, 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	Financial instruments received (provided) as collateral	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

13. Investment property

(1) Details of investment properties as of December 31, 2025 and 2024 are as follows:

		December 31, 2025			
		Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Book value
Land	₩	753,110	-	(6,150)	746,960
Buildings		485,338	(207,243)	(12,509)	265,586
Structures		8,994	(3,842)	(280)	4,872
Right-of-use assets		658	(44)	-	614
	₩	1,248,100	(211,129)	(18,939)	1,018,032

		December 31, 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 assets		199	(176)	-	23
	₩	1,218,429	(194,837)	(18,047)	1,005,545

(2) Changes in investment properties for each of the two years in the period ended December 31, 2025 are as follows:

		2025					
		Beginning balance	Acquisitions	Disposals	Depreciation	Others (*)	Ending balance
Land	₩	738,531	26	(2,759)	-	11,162	746,960
Buildings		261,978	2,364	(400)	(10,239)	11,883	265,586
Structures		5,014	-	(24)	(175)	57	4,872
Right-of-use assets		23	658	-	(67)	-	614
	₩	1,005,546	3,048	(3,183)	(10,481)	23,102	1,018,032

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

		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 assets		60	-	-	(37)	-	-	23
	₩	1,022,843	1,446	(1,830)	(10,536)	(18)	(6,359)	1,005,546

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

(3) Gains and losses related to investment property for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Rental income	₩	129,599	101,105
Direct operating expenses:			
Income-generating properties		51,522	50,490
Non-income-generating properties		6,192	5,282

(3) The total fair values of investment properties measured at cost as of December 31, 2025 and 2024 amounted to ₩2,873,019 million and ₩2,707,010 million, respectively. The fair values were determined by a professionally qualified and independent appraisal firm and were classified as level 3 fair values based on the inputs used in the valuation techniques. The valuation techniques and significant unobservable inputs used in measuring the fair values of the investment properties 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 the discount rate would decrease the fair value. An increase in the vacancy rate would decrease the fair value. An increase in the operating expense rate would decrease the fair value.

(5) Details of investment properties pledged as collaterals as of December 31, 2025 and 2024 are as follows:

				December 31, 2025	December 31, 2024	Purpose
Woori Bank, etc	Book value	₩	48,192	54,012	Establishment of a mortgage	

	Maximum credit amount		56,513	63,880	
	Book value	₩	14,284	5,230	
Korea ratings, etc	Maximum credit amount		14,284	5,230	Establishment of the right to hold leasehold

14. Property and equipment

(1) Details of property and equipment as of December 31, 2025 and 2024 are as follows:

	December 31, 2025			
	Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Book value
Land	₩ 826,999	-	(4,598)	822,401
Buildings	674,749	(285,694)	(32,542)	356,513
Structures	21,232	(10,397)	(244)	10,591
Vehicles	1,881	(1,755)	-	126
Equipment	357,439	(284,489)	-	72,950
Construction in progress	16,637	-	-	16,637
Right-of-use assets (Real estate)	109,562	(40,151)	-	69,411
Right-of-use assets (Vehicles)	9,889	(3,195)	-	6,694
Others	95,908	(49,526)	(405)	45,977
	₩ 2,114,296	(675,207)	(37,789)	1,401,300

	December 31, 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 assets (Real estate)	127,349	(37,183)	-	90,166
Right-of-use assets (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

(2) Changes in property and equipment for each of the two years in the period ended December 31, 2025 are as follows:

	2025					
	Beginning balance	Acquisitions	Disposals/ Termination	Depreciation	Others (*)	Ending balance
Land	₩ 833,563	1	-	-	(11,163)	822,401
Buildings	381,591	289	-	(13,493)	(11,874)	356,513
Structures	11,374	53	-	(779)	(57)	10,591
Vehicles	146	90	-	(110)	-	126
Equipment	76,183	25,806	(551)	(32,521)	4,033	72,950
Construction in progre	3,188	17,198	-	-	(3,749)	16,637
Right-of-use asse (Real estat	90,167	84,511	(42,694)	(62,573)	-	69,411
Right-of-use asse (Vehicle	4,252	5,118	(238)	(2,438)	-	6,694
Others	46,861	5,446	(176)	(6,646)	492	45,977
	₩ 1,447,325	138,512	(43,659)	(118,560)	(22,318)	1,401,300

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

	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 progre	4,759	13,954	(1,194)	-	-	(14,331)	3,188
Right-of-use asse (Real estat	81,292	91,082	(19,934)	(62,273)	-	-	90,167
Right-of-use asse (Vehicle	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 the transfers to or from investment properties, advanced payments and others

3) The total revaluation surplus on property and equipment as of December 31, 2025 and 2024, and the amounts allocated to deferred tax liabilities and accumulated other comprehensive income, are as follows:

	December 31, 2025	December 31, 2024
Revaluation surplus on property and equipment	884,706	884,923
Allocation to deferred tax liabilities	239,708	230,033
Allocation to accumulated other comprehensive income	644,998	654,890

(4) Reserve for revaluation as of December 31, 2025 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 *Asset Revaluation Act* of Korea. 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 *Asset Revaluation Act* of Korea, 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, ₩174,107 million was used as a policyholder dividend fund, and the policyholder dividend stabilization reserve is ₩68,379 million as of December 31, 2025.

15. Intangible assets

(1) Details of intangible assets as of December 31, 2025 and 2024 are as follows:

	December 31, 2025			
	Acquisition cost	Accumulated amortization	Accumulated impairment losses	Book value
Goodwill	₩ 81,896	-	(54,871)	27,025
Software	158,270	(138,084)	-	20,186
Development costs	405,106	(334,092)	-	71,014
Memberships	23,723	(256)	(1,961)	21,506
Customer relationships	28,443	(27,281)	-	1,162
Others	9,489	(4,951)	-	4,538
	₩ 706,927	(504,664)	(56,832)	145,431

	December 31, 2024			
	Acquisition cost	Accumulated amortization	Accumulated impairment losses	Book value
Goodwill	₩ 81,896	-	(54,871)	27,025
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)	(56,386)	143,948

(2) Changes in intangible assets for each of the two years in the period ended December 31, 2025 are as follows:

	2025						
	Beginning balance	Acquisitions	Disposals	Amortization	Impairment	Others (*)	Ending balance
Goodwill	₩ 27,025	-	-	-	-	-	27,025
Software	20,150	5,338	5,338	(8,487)	-	3,194	20,186
Development costs	69,634	19,669	19,669	(24,809)	-	6,698	71,014
Memberships	16,793	5,584	5,584	(37)	(449)	-	21,506
Customer relationships	1,678	-	-	(516)	-	-	1,162
Others	8,668	1,419	1,419	(996)	-	(3,356)	4,538
	₩ 143,948	32,010	32,010	(34,845)	(449)	6,536	145,431

	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 the transfers from advanced payments and others.

(3) Impairment assessment of goodwill

Management reviews operating performance based on geographic regions and types of operations. Management monitors goodwill at the segment (company) level. Goodwill has been allocated to each company, as follows:

	Beginning balance	Acquisitions	Impairment loss	Ending balance
Kyobo Hottracks Co., Ltd.	₩ 7,600	-	-	7,600
Fortress Innovation Co., Ltd	440	-	-	440

Kyobo AIM asset management	18,985	-	-	18,985
₩	27,025	-	(39,711)	27,025

The major assumptions for the cash-generating units with significant goodwill, including the permanent growth rate and discount rate used in the value-in-use calculation, are as follows:

	Kyobo Hottracks Co., Ltd.					
	2025	2026	2027	2028	2029	2030
Operating profit rate	23.80%	4.70%	4.80%	4.50%	4.80%	4.90%
Permanent growth rate						0.00%
Discount rate						14.45%
Recoverable amount of cash-generating unit						23,310

Future revenue and cost of sales were estimated based on the business plan provided by the entity subject to impairment testing, taking into account historical revenue trends, forecasts by external institutions, and analyses by professional organizations. Operating expenses were estimated by classifying them into personnel-related expenses, variable costs, fixed costs, and depreciation and amortization of tangible and intangible assets. As a result of the Group's estimation of revenue and cost of sales, the average annual operating margin during the forecast period was 4.74%. The weighted average cost of capital of 14.45% was calculated using the average beta and debt ratio of comparable companies listed on KOSPI and KOSDAQ. The Group determined the recoverable amount using the discounted cash flow (DCF) model.

The major assumptions for the cash-generating units with significant goodwill, including the permanent growth rate and discount rate used in the value-in-use calculation, are as follows:

	Fortress Innovation Co., Ltd					
	2025	2026	2027	2028	2029	2030
Operating profit rate	-28.49%	-13.15%	-4.80%	2.65%	8.11%	12.71%
Permanent growth rate						1.00%
Discount rate						10.81%
Recoverable amount of cash-generating unit						10,378

Future operating revenue was estimated based on historical revenue trends related to the variable guarantee reserve system, IFRS 17 system, ALM system, and Pathwise conversion of the entity subject to impairment testing, taking into account forecasts by external institutions and analyses by professional organizations. Operating expenses were estimated by classifying them into salaries and wages, personnel-related expenses, fixed costs, and depreciation expenses. As a result of the Group's estimation of revenue and cost of sales, the average annual operating margin during the forecast period was 1.25%. The weighted average cost of capital of 10.81% was calculated using the average beta and debt ratio of comparable companies listed on KOSPI and KOSDAQ. The Group determined the recoverable amount using the discounted cash flow (DCF) model.

The major assumptions for the cash-generating units with significant goodwill, including the permanent growth rate and discount rate used in the value-in-use calculation, are as follows:

	Kyobo AIM asset management Co.,Ltd.					
	2025	2026	2027	2028	2029	2030
Operating profit rate	-0.38%	4.89%	15.43%	19.08%	23.57%	25.46%
Permanent growth rate						1.00%
Discount rate						10.72%
Recoverable amount of cash-generating unit						48,364

Future operating revenue was estimated by analyzing and reviewing the Company's operating environment based on the operating results through September 2024 and the business plan. Operating expenses were estimated by classifying them into sales-related expenses, salaries and wages, personnel-related expenses, fixed costs, and depreciation and amortization of tangible and intangible assets. As a result of the Group's estimation of revenue, cost of sales, and selling and administrative expenses, the average annual operating margin during the forecast period was 17.69%. The weighted average cost of capital of 10.72% was calculated using the beta and debt ratio of comparable companies. The Group determined the recoverable amount using the discounted cash flow (DCF) model.

16. Other assets

(1) Details of other assets as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Prepaid expense		37,637	26,911
Advanced payments		115,787	82,887
Inventories		122,312	125,307
Others		13,115	10,913
	₩	288,851	246,018

(2) Details of inventories as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Merchandise	₩	114,745	117,032
Finished goods		8,558	9,578
Supplies		212	247
Sub-materials		-	-
Goods in transit		47	25
		123,562	126,882
Accumulated impairment loss, merchandise	₩	(1,048)	(1,401)
Accumulated impairment loss, finished goods		(202)	(174)
		(1,250)	(1,575)
	₩	122,312	125,307

(3) Inventories recognized as an expense and included in cost of sales for the years ended December 31, 2025 and 2024 amounted to ₩740,872 million and ₩644,340 million, respectively.

(4) Details of contract assets included in other assets as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Refund assets (estimated return assets)	₩	3,240	2,657
Unbilled revenue		808	-
	₩	4,048	2,657

17. Insurance contract liabilities and reinsurance contract liabilities

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

(1) Details of insurance contract liabilities and reinsurance contract assets held for insurance contracts issued by portfolio as of December 31, 2025 and 2024 are as follows:

		Assets		Liabilities	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Insurance contract portfolio:	₩				
Participating insurance contracts		-	-	26,334,166	27,405,481
Death		-	-	22,393	24,743
Health		-	-	421,114	464,311
Annuity saving		-	-	25,890,658	26,916,427
Non-participating insurance contracts		-	-	54,933,120	53,392,092
Death		-	-	21,843,595	21,959,955
Health		-	-	8,925,343	9,479,328
Annuity saving		-	-	24,164,182	21,952,809
Variable insurance contracts		-	-	16,108,227	14,225,386
Death		-	-	5,937,814	5,345,127
Health		-	-	7	-
Annuity saving		-	-	10,170,406	8,880,259
		-	-	97,375,513	95,022,959
Reinsurance contract portfolio:					
Death		20,594	15,946	126,012	148,733
Health		94,353	101,286	69,753	62,334
Other		77,227	77,894	65,855	62,185
	₩	192,174	195,125	261,620	273,252

(2) Changes in insurance contract liabilities for each of the two years in the period ended December 31, 2025 are as follows:

< Participating insurance contracts>

		2025			
		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	₩	25,459,210	529,356	1,416,915	27,405,481
(1) Insurance contract assets		-	-	-	-
(2) Insurance contract liabilities		25,459,210	529,356	1,416,915	27,405,481
Insurance contract liabilities (assets), net		25,459,210	529,356	1,416,915	27,405,481
2. Insurance revenue		(252,480)	-	-	(252,480)
(1) Insurance contracts under full retrospective approach		(3,376)	-	-	(3,376)
(2) Insurance contracts under fair value approach		(246,525)	-	-	(246,525)
(3) Others		(2,579)	-	-	(2,579)
3. Insurance service expense		(184)	175,065	308,851	483,732
(1) Claims and other insurance service expenses incurred		(2,140)	-	322,003	319,863
(2) Amortization of insurance acquisition cash flow		1,956	-	-	1,956
(3) Changes in the fulfillment cash flow in the liability for incurred claims		-	-	(13,152)	(13,152)
(4) Losses(reversal) of group of onerous contracts		-	175,065	-	175,065
4. Investment components		(1,111,240)	-	1,111,240	-
5. Cash flow		237,186	-	(1,447,205)	(1,210,019)
(1) Premium received		239,778	-	-	239,778
(2) Insurance acquisition cash flow		(2,592)	-	-	(2,592)
(3) Claims and other insurance service expenses incurred		-	-	(1,447,205)	(1,447,205)
6. Insurance finance income(expense)		(72,182)	(20,307)	(966)	(93,455)
(1) Profit (loss)		764,877	16,459	19	781,356
(2) Other comprehensive income (loss)		(837,059)	(36,766)	(985)	(874,811)
7. Others		985	-	(78)	907
(1) Adjustments not related to movements		985	-	(78)	907
8. Ending balance of Insurance contract assets and liabilities		24,261,294	684,114	1,388,757	26,334,166
(1) Insurance contract assets		-	-	-	-
(2) Insurance contract liabilities		24,261,294	684,114	1,388,757	26,334,166
Insurance contract liabilities (assets), net	₩	24,261,294	684,114	1,388,757	26,334,166

< Non-participating insurance contracts >

		2025		
		Remaining coverage	Liability for incurred	Insurance contract

(In millions of Korean won)

	component		claims	liabilities (assets)
	Excluding loss component	Including loss component		
1. Beginning balance of Insurance contract assets and liabilities	₩ 51,725,202	554,275	1,112,614	53,392,092
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	51,725,202	554,275	1,112,614	53,392,092
Insurance contract liabilities (assets), net	51,725,202	554,275	1,112,614	53,392,092
2. Insurance revenue	(3,698,512)	-	-	(3,698,512)
(1) Insurance contracts under full retrospective approach	(370,827)	-	-	(370,827)
(2) Insurance contracts under fair value approach	(1,823,774)	-	-	(1,823,774)
(3) Others	(1,503,911)	-	-	(1,503,911)
3. Insurance service expense	656,782	(53,211)	2,495,483	3,099,055
(1) Claims and other insurance service expenses incurred	67,804	-	2,544,879	2,612,683
(2) Amortization of insurance acquisition cash flow	470,511	-	-	470,511
(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(49,395)	(49,395)
(4) Losses (reversal) of group of onerous contracts	118,467	(53,211)	-	65,256
4. Investment components	(4,535,577)	-	4,535,577	-
5. Cash flow	9,500,215	-	(7,011,973)	2,488,243
(1) Premium received	11,177,909	-	-	11,177,909
(2) Insurance acquisition cash flow	(1,677,694)	-	-	(1,677,694)
(3) Claims and other insurance service expenses incurred	-	-	(7,011,973)	(7,011,973)
6. Insurance finance income(expense)	(466,981)	107,735	15,806	(343,440)
(1) Profit (loss)	1,788,042	21,043	15,976	1,825,062
(2) Other comprehensive income (loss)	(2,255,024)	86,692	(170)	(2,168,502)
7. Others	(3,034)	-	(1,283)	(4,317)
(1) Adjustments not related to movements	(3,034)	-	(1,283)	(4,317)
8. Ending balance of Insurance contract assets and liabilities	53,178,095	608,799	1,146,225	54,933,120
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	53,178,095	608,799	1,146,225	54,933,120
Insurance contract liabilities (assets), net	₩ 53,178,095	608,799	1,146,225	54,933,120

< Variable insurance contracts>

	2025			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities	₩ 14,134,726	83	90,576	14,225,386
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	14,134,726	83	90,576	14,225,386
Insurance contract liabilities (assets), net	14,134,726	83	90,576	14,225,386
2. Insurance revenue	(385,527)	-	-	(385,527)
(1) Insurance contracts under full retrospective approach	(14,486)	-	-	(14,486)
(2) Insurance contracts under fair value approach	(363,838)	-	-	(363,838)
(3) Others	(7,203)	-	-	(7,203)
3. Insurance service expense	17,041	32	306,620	323,693
(1) Claims and other insurance service expenses incurred	6,255	-	310,384	316,639
(2) Amortization of insurance acquisition cash flow	10,786	-	-	10,786
(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(3,764)	(3,764)
(4) Losses(reversal) of group of onerous contracts	-	32	-	32
4. Investment components	(1,590,232)	-	1,590,232	-
5. Cash flow	1,154,448	-	(1,890,791)	(736,343)
(1) Premium received	1,161,339	-	-	1,161,339
(2) Insurance acquisition cash flow	(6,891)	-	-	(6,891)
(3) Claims and other insurance service expenses incurred	-	-	(1,890,791)	(1,890,791)

(In millions of Korean won)

6. Insurance finance income(expense)	2,681,432	3	160	2,681,595
(1) Profit (loss)	2,681,432	3	296	2,681,731
(2) Other comprehensive income (loss)	-	-	(136)	(136)
7. Others	(556)	-	(21)	(578)
(1) Adjustments not related to movements	(556)	-	(21)	(578)
8. Ending balance of Insurance contract assets and liabilities	16,011,333	118	96,776	16,108,227
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	16,011,333	118	96,776	16,108,227
Insurance contract liabilities (assets), net	₩ 16,011,333	118	96,776	16,108,227

<Participating insurance contracts >

	2024			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities	₩ 23,891,391	332,663	1,457,676	25,681,729
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	23,891,391	332,663	1,457,676	25,681,729
Insurance contract liabilities (assets), net	23,891,391	332,663	1,457,676	25,681,729
2. Insurance revenue	(280,008)	-	-	(280,008)
(1) Insurance contracts under full retrospective approach	(3,055)	-	-	(3,055)
(2) Insurance contracts under fair value approach	(274,498)	-	-	(274,498)
(3) Others	(2,455)	-	-	(2,455)
3. Insurance service expense	(948)	114,815	264,267	378,134
(1) Claims and other insurance service expenses incurred	(2,302)	-	278,907	276,606
(2) Amortization of insurance acquisition cash flow	1,354	-	-	1,354
(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(14,641)	(14,641)
(4) Losses(reversal) of group of onerous contracts	-	114,815	-	114,815
4. Investment components	(1,107,291)	-	1,107,291	-
5. Cash flow	279,683	-	(1,428,737)	(1,149,054)
(1) Premium received	282,800	-	-	282,800
(2) Insurance acquisition cash flow	(3,117)	-	-	(3,117)
(3) Claims and other insurance service expenses incurred	-	-	(1,428,737)	(1,428,737)
6. Insurance finance income(expense)	2,675,575	81,878	13,601	2,771,054
(1) Profit (loss)	748,375	11,470	10,343	770,189
(2) Other comprehensive income (loss)	1,927,200	70,407	3,258	2,000,865
7. Others	808	-	2,818	3,626
(1) Adjustments not related to movements	808	-	2,818	3,626
8. Ending balance of Insurance contract assets and liabilities	25,459,210	529,356	1,416,915	27,405,481
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	25,459,210	529,356	1,416,915	27,405,481
Insurance contract liabilities (assets), net	₩ 25,459,210	529,356	1,416,915	27,405,481

< Non-participating insurance contracts >

	2024			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities	₩ 46,058,254	524,539	1,142,669	47,725,462
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	46,058,254	524,539	1,142,669	47,725,462
Insurance contract liabilities (assets), net	46,058,254	524,539	1,142,669	47,725,462
2. Insurance revenue	(3,330,719)	-	-	(3,330,719)
(1) Insurance contracts under full retrospective approach	(379,866)	-	-	(379,866)
(2) Insurance contracts under fair value approach	(1,755,540)	-	-	(1,755,540)
(3) Others	(1,195,313)	-	-	(1,195,313)
3. Insurance service expense	332,808	35,414	2,431,926	2,800,148
(1) Claims and other insurance service expenses incurred	48,820	-	2,487,011	2,535,831
(2) Amortization of insurance acquisition cash flow	283,988	-	-	283,988

(In millions of Korean won)

(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(55,085)	(55,085)
(4) Losses(reversal) of group of onerous contracts	-	35,414	-	35,414
4. Investment components	(5,029,849)	-	5,029,849	-
5. Cash flow	8,392,529	-	(7,509,130)	883,399
(1) Premium received	9,785,476	-	-	9,785,476
(2) Insurance acquisition cash flow	(1,392,948)	-	-	(1,392,948)
(3) Claims and other insurance service expenses incurred	-	-	(7,509,130)	(7,509,130)
6. Insurance finance income(expense)	5,428,764	(5,429)	18,259	5,441,594
(1) Profit (loss)	1,743,267	18,795	16,108	1,778,171
(2) Other comprehensive income (loss)	3,685,497	(24,224)	2,151	3,663,424
7. Others	(126,585)	(249)	(959)	(127,792)
(1) Adjustments not related to movements	(126,585)	(249)	(959)	(127,792)
8. Ending balance of Insurance contract assets and liabilities	51,725,202	554,275	1,112,614	53,392,092
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	51,725,202	554,275	1,112,614	53,392,092
Insurance contract liabilities (assets), net ₩	51,725,202	554,275	1,112,614	53,392,092

< Variable insurance contracts>

	2024			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities ₩	14,318,010	39	99,240	14,417,289
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	14,318,010	39	99,240	14,417,289
Insurance contract liabilities (assets), net	14,318,010	39	99,240	14,417,289
2. Insurance revenue	(387,570)	-	-	(387,570)
(1) Insurance contracts under full retrospective approach	(17,944)	-	-	(17,944)
(2) Insurance contracts under fair value approach	(359,855)	-	-	(359,855)
(3) Others	(9,771)	-	-	(9,771)
3. Insurance service expense	17,226	45	304,034	321,305
(1) Claims and other insurance service expenses incurred	5,569	-	306,432	312,001
(2) Amortization of insurance acquisition cash flow	11,657	-	-	11,657
(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(2,398)	(2,398)
(4) Losses(reversal) of group of onerous contracts	-	45	-	45
4. Investment components	(1,537,812)	-	1,537,812	-
5. Cash flow	1,330,646	-	(1,851,330)	(520,684)
(1) Premium received	1,340,125	-	-	1,340,125
(2) Insurance acquisition cash flow	(9,479)	-	-	(9,479)
(3) Claims and other insurance service expenses incurred	-	-	(1,851,330)	(1,851,330)
6. Insurance finance income(expense)	397,113	4	858	397,975
(1) Profit (loss)	397,113	4	321	397,438
(2) Other comprehensive income (loss)	-	-	537	537
7. Others	(2,887)	(5)	(37)	(2,928)
(1) Adjustments not related to movements	(2,887)	(5)	(37)	(2,928)
8. Ending balance of Insurance contract assets and liabilities	14,134,726	83	90,576	14,225,386
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	14,134,726	83	90,576	14,225,386
Insurance contract liabilities (assets), net ₩	14,134,726	83	90,576	14,225,386

(3) Changes in reinsurance contract liabilities for each of the two years in the period ended December 31, 2025 are as follows:

	2025			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Reinsurance contract assets (liabilities)
1. Beginning 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
Reinsurance contract liabilities (assets),	(205,816)	2,332	125,357	(78,127)

(In millions of Korean won)

net				
2. Reinsurance service expenses	(29,667)	(817)	(1,178)	(31,662)
3. Reinsurance service income	-	1,504	39,181	40,685
4. Investment components	(143,938)	-	143,938	-
5. Cash flow	186,686	-	(179,188)	7,499
(1) Reinsurance premium paid	186,686	-	-	186,686
(2) Reinsurance claim received and other reinsurance service income	-	-	(179,188)	(179,188)
6. Reinsurance finance income and expenses	(4,794)	23	952	(3,819)
(1) Profit (loss)	(3,266)	23	958	(2,286)
(2) The effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded	38	-	1	40
(3) Other comprehensive income (loss)	(1,566)	-	(7)	(1,573)
7. Others	(3,671)	-	(351)	(4,022)
8. Ending balance of reinsurance contract assets and liabilities	(201,200)	3,042	128,712	(69,446)
(1) Reinsurance contract assets	83,332	2,893	105,949	192,174
(2) Reinsurance contract liabilities	284,532	(149)	(22,763)	261,620
Ending balance of reinsurance contract assets (liabilities), net ₩	(201,200)	3,042	128,712	(69,446)

	2024			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Reinsurance contract assets (liabilities)
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 liabilities (assets), 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)
(1) Profit (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 (loss)	(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)

(4) Changes in insurance contract liabilities (assets) for each of the two years in the period ended December 31, 2025 by element, other than insurance contracts to which the premium allocation approach was applied, are as follows:

<Participating insurance contracts>

	2025						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities ₩	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
Insurance contract liabilities(assets), net	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481

(In millions of Korean won)

2. Changes related to future service	262,768	932	686	(3,337)	515	(2,136)	261,564
(1) Change in estimate adjusting contractual service margin	6,622	(3,224)	686	(3,337)	(747)	(3,398)	-
(2) Losses(reversal) of group of onerous contracts	257,442	4,076	-	-	-	-	261,518
(3) Effect of initially recognized contracts	(1,296)	80	-	-	1,262	1,262	46
3. Changes related to current service	12,708	(10,382)	(837)	(17,845)	(805)	(19,487)	(17,161)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(837)	(17,845)	(805)	(19,487)	(19,487)
(2) Changes in risk adjustment for non-financial risk	-	(10,382)	-	-	-	-	(10,382)
(3) Experience adjustments	12,708	-	-	-	-	-	12,708
4. Changes in the fulfillment cash flow in the liability for incurred claims	(13,152)	-	-	-	-	-	(13,152)
5. Cash flow	(1,210,019)	-	-	-	-	-	(1,210,019)
(1) Premium received	239,778	-	-	-	-	-	239,778
(2) Insurance acquisition cash flow	(2,592)	-	-	-	-	-	(2,592)
(3) Claims and other insurance service expenses incurred	(1,447,205)	-	-	-	-	-	(1,447,205)
6. Insurance finance income	(98,261)	(203)	238	4,384	388	5,009	(93,455)
(1) Profit (loss)	772,444	3,903	238	4,384	388	5,009	781,356
(2) Other comprehensive income (loss)	(870,705)	(4,106)	-	-	-	-	(874,811)
7. Others	907	-	-	-	-	-	907
8. Ending balance of insurance contract assets and liabilities	26,060,459	121,650	9,495	133,815	8,746	152,057	26,334,166
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	26,060,459	121,650	9,495	133,815	8,746	152,057	26,334,166
Ending balance of reinsurance contract liabilities (assets), net							
₩	26,060,459	121,650	9,495	133,815	8,746	152,057	26,334,166

< Non-participating insurance contracts >

	2025						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities	₩ 46,975,500	1,056,605	1,510,393	1,620,942	2,228,653	5,359,988	53,392,092
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	46,975,500	1,056,605	1,510,393	1,620,942	2,228,653	5,359,988	53,392,092
Insurance contract liabilities(assets), net	46,975,500	1,056,605	1,510,393	1,620,942	2,228,653	5,359,988	53,392,092
2. Changes related to future service	(627,940)	149,721	(241,446)	40,860	891,453	690,867	212,648
(1) Change in estimate adjusting contractual service margin	594,028	(8,007)	(241,446)	40,860	(385,435)	(586,021)	-
(2) Losses(reversal) of group of onerous contracts	97,029	1,626	-	-	-	-	98,655
(3) Effect of initially recognized contracts	(1,318,997)	156,102	-	-	1,276,888	1,276,888	113,993
3. Changes related to current service	(129,266)	(131,302)	(116,701)	(112,733)	(272,709)	(502,143)	(762,710)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(116,701)	(112,733)	(272,709)	(502,143)	(502,143)
(2) Changes in risk adjustment for non-financial risk	-	(131,302)	-	-	-	-	(131,302)
(3) Experience adjustments	(129,266)	-	-	-	-	-	(129,266)
4. Changes in the fulfillment cash flow in the liability for incurred claims	(49,346)	(50)	-	-	-	-	(49,395)

(In millions of Korean won)

5. Cash flow	2,488,243	-	-	-	-	-	2,488,243
(1) Premium received	11,177,909	-	-	-	-	-	11,177,909
(2) Insurance acquisition cash flow	(1,677,694)	-	-	-	-	-	(1,677,694)
(3) Claims and other insurance service expenses incurred	(7,011,973)	-	-	-	-	-	(7,011,973)
6. Insurance finance income	(559,910)	34,041	36,799	41,917	103,713	182,429	(343,440)
(1) Profit (loss)	1,603,580	39,052	36,799	41,917	103,713	182,429	1,825,062
(2) Other comprehensive income (loss)	(2,163,490)	(5,011)	-	-	-	-	(2,168,502)
7. Others	(4,317)	-	-	-	-	-	(4,317)
8. Ending balance of insurance contract assets and liabilities	48,092,963	1,109,015	1,189,045	1,590,985	2,951,111	5,731,142	54,933,120
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	48,092,963	1,109,015	1,189,045	1,590,985	2,951,111	5,731,142	54,933,120
Ending balance of reinsurance contract liabilities (assets), net							
₩	48,092,963	1,109,015	1,189,045	1,590,985	2,951,111	5,731,142	54,933,120

< Variable insurance contracts>

	2025						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities	₩ 13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
Insurance contract liabilities(assets), net	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
2. Changes related to future service	193,772	12,372	(2,260)	(205,182)	1,411	(206,031)	113
(1) Change in estimate adjusting contractual service margin	195,824	12,192	(2,260)	(205,182)	(574)	(208,016)	-
(2) Losses(reversal) of group of onerous contracts	35	1	-	-	-	-	36
(3) Effect of initially recognized contracts	(2,087)	180	-	-	1,984	1,984	77
3. Changes related to current service	23,685	(13,731)	(6,032)	(60,173)	(1,930)	(68,136)	(58,182)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(6,032)	(60,173)	(1,930)	(68,136)	(68,136)
(2) Changes in risk adjustment for non-financial risk	-	(13,731)	-	-	-	-	(13,731)
(3) Experience adjustments	23,685	-	-	-	-	-	23,685
4. Changes in the fulfillment cash flow in the liability for incurred claims	(3,764)	-	-	-	-	-	(3,764)
5. Cash flow	(736,343)	-	-	-	-	-	(736,343)
(1) Premium received	1,161,339	-	-	-	-	-	1,161,339
(2) Insurance acquisition cash flow	(6,891)	-	-	-	-	-	(6,891)
(3) Claims and other insurance service expenses incurred	(1,890,791)	-	-	-	-	-	(1,890,791)
6. Insurance finance income	2,681,595	-	-	-	-	-	2,681,595
(1) Profit (loss)	2,681,731	-	-	-	-	-	2,681,731
(2) Other comprehensive income (loss)	(136)	-	-	-	-	-	(136)
7. Others	(578)	-	-	-	-	-	(578)
8. Ending balance of insurance contract assets and liabilities	15,289,119	163,676	67,926	562,265	25,241	655,432	16,108,227
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	15,289,119	163,676	67,926	562,265	25,241	655,432	16,108,227
Ending balance of reinsurance contract liabilities (assets), net							
₩	15,289,119	163,676	67,926	562,265	25,241	655,432	16,108,227

<Participating insurance contracts>

(In millions of Korean won)

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities	₩ 25,401,802	119,381	10,736	140,068	9,742	160,547	25,681,729
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	25,401,802	119,381	10,736	140,068	9,742	160,547	25,681,729
Insurance contract liabilities(assets), net	25,401,802	119,381	10,736	140,068	9,742	160,547	25,681,729
2. Changes related to future service	152,956	2,113	(756)	19,946	(586)	18,605	173,675
(1) Change in estimate adjusting contractual service margin	(16,452)	(686)	(756)	19,946	(2,053)	17,138	-
(2) Losses(reversal) of group of onerous contracts	170,950	2,693	-	-	-	-	173,643
(3) Effect of initially recognized contracts	(1,542)	106	-	-	1,467	1,467	32
3. Changes related to current service	(37,720)	(8,366)	(819)	(13,084)	(919)	(14,822)	(60,909)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(819)	(13,084)	(919)	(14,822)	(14,822)
(2) Changes in risk adjustment for non-financial risk	-	(8,366)	-	-	-	-	(8,366)
(3) Experience adjustments	(37,720)	-	-	-	-	-	(37,720)
4. Changes in the fulfillment cash flow in the liability for incurred claims	(14,641)	-	-	-	-	-	(14,641)
5. Cash flow	(1,149,054)	-	-	-	-	-	(1,149,054)
(1) Premium received	282,800	-	-	-	-	-	282,800
(2) Insurance acquisition cash flow	(3,117)	-	-	-	-	-	(3,117)
(3) Claims and other insurance service expenses incurred	(1,428,737)	-	-	-	-	-	(1,428,737)
6. Insurance finance income	2,748,538	18,175	246	3,683	412	4,341	2,771,054
(1) Profit (loss)	762,041	3,807	246	3,683	412	4,341	770,189
(2) Other comprehensive income (loss)	1,986,497	14,368	-	-	-	-	2,000,865
7. Others	3,626	-	-	-	-	-	3,626
8. Ending balance of insurance contract assets and liabilities	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
Ending balance of reinsurance contract liabilities (assets), net							
	₩ 27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481

<Non-participating insurance contracts >

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities	₩ 42,031,965	970,762	1,659,104	1,146,476	1,917,156	4,722,736	47,725,462
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	42,031,965	970,762	1,659,104	1,146,476	1,917,156	4,722,736	47,725,462
Insurance contract liabilities(assets), net	42,031,965	970,762	1,659,104	1,146,476	1,917,156	4,722,736	47,725,462
2. Changes related to future service	(986,758)	179,130	(43,409)	540,903	479,905	977,399	169,771
(1) Change in estimate adjusting contractual service margin	365,106	27,900	(43,409)	540,903	(890,500)	(393,007)	-
(2) Losses(reversal) of group of onerous contracts	97,212	1,541	-	-	-	-	98,753
(3) Effect of initially recognized contracts	(1,449,076)	149,689	-	-	1,370,406	1,370,406	71,018
3. Changes related to current service	1,609	(135,088)	(142,161)	(96,170)	(273,447)	(511,778)	(645,256)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(142,161)	(96,170)	(273,447)	(511,778)	(511,778)
(2) Changes in risk adjustment for non-financial risk	-	(135,088)	-	-	-	-	(135,088)
(3) Experience adjustments	1,609	-	-	-	-	-	1,609
4. Changes in the fulfillment cash flow in the liability for incurred claims	(54,921)	(164)	-	-	-	-	(55,085)
5. Cash flow	883,399	-	-	-	-	-	883,399
(1) Premium received	9,785,476	-	-	-	-	-	9,785,476
(2) Insurance acquisition cash flow	(1,392,948)	-	-	-	-	-	(1,392,948)
(3) Claims and other insurance service expenses incurred	(7,509,130)	-	-	-	-	-	(7,509,130)
6. Insurance finance income	5,227,999	41,965	36,859	29,732	105,039	171,631	5,441,594
(1) Profit (loss)	1,571,435	35,105	36,859	29,732	105,039	171,631	1,778,171
(2) Other comprehensive income (loss)	3,656,564	6,860	-	-	-	-	3,663,424
7. Others	(127,792)	-	-	-	-	-	(127,792)
8. Ending balance of insurance contract assets and liabilities	46,975,500	1,056,605	1,510,393	1,620,942	2,228,653	5,359,988	53,392,092
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	46,975,500	1,056,605	1,510,393	1,620,942	2,228,653	5,359,988	53,392,092
Ending balance of reinsurance contract liabilities (assets), net							
	₩ 46,975,500	1,056,605	1,510,393	1,620,942	2,228,653	5,359,988	53,392,092

< Variable insurance contracts>

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities	₩ 13,264,659	161,657	74,471	890,694	25,807	990,973	14,417,289
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	13,264,659	161,657	74,471	890,694	25,807	990,973	14,417,289
Insurance contract liabilities(assets), net	13,264,659	161,657	74,471	890,694	25,807	990,973	14,417,289
2. Changes related to future service	(98,781)	12,857	5,138	80,489	402	86,029	106
(1) Change in estimate adjusting contractual service margin	(97,632)	12,742	5,138	80,489	(737)	84,890	-
(2) Losses(reversal) of group of onerous contracts	(76)	(1)	-	-	-	-	(77)
(3) Effect of initially recognized contracts	(1,073)	117	-	-	1,139	1,139	183
3. Changes related to current service	25,908	(13,341)	(8,630)	(64,440)	(3,471)	(76,540)	(63,973)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(8,630)	(64,440)	(3,471)	(76,540)	(76,540)
(2) Changes in risk adjustment for non-financial risk	-	(13,341)	-	-	-	-	(13,341)
(3) Experience adjustments	25,908	-	-	-	-	-	25,908
4. Changes in the fulfillment cash flow in the liability for incurred claims	(2,398)	-	-	-	-	-	(2,398)
5. Cash flow	(520,684)	-	-	-	-	-	(520,684)
(1) Premium received	1,340,125	-	-	-	-	-	1,340,125
(2) Insurance acquisition cash flow	(9,479)	-	-	-	-	-	(9,479)
(3) Claims and other insurance service expenses incurred	(1,851,330)	-	-	-	-	-	(1,851,330)
6. Insurance finance income	464,976	3,861	5,239	(79,123)	3,022	(70,862)	397,975
(1) Profit (loss)	464,439	3,861	5,239	(79,123)	3,022	(70,862)	397,438

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

(In millions of Korean won)

(2) Other comprehensive income (loss)	537	-	-	-	-	-	537
7. Others	(2,928)	-	-	-	-	-	(2,928)
8. Ending balance of insurance contract assets and liabilities	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
Ending balance of reinsurance contract liabilities (assets), net ₩	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386

(5) Changes in ceded reinsurance contract assets(liabilities) for each of the two years in the period ended December 31, 2025, by element, to which the premium allocation approach is not applied, are as follows:

	2025						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Reinsurance contract assets (liabilities)
1.Beginning 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
Reinsurance contract assets (liabilities), net	(30,303)	9,501	(2,871)	(68,361)	13,907	(57,325)	(78,127)
2. Changes related to future service	63,105	32,619	(47,513)	(17,512)	(29,042)	(94,066)	1,658
(1) Change in estimate adjusting contractual service margin	66,833	30,925	(47,513)	(17,512)	(32,734)	(97,758)	-
(2) Losses(reversal) of loss recovery component contracts	1,005	653	-	-	-	-	1,658
(3) Effect of initially recognized contracts	(4,733)	1,042	-	-	3,692	3,692	-
3. Changes related to current service	(3,492)	(691)	4,670	4,822	700	10,192	6,009
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	4,670	4,822	700	10,192	10,192
(2) Changes in risk adjustment for non-financial risk	-	(819)	-	-	-	-	(819)
(3) Risk adjustments	(3,492)	128	-	-	-	-	(3,364)
4. Changes in the fulfillment cash flow in the liability for incurred claims	1,376	(20)	-	-	-	-	1,356
5. Cash flow	7,499	-	-	-	-	-	7,499
(1) Reinsurance premium paid	186,686	-	-	-	-	-	186,686
(2) Reinsurance claim received and other reinsurance service income	(179,188)	-	-	-	-	-	(179,188)
6. Reinsurance finance income or expenses	(1,409)	(1,002)	(213)	(1,791)	596	(1,408)	(3,819)
(1) Profit (loss)	(1,620)	742	(213)	(1,791)	596	(1,408)	(2,286)
(2) Effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded	40	-	-	-	-	-	40
(3) Other comprehensive income (loss)	171	(1,744)	-	-	-	-	(1,573)
7. Others	(4,022)	-	-	-	-	-	(4,022)
8. Ending balance of Reinsurance contract assets and liabilities	32,754	40,407	(45,926)	(82,841)	(13,839)	(142,607)	(69,446)
(1) Reinsurance contract assets	165,201	15,437	2,730	2,859	5,946	11,536	192,174
(2) Reinsurance contract liabilities	132,447	(24,970)	48,657	85,701	19,785	154,143	261,620
Ending balance of Reinsurance contract assets (liabilities), net ₩	32,754	40,407	(45,926)	(82,841)	(13,839)	(142,607)	(69,446)

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	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 assets (liabilities), 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 loss recovery component contracts	141	140	-	-	-	-	281
(3) Effect of initially recognized contracts	(5,579)	219	-	-	5,360	5,360	-

(In millions of Korean won)

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 (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) Risk 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. Reinsurance finance income or expenses	(15,475)	2,004	(248)	(2,362)	867	(1,743)	(15,215)
(1) Profit (loss)	(972)	428	(248)	(2,362)	867	(1,743)	(2,287)
(2) Effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded	(1,025)	-	-	-	-	-	(1,025)
(3) Other comprehensive income (loss)	(13,478)	1,575	-	-	-	-	(11,903)
7. Others	10,720	-	-	-	-	-	10,720
8. 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)

(6) The effects on the consolidated statement of financial position at the time of initial recognition of new insurance contracts for each of the two years in the period ended December 31, 2025 are as follows:

	2025		
	Insurance contract issued		Insurance contract liabilities (assets)
	Exclusive of onerous contracts	Onerous contracts	
1. Estimate of the present value of future cash outflows ₩	9,983,908	1,877,257	11,861,166
(1) Expected claims and other insurance service expenses	8,670,782	1,591,304	10,262,086
(2) Insurance acquisition cash flow	1,313,126	285,953	1,599,079
2. Estimate of the present value of future cash inflows	11,402,925	1,780,622	13,183,546
3. Estimate of the present value of future cash flows	(1,419,017)	96,636	(1,322,381)
4. Risk adjustment for non-financial risk	138,882	17,480	156,362
5. Contractual service margin	1,280,135	-	1,280,135
* Loss component at initial recognition ₩	-	114,116	114,116

	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

(7) The effects on the consolidated statement of financial position at the time of initial recognition of new reinsurance contracts ceded for each of the two years in the period ended December 31, 2025 are as follows:

	2025		
	Reinsurance contract ceded held		Reinsurance contract assets(liabilities)
	Exclusive of onerous contracts	Onerous contracts	
1. Estimate of the present value of future cash outflows ₩	16,631	36,550	53,181
2. Estimate of the present value of future cash inflows	16,536	31,912	48,448
3. Estimate of the present value of future cash flows	(95)	(4,638)	(4,733)
(1) Initial onerous contracts	-	(4,638)	(4,638)
(2) Initial non-onerous contracts	(95)	-	(95)
4. Risk adjustment for non-financial risk	290	752	1,042
(1) Initial onerous contracts	-	752	752

(2) Initial non-orerous contracts	290	-	290
5. Contractual service margin	(194)	3,886	3,692
* Loss-recovery component	-	1,345	1,345

	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) Initial onerous contracts	-	(4,981)	(4,981)
(2) Initial non-onerous contracts	(598)	-	(598)
4. Risk adjustment for non-financial risk	71	149	220
(1) Initial onerous contracts	-	149	149
(2) Initial non-onerous contracts	71	-	71
5. Contractual service margin	527	4,833	5,360
* Loss-recovery component	-	2,640	2,640

(8) The amounts of contractual service margin by the expected amortization period for insurance contracts issued and reinsurance contracts held as of December 31, 2025 and 2024 are as follows:

2025	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	₩ 572,633	501,445	440,248	397,517	361,504	1,417,70 7	2,847,576	6,538,630
Participating insurance contracts	17,172	15,452	13,875	12,428	11,155	40,090	41,883	152,057
Non-participating insurance contracts	496,761	432,155	377,152	340,097	309,113	1,219,53 1	2,556,333	5,731,142
Variable insurance contracts	58,700	53,838	49,221	44,992	41,236	158,086	249,359	655,432
Contractual service margin of reinsurance contracts ceded	12,207	11,041	9,821	8,794	7,931	30,715	62,098	142,607

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	₩ 580,845	506,590	451,403	399,724	362,625	1,415,06 4	2,742,006	6,458,257
Participating insurance contracts	18,680	16,947	15,312	13,754	12,325	44,530	47,122	168,670
Non-participating insurance contracts	483,147	416,783	369,045	324,478	293,877	1,150,83 0	2,321,828	5,359,988
Variable insurance contracts	79,018	72,860	67,046	61,493	56,423	219,703	373,056	929,599
Contractual service margin of reinsurance contracts ceded	3,906	3,832	3,467	3,188	2,904	11,663	28,365	57,325

(9) The total amounts recognized as insurance finance income and expenses, the amounts recognized as other comprehensive income among insurance finance income and expenses and investment gains and losses on assets for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
1. Investment income and expense	₩ 2,621,532	4,343,387
(1) Interest income	4,020,660	3,760,585
(2) Other investment income and expense	1,949,083	165,828
(3) Other comprehensive income	(3,348,211)	416,973
2. Insurance finance income and expense	(2,244,699)	(8,610,624)
(1) Profit (loss)	(5,288,148)	(2,945,797)
(2) Other comprehensive income (loss)	3,043,449	(5,664,826)
3. Reinsurance finance income and expense	(3,819)	(15,215)
(1) Profit (loss)	(2,246)	(3,312)
(2) Other comprehensive income (loss)	(1,573)	(11,903)
4. Total finance income and expense	₩ 373,014	(4,282,452)

(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, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Cash and due from banks	₩ 604,123	384,153
Securities	15,777,734	13,746,163
Loan receivables	979,116	428,762
Derivative instruments asset	5,664	364
Others	219,369	211,684
	₩ 17,586,006	14,771,126

(11) In case of the 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 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 for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Unrecognized amount of change	₩ 1,272,799	(181,717)

(12) Details of insurance revenue recognized for insurance contracts issued by the Group for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
1.Amount related to changes in the liability for remaining coverage	₩ 3,853,267	3,701,299
(1) Insurance service expenses incurred	3,112,793	2,982,182
a. Expected claim (insurance component)	2,165,164	1,993,968
b. Expected maintenance expense, etc	1,180,530	1,180,917
c. Allocation of loss component	(232,901)	(192,702)
(2) Change in risk-adjustment for non-financial risk	150,709	149,366
a. RA amortization	151,779	148,365
b. Allocation of loss component	(1,070)	(574)
c. Cancelled contracts	-	1,576
(3) Contractual service margin recognized in profit (loss)	589,765	603,140
a. CSM amortization	589,765	587,774
b. Cancelled contracts	-	15,367
(4) Others	-	(33,390)
a. Cancelled contracts	-	(33,390)
2. Allocation of Insurance acquisition cash flow	483,253	296,999
a. Contract conclusion expense amortization	483,253	296,999
	₩ 4,336,519	3,998,298

(13) Details of reinsurance revenue recognized for reinsurance contracts held by the Group for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Reinsurance claim	₩ 35,424	31,809
Adjustment of incurred claims for reinsurance	3,757	(43)
Relevant revenue for loss component	1,504	(167)
	₩ 40,685	31,600

(14) Details of insurance expenses recognized for insurance contracts issued by the Group for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
1. Insurance expenses recognized for insurance contracts	₩ 3,906,481	3,499,587
(1) Actual insurance premium	2,085,189	1,951,973
(2) Actual contract maintenance expenses	972,319	1,010,924
(3) Actual investment management expenses	90,312	88,172
(4) Onerous contracts expenses	474,325	343,551
(5) Adjustment of incurred claims factor	37,925	13,728
(6) Depreciation of cash flow obtained from insurance	483,253	296,999
(7) Loss component allocation	(233,971)	(193,277)
(8) Other insurance service expenses	(2,871)	(12,483)
2. Other insurance operating expenses	67,478	46,344
	₩ 3,973,959	3,545,931

(15) Details of reinsurance expenses recognized for reinsurance contracts held by the Group for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Expected reinsurance claim	₩ 26,218	22,672
Expected reinsurance premium	4,206	6,029
Changes of risk adjustment	819	1,221
Insurance contractual margin amortization	(10,192)	5,266
Reinsurance expenses difference of Loss component allocation	(154)	(448)
Other reinsurance expenses	10,764	750
	₩ 31,662	35,490

18. Investment contract liabilities and other contract liabilities

(1) Investment contract liabilities as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Retirement pension contracts	₩ 18,348,946	15,786,496
Retirement benefit insurance contracts	43,868	60,026
	₩ 18,392,814	15,846,522

(2) Details of other contract liabilities as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Reserve for participating policyholder's dividends for stabilization	₩ 68,379	70,592
Fund for public projects	99,466	99,466
	₩ 167,845	170,058

19. Financial liabilities at fair value through profit or loss

(1) Financial liabilities designated at fair value through profit or loss as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Compound instrument	Equity Linked Securities	₩ 497,817	660,021
	Derivatives-linked securities	179,191	101,618
	Derivatives-linked bond	4,775,041	3,982,178

	Credit risk adjustment	(5,948)	(6,246)
	Date evaluate adjustment	113,268	101,675
	₩	5,559,369	4,839,246

(2) Details of financial liabilities measured at fair value through profit or loss as of December 31, 2025 and 2024 are as follows:

			December 31, 2025	December 31, 2024
Securities sold	Stock	₩	400,707	340,920
	Government and public bonds		109,058	258,641
		₩	509,765	599,561

20. Borrowings

(1) Borrowings as of December 31, 2025 and 2024 are summarized as follows:

	Creditors		December 31, 2025	December 31, 2024
Bonds sold under repurchase Agreements (*1)	Public offerings, Institutions	₩	3,768,575	2,781,275
Subordinated debt securities issued	Project developer		8,391	6,598
Call money	Samsung Asset Management		240,000	100,000
Borrowings from KSFC	KSFC		269,634	256,470
Borrowings for general purpose	Kookmin Bank, etc.		157,000	182,500
Borrowings for equipment	Kookmin Bank, etc.		30,000	35,000
Debentures	Individuals, etc.		598,646	448,389
Unsecured subordinated bonds (*2)	Individuals, etc.		698,245	698,080
Electronic short-term bonds	Individuals, etc.		827,782	940,008
Other Borrowings	Individuals, etc.		1,090,000	749,800
		₩	7,688,273	6,198,120

(*1) This transaction is an agreement to sell securities and later repurchase the securities at a specific price on the contract expiration date and is a financial instrument for which the conditions for derecognition are not met.

(*2) Unsecured subordinated bonds above may be fully redeemed by the Group after the date five years from the issuance date.

(1) Debentures and unsecured subordinated debentures as of December 31, 2025 and 2024 are summarized as follows:

		Interest rate (%)	Issue date	Maturity date	December 31, 2025	December 31, 2024
Kyobo Securities Co., Ltd.	Non-guaranteed bonds	3.92	April 8, 2024	April 8, 2026	200,000	200,000
Kyobo Securities Co., Ltd.	Non-guaranteed bonds	3.94	April 8, 2024	April 8, 2027	100,000	100,000
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	7.00	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 bonds	6.80	July 29, 2024	January 29, 2026	50,000	50,000
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	6.00	June 30, 2025	December 30, 2026	49,000	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	6.30	June 30, 2025	June 30, 2027	21,000	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	6.00	August 27, 2025	February 26, 2027	29,800	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	6.30	August 27, 2025	August 27, 2027	3,000	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	6.00	August 28, 2025	February 26, 2027	22,000	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	6.30	August 28, 2025	August 27, 2027	15,000	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	5.80	September 4, 2025	February 26, 2027	11,000	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	6.30	September 15, 2025	September 15, 2027	60,000	-
Kyobo Asset Trust Co., Ltd.	Non-guaranteed private straight bond	3.02	September 29, 2025	September 23, 2027	40,000	-
Total face value					₩ 600,800	450,000
Discount on bonds					(2,154)	(1,611)
					₩ 598,646	448,389
Kyobo Securities Co., Ltd.	Unsecured subordinated bonds	4.30	August 6, 2024	August 6, 2034	700,000	700,000
Discount on bonds					(1,755)	(1,920)
					₩ 698,245	698,080

(3) The maturity analysis of borrowings based on their remaining contractual as of December 31, 2025 and 2024 are as follows:

2025	Less than 1 year	1~5 years	Over 5 years	Total
Debentures	299,000	301,800	-	600,800
Unsecured subordinated bonds	-	-	700,000	700,000

2024	Less than 1 year	1~5 years	Over 5 years	Total
Debentures	100,000	350,000	-	450,000
Unsecured subordinated bonds	-	-	700,000	700,000

21. Other financial liabilities

(1) Other financial liabilities as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Insurance payables	₩	29,316	27,680
Accounts payable		913,437	525,889
Accrued expenses		485,217	518,594
Leasehold deposits received		94,788	98,520
(Present value discount)		(6,733)	(7,227)
Dividends payable		20	19
Trust accounts liabilities		311,858	168,405
Customers' deposits		2,401,005	1,323,679
Securities deposit received		32,698	6,124
Other depository liabilities		4,351	3,458
Financial guarantee contract		1,994	1,694
Non-controlling interest liabilities (*1)		137,383	37,879
Lease liabilities (*2)		66,808	88,436
Others		316,639	262,078
	₩	4,788,781	3,055,228

(*1) Non-controlling interest liabilities are accumulated non-controlling interests of consolidated associations and beneficiary certificates.

(*2) Lease liabilities are recognized and measured in accordance with KIFRS 1116.

(2) Lease expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Short-term lease expenses (*)	₩	6,766	5,837
Lease for which the underlying asset is of low value (*)		397	521
Interest expenses of lease liabilities		2,639	3,060
	₩	9,802	9,418

(*) The Group recognized lease payments as an expense on a straight-line basis over the lease term.

(3) The maturity profile of the undiscounted lease payments as of December 31, 2025 and 2024 is as follows:

2025	Less than 1 year	1~5 years	Over 5 years	Total
Real estates	47,973	65,810	2,333	116,116
Vehicles	841	2,357	-	3,198
	48,814	68,167	2,333	119,314

2024	Less than 1 year	1~5 years	Over 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

(4) Total cash outflows from leases are W50,321 million and W51,171 million for the years ended December 31, 2025 and 2024, respectively.

22. Provisions

(1) Changes in provisions for each of the two years in the period ended December 31, 2025 are as follows:

2025		Restoration cost	Litigation	Unused provisions	Immediate Annuity (Inheritance-Maturity Type) Provision	Others (*)	Total
Beginning balance	₩	14,607	4,731	22,013	-	128,014	169,365
Increase		13,044	34	-	-	6,069	19,147
Utilized		(365)	(4,334)	-	-	(2,929)	(7,628)
Charge (reversal) for the period, net		(11,958)	1,038	100,197	15,800	26,123	131,200
Other		(13)	-	-	-	(77,490)	(77,503)
Ending balance	₩	15,315	1,469	122,210	15,800	79,787	234,581

(*1) The amounts of ₩3,600 million refund liabilities corresponding to contract liabilities are included.

2024		Restoration cost	Litigation	Unused provisions	Other(*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) The amounts of ₩2,931 million refund liabilities corresponding to contract liabilities are included.

(2) The nature of the Group's provisions and the expected timing of the related outflows of economic benefits as of December 31, 2025 are as follows:

2025		Less than 1 year	1~3 years	3~5 years	Over 5 years	Total
Restoration cost	₩	6,435	6,033	1,658	1,189	15,315

Litigation	1,469	-	-	-	1,469
Unused provisions	36,705	85,505	-	-	122,210
Others	14,688	65,068	31	-	79,787
Provision related to immediate annuity (Inheritance-maturity type)	15,800	-	-	-	15,800
₩	75,097	156,606	1,689	1,189	234,581

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, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligations ₩	430,001	414,269
Fair value of plan assets	(226,275)	(254,363)
Defined benefit liabilities ₩	203,726	159,906

(2) Changes in the defined benefit obligations for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Beginning balance ₩	414,268	397,022
Current service costs	68,123	73,109
Interest expenses	14,932	16,737
Remeasurement	(18,108)	(2,103)
Change in financial assumptions	(5,216)	20,144
Change in demographic assumptions	88	48
Experience adjustments	(12,980)	(22,295)
Benefits paid by the plan	(50,163)	(70,450)
Past service cost	949	(48)
Ending balance ₩	430,001	414,267

(3) Changes in the fair values of plan assets for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Beginning balance ₩	254,363	290,413
Interest income	14,936	16,851
Remeasurements	(928)	(1,227)
Contributions paid into the plan	10,000	22,200
Benefits paid by the plan	(32,268)	(30,564)
Other administrative expenses	(374)	(256)
Others	(19,454)	(43,054)
Ending balance ₩	226,275	254,363

(4) The composition of plan assets as of December 31, 2025 and 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Amount	Ratio (%)	Amount	Ratio (%)
Time deposit, etc. ₩	18,919	8.36%	123,941	48.73%
Equity instruments	7,465	3.30%	2,396	0.94%
Debt instruments	99,978	44.18%	54,014	21.24%
Beneficiary certificates	99,913	44.16%	74,011	29.10%
₩	226,275	100.00%	254,362	100.00%

(5) Actuarial assumptions as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Discount rate (*)	3.36%~5.36%	3.42%~5.08%
Future salary increasing rate	2%~5%	2%~6%

(*) 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 obligations as of December 31, 2025 is as follows:

	December 31, 2025	
	1% Point Increase	1% Point Decrease
Discount rate ₩	(22,919)	25,975
Future salary increasing rate	26,981	(24,221)

(6) The weighted average maturity of defined benefit obligations is from 4.11 to 10.08 years as of December 31, 2025.

24. Other liabilities

Other liabilities as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Advanced receipts ₩	30,227	30,543
Unearned income (*1)	66,422	69,571
Withholdings	70,704	72,770
Value added tax withheld	15,097	10,975
Others (*2)	387	16,063
₩	182,837	199,922

(*1) The Group accumulates a certain portion of the customer's purchase amount as points; points are recorded as deferred income and deducted from sales to be recognized as sales at the time of using. The amount due to the customer loyalty system is reflected in ₩ 15,193 million at the end of December 31, 2025 and ₩ 14,132 million at the end of the previous year.

(*2) As of December 31, 2024, this account included ₩15,800 million of the amounts expected to be paid to policyholders of the immediate annuity (inheritance-maturity type) product. For the year ended December 31, 2025, the Company determined that the related liability meets the definition of a provision and reclassified it from other liabilities to provisions. (See Note 22)

25. Derivatives

1. Derivative instruments held for trading

(1) Unsettled commitments and the fair values of derivative instruments held for trading as of December 31, 2025 and 2024 are as follows:

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

	Type		December 31, 2025 Unsettled commitment	Asset	Liability
Currency related:	Currency forward	₩	10,897,609	105,530	332,741
	Currency futures		64,747	-	-
	Currency swap		4,521,515	146,779	291,865
			15,483,871	252,309	624,606
Stock related:	Stock index futures		3,067,925	-	-
	Stock index options		29,096	1,796	27,405
	Equity linked warrant		276,500	-	37,338
	Stock derivatives		1,321,842	192,840	202,459
	Others		5,977,587	45,321	458,986
			10,672,950	239,957	726,188
Credit related:	Credit default swap		11,139,876	59,685	73,105
Commodity related:	Commodity swaps		6,260	25	24
Interest related:	Interest rate futures		5,461,389	-	-
	Interest rate forward		10,821,197	256,502	35,981
	Interest rate swap		76,991,945	149,082	307,925
	Interest rate option		1,324,458	387	11,854
			94,598,989	405,971	355,760
Credit risk adjustments			-	(3,663)	(5,242)
		₩	131,901,946	954,284	1,774,441

	Type		December 31, 2024 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
Stock related:	Stock index futures		1,523,303	-	-
	Stock index options		17,588	5,921	11,595
	Equity linked warrant		92,500	-	6,132
	Stock 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

(2) Gains and losses on the valuation of derivative instruments held for trading for each of the two years in the period ended December 31, 2025 are as follows:

			2025 Gain	Loss
Currency related:	Currency forward	₩	42,902	201,538
	Currency futures		2,494	3,896
	Currency swap		64,471	106,948
			109,867	312,382
Equity related:	Stock index futures		88,893	463
	Stock index options		7,728	20,397
	Equity linked warrant		4,106	7,207
	Stock derivatives		56,215	56,183
	Others		62,820	38,546
			219,762	122,796
Credit related:	Credit default swap		41,653	79,488
Commodity related:	Commodity swaps		83	-
Interest related:	Interest rate futures		9,231	15,134
	Interest rate forward		181,130	47,481
	Interest rate swap		222,126	392,598
	Interest rate option		-	1,854
			412,487	457,067

	Credit risk adjustments		571	3,229
		₩	784,423	974,962

			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
	Stock index options		9,488	1,772
	Equity linked warrant		403	1,177
	Stock derivatives		11,494	11,079
	Others		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

1. Fair value hedge

(1) Details of the fair value hedged items as of December 31, 2025 and 2024 and changes in their fair values for each of the two years in the period ended December 31, 2025 are as follows:

			December 31, 2025		
	Type		Book value	Accumulated fair value adjustment	Change in fair value during the period
Foreign exchange related:	Foreign debt instruments	₩	320,926	12,232	9,822
	Foreign loan receivables		184,922	10,927	11,922
	Foreign beneficiary certificates		1,297,339	153,342	26,634
	Foreign equity instruments		323,673	20,019	20,019
Interest related:	Foreign debt instruments		95,215	(3,749)	(3,749)
	Domestic debt instruments		-	-	-
		₩	2,222,075	192,771	64,648

s

			December 31, 2024		
	Type		Book value	Accumulated fair value adjustment	Change in fair value during the period
Foreign exchange related:	Foreign debt instruments	₩	86,396	6,564	5,535
	Foreign loan receivables		237,555	(48,347)	(48,347)
	Foreign beneficiary certificates		2,537,611	335,943	230,792
	Foreign equity instruments		-	-	-
Interest related:	Foreign debt instruments		-	-	-
	Domestic debt instruments		226,893	(12,146)	(12,146)
		₩	3,088,455	282,014	175,834

(2) Details of derivatives designated as fair value hedging instruments as of December 31, 2025 and 2024 and changes in their fair values for each of the two years in the period ended December 31, 2025 are as follows:

		December 31, 2025			
	Unrecognized firm commitments	Asset	Liability	Change in fair value for the period
Currency forward	₩ 1,894,069	22,746	133,958	(36,031)
Currency swap	841,308	256	41,615	(14,904)
Interest Rate Futures	98,374	-	-	4,156
Interest forward	-	-	-	-
	₩ 2,833,751	23,002	175,573	(46,779)

	December 31, 2024			
	Unrecognized firm commitments	Asset	Liability	Change in fair value for the period
Currency forward	₩ 3,131,542	35,983	249,451	(214,817)
Currency swap	476,864	-	26,837	(26,869)
Interest Rate Futures	-	-	-	-
Interest forward	239,219	10,091	-	10,091
	₩ 3,847,625	46,074	276,288	(231,595)

(3) The amounts recognized in profit or loss due to the ineffective portion of fair value hedge for each of the two years in the period ended December 31, 2025 are as follows:

	2025		
Risk	Profit (loss) related to fair	Profit (loss) related to fair	Ineffective portion of

	Others (*2)		387	16,063
		₩	182,837	199,922

(*1) The Group accumulates a certain portion of the customer's purchase amount as points; points are recorded as deferred income and deducted from sales to be recognized as sales at the time of using. The amount due to the customer loyalty system is reflected in ₩ 15,193 million at the end of December 31, 2025 and ₩ 14,132 million at the end of the previous year.

(*2) As of December 31, 2024, this account included ₩15,800 million of the amounts expected to be paid to policyholders of the immediate annuity (inheritance-maturity type) product. For the year ended December 31, 2025, the Company determined that the related liability meets the definition of a provision and reclassified it from other liabilities to provisions. (See Note 22)

25. Derivatives

1. Derivative instruments held for trading

(1) Unsettled commitments and the fair values of derivative instruments held for trading as of December 31, 2025 and 2024 are as follows:

			December 31, 2025		
	Type		Unsettled commitment	Asset	Liability
Currency related:	Currency forward	₩	10,897,609	105,530	332,741
	Currency futures		64,747	-	-
	Currency swap		4,521,515	146,779	291,865
			15,483,871	252,309	624,606
Stock related:	Stock index futures		3,067,925	-	-
	Stock index options		29,096	1,796	27,405
	Equity linked warrant		276,500	-	37,338
	Stock derivatives		1,321,842	192,840	202,459
	Others		5,977,587	45,321	458,986
			10,672,950	239,957	726,188
Credit related:	Credit default swap		11,139,876	59,685	73,105
Commodity related:	Commodity swaps		6,260	25	24
Interest related:	Interest rate futures		5,461,389	-	-
	Interest rate forward		10,821,197	256,502	35,981
	Interest rate swap		76,991,945	149,082	307,925
	Interest rate option		1,324,458	387	11,854
			94,598,989	405,971	355,760
	Credit risk adjustments		-	(3,663)	(5,242)
		₩	131,901,946	954,284	1,774,441

			December 31, 2024		
	Type		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
Stock related:	Stock index futures		1,523,303	-	-
	Stock index options		17,588	5,921	11,595
	Equity linked warrant		92,500	-	6,132
	Stock 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

(2) Gains and losses on the valuation of derivative instruments held for trading for each of the two years in the period ended December 31, 2025 are as follows:

			2025	
			Gain	Loss
Currency related:	Currency forward	₩	42,902	201,538
	Currency futures		2,494	3,896
	Currency swap		64,471	106,948
			109,867	312,382

(In millions of Korean won)

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 consolidated statement of comprehensive income before income tax effect.
(*2) The ineffective portion of hedge is the difference between the hedge gain and loss of the hedging instrument and the hedged item.

When it is expected that no further anticipated transactions, which qualify for hedge accounting for cash flow risks, will occur, the Group immediately recognizes the accumulated gains or losses, which have been recognized in equity, in the consolidated statement of comprehensive income. The expected longest period of exposure to cash flow variability for derivative contracts to which the Group applies cash flow hedge accounting is until April 2, 2035.

26. Equity

(1) Details of equity as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Capital stock:			
Common stock	₩	102,500	102,500
Hybrid bonds:			
Hybrid bonds		2,205,726	2,205,726
Capital surplus:			
Share premium		359,937	359,937
Asset revaluation surplus		4,502	4,502
Others		266,063	273,632
		630,502	638,071
Capital adjustments:			
Negative equity changes in equity method adjustments		(15,995)	(15,995)
Other capital adjustments		(100,907)	(101,125)
Stock option		304	304
Treasury stock		(83,828)	(84,008)
		(200,426)	(200,824)
Accumulated other comprehensive income, net of tax:			
Loss on valuation of financial assets at fair value through other comprehensive income		(5,242,451)	(3,257,875)
Loss allowance of debt instrument at fair value through other comprehensive income		5,271	5,879
Gain on valuation of financial liabilities at fair value through profit or loss		3,968	4,883
Net financial gain (loss) on insurance contracts		2,411,261	200,073
Net financial gain (loss) on reinsurance contracts		2,758	3,893
Gain on valuation of cash flow hedge derivatives		(199,080)	301,368
Gain on valuation of investment in associates		31	23
Foreign currency translation adjustments for foreign operations		1,442	1,679
Gain on revaluation of property and equipment		644,998	654,890
Remeasurements related to defined benefit plan		42,545	30,370
		(2,329,257)	(2,140,784)
Retained earnings:			
Legal reserve		52,540	51,842
Other legal reserves		330,778	275,996
Regulatory reserve for loan loss		107,830	135,279
Retained earnings		7,504,218	7,000,819
Voluntary reserve		3,000	3,000
		7,998,366	7,466,936
Non-controlling interests		310,608	293,253
	₩	8,718,019	8,364,878

(2) Capital stock

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

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

	December 31, 2025				
	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)	November 12, 2024	November 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

(In millions of Korean won)

(5) Accumulated other comprehensive income

Changes in accumulated other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

2025	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 through profit or loss	Financial gain (loss) on insurance contract assets (liabilities)	Financial gain (loss) on reinsurance contract assets (liabilities)	Valuation gain (loss) on cash flow hedge	Gain (loss) on valuation of investment of associates	Gain (loss) on revaluation of property and equipment	Gain (loss) on translation of foreign operations	Remeasurement gain (loss) related to defined benefit plan	Total
Beginning balance	₩ (3,343,841)	5,879	4,883	200,073	3,893	301,368	23	654,889	1,679	30,370	(2,140,784)
Fair value evaluation	(2,604,332)	(683)	(1,214)	3,043,448	(1,573)	(596,140)	12	141	-	17,244	(143,097)
Realization of gain (loss)	(53,275)	-	-	-	-	(92,579)	-	-	-	-	(145,854)
Income tax effects	778,764	75	193	(832,260)	438	183,613	(3)	(10,205)	63	(5,048)	115,630
Transfer to retained earning	(19,631)	-	(49)	-	-	4,658	-	-	-	4,502	(15,022)
Non-consolidated adjustments	(136)	-	155	-	-	-	(1)	173	-	(20)	171
Foreign exchange difference	-	-	-	-	-	-	-	-	(301)	-	(301)
Ending balance	₩ (5,242,451)	5,271	3,968	2,411,261	2,758	(199,080)	31	644,998	1,441	42,546	(2,329,257)

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 through profit or loss	Financial gain (loss) on insurance contract assets (liabilities)	Financial gain (loss) on reinsurance contract assets (liabilities)	Valuation gain (loss) on cash flow hedge	Gain (loss) on valuation of investment of associates	Gain (loss) on revaluation of property and equipment	Gain (loss) on translation of foreign operations	Remeasurement gain (loss) related to defined benefit plan	Total
Beginning balance	₩ (3,617,905)	8,994	1,702	4,375,280	12,856	265,018	22	654,918	569	29,480	1,730,934
Fair value evaluation	225,804	(4,319)	4,743	(5,664,826)	(11,903)	1,383,778	20	(37)	-	3,044	(4,063,696)
Realization of gain (loss)	141,380	-	-	-	-	(1,334,390)	(19)	-	-	-	(1,193,029)
Income tax effects	(93,647)	1,204	(924)	1,489,619	2,940	13,038	-	8	(266)	(2,769)	1,383,127
Transfer to retained earning	(155)	-	(86)	-	-	-	-	-	-	-	(241)
Non-consolidated adjustments	682	-	(552)	-	-	-	-	-	-	615	745
Foreign exchange difference	-	-	-	-	-	-	-	-	1,376	-	1,376
Ending balance	₩ (3,343,841)	5,879	4,883	200,073	3,893	301,368	23	654,889	1,679	30,370	(2,140,784)

(6) Retained earnings
(a) Legal reserve
Legal reserve is restricted for the dividend to stockholders by law or legislation. According to 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 stocks. The legal reserve may not be allocated in cash and may only be used to reduce a deficit or transfer to capital in accordance with the decision of board of directors.
(b) Regulatory reserve for loan loss
When allowances for bad debts provided on the basis of KIFRS are less than the total of minimum regulatory allowances for bad debts required by the regulations, the difference is reserved as regulatory reserve for loan losses. 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 Group is accumulating guarantee reserves already accumulated at the time of conversion to KIFRS 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 are undisposed deficits, regulatory reserve for loan losses is reserved after the deficits are disposed. 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 reserves for loan losses as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Regulatory reserve for loan losses accumulated	₩	107,830	135,279
To be reversed		(283)	(27,449)
	₩	107,547	107,830

ii. Surrender value reserves, etc. as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Surrender value reserve accumulated	₩	-	-
To be accumulated		1,255,979	-
	₩	1,255,979	-

iii. Guarantee reserves, etc. as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Guarantee reserve accumulated	₩	330,778	275,996
To be accumulated		52,458	54,782
	₩	383,236	330,778

iv. Reversals (charges to) of regulatory reserve for loan losses and adjusted profit after reflecting the regulatory reserve for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Profit for the period before legal reserve	₩	773,072	686,299
Hybrid bonds dividend		(115,825)	(91,799)
Reversal of regulatory reserve for loan losses		283	27,449
Charge to surrender value reserve		(1,255,979)	-
Charge to guarantee reserve		(52,458)	(54,782)
Income adjusted for regulatory reserve for loan losses, etc. (*)	₩	(650,907)	567,167

(*) 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.

(7) Share-based payment
(a) The Group has a shared-based payment arrangement for its executives and employees as of December 31, 2025 and the share options granted under the arrangement are paid when its own shares are exercised. Details thereof are as follows:

Grant date	Number of options granted	Number of options forfeited	Number of unexercised quantities	Number of exercisable options	Exercise price
March 24, 2021	280,000	6,124	273,876	273,876	10,000 won

(b) Vesting condition and exercise period of the share-based payment as of December 31, 2025 is as follows:

Grant date	Vesting condition	Exercise period
March 24, 2021	In case of service for more than 2 years from grant date (Mar. 24, 2021 – Mar. 23, 2023)	Within 5 years from the date when 2 years have passed from grant date (Mar. 24, 2023 – Mar. 23, 2028)

(c) The Group used the binomial model to measure the fair value of share options, and inputs used are as follows:

	Granted on March 24, 2021
Fair value of option per share	433 won
Closing price of the day before grant date	7,550 won
Exercise price	10,000 won
Expected volatility (*)	21.60%
Expected exercise period	4.5 years
Expected dividends	-
Risk-free interest rate (return on government bonds)	1.59%

(*) 120-day index volatility of the KOSPI market to which the Group belongs was applied.
(d) Kyobo Securities accounts for the compensation costs as an expense in the period covered by the contract.
Details of the reimbursement are as follows:

		2025	2024
Gross compensation cost	₩	766	766
Accumulated compensation expense		766	766
Compensation expense recognized in the current period		-	-
Residual compensation cost to be recognized subsequently		-	-

27. Interest income
Details of interest income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Cash and due from banks	₩	128,702	138,225
Financial assets at fair value through profit or loss		579,207	618,828
Financial assets at fair value through other comprehensive income		2,076,223	1,805,962
Securities at amortized cost		47,452	38,704
Loan receivables at amortized cost		1,113,525	1,099,668
Derivative instruments		41,133	21,139
Others		34,418	38,059
	₩	4,020,660	3,760,585

28. Gain on valuation and disposal of financial instruments
Gains on valuation and disposal of financial instruments for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Financial assets at fair value through profit or loss:	₩		
Gain on valuation		3,267,107	1,227,297
Gain on disposal		2,150,895	861,273
Financial assets at fair value through other comprehensive income:			
Gain on disposal		299,394	244,446
Reversal of impairment loss		106	-
Securities at amortized cost:			
Gain on disposal		-	1
Reversal of impairment loss		3	13
Loan receivables at amortized cost:			
Gain on disposal		10,229	4,804
Other financial assets at amortized cost:			
Reversal of impairment loss		877	827
Derivatives:			
Gain on valuation		1,099,469	766,289
Gain on disposal		2,923,423	1,881,440
Financial liabilities designated at fair value through profit or loss:			
Gain on valuation		11,278	93,903
Gain on disposal		7,640	5,034
Financial liabilities at fair value through profit or loss:			
Gain on valuation		7,167	89,275
Gain on disposal		20,696	19,322
	₩	9,798,284	5,193,924

29. Fee and commission income
Details of fee and commission income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Brokerage commissions	₩	150,660	107,615
Underwriting commissions		25,664	24,672
Credit placement fees		9,465	5,662
Asset management fees		42,125	46,440
Brokerage commissions on collective investment securities		12,988	11,111
Securities lending fee		1,146	1,217
Retirement pension management fee		174	159
Mortgage bond fees		1,090	1,229
Others		163,728	153,281
	₩	407,040	351,386

30. Dividend income
Details of dividend income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Financial assets at fair value through profit or loss:	₩		
Equity securities		139,823	102,624
Other securities		2	-
Overseas securities		2,855	152
		142,680	102,776
Financial assets at fair value through other comprehensive income:			
Equity securities		16,944	15,683
Other securities		41,456	36,043
Overseas securities		959	668
		59,359	52,394
	₩	202,039	155,170

31. Other investment income and other operating income

(1) Details of other investment income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Other investment income	₩	811,043	781,188
Special account fee income		13,327	12,875
Other operating income		(7,579)	5,006
	₩	816,791	799,069

(2) Details of other operating income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Merchandise sales	₩	963,707	925,679
Product sales		12,851	14,661
Other sales		154,861	146,553
	₩	1,131,419	1,086,893

(3) The classification of revenue recognized into categories and the timing of revenue recognition of merchandise sales, product sales and other sales for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		Book sales and publication	Facility management	Others	Total
At a point in time	₩	966,914	3,778	181,963	1,152,655
Over time		16,555	117,851	14,336	148,742
	₩	983,469	121,629	196,299	1,301,397

		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

32. Operating expense and asset management expenses

Details of operating expense and asset management expenses for each of the two years in the period ended December 31, 2025 is as follows:

		2025				
		Cash flow obtained from insurance	Maintenance expenses	Investment management expenses	Other(*)	Total
Salaries and wages	₩	4,054	226,790	11,098	23,252	265,194
Employee fringe benefits		1,171	75,410	3,308	6,434	86,323
Proportional wages		766,614	-	-	-	766,614
Taxes and dues		-	126,001	9,851	11,486	147,338
Commission		1,383	179,365	20,360	29,657	230,765
Computational expenses		1,485	69,369	4,134	7,736	82,724
Store operating expenses		81,372	11,051	-	255	92,678
Special bonus		-	111,654	5,709	11,436	128,799
Promotion expenses		409,386	-	-	1,228	410,614
Depreciation		377	57,359	899	1,675	60,310
Administration expenses		3	9,266	26,430	32,536	68,235
Others		421,332	106,054	8,523	75,006	610,915
	₩	1,687,177	972,319	90,312	200,701	2,950,509

(*) Other business expenses include other business expenses, property management expense and other financial expenses.

		2024				
		Cash flow obtained from insurance	Maintenance expenses	Investment management expenses	Other(*)	Total
Salaries and wages	₩	3,720	239,259	11,553	20,741	275,273
Employee fringe benefits		871	68,711	3,072	5,344	77,998
Proportional wages		675,338	-	-	808	676,146
Taxes and dues		-	120,429	9,529	11,790	141,748
Commission		663	157,869	17,356	26,619	202,507
Computational expenses		1,680	69,764	4,532	8,215	84,191
Store operating expenses		73,912	11,736	-	325	85,973
Special bonus		-	114,071	5,395	9,822	129,288
Promotion expenses		323,619	-	-	1,697	325,316
Depreciation		186	58,136	850	1,892	61,064
Administration expenses		1	8,776	25,292	32,263	66,332

Others		330,193	162,172	10,593	61,655	564,613
	₩	1,410,183	1,010,923	88,172	181,171	2,690,449

(*) Other business expenses include other business expenses, property management expense and other financial expenses.

33. Interest expense

Details of interest expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Borrowings	₩	244,748	218,334
Derivatives		147,765	112,290
Others		26,154	31,721
	₩	418,667	362,345

34. Loss on valuation and disposal of financial instruments

Losses on the valuation and disposal of financial instruments for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Financial assets at fair value through profit or loss:			
Loss on valuation	₩	675,486	1,166,156
Loss on disposal		591,553	691,766
Financial assets at fair value through other comprehensive income:			
Loss on valuation (*3)		3,749	-
Loss on disposal		72,648	261,528
Impairment loss		(576)	(4,319)
Securities at amortized cost:			
Loss on disposal		1	520
Loan receivables at amortized cost:			
Bad debt expense		286,231	378,141
Loss on disposal		8,444	4,159
Other financial assets at amortized cost:			
Bad debt expense		14,823	12,786
Derivatives:			
Loss on valuation		1,451,874	2,811,632
Loss on transaction		3,842,272	1,872,616
Unsettled commitments (*1)			
Bad debt expense		100,197	3,810
Retirement insurance pension (*2)			
Other expense		760,381	703,470
Financial liabilities designated at fair value through profit or loss:			
Loss on valuation		195,856	80,872
Loss on disposal		167,456	159,957
Financial liabilities at fair value through profit or loss:			
Loss on valuation		113,219	35,684
Loss on disposal		163,060	29,619
	W	8,446,674	8,208,397

(*1) Bad debt expenses above are included in other financial expenses in the consolidated statement of comprehensive income.
(*2) Other expenses above are included in other financial expenses in the consolidated statement of comprehensive income.
(*3) In accordance with KIFRS 1109, a loss of ₩3,749 million was recognized in profit or loss as the debt securities measured at fair value through other comprehensive income held by the Group for the year ended December 31, 2025 (Account name: US Treasury N/B) has been designated as the hedged item in a fair value hedge.

35. Other investment expenses and other operating expenses

(1) Details of other investment expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Depreciation of investment properties	₩	9,479	9,566
Amortization of intangible assets		22,957	57,115
Fees and commission expense		54,814	50,556
Others operating expenses		31,045	136,131
	₩	118,295	253,368

(2) Details of other operating expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Cost of sales-merchandise	₩	561,480	540,007
Cost of sales-services		171,976	166,768
Cost of sales-products		7,148	8,801
Cost of other goods sold		27,771	24,343
General and administrative expenses:		650,465	645,549
Employee costs		376,075	371,965
Depreciation		45,974	50,258

Other general expenses	228,416	223,326
₩	1,418,840	1,385,468

36. Foreign currency translation

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

	December 31, 2025		December 31, 2024	
	Amount of foreign currency	Amount of KRW equivalent	Amount of foreign currency	Amount of KRW equivalent
Cash and due from banks				
USD	428,291	₩ 614,555	419,975	₩ 617,434
EUR	4,280	7,215	11,863	18,135
JPY	11,401,804	104,626	3,584,858	33,582
Others	-	13,233	-	8,365
Financial assets at fair value through profit or loss:				
USD	3,390,585	4,865,360	2,763,742	4,063,503
EUR	421,110	709,894	408,764	624,891
JPY	7,181,727	65,902	6,969,007	65,438
Others	-	10,770	-	34,182
Financial assets at fair value through other comprehensive income:				
USD	8,828,202	12,667,587	8,405,474	12,356,047
EUR	1,205,850	2,032,725	715,956	1,094,504
JPY	33,200,079	304,654	5,465,363	51,182
Others	-	1,882,707	-	1,252,085
Securities at amortized cost:				
USD	132,878	190,667	39,499	58,063
EUR	36,043	60,759	-	-
Loan receivables at amortized cost:				
USD	218,055	313,099	184,162	270,718
EUR	100,630	169,646	109,442	167,311
Others	-	252,121	-	187,889
Other financial assets at amortized cost:				
USD	351,620	504,539	247,449	363,750
EUR	26,926	45,390	14,412	22,032
JPY	276,993	2,542	55,975	524
Others	-	118,695	-	63,526
Financial assets:				
USD	13,349,779	W 19,155,807	12,060,301	₩ 17,729,515
EUR	1,794,846	3,025,629	1,260,437	1,926,873
JPY	52,060,603	477,724	16,075,203	150,726
Others	-	2,277,526	-	1,546,047

	December 31, 2025		December 31, 2024	
	Amount of foreign currency	Amount of KRW equivalent	Amount of foreign currency	Amount of KRW equivalent
Financial liabilities at fair value through profit or loss:				
USD	1,308,424	₩ 1,877,457	1,259,934	₩ 1,852,102
EUR	156	263	3,714	5,678
JPY	146,925	1,348	709,158	6,641
Others	-	29	-	28
Other financial liabilities at amortized cost:				
USD	810,243	1,162,617	464,719	683,137
EUR	1,549	2,611	583	891
JPY	595,866	5,468	582,201	5,452
Other	-	18,965	-	10,864
Financial liabilities:				
USD	2,118,667	₩ 3,040,074	1,724,653	₩ 2,535,239
EUR	1,705	2,874	4,297	6,569
JPY	742,791	6,816	1,291,359	12,093
Others	-	18,994	-	10,892

37. Non-operating income and expenses

(1) Details of non-operating income for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Gain on valuation of investments in associates	₩ 12,256	50,684
Gain on disposal of investments in associates	4,189	333
Gain on disposal of investment properties	826	734
Gain on disposal of property and equipment	162	856
Gain on disposal of intangible assets	115	1,356

Miscellaneous gains	9,915	12,779
Others	13,971	11,369
₩	41,434	78,111

(2) Details of non-operating expenses for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Loss on valuation of investments in associates	₩ 12,206	4,299
Loss on disposal of investments in associates	1,794	352
Impairment loss on investments in associates	2,192	3,000
Loss on disposal of property and equipment	7,378	6,052
Impairment loss on property and equipment	-	64
Impairment loss on investment properties	-	18
Loss on disposal of intangible assets	103	2,376
Impairment loss on intangible assets	449	39,726
Donations	5,820	5,191
Miscellaneous losses	18,296	3,927
Fines and penalties	17	352
Others	1,046	834
₩	49,301	66,191

38. Income tax expenses

(1) Details of income tax expenses for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Current income tax expenses	₩ 77,856	96,775
Origination and reversal of temporary differences	74,926	(1,248,565)
Income tax expense directly recognized in equity	115,630	1,383,127
Additional payment (refund) of income taxes	1,778	(3,095)
Adjustments recognized in the current period for past income taxes	-	(92)
Income tax expenses	₩ 270,190	228,150

(2) The reconciliation between income tax expense at the effective income tax rate and accounting profit before income tax at the statutory rate of Korea for each of the two years in the period ended December 31, 2025 is as follows:

	2025	2024
Profit before income taxes	₩ 1,043,262	914,449
Income taxes at statutory tax rates	253,983	188,174
Adjustments:	16,207	39,977
Permanent differences	(29,302)	(27,927)
Additional payment (refund) of income taxes	1,778	(3,095)
Effect of changes in tax rate	43,731	70,999
Income tax expenses	₩ 270,190	228,151
Effective tax rate	25.90%	24.95%

(3) Details of increases and decreases in deferred tax assets (liabilities) for each of the two years in the period ended December 31, 2025 are as follows:

	2025		
	Beginning balance	Increase (decrease)	Ending balance
Deferred tax assets:			
Depreciation	₩ 13,561	199	13,760
Loss on valuation of financial assets at fair value through profit and loss	-	4	4
Allowance for loss	23,250	3,833	27,083
Taxes and dues	9,706	1,316	11,022
Defined benefit liabilities	19,678	9,490	29,168
Accrued bonus expenses	16,846	1,931	18,777
Miscellaneous losses (impairment loss on land)	2,838	118	2,956
Miscellaneous losses (dormant insurance payments)	6,270	814	7,084
Contingent liabilities	4,684	423	5,107
Loss on revaluation of land	3,485	61	3,546
Loss on valuation of financial assets at fair value through other comprehensive income (“OCI”)	1,217,381	784,329	2,001,710
Loss on valuation of derivatives	660,438	37,310	697,748
Other (Deficit carried forward)	1,133,327	817,332	1,950,659
Others	493,314	95,250	588,564
	3,604,778	1,752,410	5,357,188
Deferred tax liabilities:			
Gain on valuation of financial assets at fair value through profit and loss	(223,654)	(692,168)	(915,822)
Interest income	(91,258)	(16,084)	(107,342)
Valuation gain on foreign assets	(778,668)	28,864	(749,804)
Allowance related to asset revaluation	(21,614)	(789)	(22,403)
Cost adjustments	(212,002)	(39,069)	(251,071)
Gain on valuation of derivatives	(108,099)	108,099	-
Gain on revaluation of property and equipment	(248,930)	(8,042)	(256,972)

Net financial gain on insurance contract asset(liability) included in OCI		(82,735)	(832,261)	(914,996)
Net financial gain on reinsurance contract asset(liability) included in OCI		(1,366)	438	(928)
Gain on valuation of financial assets at fair value through OCI		(36,494)	(2,637)	(39,131)
Loss provision on debt instruments at fair value through OCI		(2,011)	74	(1,937)
Others		(443,888)	(373,761)	(817,649)
		(2,250,719)	(1,827,336)	(4,078,055)
Deferred tax assets (liabilities)	₩	1,354,059	(74,926)	1,279,133

	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	1,313,259	(95,878)	1,217,381
Loss on valuation of derivatives	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
	3,248,258	356,520	3,604,778
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	(95,061)	(13,038)	(108,099)
Gain on revaluation of property and equipment	(248,710)	(220)	(248,930)
Net financial gain on insurance contract asset(liability) included in OCI	(1,572,355)	1,489,620	(82,735)
Net financial gain on reinsurance contract asset(liability) included in OCI	(4,306)	2,940	(1,366)
Gain on valuation of financial assets at fair value through OCI	(38,181)	1,687	(36,494)
Loss provision on debt instruments at fair value through OCI	(3,215)	1,204	(2,011)
Others	(369,196)	(74,692)	(443,888)
	(3,142,764)	892,045	(2,250,719)
Deferred tax assets (liabilities), net ₩	105,494	1,248,565	1,354,059

(3) Details of deferred tax recognized in items other than profit or loss as of December 31, 2025 and 2024 are as follows:

	2025		2024	
	Amount	Tax effect	Amount	Tax effect
Reserve for asset revaluation	24,366	(19,863)	24,366	(19,863)
Gain (loss) on valuation of financial assets at fair value through other comprehensive income ₩	(7,219,848)	1,977,397	(4,542,475)	1,198,634
Loss provision on debt instruments at fair value through other comprehensive income	7,207	(1,937)	7,890	(2,011)
Net financial gain (loss) on insurance contract assets (liabilities) included in OCI	5,152	(1,184)	6,260	(1,377)
Net financial gain (loss) on reinsurance contract assets (liabilities) included in OCI	3,326,256	(914,996)	282,808	(82,735)
Gain (loss) on valuation of cash flow hedge derivatives	3,686	(928)	5,259	(1,366)
Net financial gain (loss) on insurance contract assets (liabilities) included in OCI	(274,594)	75,513	409,467	(108,099)
Gain on valuation of investments in associates	40	(9)	30	(6)
Gain on revaluation of property and equipment	884,705	(239,708)	884,923	(230,033)
Remeasurement gain (loss) related to defined benefit liabilities	61,665	(19,119)	45,208	(14,838)
Foreign currency translation adjustments for foreign operations	1,780	(337)	2,081	(402)
₩	(3,179,585)	854,829	(2,874,183)	737,904

(4) Details of income taxes on a gross basis

The gross amounts of deferred tax assets and liabilities and current tax assets and liabilities of the Group as of December 31, 2025 and 2024 are as follows:

	2025	2024
Deferred tax assets ₩	5,357,188	3,604,775
Deferred tax liabilities	(4,078,055)	(2,250,716)
Deferred tax assets (liabilities), net ₩	1,279,133	1,354,059
Current tax assets ₩	300,673	282,463
Current tax liabilities	(50,621)	(77,985)
Current tax assets (liabilities), net ₩	250,052	204,478

Meanwhile, since individual companies within the Group do 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 above, and accordingly, they were separately presented in the consolidated financial statements as of December 31, 2025 and 2024. Deferred tax assets are ₩ 1,456,473 million and ₩ 1,521,676 million, respectively, and deferred tax liabilities are ₩ 177,340 million and ₩ 167,617 million, respectively. Current income tax assets separately presented in the consolidated financial statements as of December 31, 2025 and 2024 are ₩ 252,722 million and ₩ 205,982 million, respectively, and current income tax liabilities are ₩ 2,671 million and ₩ 1,504 million, respectively.

(6) Deferred tax assets include ₩ 1,892,317 million related to tax loss carryforwards of the parent company, Kyobo Life Insurance Co., Ltd., and ₩ 58,342 million related to tax loss carryforwards of its subsidiary, Kyobo Asset Trust Co., Ltd. The Group determined that these deferred tax assets are recoverable based on projected future taxable income derived from the approved mid- to long-term business plan and budget. Although taxable income may fluctuate by year, the Group expects to generate taxable income in the mid- to long-term. Tax loss carryforwards may be carried forward for 15 years, with the latest expiration date in 2040.

39. Employee benefits

Details of employee benefits for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Short-term and other long-term employee benefits ₩	761,490	767,021
Post-employment benefits (*)	88,501	146,398

(*) Post-employment benefits include ₩ 882 million and ₩ 53,650 million of termination benefits or special compensation for each of the two years in the period ended December 31, 2025, respectively, and ₩ 27,070 million and ₩ 24,880 million of defined contribution retirement benefits for each of the two years in the period ended December 31, 2025, respectively.

40. Commitments and contingencies

(1) Pending litigations

The Group has 132 pending litigations in which the Group is a defendant, such as claims for insurance payments and others, and the total legal proceedings amounts to ₩91,812 million as of December 31, 2025. In addition, the Group has 399 pending litigations in which the Group is a plaintiff with total claims of ₩45,604 million. 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 ₩8,676 million was accounted for as a reserve in relation to the claims above for payment of insurance payments, and ₩15,842 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, 2025.

(2) Insurance commitments

Details of contracts held by the Group under various insurance contracts as of December 31, 2025 are as follows:

	Number of contracts	Total contract amount
General accounts	8,979,653	₩ 297,643,194
Separate accounts	1,099,956	18,577,329
	10,079,609	₩ 316,220,523

(3) Reinsurance agreements

Details of reinsurance agreements of individual and group insurance as of December 31, 2025 is as follows:

Reinsurance method	Reinsurance company	Ceding ratio (%)	Nature of risk
Surplus	SCOR Reinsurance Asia-Pacific	100% of the excess amount	Risk from excessive contracts
Surplus	SCOR Reinsurance Asia-Pacific	100% of the excess amount	Risk from excess number of contracts with individuals with high-risk occupations
Surplus	Korean Re	100% of the excess amount	Kyobo Big Love Guarantee Insurance
Surplus	Pacific Life Re	Exceeding ₩100 million per insured (based on the covered risk retained by the Group)	Mortality (term insurance and whole life, insurance)
Surplus, Quota Share	Munich Re	60% of the excess amount	Contract exceeding subscription limit
Surplus, Quota Share	Korean Re	40% of the excess amount	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	Kyobo care, nursing care insurance : 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	Major cancer treatment costs, mortality (term insurance and whole life insurance), diagnosis (cancer, insurance for lifestyle disease, excluding new contracts after 2024 and those in force for over five years.), diagnosis (cancer, stroke, and heart disease insurance)

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

Quota Share	RGA Re	80	Facultative reinsurance
Quota Share	RGA Re	80	Facultative reinsurance (Mortality Risk)
Quota Share	RGA Re	90	Substandard insurance
Quota Share	SCOR Reinsurance Asia-Pacific	10	Personal loss rider
Quota Share	SCOR Reinsurance Asia-Pacific	10 ~ 50	SI life insurance
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	Disability (Let's go M Accident insurance)
Quota Share	Korean Re	30 ~ 50	Kyobo cancer Insurance
Quota Share	Korean Re	30 ~ 50	Integrated health insurance
Quota Share	Korean Re	50	SI Insurance, Dementia Insurance
Quota Share	Korean Re	50	Mortality (term insurance, self fit health insurance), Disability (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 Joint developed special contract: 50	Kyobo cancer insurance
Financial reinsurance	Munich Re	-	Mass lapse
	Swiss Re	-	Mass lapse

(4) Purchase commitments and loan commitments

Purchase agreements and loan commitments of the Group as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Purchase commitments	₩	15,000	-

(5) Guarantee commitments

As of December 31, 2025, the Group provides debt guarantees (purchase undertakings, etc.) of ₩ 385,300 million (December 31, 2024: ₩169,950 million) to relevant Special Purpose Companies ("SPC") for the developer's projects and details thereof are as follows:

Company	Counterparty		Amount	Description
Kyobo Securities Co., Ltd.	Brand New Gajae Co., Ltd.		15,000	Debt guarantee
	Luten 1st Co., Ltd.		30,000	
	Quadverthill Chuncheon 1st Co., Ltd.		3,600	
	Keymars 13rd Co., Ltd.		8,000	
	Trust Yeokgok 1st Co.,Ltd.		15,000	
	With GM J 29th Co., Ltd.		7,000	
	Dangsu The First 1st Co., Ltd.		5,000	
	Sentinel GM 5th Co., Ltd.		4,500	
	HI Jungdong 3rd Co., Ltd.		20,000	
	Dreamgusam Songdo 1st Co.,Ltd.		15,000	
	Elo Alpha 1st Co.,Ltd.		10,000	
	Great Ocean 1st Co., Ltd.		6,000	
	JA Story 10th Co., Ltd.		20,000	
	Eco Dream 1st Co., Ltd.		13,200	
	CEA 2nd Co., Ltd.		13,000	
	iPro Hwanggeum 5th Co., Ltd.		35,000	
	iPro Hwanggeum 1st Co., Ltd.		20,000	
	CEA 1st Co., Ltd.		30,000	
	The CL 8th Co., Ltd.		28,000	
	Pasion Hwanggeum 1st Co., Ltd.		20,000	
	Highdream 9th Co.,Ltd.		20,000	
	The CL 10th Co., Ltd.		20,000	
	AYM Securitization 1st Co., Ltd.		27,000	
		₩	385,300	

(6) Payment guarantee provided as of December 31, 2025 is as follows:

		Amount
Seoul Guarantee Insurance	₩	192,211
Korea Finance for Construction		7,379
Korea Software Financial Cooperative		-
Korea Housing & Urban Guarantee Corporation		5,202,226
Others		3,050
	₩	5,404,866

(7) Other commitments

1) Details of other commitments as of December 31, 2025 are as follows:

		Amount
Loan commitments	₩	3,795,455
Investment commitments		4,326,888
	₩	8,122,343

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2025 and 2024

(In millions of Korean won)

2) As of December 31, 2025, the Group has commitments amounting to ₩ 560.3 billion for the acquisition of property and equipment and other assets.

(8) Overdraft commitments, etc.

Details of commitments and guarantees as of December 31, 2025 are 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
			19,000	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, Discounted bill
Kyobo Book Center Co., Ltd.	Overdraft commitments		10,000	Kookmin Bank	Bank overdraft
	Limit commitments		18,000	Shinhan Bank	Corporate operating loan limit commitments
			18,000	Hana Bank	Corporate operating loan limit commitments
			5,000	Woori Bank	Credit loan
Kyobo Asset Trust Co., Ltd.	Borrowing commitments		5,000	Suhyup Bank	Comprehensive corporate bank account loan
			4,000	Woori Bank	Retail finance general 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
			27,000	HY Kyobo 3rd Co., Ltd.	Loan Receivables Securitization
			15,000	JB Woori Capital	Loan Agreement
			30,000	Rebuilding 1st Co., Ltd.	Loan Receivables Securitization
			2,000	HY Kyobo 4th Co., Ltd.	Credit loan
			13,000	HY Kyobo 4rd Co., Ltd.	Loan Receivables Securitization
			20,000	Kiwoom Capital	Loan Receivables Securitization
			20,000	Kookmin Bank	Loans secured by government and public bonds
		₩	1,617,000		

(9) Lending and borrowing transactions of securities

Lending and borrowing transactions of securities as of December 31, 2025 are as follows:

	Type		Amount	Valuation standard
Lent securities	Stocks	₩	6,274	Fair value
	Bonds		1,940,448	Fair value
Securities borrowed	Stocks		1,088,636	Fair value
	Bonds		2,403,746	Fair value

Securities lending transaction is a transaction in which the ownership is transferred under an agreement to return securities of the same type and amount after a certain period of time, and as this transaction does not meet the conditions for derecognition, the securities are still recognized as assets of the Group. The Group executes loan transactions and keeps memorandum notes on borrowed securities from KSFC and Korea Securities Depository. The Group accounts for the transaction as financial liabilities at fair value through profit or loss when it sells the borrowed securities or when it makes a short sale of the borrowed securities.

(10) As of December 31, 2025, the Group has provided tenants with three overdraft checks (issue price of ₩727 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.

(11) The Group is in the process of a land trust project with guarantee (17 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 ₩655.3 billion, and the investment amount is ₩483.7 billion as of December 31, 2025. 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 ₩34 billion, and the amount invested is ₩34 billion as of December 31, 2025. 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 ₩160 billion and the amount invested is ₩136.3 billion as of December 31, 2025. Meanwhile, the completion obligation of the constructors of a total of 9 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 ₩287.2 billion, and the amount invested is ₩197.5 billion as of December 31, 2025. 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, 2025, this was reflected in the financial statements as of and for the period ended December 31, 2025, 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, 2025. The Group will continuously monitor the progress of each business site.

41. Related parties

(1) Details of the Group's related parties as of December 31, 2025 and 2024 are as follows:

Related parties as of December 31, 2025	Location
Associates	
A&D Credit Information Co., Ltd., 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, Peco-city, Jinjeop District 2 REIT Co., Ltd., 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 18 Special Purpose Acquisition Company, Kyobo 19 Special Purpose Acquisition Company, Kyobo 20 Special Purpose Acquisition Company, Kyobo Axis Future & New Technology Investment Association 1, Kyobo-SP Advanced Materials New Technology Investment Association, Kyobo-Mark New Technology Investment Association 1, Kyobo KDBC Moneyball New Technology Investment Association No. 1, Kyobo Biginning Semiconductor Equipment New Technology Investment Association No. 1, Kyobo GNTech Startup Korea Venture Investment Association, 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 No.1, Kyobo-NBH-Alpenroot Sports Innovation Investment Association, Kyobo-CELTIS AI New Technology Investment Association, SBI-NTU-Kyobo Digital Innovation Fund, Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust, Kyobo Securities Hi-Public Stock General Private Investment Trust, Kyobo AIM Europe General Private Loan Trust No.2, Together Nonhyeon-dong Office No.8 REIT Co., Ltd., Kyobo Hyundai Mezzanine No.1 Private Equity Partnership, IBKC Kyobo Mezzanine New Technology Investment Association No.1, Kyobo Securities Solid Income 1Y General Private Investment Trust No.3, Kyobo Securities Solid Income 6M General Private Investment Trust No.4, Kyobo Securities Solid Income 1Y General Private Investment Trust No.5, Kyobo Securities Solid Income 1Y General Private Investment Trust No.6, Kyobo Securities Solid Income 1Y General Private Investment Trust No.7, Kyobo Securities Solid Income 1Y General Private Investment Trust No.8, The Givers, Marston General Private Real Estate Investment Trust No. 61, Spiderlab	
Joint ventures	
Kyobo AXA Investment Managers Co., Ltd.	Korea
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership	Korea
Others	
Daesan Foundation for Rural Society, Daesan Foundation for Culture, Kyobo Foundation for Education, Daesan Shin Yong Ho Memorial Society, Artsylvia Foundation, JANUS Co., Ltd., Daesan Shin Yong Ho Memorial Society	Korea

Related parties as of December 31, 2024	Location
Associates	
A&D Credit Information Co., Ltd., 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, Peco-city, 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 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, Daesan Shin Yong Ho Memorial Society, Artsylvia Foundation	Korea

(2) Details of material balances with the related parties as of December 31,2025 and 2024 are as follows:

Related party	Account		December 31, 2025	December 31, 2024
Associates:				
A&D Credit Information	Accounts payable	₩	668	573
Co., Ltd.	Retirement pension (*)		464	442
Kyobo 13 Special Purpose Acquisition Company	Financial assets at fair value through profit or loss		-	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	990
Kyobo 17 Special Purpose Acquisition Company	Financial assets at fair value through profit or loss		993	993
Kyobo 18 Special Purpose Acquisition Company	Financial assets at fair value through profit or loss		990	-
Kyobo 19 Special Purpose Acquisition Company	Financial assets at fair value through profit or loss		990	-
Kyobo 20 Special Purpose Acquisition Company	Financial assets at fair value through profit or loss		990	-
IBKC Kyobo Mezzanine New Technology Investment Association No.1	Accrued revenue		19	-
Kyobo Big Inning Semiconductor Equipment New Technology Investment Association No. 1	Accrued revenue		7	-
Kyobo KDBC Moneyball New Technology Investment Association No. 1	Accrued revenue		8	-
Hera Park City development PFV	Bonds sold under repurchase agreements		1,180	1,157
	Deposits		67	-
Hera Park City development AMC Co., Ltd.	Deposits		71	71
Kyobo-SP Advanced Materials New Technology Investment Association	Accrued revenue		16	16
Kyobo Healthcare New Technology Investment Association 1	Accrued revenue		40	40
Kyobo Axis Future & New Technology Investment Association 1st	Accrued revenue		-	56
Kyobo-Mark New Technology Investment Association 1	Accrued revenue		4	4
Joint Ventures:				
Kyobo AXA Investment Managers Co., Ltd.	Accounts payable		1,348	1,306
	Leasehold deposits received		845	845
	Deposits		-	1
Others:				
Daesan Foundation for Culture	Accounts receivables		1	1
	Leasehold deposits received		1,363	1,363
Key management	Loan receivables		184	249

(*) Retirement insurance and pension are reserve for policyholder in separate account liabilities.

(3) Details of material transactions with the related parties for each of the two years in the period ended December 31, 2025 are as follows:

Related party	Account		2025 Revenues	2025 Expenses	2024 Revenues	2024 Expenses
Associates:						
A&D Credit Information	Commission income	₩	1	-	1	-
	Dividend income		49	-	49	-
	Other finance expense		-	25	-	24
	Insurance service expenses (*3)		-	7,113	-	6,894
Kyobo 11 Special Purpose Acquisition Company	Gain on valuation of derivatives		-	-	-	-
	Commission income		-	-	250	-
Kyobo 12 Special Purpose Acquisition Company	Commission income		-	-	450	-
Kyobo 16 Special Purpose Acquisition Company	Commission income		-	-	175	-
Kyobo 17 Special Purpose Acquisition Company	Commission income		-	-	150	-
Kyobo 18 Special Purpose Acquisition Company	Commission income		150	-	-	-
Kyobo 19 Special Purpose Acquisition Company	Commission income		150	-	-	-
Jinjeop District 2 REIT Co.,Ltd.	Commission income		-	-	21	-
Kyobo NH Healthcare New Technology Investment Association 1st	Commission income		-	-	12	-
Kyobo-Kiwoom New Materials & Technology Investment Association	Commission income		-	-	74	-
Kyobo-Axis Future Technology New Technology Investment Association No.1	Commission income		3,230	-	223	-
Kyobo-YG Ilguimu new Technology Investment Association	Commission income		-	-	45	-
KB Kyobo New Mobility New Technology Investment Fund	Commission income		-	-	38	-
Kyobo Advanced Materials New Technology Investment Association	Commission income		-	-	51	-
NH Daeshin Kyobo Healthcare No. 1	Commission income		-	-	43	-
Kyobo-SP Advanced Materials New Technology Investment Association	Commission income		65	-	65	-
Kyobo-OSAT New Technology Investment Association	Commission income		-	-	10,295	-
Kyobo-Mark New Technology Investment Association 1	Commission income	₩	15	-	15	-
Kyobo Healthcare New Technology Investment Association 1	Commission income		158	-	158	-
K&T-Kyobo ESG New Technology Investment Association	Commission income		69	-	57	-
Kyobo-H Square UTG New Technology Investment Association	Commission income		62	-	51	-
Kyobo IBK Advanced Materials New Technology Business Investment Association	Commission income		110	-	89	-
IBKC Kyobo Mezzanine New Technology Investment Association No.1	Commission income		37	-	-	-
Kyobo KDBC Moneyball New Technology Investment Association No. 1	Commission income		8	-	-	-
Kyobo Big Inning Semiconductor Device	Commission income		7	-	-	-

New Technology Investment Association No. 1						
Kyobo Mobility Advanced Materials New Technology Business Investment Association 1	Commission income		55	-	51	-
Kyobo-NBH-Alpenroot Sports Innovation Investment Association	Commission income		98	-	34	-
Kyobo-CELTIS AI New Technology Investment Association	Commission income		4	-	-	-
Joint Ventures:						
Kyobo AXA Investment Managers Co., Ltd.	Insurance service income (*1)	₩	1	-	2	-
	Commission income		814	-	841	-
	Dividend income		6,930	-	6,150	-
	Rental income		1,701	-	1,599	-
	Insurance service expense (*1)		-	5,347	-	4,207
Others:						
Daesan Foundation For Rural Culture & Society	Commission income		9	-	3	-
	Rental income		4	-	-	-
	Non-operating expense		-	1,092	-	-
Daesan Foundation For Culture	Rental income		74	-	71	-
	Commission income		-	-	-	-
	Other operating expense		-	-	-	-
	Insurance service expense (*1)		-	44	-	32
	Non-operating expense		-	1,247	-	-
Kyobo Foundation For Education & Culture	Rental income		26	-	14	-
	Other operating expense		33	-	17	-
	Non-operating income		-	1,006	-	1,000
Daesan Shin Yong Ho Memorial Society	Non-operating income		-	300	-	-

(*1) Insurance service income is calculated based on the actual amount of insurance premiums received, and insurance service expenses are calculated based on actual insurance claims and business expenses.

(4) Details of financial transactions with the related parties for each of the two years in the period ended December 31, 2025 are as follows:

Related party		2025 Loan transaction		2025 Cash capital contribution (Return of capital)
		Lending	Collection	
Associates:				
Together Nonhyeon-dong Office No.8 REIT Co., Ltd.	₩	-	-	700
Kyobo 13 Special Purpose Acquisition Company		-	(990)	(10)
Kyobo 18 Special Purpose Acquisition Company		990	-	10
Kyobo 19 Special Purpose Acquisition Company		990	-	10
Kyobo 20 Special Purpose Acquisition Company		990	-	10
Kyobo Axis Future & New Technology Investment Association 1st		-	-	(1,326)
KYOBO-SP Advanced Materials New Technology Investment Association		-	-	(868)
SBI-NTU-Kyobo Digital Innovation Fund		-	-	49
Kyobo Hyundai Mezzanine No.1 Private Equity Partnership		-	-	3,900
IBKC Kyobo Mezzanine New Technology Investment Association No.1		-	-	4,554
Kyobo KDBC Moneyball New Technology Investment Association No. 1		-	-	6,486
Kyobo Big Inning Semiconductor Equipment New Technology Investment Association No. 1		-	-	2,800
Kyobo-NBH-Alpenroot Sports Innovation Investment Association		-	-	640
Kyobo-CELTIS AI New Technology Investment Association		-	-	500
Kyobo GNTech Startup Korea Venture Investment Association		-	-	1,200
Kyobo Securities SafeUp Bond Investment Type General Private Investment Trust No. 5		-	-	(60,000)
Kyobo Securities Solid Income 1Y General Private Investment Trust No.3		-	-	7,000
Kyobo Securities Solid Income 1Y General Private Investment Trust No.5		-	-	4,400
Kyobo Securities Solid Income 1Y General Private Investment Trust No.6		-	-	4,800
Kyobo Securities Solid Income 1Y General Private Investment Trust No.7		-	-	7,300
Kyobo Securities Solid Income 1Y General Private Investment Trust No.8		-	-	4,800
Kyobo Mobility Advanced Materials New Technology Business Investment Association 1		-	-	(2,000)
		2,970	(990)	(15,045)
Joint Ventures:				
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership		-	-	11,667
		2,970	(990)	(3,378)

Related party		2024 Loan transaction		2024 Cash capital contribution (Return of capital)
		Lending	Collection	
Associates:				
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 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 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		-	-	(10,000)
		1,983	-	10,825

(*1) It was excluded from related parties for the year ended December 31, 2024, and the amounts represent transactions made up to the point when it was considered a related party.

(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. Details of key management compensation for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Long and short-term employee benefits	₩	37,033	31,203
Retirement benefits		7,768	6,777
	₩	44,801	37,980

(6) Transactions of securities through the major related parties for each of the two years in the period ended December 31, 2025 are as follows:

Related party	Type of securities	2025 Buy	2025 Sell	2024 Buy	2024 Sell
Kyobo AXA Investment Management Co., Ltd.	Beneficiary certificates.	2,310,675	2,694,896	1,872,909	2,047,161

42. Earnings per share

(1) Details of basic earnings per share for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Profit for the year	₩	752,270	669,304
Dividends to hybrid bonds		(115,825)	(91,799)
Profit available for common stock	₩	636,445	577,505
Weighted average number of common shares outstanding (in shares)		100,409,112	100,406,089
Earnings per share in won	₩	6,339	5,752

(2) The weighted average number of common shares outstanding for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Weighted average total number of shares issued	₩	102,500,000	102,500,000
Weighted average number of treasury shares		2,090,888	2,093,911
Weighted average number of common shares outstanding	₩	100,409,112	100,406,089

The Group's basic earnings per share and diluted earnings per share are the same since there are no potential diluted shares for each of the two years in the period ended December 31, 2025.

43. Statements of cash flows

(1) Details of adjustments of income and expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Interest income	₩	(4,020,660)	(3,760,585)
Interest expenses		418,667	362,345
Dividend income		(202,039)	(155,170)
Income tax expenses		270,190	228,151
Gain on valuation of financial assets at fair value through profit or loss		(2,591,621)	(61,141)
Loss (gain) on valuation of financial liabilities at fair value through profit or loss		106,052	(54,226)
Loss (gain) on valuation of financial liabilities designated at fair value through profit or loss		184,579	(13,031)
Gain on disposal of financial assets at fair value through profit or loss		(76,880)	(55,981)
Loss (gain) on disposal of financial assets at fair value through other comprehensive income		(226,747)	17,082
Loss on valuation of financial assets at fair value through other comprehensive income		3,749	-

Impairment loss (reversal) on financial assets at fair value through other comprehensive income	(682)	(4,319)
Losses on disposal of securities at amortized cost	1	518
Impairment loss (reversal) on securities at amortized cost	(3)	(13)
Bad debt expenses	389,396	382,364
Gain on foreign currency transactions, net	(22,791)	(2,111,904)
Loss on valuation of derivative, net	352,405	2,045,343
Loss (gain) on disposal of derivatives, net	(245)	40,213
Loss on valuation of investment in associates and subsidiaries, net	(50)	(46,385)
Loss on disposal in associates and subsidiaries, net	(2,394)	19
Impairment loss (reversal) on associates and subsidiaries, net	2,192	3000
Depreciation of investment properties	10,481	10,536
Gain on impairment of investment properties	-	18
Gain on disposal of investment properties	(826)	(734)
Losses on disposal of property and equipment	7,216	5,196
Depreciation of property and equipment	118,560	118,460
Impairment losses on property and equipment	-	64
Loss (gain) on disposal of intangible asset	(12)	1,020
Amortization of intangible asset	34,845	71,355
Impairment losses on intangible assets	449	39,726
Insurance contract service expenses	3,906,481	3,499,587
Insurance contract service revenue	(4,336,519)	(3,998,298)
Insurance finance expenses	5,288,824	2,946,417
Insurance finance revenue	(676)	(620)
Reinsurance premium expenses	31,662	35,490
Reinsurance income	(40,685)	(31,600)
Reinsurance finance expenses	6,250	6,362
Reinsurance finance income	(4,004)	(3,050)
Loss on investment contract liabilities	716,006	663,062
Retirement benefits	69,442	73,204
Bad debt expenses for other assets	11,191	13,213
Gain on cancellation of lease contracts	(631)	(829)
Loss on redemption of bond	183	-
Other gain	(11,439)	(7,851)
	389,917	256,989

(2) Changes in assets and liabilities for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Deposits	₩	(164,331)	(1,095,368)
Financial assets at fair value through profit or loss		(213,603)	479,465
Loan receivables of securities measured after amortization		(825,087)	(50,648)
Other receivables of securities measured after amortization		(1,669,006)	194,221
Derivatives assets		215,936	(650,360)
Other assets		(48,318)	(16,241)
Reinsurance contract asset		(3,477)	(18,658)
Insurance contract liabilities		535,890	(915,778)
Investment contract liabilities		1,862,265	(184,128)
Financial liabilities at fair value through profit or loss		(195,233)	395,679
Financial liabilities designated at fair value through profit or loss		555,961	(51,120)
Derivatives liabilities		(877,464)	265,373
Other financial liabilities		2,031,580	316,627
Provisions		(52,906)	106,524
Defined benefit liabilities		(40,972)	30,274
Other liabilities		(1,283)	(9,940)
		1,109,952	(1,204,078)

(3) Details of material transactions not involving cash inflows and outflows for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Loss (gain) on valuation of financial assets at fair value through other comprehensive income	₩	(2,677,373)	367,711
Loss allowance of debt instrument at fair value through other comprehensive income		(682)	(4,319)
Gain on valuation designated at fair value through profit or loss		(1,108)	4,105
Net financial gain (loss) on insurance contracts		3,043,449	(5,664,826)
Net financial gain (loss) on reinsurance contracts		(1,573)	(11,903)
Transfers between investment properties and properties and equipment		23,103	(6,359)
Loss (gain) on revaluation of property and equipment		313	(37)
Loss (gain) on valuation of cash flow hedging derivatives		(684,061)	49,388
Changes in other comprehensive income in associates		11	1
Changes in translation of foreign operations		(301)	1,376
Changes in remeasurements on defined benefit obligation		17,224	3,659
Write-off of loan receivables, etc.		10,136	(72,488)
Write-off of other receivables, etc.		(3,327)	(4,135)
Transfers of other liabilities to provisions		15,800	-
Transfer of advanced payment to property and equipment		2,936	-
Transfer of advanced payment to intangible assets		9,892	6,041
Transfer from construction in progress		3,749	14,331
Changes in right-of-use assets (transfer, acquisition)		89,629	94,282
Changes in right-of-use assets (disposal)		(42,931)	(20,175)
Changes in payable to acquisition of property and equipment and intangible assets		(2,163)	12
Income tax expense reflected directly to equity		115,630	1,383,127
Dividends payable of hybrid bond		117,552	91,799
Reversal of regulatory reserve for loan losses		(27,449)	(29,380)
Accumulation of guaranteed reserve		54,782	275,996
Reversal of financial solvency reserve		-	(1,096,736)

Changes in payables for the purchase of securities	79,304	151,300
Changes in receivables for the disposal of securities	(105,112)	(40,465)

(4) Changes in liabilities from financing activities for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		Beginning balance	Cash flows from financing activities	Interest expense, etc.	Ending balance
Leasehold deposits received	₩	91,293	(9,325)	6,087	88,055
Lease liabilities		88,436	(43,158)	21,530	66,808
Borrowings		6,198,120	1,323,459	166,694	7,688,273

		2024			
		Beginning balance	Cash flows from financing activities	Interest expense, etc.	Ending balance
Leasehold deposits received	₩	92,334	(2,324)	1,283	91,293
Lease liabilities		79,089	(44,813)	54,160	88,436
Borrowings		5,918,191	266,196	13,733	6,198,120

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, 2025 and 2024 are as follows:

	Type		2025	2024
Transferred asset	Financial assets at fair value through profit or loss	₩	3,607,825	2,860,657
	Financial assets at fair value through other comprehensive income		419,967	109,229
			4,027,792	2,969,886
Related liability	Sale of bonds under repurchase agreements(*)	₩	3,768,976	2,781,868

(*) Among bonds sold under repurchase agreements, ₩30,048 million for the year ended December 31, 2025 and ₩31,578 million for the year ended December 31, 2024, 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, 2025 and 2024 are as follows:

	Type		2025	2024
Underlying asset	Financial asset at fair value through profit or loss	₩	30,380	2,381
	Loan receivables at amortized cost		674,673	633,730
			705,053	636,111
Securitized securities	Electronic short-term bonds	₩	717,870	643,926

(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) The Group has operating segments consisting of insurance, securities and others. Others include retails, property management and insurance related services, etc.

(2) The following tables provide the information on income and expense for each operating segment for each of the two years in the period ended December 31, 2025:

		2025				
		Insurance	Securities	Others	Consolidation adjustments	Total
Operating revenues	₩	15,768,687	4,518,423	1,791,854	(375,568)	21,703,396
Operating expenses		14,728,119	4,316,352	1,911,772	(303,976)	20,652,267
Operating profit		1,040,568	202,071	(119,918)	(71,592)	1,051,129
Non-operating income		44,723	10,717	9,094	(23,101)	41,433
Non-operating expenses		141,563	21,412	5,013	(118,687)	49,301
Profit before income tax expenses		943,728	191,376	(115,837)	23,994	1,043,261
Income tax expenses		198,888	47,270	(8,487)	32,518	270,189
Profit for the period	₩	744,840	144,106	(107,350)	(8,524)	773,072

		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

(3) Details of assets and liabilities by each operating segment as of December 31, 2025 are as follows:

		2025				
		Insurance	Securities	Others	Consolidation adjustments	Total
Cash and due from banks	₩	3,987,385	1,106,056	305,115	(402)	5,398,154
Financial assets at fair value through profit or loss		34,309,906	11,690,249	1,164,866	(9,381)	47,155,640
Financial assets at fair value through other comprehensive income		61,340,060	810,224	8,119	-	62,158,403
Financial assets at amortized cost		21,565,418	4,345,980	1,547,659	(45,512)	27,413,545
Investments in associates and joint ventures		3,520,211	65,068	73,643	(3,511,389)	147,533
Others		4,124,927	1,103,236	581,795	(13,742)	5,796,216
		128,847,907	19,120,813	3,681,196	(3,580,426)	148,069,490
Insurance contract liabilities	₩	97,375,513	-	-	-	97,375,513
Other contract liabilities		19,008,431	-	-	(186,152)	18,822,279
Financial liabilities		4,492,528	17,024,138	922,735	(86,874)	22,352,527
Others		183,730	88,038	224,320	305,066	801,154
	₩	121,060,202	17,112,176	1,147,055	32,040	139,351,473

		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		4,483,124	1,116,629	588,063	(4,297)	6,183,519
		123,151,132	15,749,082	2,910,520	(3,087,661)	138,723,073
Insurance contract liabilities	₩	95,022,959	-	-	-	95,022,959
Other contract liabilities		16,443,389	-	-	(153,558)	16,289,831
Financial liabilities		4,089,602	13,756,876	706,596	(205,983)	18,347,091
Others		140,019	118,384	194,878	245,034	698,315
	₩	115,695,969	13,875,260	901,474	(114,507)	130,358,196

(4) Geographical information

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, 2025.

46. Effects of changes in accounting policies

As described in Note 2.4.1, although there is a possibility that complying with KIFRS 1117 could result in an understatement of liabilities compared to previous accounting practices and thereby potentially conflicting with the objectives of financial statements and misleading users of the financial statements, the Group determined that the regulatory framework no longer permits the prior accounting treatment, which applied KIFRS 1117 differently and consequently, the Company changed the method of measuring insurance contract liabilities to comply with the requirements of KIFRS 1117. In addition, the Financial Supervisory Service, in its response to the above inquiry, stated that when life insurance companies change their dividend payment obligations related to participating insurance contracts from accounting departure (policyholders' equity adjustment) to KIFRS 1117, it should be accounted for as a change in accounting policy under KIFRS 1008, and accordingly, the Group applied the effects of this change retroactively.

The impacts of this change in the Group's accounting policy as of December 31, 2024 and January 1, 2024 are as follows.

(1) Overview of prior period errors

	Descriptions
Accounting Standards	KIFRS 1001 paragraph 19, 29, 30A KIFRS 1008 paragraph 10, 11, 35 KIFRS 1117 paragraph 93, 94, 95, 96, 117, 121, 122, 126, 128
Accounts	Deferred tax assets, Accumulated other comprehensive income, Other contract liabilities, Gain or loss on valuation of financial assets at fair value through other comprehensive income, Revaluation reserves on property and equipment
Adjustments	[Financial Position] Deferred tax assets as of December 31, 2024 (432) [Financial Position] Other contract liabilities as of December 31, 2024 (25,642) [Financial Position] Deferred tax liabilities as of December 31, 2024 6,388 [Financial Position] Accumulated other comprehensive income as of December 31, 2024 18,872 [Financial Position] Deferred tax assets as of January 1, 2024 6,731 [Financial Position] Other contract liabilities as of January 1, 2024 4,966 [Financial Position] Deferred tax liabilities as of January 1, 2024 5,420 [Financial Position] Accumulated other comprehensive income as of January 1, 2024 (3,655) [Statements of comprehensive income] Gain or loss on valuation of financial assets at fair value through other comprehensive income for period ended December 31, 2024 12,877 [Statements of comprehensive income] Revaluation reserves on property and equipment for period ended December 31, 2024 9,651
Errors Details	Changes in dividend payment obligations related to participating insurance contracts from accounting departure (policyholders' equity adjustment) to KIFRS 1117

(2) The impact on the financial positions

(a) The statement of financial position as of December 31, 2024 was retrospectively restated as follows:

After restatement			Before restatement			
Account		Amount	Account			Variance
Asset	₩	**138,723,074**	**Asset**	₩	**138,723,506**	**(432)**
Cash and due from banks		4,803,712	Cash and due from banks		4,803,712	-
Financial asset		129,153,742	Financial asset		129,153,742	-
Reinsurance contract asset		195,125	Reinsurance contract asset		195,125	-
Property and equipment, etc.		2,596,819	Property and equipment, etc.		2,596,819	-
Deferred tax assets		1,521,676	Deferred tax assets		1,522,108	(432)
Other assets		452,000	Other assets		452,000	-
Liability		**130,358,194**	**Liability**		**130,377,498**	**(19,304)**
Insurance contract liabilities		95,022,959	Insurance contract liabilities		95,022,959	-
Reinsurance contract liabilities		273,252	Reinsurance contract liabilities		273,252	-
Investment contract liabilities		15,846,521	Investment contract liabilities		15,846,521	-
Other contract liabilities		170,058	Other contract liabilities		195,700	(25,642)
Financial liabilities		18,347,090	Financial liabilities		18,347,090	-
Deferred tax liabilities		167,617	Deferred tax liabilities		161,279	6,338
Other liabilities		530,697	Other liabilities		530,697	-
Equity	₩	**8,364,879**	**Equity**	₩	**8,346,007**	**18,872**
Common stocks, etc.		3,038,727	Common stocks, etc.		3,038,727	-
Accumulated other comprehensive income		(2,140,784)	Accumulated other comprehensive income		(2,159,656)	18,872
Retained earnings		7,466,936	Retained earnings		7,466,936	-

(b) The statement of financial position as of January 1, 2024 was retrospectively restated as follows:

After restatement			Before restatement			
Account		Amount	Account			Variance
Asset	₩	**130,708,848**	**Asset**	₩	**130,702,117**	**6,731**
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		178,129	Reinsurance contract asset		178,129	-
Property and equipment, etc.		2,704,380	Property and equipment, etc.		2,704,380	-
Deferred tax assets		194,617	Deferred tax assets		187,886	6,731
Other assets		472,975	Other assets		472,975	-
Liability		**119,679,870**	**Liability**		**119,669,484**	**10,386**
Insurance contract liabilities		87,824,480	Insurance contract liabilities		87,824,480	-
Reinsurance contract liabilities		255,808	Reinsurance contract liabilities		255,808	-
Investment contract liabilities		15,321,085	Investment contract liabilities		15,321,085	-
Other contract liabilities		172,402	Other contract liabilities		167,436	4,966
Financial liabilities		15,643,428	Financial liabilities		15,643,428	-
Deferred tax liabilities		89,123	Deferred tax liabilities		83,703	5,420
Other liabilities		373,544	Other liabilities		373,544	-
Equity	₩	**11,028,979**	**Equity**	₩	**11,032,634**	**(3,655)**
Common stocks, etc.		2,408,821	Common stocks, etc.		2,408,821	-
Accumulated other comprehensive income		1,730,934	Accumulated other comprehensive income		1,734,589	(3,655)
Retained earnings		6,889,224	Retained earnings		6,889,224	-

(3) The statement of comprehensive income for the year ended December 31, 2024 is retrospectively restated as follows:

After restatement			Before restatement			
Account		Amount	Account		Amount	Variance
Operating profit	₩	**902,530**	**Operating profit**		**902,530**	**-**

Non-operating income or expense		**11,919**	**-**	
Non-operating income		78,111	-	
Non-operating expense		66,192	-	
Profit before income tax		**914,449**	**-**	
Income tax expense		**228,151**	**-**	
Profit or loss for the period		**686,298**	**-**	
Accumulated other comprehensive income or loss		**(3,872,222)**	**(3,894,750)**	**22,528**
Gain or loss on valuation of financial assets at fair value through other comprehensive income		253,632	240,755	12,877
Revaluation reserves on property		(27)	(9,678)	9,651
Other		(4,125,827)	(4,125,827)	-
Total comprehensive income	₩	**(3,185,924)**	**(3,208,452)**	**22,528**

(4) The statement of changes in equity for the year ended December 31, 2024 was retrospectively restated as follows:

		2024		
		Before restatement	After restatement	Variance
Balance as of January 1, 2024 (Before change)	₩	11,032,634	11,032,634	-
Effects of changes in accounting policies		(3,656)	-	(3,656)
Balance as of January 1, 2024 (After change)		**11,028,978**	**11,032,634**	**(3,656)**
Changes in equity		**(2,664,099)**	**(2,686,627)**	**22,528**
Profit or loss for the period		686,299	686,299	-
Accumulated other comprehensive income or loss		(3,872,222)	(3,894,750)	22,528
Transactions with owners		521,824	521,824	-
Balance as of December 31, 2024	₩	**8,364,879**	**8,346,007**	**18,872**

(5) The statement of cash flows for the year ended December 31, 2024 has not been affected by retrospective restatement due to changes in accounting policies.
(6) The notes to financial statements for the year ended December 31, 2024 were retrospectively restated due to changes in accounting policies and details of notes changed are as follows: Note 6 *Financial assets at fair value through other comprehensive income*; Note 11 *Classification by categories of financial instruments*; Note 14 *Property and equipment*; Note 17 *Insurance contract liabilities and reinsurance contract liabilities*; Note 18 *Investment contract and other contract liabilities*; Note 26 *Equity*; Note 38 *Income tax expense*; Note 43 *Statements of cash flows*; Note 45 *Operating segments*; and Note 48 *Risk management*.

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, 2025, and how these structured entities are financed were summarized as follows:

Nature	Purposes	Activities	Financing methods
Asset securitization	(1) Encashment by transferring securitized assets (2) Investment fee collection by providing credit offering and ABCP purchase commitments to SPC	(1) Carrying out a plan to securitized assets (2) Taking over and collecting securitized assets (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 (2) Lending loans to shipbuilding/airplane SPC	(1) Constructing social overhead capital and real estate (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 (2) Investment in PEF and cooperatives	(1) Management and operation of fund assets (2) Payment of fund management fees and sharing of profits from asset management	(1) Sales of beneficiary certificates (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, 2025 and 2024 are as follows:

a) December 31, 2025

Type		Asset-backed securitization	Project financing	Investment fund	Total
Total assets of the unconsolidated structured entities	₩	45,321,307	138,377,137	516,704,224	700,402,668
Carrying value of assets:					
Financial assets at fair value through profit or loss		405,801	13,334,171	4,526,147	18,266,119
Financial assets at fair value through other comprehensive income		2,271,160	58,195	-	2,329,355
Securities at amortized cost		562,401	569,534	-	1,131,935
Loan receivables at amortized cost		165,150	13,616,047	200,000	13,981,197
Others		12,160	110,987	63,959	187,106
	₩	3,416,672	27,688,934	4,790,106	35,895,712
Maximum exposure to loss (*)	₩	3,801,972	34,255,130	5,693,390	43,750,492
Method to determine maximum exposure to loss		Purchase commitment /Credit offering	Loan commitment /Investment	Purchase commitment	

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, 2025.

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 Group from achieving its business goal. The 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 Group's risk management process is as follows:

1) Risk identification and classification

The 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, while variable insurance market risk is measured using a stress-scenario approach. 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 Group continues to maintain Asset-Liability Management (ALM) policy to secure long-term stable interest rate margins. In order to achieve continuous structural improvements in assets and liabilities, the Company operates its liability portfolio primarily with linked products, while the asset portfolio is structured to expand the scale and duration of interest-bearing assets and enhance the investment yield.

3) Risk control

To hedge, accept, transfer and mitigate risks, the 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 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 Group's major risk management organization is as follows.

1) Risk Management Committee

The Risk Management Committee, delegated by the Board of Directors, is a decision-making body responsible for overseeing and supervising the Group's risk profile, and it is composed of four outside directors to ensure independence and fairness. The Risk Management Committee has overall responsibility for establishing basic directions and major policies of risk management consistent with management strategies and setting appropriate risk limits for the 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 Risk Management Team, which supports the Risk Management Committee and the Risk Management Council in practical matters, is operated as a dedicated risk management department and individual risk management departments according to their respective roles. 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 their functions and operate in seven teams.

- Market risk: asset portfolio management team
- Credit risk: investment asset evaluation team/retail credit marketing team
- Interest rate risk: finance team
- Liquidity risk: finance team
- Insurance risk: insurance service planning team/operation management team
- Variable insurance guarantee risk: risk management support team

48-2) Regulatory capital adequacy

(1) Kyobo Life Insurance

1) K-ICS : Korean - Insurance Capital Standard

The Group measures, manages and discloses K-ICS ratio according to the *Regulation on Supervision of Insurance Business* of Korea to maintain required capital for the solvency margin. K-ICS (Newly adopted Solvency system) requires entities to hold enough equity capital for covering 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 entity 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 of Korea (the "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 -Limits new business entering
Improvement required	Above 0% and below 50%	-Requires management replacement -Re-organization of subsidiaries
Improvement commanded	Below 0%	-Suspension of management duties -Suspension of insurance business

The 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 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. The Group 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. The Group 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, the Group 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; and
- net capital ratio is below 0%: commandment of improvement.

The Group's net capital ratio exceeds the management improvement measures standards of the FSS as of December 31, 2025 and 2024.

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) Insurance risk exposure

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, 2025 and 2024 are as follows:

	2025			2024		
	Insurance contract liabilities	Reinsurance contract assets (liabilities)	Total	Insurance contract liabilities	Reinsurance contract assets (liabilities)	Total
Participating Contract	₩ 26,334,166	-	26,334,166	27,405,481	-	27,405,481
Death	22,393	-	22,393	24,743	-	24,743
Health	421,114	-	421,114	464,311	-	464,311
Annuity/Savings	25,890,658	-	25,890,658	26,916,427	-	26,916,427
Non-participating Contract	54,933,120	(69,446)	55,002,566	53,392,092	(78,127)	53,470,219
Death	21,843,595	(105,417)	21,949,013	21,959,955	(132,787)	22,092,743
Health	8,925,343	24,600	8,900,743	9,479,328	38,951	9,440,376
Annuity/Savings	24,164,182	11,372	24,152,810	21,952,809	15,709	21,937,100
Variable Contract	16,108,227	-	16,108,227	14,225,386	-	14,225,386
Death	5,937,814	-	5,937,814	5,345,127	-	5,345,127
Health	7	-	7	-	-	-
Annuity/Savings	10,170,406	-	10,170,406	8,880,259	-	8,880,259
	₩ 97,375,513	(69,446)	97,444,958	95,022,959	(78,127)	95,101,086

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, 2025 and 2024 are as follows.

	Assumption		Basis for calculation
	2025	2024	
Surrender rate	0.25% ~ 74.5%	0.25% ~ 56.25%	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, 2025. (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.)
Operating expense rate	-	-	and age based on the past five years of experience statistics as of June 30, 2025. ※ 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 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 (3 years for policy loan expenses)
Discount rate	-4.2% ~ 16.9%	-4.2% ~ 16.9%	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.

a) 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 material impact on the uncertainty about the amount and timing of future cash flows arising from insurance contracts and manages insurance risk therethrough.

	2025			2024		
	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)
Before risk reduction by cedant insurance						
Participating contract						
10% increase in operating expense	₩ 54,166	(39,562)	(39,562)	60,014	(43,245)	(43,245)
10% decrease in operating expense	(54,173)	39,562	39,562	(60,023)	43,241	43,241
10% increase in risk rate	(276,654)	272,229	272,229	(270,183)	265,912	265,912
10% decrease in risk rate	306,784	(300,775)	(300,775)	301,876	(295,755)	(295,755)
10% increase in surrender rate	(17,914)	18,894	18,894	(26,767)	27,985	27,985
10% decrease in surrender rate	18,047	(19,058)	(19,058)	27,000	(28,270)	(28,270)
Non-participating contract						
10% increase in operating expense	600,921	(24,226)	(24,275)	586,121	(26,322)	(26,939)
10% decrease in operating expense	(600,950)	23,941	23,989	(586,128)	26,096	26,713
10% increase in risk rate	2,423,281	(401,752)	(401,571)	2,460,133	(357,679)	(356,635)
10% decrease in risk rate	(2,465,623)	(17,987)	(18,189)	(2,479,295)	(17,867)	(18,944)
10% increase in surrender rate	810,828	(31,878)	(31,509)	677,544	(24,139)	(24,695)
10% decrease in surrender rate	(870,962)	32,000	31,608	(733,079)	23,680	24,242
Variable contract						
10% increase in operating expense	59,501	-	-	62,925	-	-
10% decrease in operating expense	(59,501)	-	-	(62,768)	-	-
10% increase in risk rate	278,457	-	-	324,801	-	-
10% decrease in risk rate	(283,160)	-	-	(329,837)	-	-
10% increase in surrender rate	136,261	-	-	85,905	-	-
10% decrease in surrender rate	(144,650)	-	-	(89,630)	-	-

(*1) Profit or loss before income tax.

(*2) Profit or loss before income tax.

	2025			2024		
	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)
After risk reduction by cedant insurance						
Participating contract						
10% increase in operating expense	₩ 54,166	(39,562)	(39,562)	60,014	(43,245)	(43,245)
10% decrease in operating expense	(54,173)	39,562	39,562	(60,023)	43,241	43,241
10% increase in risk rate	(276,654)	272,229	272,229	(270,183)	265,912	265,912
10% decrease in risk rate	306,784	(300,775)	(300,775)	301,876	(295,755)	(295,755)
10% increase in surrender rate	(17,914)	18,894	18,894	(26,767)	27,985	27,985

10% decrease in surrender rate	18,047	(19,058)	(19,058)	27,000	(28,270)	(28,270)
Non-participating contract						
10% increase in operating expense	600,914	(23,772)	(23,772)	586,115	(25,953)	(25,953)
10% decrease in operating expense	(600,942)	23,494	23,495	(586,122)	25,733	25,733
10% increase in risk rate	2,296,947	(401,728)	(401,750)	2,390,787	(357,656)	(357,662)
10% decrease in risk rate	(2,365,438)	(18,012)	(17,989)	(2,418,631)	(17,891)	(17,884)
10% increase in surrender rate	809,602	(30,931)	(30,988)	671,072	(23,387)	(23,366)
10% decrease in surrender rate	(869,921)	31,084	31,142	(726,437)	22,988	22,995
Variable contract						
10% increase in operating expense	59,501	-	-	62,925	-	-
10% decrease in operating expense	(59,501)	-	-	(62,768)	-	-
10% increase in risk rate	278,457	-	-	324,801	-	-
10% decrease in risk rate	(283,160)	-	-	(329,837)	-	-
10% increase in surrender rate	136,261	-	-	85,905	-	-
10% decrease in surrender rate	(144,650)	-	-	(89,630)	-	-

(*1) Profit or loss before corporate tax.
(*2) Effect on equity presents the amount before the deferred income tax is distributed.

b) 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:

		2025					
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							
2021 ₩	1,189,580	265,773	35,834	12,604	5,547	-	1,509,338
2022	1,214,043	289,146	37,447	16,713	-	-	1,557,349
2023	1,263,007	282,193	40,637	-	-	-	1,585,837
2024	1,295,731	296,370	-	-	-	-	1,592,101
2025	1,370,460	-	-	-	-	-	1,370,460
	6,332,821	1,133,482	113,918	29,317	5,547	-	7,615,085
Liability for incurred claims for insurance claims payments incurred after 2021	-	381,540	66,391	23,500	6,461	158	478,050
Liability for incurred claims for insurance claims payments incurred before 2021							33,121
Discount effects							(14,169)
Claims investigation expenses							15,253
Amount incurred in previous years, etc. (*)							2,105,597
Risk adjustments for non-financial risks							13,910
Liability for claims incurred at the end of reporting period							2,631,762

(*) This amount includes the accidents incurred in the previous year and preparations for cost evaluation.

		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 ₩	1,093,368	240,334	30,650	13,153	4,351	-	1,381,856
2021	1,197,404	266,046	35,927	12,729	-	-	1,512,106
2022	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 2020	-	359,708	66,755	27,560	12,409	6,779	473,211
Liability for incurred claims for insurance claims payments incurred before 2020							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 claims incurred at the end of reporting period							2,620,106

(*) This amount includes the accidents incurred in the previous year and preparations for cost evaluation.

(2) Management of insurance risk

Insurance risk is managed by classifying it into death risk, longevity risk, disability and disease risk, property and other risks, termination risk, operating expense risk, and catastrophe risk by each risk factor. The details are as follows:

A. Death risk and longevity risk refers 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 Group calculates the risk amount for each factor on a quarterly basis in accordance with Article 7-2 of the *Regulation on Supervision of Insurance Business*, 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 qualifying credit level 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(liabilities) by reinsurance company

The credit ratings of reinsurers for reinsurance contract assets and reinsurance contract liabilities recognized as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	
		Reinsurance contract assets	Reinsurance contract liabilities
AAA	₩	-	82
AA+ to AA-		42,603	187,595
A+ to A-		149,570	73,943
		192,173	261,620

		December 31, 2024	
		Reinsurance contract assets	Reinsurance contract liabilities
AAA	₩	-	11
AA+ to AA-		41,336	203,954
A+ to A-		153,790	69,287
		195,126	273,252

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

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 *Regulation on Supervision of Insurance Business* 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, 2025 and 2024 are as follows:

	2025	2024
Interest bearing asset:		
Financial assets at fair value through profit or loss (*1)	11,667,193	21,480,658
Financial assets at fair value through other comprehensive income	60,775,052	57,659,746
Securities at amortized cost	1,309,746	1,213,166
Loan receivables at amortized cost	23,604,333	22,672,238
Other receivables at amortized cost	3,517,262	1,773,882
	100,873,586	104,799,690
Interest bearing liabilities:		
Insurance contract liabilities (assets)	97,375,513	95,022,959
Participating contract	26,334,166	27,405,481
Non-participating contract	54,933,120	53,392,092
Variable contract	16,108,227	14,225,386
Reinsurance contract liabilities (assets)	69,446	78,127
Investment contract liabilities	18,392,814	15,846,521

Investment contract liabilities	18,392,814	15,846,521
	115,837,773	110,947,607

(*1) Including 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. 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 exposures to credit risks as of December 31, 2025 and 2024 are as follows:

	2025	2024
Cash and due from banks (*1)	₩ 5,397,168	4,802,806
Financial assets at fair value through profit or loss (*2)	17,615,349	17,648,684
Financial assets at fair value through other comprehensive income (*2)	60,775,052	57,659,746
Securities at amortized cost (*3)	1,309,746	1,213,166
Loan receivables at amortized cost (*3)	23,604,333	22,672,238
Other receivables at amortized cost (*3)	3,517,262	1,773,882
Derivative assets	1,041,233	1,417,898
	113,260,143	107,188,420
Unused commitments	₩ 7,715,578	7,755,236

(*1) The amount represents cash and deposits presented in the statement of financial position, excluding cash on hand that is not subject to credit risk.

*(2) The amount represents financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income presented in the statement of financial position, excluding financial instruments in the nature of equity securities.

(*3) The maximum exposure amount for securities at amortized cost and loan receivables at amortized cost are presented before deducting loss allowances. For other receivables at amortized cost, the maximum exposure amount is presented before deducting both discount on present value and loss allowances.

(4) Impairment information of financial instruments

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 values of financial instruments by credit rating as of December 31, 2025 are as follows:

	12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
		Non impaired	Impaired	
Cash and deposits at amortized cost	₩			
Grade 1	4,178,277	-	-	4,178,277
Grade 2	262,408	-	-	262,408
Grade 3	956,483	-	-	956,483
	5,397,168	-	-	5,397,168
Financial assets at fair value through other comprehensive income				
Grade 1	59,017,076	-	-	59,017,076
Grade 2	1,757,975	-	-	1,757,975
Grade 3	-	-	1	1
	60,775,051	-	1	60,775,052
Securities at amortized cost				
Grade 1	1,309,746	-	-	1,309,746
Grade 2	-	-	-	-
Grade 3	-	-	-	-
	1,309,746	-	-	1,309,746
Loan receivables at amortized cost				
Grade 1	18,803,933	61,062	261	18,865,256
Grade 2	1,639,783	370,109	75,732	2,085,624
Grade 3	943,852	400,147	1,309,454	2,653,453
	21,387,568	831,318	1,385,447	23,604,333
Other receivables at amortized cost				
Grade 1	2,183,971	12,768	6	2,196,745
Grade 2	9,075	1,808	14	10,897
Grade 3	1,227,208	6,795	75,617	1,309,620
	3,420,254	21,371	75,637	3,517,262
Unused commitments				
Grade 1	2,686,185	-	-	2,686,185
Grade 2	5,022,290	-	-	5,022,290
Grade 3	7,103	-	-	7,103
	7,715,578	-	-	7,715,578
	₩ 100,005,365	852,689	1,461,085	102,319,139

Kyobo Life Insurance Co., Ltd. and its subsidiaries
Notes to the consolidated financial statements, continued
December 31, 2025 and 2024

(In millions of Korean won)

The book values of financial instruments by credit rating as of December 31, 2024 are as follows:

	12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
		Non impaired	Impaired	
Cash and deposits at amortized cost	₩			
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 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	751,082	6,054	133	757,269
Grade 2	3,212	3,298	16	6,526
Grade 3	949,179	2,439	58,470	1,010,088
	1,703,473	11,791	58,619	1,773,883
Unused commitments				
Grade 1	4,136,908	-	-	4,136,908
Grade 2	3,618,328	-	-	3,618,328
Grade 3	-	-	-	-
	7,755,236	-	-	7,755,236
	₩ 93,810,463	1,243,783	822,829	95,877,075

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	Level 1 to 3	AAA ~ BBB	AAA ~ A-	Aaa ~ Baa3	AAA ~ BBB-	Low credit risk applied
Grade 2	Level 4 to 5	BB+ ~ B	BBB+ ~ BB+	Ba1 ~ B1	BB+ ~ B+	Significant increase in credit risk
Grade 3	Under Level 6	Under CCC	Under BB	Under B2	Under B	Differential divergence point

(5) The concentration of credit risks in securities measured at amortized cost by major industry as of December 31, 2025 is as follows:

	Country and public institution (Government bonds, Public bonds)	Finance and Insurance	Electricity, gas, steam and water supply	Construction	Real estate and rental	Others	Total
Financial assets at fair value through profit or loss	6,799,440	7,588,630	707,977	129,120	165,416	2,224,766	17,615,349
Financial assets at fair value through other comprehensive income	40,323,683	8,428,100	2,469,579	545,561	78,502	8,929,627	60,775,052
Securities at amortized cost	7,108	1,057,373	-	-	-	245,265	1,309,746
Total	47,130,231	17,074,103	3,177,556	674,681	243,918	11,399,658	79,700,147

The concentration of credit risks in securities measured at amortized cost by major industry as of December 31, 2024 is as follows:

	Country and public institution (Government bonds, Public bonds)	Finance and Insurance	Electricity, gas, steam and water supply	Construction	Real estate and 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	7,778,971	57,659,745
Securities 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	9,846,036	76,521,595

(6) Concentration of debt securities by country

The concentration of credit risks in debt securities by country as of December 31, 2025 and 2024 is as follows:

2025	Korea	USA	England	France	China	Others	Total
Financial assets at fair value through profit or loss	16,594,599	633,102	171,142	29,473	-	187,033	17,615,349
Financial assets at fair value through other comprehensive income	45,797,824	9,981,169	340,359	882,819	1,204	3,771,677	60,775,052
Securities at amortized cost	1,268,727	-	-	-	-	41,019	1,309,746
Total	63,661,150	10,614,271	511,501	912,292	1,204	3,999,729	79,700,147

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
Securities 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

(7) The concentration of credit risks in loan receivables at amortized cost by industry as of December 31, 2025 and 2024 is as follows:

2025	Real estate and rental	Retail, wholesale, Transportation, lodging	Finance, Insurance	Electricity, gas, steam and water supply	Construction	Others	Total
Real estate mortgage loan	2,900,574	-	2,122,710	-	-	2,004,528	7,027,812
Credit loan	2,257,673	560,513	2,013,872	2,682,597	807,610	3,764,754	12,087,019
Payment guarantee loan	1,164,380	-	-	-	25,157	63,259	1,252,796
Others	1,122,637	96,908	1,467,745	205,247	-	44,169	2,936,706
Securities mortgage loan	-	-	300,000	-	-	-	300,000
	7,445,264	657,421	5,904,327	2,887,844	832,767	5,876,710	23,604,333

2024	Real estate and 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

(8) Credit reinforcement of loan and receivables at amortized cost

The financial effects related to credit risk mitigation through collateral and other credit enhancements for loans measured at amortized cost as of December 31, 2025 and 2024 are as follows:

2025	12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
		Non impaired	Impaired	
Guarantee	₩ 1,252,023	773	-	1,252,796
Real estates	5,724,692	217,056	83,269	6,025,017
Securities	300,000	-	-	300,000
	7,276,715	217,829	83,269	7,577,813

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	6,436,142	232,576	8,192	6,676,910
	7,644,046	233,601	9,826	7,887,473

There are no assets held at December 31, 2025 that were acquired through the enforcement of collateral.

(9) Impairment information according to credit risk of off-balance sheet accounts

The impairment information on the credit risks of the borrowing agreement and investment agreements as of December 31, 2025 and 2024 is as follows:

	12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
		Non impaired	Impaired	
As of December 31, 2025	₩ 7,715,577	-	-	7,715,577
As of December 31, 2024	7,755,236	-	-	7,755,236

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.

The sensitivity analysis of foreign exchange rate, interest rate and equity market as of December 31, 2025 and 2024 is as follows:

2025	Risk factor	Profit or loss effect (*1,3)	Equity effect (*2,3)
Foreign exchange	₩ 100 increase in KRW/USD FX Rate	₩ (1,957)	64,558
	₩ 100 decrease in KRW/USD FX Rate	1,957	(64,558)
Interest rate	100bp increase	(54,577)	(6,541,294)
	100bp decrease	54,577	6,541,294
Stock prices	10% increase in equity index	98,316	17,799
	10% decrease in equity index	₩ (98,316)	(17,799)

(*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.

2024	Risk factor	Profit or loss effect (*1)	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.

The 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, 2025 and 2024 is as follows:

2025	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	(8,116,519)	429,948	7,686,585	-	7,686,585
	Participating contract	(2,369,404)	-	2,369,404	-	2,369,404
	Non-participating contract	(5,317,167)	-	5,317,181	-	5,317,181
	Variable contract	(429,948)	429,948	-	-	-

	100bp decrease	10,331,313	(704,566)	(9,626,745)	-	(9,626,745)
	Participating contract	2,847,268	-	(2,847,268)	-	(2,847,268)
	Non-participating contract	6,779,479	-	(6,779,477)	-	(6,779,477)
	Variable contract	704,566	(704,566)	-	-	-
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.

The 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, 2025 and 2024 is 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	(7,901,695)	539,018	7,362,677	-	7,362,677
	Participating contract	(2,425,028)	-	2,425,028	-	2,425,028
	Non-participating contract	(4,937,649)	-	4,937,649	-	4,937,649
	Variable contract	(539,018)	539,018	-	-	-
	100bp decrease	10,056,925	(788,431)	(9,268,494)	-	(9,268,494)
	Participating contract	2,903,193	-	(2,903,193)	-	(2,903,193)
	Non-participating contract	6,365,301	-	(6,365,301)	-	(6,365,301)
	Variable contract	788,431	(788,431)	-	-	-
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.(4) Market risk analysis of Kyobo Securities

The analysis of VaR for trading portfolio held by Kyobo Securities for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		Average	Maximum	Minimum	December 31, 2025
Stock price risk	₩	1,202	3,700	384	734
Interest rate risk		5,848	7,912	2,351	4,205
Foreign exchange risk		995	3,946	146	358
Portfolio diversification effect		-	-	-	234
Total VaR	₩	6,995	9,759	2,961	5,063

		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

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 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 Korean won)

(3) Liquidity risk exposure

		2025			
		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)		5,005,335	6,630,853	2,153,026	2,325,554	2,767,668	70,560,104	89,442,541
Participating contract		2,524,911	1,163,420	1,147,214	1,144,692	1,116,709	18,963,513	26,060,459
Non-participating contract		1,526,863	4,602,729	170,690	336,717	835,395	40,620,569	48,092,963
Variable contract		953,561	864,703	835,122	844,146	815,565	10,976,022	15,289,119
Reinsurance contract liabilities (*3)		(50,332)	(1,873)	(880)	(26)	443	19,915	(32,754)
Financial liabilities designated at fair value through profit or loss		2,500,789	203,022	1,314,288	4,057	45,829	1,491,384	5,559,369
Financial liabilities at fair value through profit or loss		509,765	-	-	-	-	-	509,765
Borrowings		6,885,668	100,944	390	1,925	1,101	698,245	7,688,273
Other financial liabilities (*1)		4,676,442	22,212	6,280	3,911	8,692	4,436	4,721,973
Derivative liabilities		1,420,351	387,221	733,558	465,700	275,906	523,602	3,806,338
		20,948,017	7,342,379	4,206,662	2,801,121	3,099,640	73,297,687	111,695,505
Off-balance items								
Loan agreement (*2)		3,795,455	-	-	-	-	-	3,795,455
Investment agreement (*2)		4,181,052	11,950	133,232	-	-	654	4,326,888
Loan purchase agreement, etc		195,300	75,000	75,000	40,000	-	-	385,300
	₩	8,171,807	86,950	208,232	40,000	-	654	8,507,643

(*3) In accordance with paragraph 132 of KIFRS 1117, the amount to be paid upon request is ₩91,794.2 billion.

		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)		4,654,274	2,418,770	6,240,479	2,243,378	2,464,997	69,189,862	87,211,760
Participating contract		2,476,571	1,128,880	1,118,549	1,123,128	1,102,866	20,155,514	27,105,508
Non-participating contract		1,700,790	775,004	4,532,736	526,294	742,797	38,697,880	46,975,500
Variable contract		476,914	514,885	589,194	593,956	619,334	10,336,469	13,130,752
Reinsurance contract liabilities (*3)		(57,236)	392	865	1,759	1,644	82,880	30,304
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
		16,224,135	4,076,485	8,035,035	2,485,953	2,672,488	71,983,319	105,477,415
Off-balance items								
Loan agreement (*2)		3,484,337	28,139	-	-	-	-	3,512,476
Investment agreement (*2)		4,227,308	4,337	9,560	560	900	654	4,242,759
Loan purchase agreement, etc.		63,750	26,200	50,000	50,000	30,000	-	169,950
	₩	7,775,395	58,676	59,560	50,560	30,900	654	7,925,185

(*1) Lease liabilities are excluded (See Note 21.).
(*2) These are the maximum amounts that the Group may pay in future by the contract. As of December 31, 2025, the Group expects that actual payments will be less than the commitment amounts in consideration of past experiences and characteristics of commitmen and it is difficult to reasonably estimate the timing, amounts, and feasibility of actual payment. / (*3) In accordance with paragraph 132 of KIFRS 1117, the amount to be paid upon request is ₩86,656.8 billion.

49. Summary of Financial Information

(1) Summary of financial information

Operating profit of the year is ₩ 1,051.1 billion. Of the operating profit ₩ 1,051.1 billion, insurance profit is ₩ 371.6 billion and investment profit is ₩ 967 billion. Non-operating loss is ₩ 7.9 billion and profit before income tax is ₩ 1,043.3 billion. Income tax is ₩ 270.2 billion, and net income for the period, which is calculated by adding non-operating profit to operating profit and deducting income tax, is ₩ 773.1 billion.

The main reasons for the insurance profit are the difference between the actual insurance claim and the planned insurance claim of ₩ 80 billion, and the difference between the actual operating expenses and the planned operating expenses of ₩ 117.9 billion. Contractual service margin of ₩ 589.8 billion was amortized and recognized as revenue. Risk adjustment of ₩ 151.8 billion was amortized and recognized as revenue. Reinsurance profit of the Group amounted to ₩ 9.0 billion.

Investment income consists of interest income of ₩ 4.0 trillion, gain (loss) on disposal of financial assets of ₩ 1.5 trillion, valuation gain (loss) of ₩ 1.9 trillion, and foreign exchange transaction gain (loss) of ₩ (-)1.3 trillion. The insurance finance cost incurred during the current period (including reinsurance) is ₩ 5.3 trillion.

Other operating income (loss) amounts to ₩ (-)287.4 billion, while non-operating income (loss) is ₩ (-)7.9 billion. This includes loss on disposal of property and equipment of ₩ 7.2 billion and donation of ₩ 5.8 billion.

Assets are ₩ 148 trillion, of which operating assets are ₩ 141 trillion, including bonds ₩ 59.4 trillion, stocks ₩ 7.4 trillion, beneficiary certificates ₩ 19.4, real estate ₩ 2.4 trillion, loans ₩ 22.7 trillion, overseas securities ₩ 22.4 trillion, other securities ₩ 1.9 trillion, cash and cash equivalent ₩ 5.4 trillion.

Total operating assets increased by ₩ 9.3 trillion compared to the previous year, with the main factors being an increase of ₩ 2.6 trillion in stocks, ₩ 3.0 trillion in foreign currency marketable securities, and ₩ 0.9 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 ₩ 89.4 trillion, a risk adjustment of ₩ 1.4 trillion, and a contractual service margin of ₩ 6.5 trillion. The main changes in the best estimate liability compared to the end of the previous period include a increases of ₩ 1.3 trillion due to changes in actuarial assumptions and volumes, a decrease of ₩ (-)1.3 trillion due to the effect of new contracts, a decrease of ₩ (-)3.0 trillion due to changes in accumulated comprehensive losses from discount rate changes, and an increase of ₩ 5.0 trillion in insurance finance costs recognized in profit or loss.

Contractual service margin increased by ₩ 80.4 billion. The main changes in the contractual service margin are an increase of ₩ 1.3 trillion due to new contracts, a decrease of ₩ (-)1.3 trillion due to changes in assumptions and volumes, an increase of ₩ 0.7 trillion due to insurance finance costs and experience variance, and a decrease of ₩ (-)0.6 trillion due to amortization. The reinsurance contract liabilities of the group amount to ₩ 69.4 billion, representing a decrease of ₩ 8.7 billion compared to the end of the previous period.

The equity amounts to ₩ 8,718.0 billion, consisting of capital stock of ₩ 102.5 billion, hybrid capital securities of ₩ 2,205.7 billion, capital surplus of ₩ 630.5 billion, capital adjustments of ₩ (-)200.4 billion, retained earnings of ₩ 7,998.4 billion, and accumulated other comprehensive income of ₩ (-)2,329.3 billion. The change in retained earnings of ₩ 531.4 billion is due to an increase from net income of ₩ 752.3 billion, hybrid capital securities dividends of ₩ 115.8 billion, and annuity dividends of ₩ 120.5 billion. The decrease of ₩ 188.5 billion in accumulated other comprehensive income is due to an increase of ₩ 2,210.1 billion from changes in the fair value of insurance liabilities and a decrease of ₩ 1,889.2 billion from changes in the fair value of financial assets.

(In 100 million of Korean won)

(2) Insurance liabilities by accounting model and portfolio

Portfolio			General approach			Variable fee approach		
			Best estimate Liabilities (*1/2)	Risk adjustment(*2)	Insurance contract margin	Best estimate Liabilities	Risk adjustment	Insurance contract margin
Non -Par	Dividend insurance of death	₩	97	1	5	-	-	-
	Non-dividend insurance of death		48,916	3,387	20,587	-	-	-
	Dividend insurance of health		3,648	31	255	-	-	-
	Non-dividend insurance of health		73,672	2,590	6,693	-	-	-
	Dividend insurance of annuity/saving		189,174	1,091	55	-	-	-
	Non-dividend insurance of annuity/saving		147,356	255	2,929	-	-	-
Indirect -Par	Non-dividend insurance of death		111,124	4,056	23,267	-	-	-
	Non-dividend insurance of health		2,637	386	1,858	-	-	-
	Dividend insurance of annuity/saving		1,246	6	0	-	-	-
	Non-dividend insurance of annuity/saving		86,303	283	1,977	-	-	-
	Asset linked of annuity/saving		52,822	83	1,206	-	-	-
Direct -Par	Variable insurance of death		-	-	-	54,479	1,260	3,414
	Variable insurance of annuity/saving		-	-	-	97,482	377	3,140
		₩	716,994	12,168	58,832	151,962	1,637	6,554

(*1) Amount before adjusting the settlement items such as advanced insurance premiums.
(*2) Only inclusion of residual guarantees

(3) Changes in insurance contract liabilities

A. Actuarial assumption

		2025		
		Best estimate Liabilities	Risk adjustment	Contract margin
Change of future service	₩	(7,664)	1,577	10,830
1. Effect of new contract		(13,224)	1,564	12,801
2. Effect of others		5,560	14	(1,971)
(1) Change of assumption		331	-	(331)
- Change of termination rate assumption		2,824	-	(2,824)
- Change of risk rate assumption		(1,633)	-	1,633
- Change of operating expense rate assumption		(1,636)	-	1,636
- Change of other assumption		777	-	(777)
(2) Difference of quantity		5,228	14	(5,242)
(3) Element of loss		-	-	3,602

(In 100 million of Korean won)

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	₩	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.8	0.6	0.5	0.3	0.4	4.6
	Non-dividend insurance of death		960.5	871.4	829.3	836.0	829.9	807.0	777.3	752.4	731.8	712.1	3,258.9	2,558.0	1,913.5	1,360.3	2,107.6	19,306.1
	Dividend insurance of health		25.7	23.2	21.2	19.7	18.0	16.3	14.6	13.1	11.7	10.6	39.4	21.7	11.8	5.6	2.4	255.0
	Non-dividend insurance of health		572.5	498.1	455.2	430.1	407.3	386.0	365.9	347.3	330.2	312.6	1,350.7	974.5	656.2	409.6	477.5	7,973.6
	Dividend insurance of annuity/saving		2.4	2.2	2.0	2.1	2.1	2.0	1.9	1.9	1.8	1.8	8.7	7.2	5.9	4.7	8.1	54.8
	Non-dividend insurance of annuity/saving		351.4	344.0	312.8	153.4	137.8	131.8	130.5	130.8	121.5	104.0	380.9	234.0	145.4	94.1	156.3	2,928.5
Indirect -Par	Non-dividend insurance of death		1,030.2	928.5	885.0	892.6	865.5	812.2	754.5	717.6	696.6	690.3	3,341.9	2,737.2	2,196.8	1,805.7	4,912.7	23,267.3
	Non-dividend insurance of health		140.2	122.5	110.5	102.5	95.6	90.1	84.5	74.7	66.3	62.1	273.3	213.9	141.8	80.5	200.1	1,858.4
	Non-dividend insurance of annuity/saving		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1
	Asset linked of annuity/saving		184.2	162.9	147.4	135.6	125.9	115.8	105.7	94.3	81.7	72.8	276.3	171.0	106.9	69.5	127.6	1,977.5
Direct -Par	Variable insurance of death		98.2	89.9	84.1	80.6	76.5	71.6	66.6	61.8	57.0	52.3	201.0	119.2	67.2	37.5	42.7	1,206.1
	Variable insurance of annuity/saving		143.7	129.4	123.5	126.3	126.5	123.2	118.0	113.0	109.1	107.1	512.4	424.5	347.7	285.7	624.0	3,414.2
			267.4	242.5	223.6	211.1	198.3	183.1	168.7	155.2	142.1	130.0	504.1	305.0	177.4	101.2	130.3	3,140.1
			3,776.7	3,414.6	3,194.8	2,990.1	2,883.7	2,739.3	2,588.6	2,462.1	2,350.0	2,255.8	10,148.4	7,766.9	5,771.0	4,254.7	8,789.5	65,386.3

(*) 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 (%)
81.2	78.5	2.7

(*) 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 Korean 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	0.7	0.8	0.7	0.8	0.8	0.8	0.7	0.7	0.7	0.7	3.1	2.1	0.5	(0.6)	(2.9)	8.5
		Risk insurance premium	3.8	4.3	4.3	4.8	5.9	4.9	4.7	4.7	5.0	6.0	25.3	23.4	19.0	13.5	16.5	85.8
		Rate	18.3%	17.9%	17.2%	15.7%	12.8%	15.6%	15.8%	15.2%	13.9%	11.7%	12.2%	8.8%	2.6%	-5.0%	-18.0%	9.9%
	Non-dividend insurance of death	Expected insurance	2,314.1	2,703.7	2,703.4	2,669.4	2,640.0	2,642.5	2,689.5	2,718.2	2,710.4	2,736.3	13,608.9	12,958.0	11,217.7	9,320.1	28,912.0	51,566.0
		Risk insurance premium	3,605.0	4,077.6	4,063.3	4,052.1	4,052.8	4,064.0	4,126.2	4,200.1	4,220.1	4,345.7	22,226.4	22,417.6	21,852.5	18,646.3	50,895.3	87,150.1
		Rate	64.2%	66.3%	66.5%	65.9%	65.1%	65.0%	65.2%	64.7%	64.2%	63.0%	61.2%	57.8%	51.3%	50.0%	56.8%	59.2%
	Dividend insurance of health	Expected insurance	140.2	143.9	134.4	124.3	115.5	107.3	99.2	91.3	84.3	77.4	301.4	182.3	105.5	53.3	22.2	1,314.9
		Risk insurance premium	281.3	293.5	278.2	261.9	248.9	234.6	220.9	208.1	197.2	185.5	765.6	483.5	269.9	126.1	49.4	2,974.6
		Rate	49.8%	49.0%	48.3%	47.5%	46.4%	45.7%	44.9%	43.9%	42.7%	41.7%	39.4%	37.7%	39.1%	42.2%	45.0%	44.2%
	Non-dividend insurance of health	Expected insurance	6,367.4	6,792.7	6,586.5	6,356.1	6,111.9	5,936.3	5,801.2	5,602.9	5,279.5	4,956.2	21,662.8	17,661.3	13,627.3	9,527.2	16,116.0	86,576.6
		Risk insurance premium	6,870.0	7,411.6	7,422.8	7,315.4	7,322.4	7,293.8	6,904.0	6,604.2	6,251.2	5,910.8	31,390.2	24,105.7	18,580.4	12,143.7	20,988.0	108,465.4
		Rate	92.7%	91.7%	88.7%	86.9%	83.5%	81.4%	84.0%	84.8%	84.5%	83.8%	69.0%	73.3%	73.3%	78.5%	76.8%	79.8%
	Dividend insurance of annuity/saving	Expected insurance	155.1	160.5	152.4	145.7	139.6	134.1	129.2	124.7	120.1	116.1	528.2	441.3	358.8	301.7	1,206.1	2,236.7
		Risk insurance premium	750.2	797.3	784.2	770.0	757.8	747.8	737.4	727.8	716.7	705.2	3,379.2	3,116.6	2,691.5	2,085.0	2,572.5	12,693.6
		Rate	20.7%	20.1%	19.4%	18.9%	18.4%	17.9%	17.5%	17.1%	16.8%	16.5%	15.6%	14.2%	13.3%	14.5%	46.9%	17.6%
	Non-dividend insurance of annuity/saving	Expected insurance	46.9	60.6	22.6	(5.1)	(38.6)	(62.8)	(71.2)	(107.4)	(165.9)	(221.1)	(1,078.9)	(530.7)	(308.9)	(244.2)	(473.6)	(1,665.8)
		Risk insurance premium	109.4	124.3	58.8	55.2	42.2	32.5	31.1	29.8	31.0	31.4	210.7	329.3	394.0	398.2	1,023.2	1,336.9
		Rate	42.9%	48.8%	38.4%	-9.0%	-91.0%	-193.0%	-229.0%	-360.0%	-535.0%	-704.0%	-512.0%	-161.0%	-78.0%	-61.0%	-46.0%	-125.0%

(In 100 million of Korean 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 insurance	6,671.2	7,515.8	7,724.9	7,753.7	7,699.9	7,667.1	7,710.6	7,810.6	7,998.5	8,191.8	43,168.9	45,628.9	47,028.7	46,469.5	186,945.6	190,748.2
		Risk insurance premium	8,563.4	9,525.6	9,750.0	9,810.6	9,859.7	9,905.5	9,994.1	10,118.3	10,301.1	10,520.0	54,489.2	56,108.3	56,115.5	54,556.1	210,328.0	233,651.5
		Rate	77.9%	78.9%	79.2%	79.0%	78.1%	77.4%	77.2%	77.2%	77.6%	77.9%	79.2%	81.3%	83.8%	85.2%	88.9%	81.6%
	Dividend insurance of death	Expected insurance	379.2	390.8	370.3	357.5	345.8	336.9	323.9	319.3	329.6	340.2	1,923.1	2,206.3	2,287.3	2,077.1	4,388.4	8,086.6
		Risk insurance premium	408.5	425.8	407.6	394.6	381.5	372.3	359.6	358.3	363.5	361.7	1,923.3	2,176.8	2,107.8	1,764.0	3,782.9	8,010.3
		Rate	92.8%	91.8%	90.9%	90.6%	90.6%	90.5%	90.1%	89.1%	90.7%	94.1%	100.0%	101.4%	108.5%	117.7%	116.0%	1450.0%
	Dividend insurance of annuity/saving	Expected insurance	2.2	2.2	2.1	2.1	2.0	1.9	1.8	1.7	1.6	1.5	5.9	3.7	3.2	0.6	-	23.3
		Risk insurance premium	8.7	8.9	8.2	7.7	7.2	6.7	6.3	5.9	5.4	5.0	19.3	13.2	7.1	3.7	6.0	84.8
		Rate	25.1%	25.1%	26.1%	26.9%	27.4%	27.8%	28.2%	28.2%	29.1%	29.5%	30.8%	27.6%	45.7%	16.6%	0.1%	27.5%
	Non-dividend insurance of annuity/saving	Expected insurance	38.8	34.9	28.7	24.6	16.4	8.9	2.1	(2.1)	(3.1)	(5.5)	(15.0)	26.3	28.2	13.0	17.3	162.2
		Risk insurance premium	120.2	126.0	113.7	109.1	103.6	99.5	94.4	89.8	87.0	83.7	401.9	389.1	382.0	368.4	1,299.1	1,905.3
		Rate	32.3%	27.7%	25.2%	22.5%	15.9%	9.0%	2.3%	-2.0%	-4.0%	-7.0%	-4.0%	6.7%	7.4%	3.5%	1.3%	8.5%
	Asset linked of annuity/saving	Expected insurance	(27.4)	(32.0)	(33.3)	(34.2)	(35.1)	(35.7)	(36.0)	(35.3)	(33.9)	(31.6)	(122.0)	(70.8)	(41.5)	(26.3)	(33.6)	(429.0)
		Risk insurance premium	1.4	1.4	1.2	1.0	0.9	0.7	0.6	0.5	0.4	0.3	0.8	0.4	0.3	0.2	0.5	8.5
		Rate	-1934.0%	-2337.0%	-2773.0%	-3314.0%	-3927.0%	-4791.0%	-6083.0%	-7362.0%	-9296.0%	10247.0%	14358.0%	19500.0%	15579.0%	12775.0%	-6289.0%	-5065.0%

	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
Direct -Par	Variable insurance of death	Expected insurance	1,676.1	1,898.4	1,962.1	1,980.8	1,989.8	2,024.5	2,066.9	2,107.7	2,163.8	2,222.9	12,009.2	13,689.4	15,607.6	16,976.1	70,949.2	59,348.3
		Risk insurance premium	2,432.9	2,718.7	2,796.6	2,856.2	2,942.6	3,046.5	3,128.5	3,198.0	3,280.9	3,369.4	18,390.0	21,412.9	24,919.1	27,448.0	110,529.2	92,081.1
		Rate	68.9%	69.8%	70.2%	69.4%	67.6%	66.5%	66.1%	65.9%	66.0%	66.0%	65.3%	63.9%	62.6%	61.8%	64.2%	64.5%
	Variable insurance of annuity/saving	Expected insurance	42.8	41.4	36.1	31.4	27.5	24.9	22.8	21.5	21.2	22.1	116.6	117.3	105.8	83.0	37.8	488.8
		Risk insurance premium	86.7	78.5	64.0	52.5	43.2	37.5	33.3	31.2	31.1	34.2	190.6	204.2	198.7	164.2	88.6	858.1
		Rate	49.4%	52.8%	56.3%	59.9%	63.6%	66.4%	68.5%	69.0%	68.1%	64.6%	61.2%	57.4%	53.2%	50.6%	42.7%	57.0%
	Total	Expected insurance	17,807.5	19,713.9	19,691.0	19,406.9	19,015.4	18,786.7	18,741.0	18,653.7	18,506.7	18,406.9	92,112.3	92,315.2	90,020.1	84,550.5	308,084.6	398,465.2
		Risk insurance premium	23,241.5	25,593.5	25,752.9	25,691.2	25,768.6	25,846.4	25,641.1	25,576.8	25,490.5	25,558.9	133,412.6	130,781.0	127,537.8	117,717.3	401,579.3	549,305.7
		Rate	76.6%	77.0%	76.5%	75.5%	73.8%	72.7%	73.1%	72.9%	72.6%	72.0%	69.0%	70.6%	70.6%	71.8%	76.7%	72.5%

(*) 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 Korean 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	0.3	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1.3	1.2	0.9	0.6	0.8	4.8
		Appointed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Rate	15377.6%	16116.8%	14081.0%	14204.0%	14625.4%	15221.6%	16078.1%	17089.5%	18165.7%	18940.4%	20915.6%	23042.2%	24197.9%	23447.1%	23077.2%	18307.7%
	Non-dividend insurance of death	Expected	3,142.3	1,593.4	1,464.0	1,423.8	1,346.6	1,107.7	990.2	941.0	901.8	816.6	3,785.1	3,493.3	2,942.6	2,480.6	6,726.1	19,895.8
		Appointed	4,278.6	4,191.6	3,842.3	3,594.3	3,217.0	2,349.9	1,879.8	1,670.1	1,534.8	1,241.4	5,032.4	4,297.2	3,157.0	2,537.9	6,875.5	33,598.4
		Rate	73.4%	38.0%	38.1%	39.6%	41.9%	47.1%	52.7%	56.3%	58.8%	65.8%	75.2%	81.3%	93.2%	97.7%	97.8%	59.2%
	Dividend insurance of health	Expected	15.0	15.0	12.4	11.3	10.5	9.7	8.9	8.1	7.5	6.8	25.8	14.6	7.5	3.3	1.2	119.8
		Appointed	1.1	1.1	1.1	1.0	0.9	0.8	0.7	0.6	0.6	0.5	1.9	1.0	0.6	0.3	0.1	9.4
		Rate	1320.9%	1301.8%	1178.4%	1181.3%	1199.2%	1219.7%	1244.5%	1271.3%	1299.0%	1324.6%	1378.9%	1411.2%	1361.3%	1295.3%	1228.3%	1279.3%
	Non-dividend insurance of health	Expected	1,042.0	914.7	810.6	749.8	688.6	648.8	617.5	580.3	531.0	486.7	2,100.1	1,819.6	1,435.7	998.4	1,959.5	9,808.5
		Appointed	1,382.2	1,351.1	1,240.2	1,138.5	1,040.8	976.1	928.6	865.0	773.2	692.1	3,055.7	3,183.1	2,663.3	1,861.5	3,921.1	15,267.1
		Rate	75.4%	67.7%	65.4%	65.9%	66.2%	66.5%	66.5%	67.1%	68.7%	70.3%	68.7%	57.2%	53.9%	53.6%	50.0%	64.2%
	Dividend insurance of annuity/saving	Expected	268.5	296.1	247.5	242.8	242.0	240.6	238.7	236.2	233.2	229.7	1,074.6	911.0	716.9	520.5	725.7	3,937.7
		Appointed	88.9	95.8	94.5	93.2	91.9	90.6	89.3	88.0	86.6	85.2	403.5	359.3	305.4	243.1	419.3	1,531.5
		Rate	301.9%	309.2%	261.9%	260.4%	263.2%	265.5%	267.2%	268.4%	269.2%	269.4%	266.3%	253.5%	234.7%	214.1%	173.1%	257.1%
	Non-dividend insurance of annuity/saving	Expected	402.0	392.8	223.3	193.8	180.0	171.1	165.3	155.2	139.4	123.5	452.3	278.1	177.1	114.3	190.3	2,477.3
		Appointed	303.5	288.4	195.4	156.2	133.1	118.8	111.0	95.4	74.9	54.4	145.5	82.3	48.0	27.9	32.2	1,534.4
		Rate	132.5%	136.2%	114.2%	124.1%	135.3%	144.0%	148.9%	162.8%	186.2%	227.1%	310.8%	338.1%	368.6%	410.4%	590.3%	161.5%

(In 100 million of Korean 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	1,938.7	1,967.4	1,798.2	1,703.6	1,600.1	1,504.2	1,412.7	1,348.7	1,312.0	1,273.7	5,914.9	5,234.8	4,621.3	4,051.4	13,201.6	26,322.0
		Appointed	3,324.3	3,399.2	3,243.6	3,037.2	2,796.4	2,579.1	2,359.5	2,225.3	2,159.9	2,099.1	9,668.7	8,454.7	7,678.9	7,205.5	29,104.9	45,748.3
		Rate	58.3%	57.9%	55.4%	56.1%	57.2%	58.3%	59.9%	60.6%	60.7%	60.7%	61.2%	61.9%	60.2%	56.2%	45.4%	57.5%
	Non-dividend insurance of health	Expected	165.1	167.5	152.8	143.1	133.1	125.4	118.4	113.2	109.7	103.3	440.2	275.7	207.9	146.3	298.0	1,774.1
		Appointed	365.9	359.9	327.1	298.0	270.2	248.7	230.0	215.6	204.2	189.8	780.7	414.4	281.4	187.0	480.6	3,341.3
		Rate	45.1%	46.5%	46.7%	48.0%	49.3%	50.4%	51.5%	52.5%	53.7%	54.4%	56.4%	66.5%	73.9%	78.3%	62.0%	840.0%
	Dividend insurance of annuity/saving	Expected	2.4	2.4	1.9	1.7	1.6	1.5	1.4	1.3	1.2	1.1	4.3	2.9	2.0	1.3	1.5	20.2
		Appointed	0.4	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.2	0.1	-	-	-	1.6
		Rate	682.0%	954.9%	888.3%	954.0%	1035.9%	1139.7%	1226.6%	1369.8%	1471.9%	1755.0%	2483.3%	5542.9%	10167.5 %	11761.3 %	14735.8 %	1261.3%
	Non-dividend insurance of annuity/saving	Expected	341.7	325.2	253.1	223.1	198.7	176.8	160.4	144.2	131.6	120.1	477.1	327.9	226.6	160.8	391.9	2,524.1
		Appointed	222.3	194.6	159.0	131.6	103.7	81.7	67.3	54.2	45.9	38.7	135.3	83.0	53.1	36.0	81.1	1,164.1
		Rate	153.7%	167.0%	159.2%	169.4%	191.6%	216.5%	238.2%	266.1%	286.4%	310.7%	352.7%	395.2%	426.6%	447.2%	483.5%	216.8%
	Asset linked of annuity/saving	Expected	154.3	156.1	124.2	114.0	106.9	100.3	93.9	87.7	81.5	75.4	298.3	197.7	129.2	84.7	138.0	1,357.3
		Appointed	104.9	95.1	79.7	67.3	57.1	48.5	41.2	34.8	29.5	25.1	78.7	34.0	13.2	4.7	2.2	591.0
		Rate	147.1%	164.1%	155.8%	169.4%	187.1%	206.5%	228.0%	252.3%	276.7%	301.0%	378.8%	581.5%	980.0%	1801.3%	6335.6%	229.7%

	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
Direct -Par	Variable insurance of death	Expected	616.1	647.9	616.8	581.5	549.1	520.9	496.0	473.9	455.2	437.5	1,995.3	1,719.6	1,444.3	1,173.1	2,943.6	8,482.4
		Appointed	1,352.8	1,394.6	1,297.1	1,169.8	1,049.4	947.9	863.1	794.1	742.1	701.1	3,143.1	2,773.6	2,536.0	2,284.5	7,478.2	15,903.6
		Rate	45.5%	46.5%	47.5%	49.7%	52.3%	55.0%	57.5%	59.7%	61.3%	62.4%	63.5%	62.0%	57.0%	51.3%	39.4%	53.3%
	Variable insurance of annuity/saving	Expected	338.7	334.2	297.6	269.7	245.7	224.0	204.4	186.4	169.5	153.9	581.6	353.8	206.9	118.1	157.5	2,821.2
		Appointed	223.4	190.6	150.1	123.5	105.0	89.0	76.1	65.6	57.1	49.8	176.0	102.7	61.3	37.2	75.8	1,222.1
		Rate	1.5	1.8	2.0	2.2	2.3	2.5	2.7	2.8	3.0	3.1	3.3	3.4	3.4	3.2	2.1	2.3
Total		Expected	8,427.0	6,812.9	6,002.5	5,658.5	5,303.4	4,831.1	4,508.0	4,276.5	4,074.0	3,828.5	17,151.0	14,630.1	12,119.0	9,853.5	26,735.5	79,545.2
		Appointed	11,648.3	11,562.2	10,630.1	9,810.7	8,865.8	7,531.4	6,646.8	6,108.7	5,708.9	5,177.1	22,621.7	19,785.4	16,798.3	14,425.5	48,470.9	119,912.6
		Rate	72.3%	58.9%	56.5%	57.7%	59.8%	64.1%	67.8%	70.0%	71.4%	73.9%	75.8%	73.9%	72.1%	68.3%	55.2%	66.3%

(*) 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 Korean 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 expense ratio, 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%			937	(2,150)	1,117	96
Disability rate (Fixed)	Up 3.40%			6,853	(7,019)	(165)	331
Disability rate (Actual)	Up 2.62%			6,853	(7,019)	(165)	331
Surrender rate (Up)	Up 9.16%	882,760	65,387	8,396	(8,489)	87	5
Surrender rate (Down)	Down 9.16%			(8,971)	9,093	(81)	(42)
Operating expense (Degree)	Up 2.62%			2,470	(2,340)	(218)	88
Operating expense (Inflation)	0.26%p			2,470	(2,340)	(218)	88

(*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 cause 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, 2025 is as follows.

		Profit or loss (before tax)	Other comprehensive income (before tax)
UP 100bp	Financial asset	-	-
	Insurance contract	-	76,860
	Participating contract	-	23,694
	Non-participating contract	-	53,166
	Reinsurance ceded contract	-	122
Down 100bp	Financial asset	-	-
	Insurance contract	-	(96,260)
	Participating contract		(28,473)
	Non-participating contract		(67,787)
	Reinsurance ceded contract	-	(129)

Kyobo Life Insurance Co., Ltd.

Separate financial statements

for the year ended December 31, 2025
with the independent auditor's report

Contents

	Page
Independent auditor's report on separate financial statements	
Separate financial statements	
Separate statements of financial position	1
Separate statements of comprehensive income or loss	2
Separate statements of changes in equity	4
Separate statements of cash flows	6
Notes to the separate financial statements	7
Independent auditor's review report on internal control over financial reporting	88

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Independent auditor's report
(English translation of a report originally issued in Korean)

The Shareholders and Board of Directors
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 statement of financial position as of December 31, 2025, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year ended December 31, 2025, and the 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 financial position of the Company as of December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS").

Basis for opinion

We conducted our audit in accordance with Korean Standards on Auditing ("KSA"). 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 that are relevant to our audit of the separate financial statements in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The separate financial statements of the Company for the year ended December 31, 2024 have been audited by another auditor in accordance with KSA, whose report dated March 5, 2025 expressed an unqualified opinion thereon.

Meanwhile, the separate financial statements for the year ended December 31, 2024 on which the other auditor expressed the unqualified opinion are the financial statements not reflecting the adjustments described in Note 44 to the separate financial statements, whereas the separate financial statements for the year ended December 31, 2024, presented herein for comparative purposes, have been retrospectively restated to reflect the adjustments described in Note 44.

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 KIFRS, and for such internal control as management determines is necessary to enable the preparation of the 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, or has no realistic alternative but to do so.

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 separate 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 KSA 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 KSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate 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 Company'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 6, 2026

This audit report is effective as of March 6, 2026, the independent auditor's report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's report to the time this report is used. Such events and circumstances could significantly affect the accompanying separate financial statements and may result in modifications to this report.

Kyobo Life Insurance Co., Ltd.

Separate financial statements

for each of the two years in the period ended December 31, 2025

"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
(Contract) 1588-1001

Kyobo Life Insurance Co., Ltd.
Separate statements of financial position
as of December 31, 2025, December 31, 2024, and January 1, 2024

(In won)	***Note***		**December 31, 2025**	**December 31, 2024**	**January 1, 2024**
Assets					
Cash and due from banks	4,11,12	₩	3,980,067,576,209	3,501,249,993,037	4,265,642,709,444
Financial assets at fair value through profit or loss	5,11,12		34,182,822,710,133	32,211,658,924,788	34,153,491,484,438
Derivative assets	11,12,24		267,475,910,217	597,559,945,036	665,243,262,581
Financial assets at fair value through other comprehensive income	6,11,12		60,829,887,653,638	58,025,921,849,151	49,724,360,239,462
Securities at amortized cost	7,11,12		1,098,380,680,768	1,213,149,160,928	1,263,520,722,386
Loan receivables at amortized cost	8,11,12		19,176,802,292,031	19,081,019,622,872	19,225,686,060,264
Other financial assets at amortized cost	9,11,12		1,271,291,067,817	1,000,590,832,470	974,297,988,445
Investments in subsidiaries and associates	10,11,12		3,520,210,613,189	2,910,745,314,498	2,048,122,402,180
Reinsurance contract asset	17		189,577,741,652	193,269,198,006	173,481,167,358
Investment properties	13		1,133,732,730,937	1,149,053,680,323	1,162,379,757,334
Property and equipment	14		862,533,116,875	863,882,978,325	871,607,952,815
Intangible assets	15		57,076,739,526	52,532,540,502	98,963,014,640
Current tax assets	37		231,047,468,255	165,466,362,986	198,364,899,256
Deferred tax assets	37		1,347,510,398,049	1,426,025,228,170	174,269,045,453
Other assets	16		17,377,575,062	16,425,902,296	9,844,679,425
Total assets			**128,165,794,274,358**	**122,408,551,533,388**	**115,009,275,385,481**
Liabilities					
Insurance contract liabilities	17		96,832,758,625,991	94,441,284,045,036	87,242,878,594,424
Participating insurance contract liabilities			26,334,165,935,245	27,405,481,302,615	25,682,817,407,571
Non-participating insurance contract liabilities			54,390,365,706,571	52,810,417,004,440	47,142,772,651,750
Variable insurance contract liabilities			16,108,226,984,175	14,225,385,737,981	14,417,288,535,103
Reinsurance contract liabilities	17		261,341,268,914	272,808,210,343	255,240,639,692
Investment contract liabilities	11,12,18		18,578,965,665,688	16,000,079,179,581	15,427,506,286,619
Other contract liabilities	18		167,845,375,053	170,057,936,297	172,402,429,093
Derivative liabilities	11,12,24		2,845,322,451,969	2,462,070,231,543	843,086,217,893
Borrowings	11,12,20		698,244,779,146	698,079,778,815	-
Other financial liabilities	11,12,19		945,092,391,831	919,867,524,008	951,900,475,093
Provisions	21		59,180,089,925	30,140,351,489	26,944,550,086
Net defined benefit liabilities	22		57,215,361,019	26,986,797,745	34,645,052,862
Other liabilities	23		65,069,096,906	80,956,755,099	97,681,927,809
Total liabilities			**120,511,035,106,442**	**115,102,330,809,956**	**105,052,286,173,571**
Equity					
Capital stock	25		102,500,000,000	102,500,000,000	102,500,000,000
Hybrid bonds	25		2,205,726,208,213	2,205,726,208,213	1,607,440,428,213
Capital surplus	25		365,966,306,274	365,936,339,794	365,936,339,794
Capital adjustments	25		(197,234,758,164)	(197,414,736,484)	(197,414,736,484)
Accumulated other comprehensive income (loss)	25		(2,397,981,022,366)	(2,204,529,204,683)	1,651,401,297,891
Retained earnings	25		7,575,782,433,959	7,034,002,116,592	6,427,125,882,496
Total equity			**7,654,759,167,916**	**7,306,220,723,432**	**9,956,989,211,910**
Total liabilities and equity		₩	**128,165,794,274,358**	**122,408,551,533,388**	**115,009,275,385,481**

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

Kyobo Life Insurance Co., Ltd.

Separate statements of comprehensive income or loss

for each of the two years in the period ended December 31, 2025

(In won)	*Note*		December 31, 2025	December 31, 2024
Insurance service income and expenses				
Insurance service income				
Insurance income	17	₩	4,308,777,904,055	3,979,442,385,464
Reinsurance income	17		38,353,422,596	31,557,425,740
			4,347,131,326,651	**4,010,999,811,204**
Insurance service expenses				
Insurance expenses	17,31		3,862,515,775,036	3,462,885,320,056
Reinsurance premium expenses	17		29,106,256,782	33,540,337,808
Other insurance operating expenses	31		63,918,964,995	40,950,288,936
			3,955,540,996,813	**3,537,375,946,800**
Investment income and expenses				
Investment income				
Reinsurance finance income	17		3,332,268,952	2,232,319,156
Interest income	11,26		3,415,134,357,746	3,173,869,353,020
Gain on valuation and disposal of financial assets at fair value through profit or loss	11,27		4,601,667,090,605	1,787,258,333,128
Gain on valuation and disposal of financial assets at fair value through other comprehensive income	11,27		276,904,159,932	228,921,930,422
Gain on valuation and disposal of financial assets at amortized cost	11,27		10,229,395,941	4,804,301,030
Gain on valuation and disposal of derivative assets	11,27		1,358,073,318,781	1,030,764,340,387
Gain on foreign currency transaction	11,35		536,370,819,351	2,358,563,057,817
Fee and commission income	28		32,051,195,804	25,134,244,399
Rental income			107,845,024,907	103,269,347,576
Dividend income	11,29		172,614,171,019	143,937,652,899
Other investment income	11,30		846,886,181,016	796,856,596,588
			11,361,107,984,054	**9,655,611,476,422**
Investment expenses				
Insurance finance expenses	17		5,267,918,037,097	2,923,905,728,455
Reinsurance finance expenses	17		5,644,416,339	5,609,162,974
Interest expenses	11,32		188,926,830,785	125,163,182,039
Loss on valuation and disposal of financial assets at fair value through profit or loss	11,33		807,737,020,787	1,619,469,079,652
Loss on valuation and disposal of financial assets at fair value through other comprehensive income	11,33		75,809,304,090	255,556,756,810
Loss on valuation and disposal of financial assets at amortized cost	11,33		78,882,561,726	61,590,973,594
Loss on valuation and disposal of derivative assets	11,33		2,791,534,723,566	3,079,016,861,623
Asset management expenses	31		88,848,517,940	87,499,136,193
Loss on foreign currency transaction	11,35		575,494,281,926	32,833,733,061
Other financial expenses	11,33		779,704,194,298	714,274,352,270
Other investment expenses	34		30,572,993,947	79,292,882,021
			10,691,072,882,501	**8,984,211,848,692**
Operating profit			**1,061,625,431,391**	**1,145,023,492,134**
Non-operating income and expenses				
Non-operating income	36		41,527,055,633	28,128,085,862
Non-operating expenses	36		141,054,351,609	292,361,695,240
			(99,527,295,976)	**(264,233,609,378)**
Profit before income tax expenses			962,098,135,415	880,789,882,756
Income tax expenses	37		198,887,657,816	182,053,793,416
Profit for the period		₩	**763,210,477,599**	**698,736,089,340**

(Continued)

Kyobo Life Insurance Co., Ltd.

Separate statements of comprehensive income or loss, continued

for each of the two years in the period ended December 31, 2025

(In won)	*Note*		December 31, 2025	December 31, 2024
Other comprehensive income (loss)				
Items that will be reclassified to profit or loss:				
Gain (loss) on valuation of debt instruments at fair value through other comprehensive income	25	₩	(1,900,861,564,421)	239,691,866,004
Loss allowance of debt instrument at fair value through other comprehensive income	25		(501,579,554)	(3,355,361,292)
Net financial gain (loss) on insurance contracts	25		2,181,605,630,177	(4,152,878,380,603)
Net financial gain (loss) on reinsurance contracts	25		(1,361,491,725)	(8,195,428,578)
Gain (loss) on valuation of derivative instruments for hedging purpose	25		(503,822,326,163)	36,349,574,740
			(224,941,331,686)	**(3,888,387,729,729)**
Items that will not be reclassified subsequently to profit or loss:				
Gain on valuation of investments in securities at fair value through other comprehensive income	25		48,270,258,580	25,102,614,600
Loss on valuation of derivative instruments for hedging purpose	25		(1,283,875,333)	-
Revaluation of property and equipment	25		(9,164,194,316)	-
Remeasurements on defined benefit obligation	25		8,640,577,895	7,202,869,815
			46,462,766,826	**32,305,484,415**
Other comprehensive loss for the period, net of income tax			**(178,478,564,860)**	**(3,856,082,245,314)**
Total comprehensive income (loss) for the period		₩	**584,731,912,739**	**(3,157,346,155,974)**
Earnings per share				
Basic earnings per share	41	₩	**6,447**	**6,046**

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

Kyobo Life Insurance Co., Ltd.
Separate statements of changes in equity
for each of the two years in the period ended December 31, 2025

(In won)	Capital stock	Hybrid bonds	Capital surplus	Capital adjustments	Accumulated other comprehensive income (loss)	Retained earnings	Total
Balance as of January 1, 2024 (Before adjustment)	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
Decrease due to error correction	-	-	-	-	(18,766,147,785)	-	(18,766,147,785)
Balance as of January 1, 2024 (After adjustment)	102,500,000,000	1,607,440,428,213	365,936,339,794	(197,414,736,484)	1,651,401,297,891	6,427,125,882,496	9,956,989,211,910
Total comprehensive loss:	-	-	-	-	(3,855,930,502,574)	698,584,346,600	(3,157,346,155,974)
Profit for the period	-	-	-	-	-	698,736,089,340	698,736,089,340
Other comprehensive loss	-	-	-	-	(3,855,930,502,574)	(151,742,740)	(3,856,082,245,314)
Gain on valuation of financial assets at fair value through other comprehensive income	-	-	-	-	264,946,223,344	(151,742,740)	264,794,480,604
Loss allowance of debt instruments at fair value through other comprehensive income	-	-	-	-	(3,355,361,292)	-	(3,355,361,292)
Net financial loss on insurance contracts	-	-	-	-	(4,152,878,380,603)	-	(4,152,878,380,603)
Net financial loss on reinsurance contracts	-	-	-	-	(8,195,428,578)	-	(8,195,428,578)
Gain on valuation of derivative instruments for hedging	-	-	-	-	36,349,574,740	-	36,349,574,740
Remeasurement gain on defined benefit obligations	-	-	-	-	7,202,869,815	-	7,202,869,815
Transactions with the owners:	-	598,285,780,000	-	-	-	(91,708,112,504)	506,577,667,496
Dividends to hybrid bonds	-	-	-	-	-	(91,708,112,504)	(91,708,112,504)
Issuance of hybrid bonds	-	598,285,780,000	-	-	-	-	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)	(2,204,529,204,683)	7,034,002,116,592	7,306,220,723,432

Kyobo Life Insurance Co., Ltd.
Separate statements of changes in equity, continued
for each of the two years in the period ended December 31, 2025

(In won)	Capital stock	Hybrid bonds	Capital surplus	Capital adjustments	Accumulated other comprehensive income (loss)	Retained earnings	Total
Balance as of January 1, 2025	₩ 102,500,000,000	2,205,726,208,213	365,936,339,794	(197,414,736,484)	(2,204,529,204,683)	7,034,002,116,592	7,306,220,723,432
Total comprehensive income:	-	-	-	-	(193,451,817,683)	778,183,730,422	584,731,912,739
Profit for the period	-	-	-	-	-	763,210,477,599	763,210,477,599
Other comprehensive loss	-	-	-	-	(193,451,817,683)	14,973,252,823	(178,478,564,860)
Loss on valuation of financial assets at fair value through other comprehensive income	-	-	-	-	(1,872,222,666,443)	19,631,360,602	(1,852,591,305,841)
Loss allowance of debt instruments at fair value through other comprehensive income	-	-	-	-	(501,579,554)	-	(501,579,554)
Net financial gain on insurance contracts	-	-	-	-	2,181,605,630,177	-	2,181,605,630,177
Net financial loss on reinsurance contracts	-	-	-	-	(1,361,491,725)	-	(1,361,491,725)
Loss on valuation of derivative instruments for hedging	-	-	-	-	(500,448,093,717)	(4,658,107,779)	(505,106,201,496)
Asset revaluation surplus of property and equipment	-	-	-	-	(9,164,194,316)	-	(9,164,194,316)
Remeasurement gain on defined benefit obligations	-	-	-	-	8,640,577,895	-	8,640,577,895
Transactions with the owners:	-	-	29,966,480	179,978,320	-	(236,403,413,055)	(236,193,468,255)
Annual dividends	-	-	-	-	-	(120,487,306,800)	(120,487,306,800)
Dividends to hybrid bonds	-	-	-	-	-	(115,916,106,255)	(115,916,106,255)
Disposal of treasury stocks	-	-	29,966,480	179,978,320	-	-	209,944,800
Balance as of December 31, 2025	₩ 102,500,000,000	2,205,726,208,213	365,966,306,274	(197,234,758,164)	(2,397,981,022,366)	7,575,782,433,959	7,654,759,167,916

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

Kyobo Life Insurance Co., Ltd.

Separate statements of cash flows

for each of the two years in the period ended December 31, 2025

(In Korean won)

	Note		2025	2024
Cash flows from operating activities				
Cash flows from operating activities:		₩	3,861,334,268,462	858,507,014,357
Profit			763,210,477,599	698,736,089,340
Adjustments	42		385,400,252,932	397,032,432,965
Changes in operating assets and liabilities	42		2,712,723,537,931	(237,261,507,948)
Income taxes paid			(67,129,965,288)	(17,805,933,503)
Interest received			2,869,912,994,610	2,849,063,825,920
Interest paid			(182,188,893,457)	(114,464,457,149)
Dividend received			174,686,352,323	158,241,474,927
Net cash flows provided by operating activities			**6,656,614,756,650**	**3,733,541,924,552**
Cash flows from investing activities:				
Cash inflows from derivatives held for hedging			185,236,257,398	88,168,524,987
Cash outflows from derivatives held for hedging			(25,552,881,195)	(9,541,772,488)
Acquisition of investments in subsidiaries and associates			(875,234,890,262)	(1,130,359,419,824)
Disposal of investments in subsidiaries and associates			192,621,918,777	8,784,116,637
Dividends of investments in subsidiaries and associates			20,951,749,984	6,625,702,793
Acquisition of property and equipment			(10,304,160,803)	(16,416,086,254)
Disposal of property and equipment			17,000,000	104,500,000
Acquisition of investment properties			(1,884,127,564)	(1,388,388,028)
Disposal of investment properties			3,950,000,000	-
Acquisition of intangible assets			(23,451,615,031)	(15,296,605,510)
Disposal of intangible assets			-	1,300,000,000
Increase in leasehold deposits			(27,773,302,759)	(22,130,866,320)
Decrease in leasehold deposits			30,304,743,845	24,063,314,820
Acquisition of financial assets at fair value through profit or loss			(10,610,841,937,611)	(10,002,114,899,195)
Disposal of financial assets at fair value through profit or loss			9,912,454,704,261	10,584,202,716,563
Acquisition of financial assets at fair value through other comprehensive income			(25,478,121,299,261)	(23,360,207,399,858)
Disposal of financial assets at fair value through other comprehensive income			20,540,049,729,918	17,425,538,216,608
Acquisition of securities at amortized cost			-	(46,392,950,700)
Repayment of securities at amortized cost			113,624,650,479	100,795,103,320
Net cash flows used in investing activities			**(6,053,953,459,824)**	**(6,364,266,192,449)**
Cash flows from financing activities:				
Increase in leasehold deposits received			61,911,682,096	18,931,578,736
Decrease in leasehold deposits received			(70,105,347,605)	(21,571,235,820)
Dividends paid			(120,487,306,800)	-
Issuance of hybrid bonds			-	598,285,780,000
Hybrid bonds dividend			(115,959,250,000)	(87,806,125,000)
Repayment of lease liabilities			(32,424,180,735)	(32,167,006,712)
Proceeds from borrowings			-	698,015,780,000
Net cash flows provided by (used in) financing activities			**(277,064,403,044)**	**1,173,688,771,204**
Effect of exchange rate fluctuations on cash and cash equivalents held			**(141,999,458)**	**1,110,424,706**
Net increase (decrease) in cash and cash equivalents			**325,454,894,324**	**(1,455,925,071,987)**
Cash and cash equivalents at the beginning of the period			**1,513,806,424,969**	**2,969,731,496,956**
Cash and cash equivalents at the end of the period		₩	**1,839,261,319,293**	**1,513,806,424,969**

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

Kyobo Life Insurance Co., Ltd.

Separate statements of cash flows

for each of the two years in the period ended December 31, 2025

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 Act* 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, 2025, the Company has 7 Financial Planner (FP) offices, 64 supporting offices, 420 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, 2025.

	Insurance products in effect		
Type	Available	Discontinued	Total
Individual annuity	16	94	110
Pure endowment	46	63	109
Death	25	213	238
Endowment	3	49	52
Group insurance	20	26	46
	110	445	555

The Company's major shareholders and their respective shareholdings as of December 31, 2025 are as follows:

Shareholders	Number of shares (in shares)	Ownership (%)
Chang-Jae Shin	34,628,997	33.78
SBI Holdings Inc	17,140,750	16.72
Corsair Korea Investors LLC	10,038,830	9.79
Shinhan Kis Alpha Co., Ltd	10,022,075	9.78
The Export-Import Bank of Korea	5,995,005	5.85
KLIC Holdings Limited	5,355,625	5.23
Hoenir Inc.	5,355,625	5.23
KYOBO Life Insurance	2,089,425	2.04
Young-Ae Shin	1,199,960	1.17
Employee stock ownership association	569,303	0.56
Other shareholders	10,104,405	9.85
	102,500,000	100.00

2. Basis of preparation and Material accounting policy information

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

2.1 Basis of preparation

The separate financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the Republic of Korea ("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 associates and subsidiaries that have applied accounting treatment in accordance with KIFRS 1109;
- defined benefit plans and plan assets measured at fair value; and
- insurance contract liabilities and reinsurance contract assets (including liabilities).

KIFRS allows the use of material 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 material assumptions and estimates are explained in Note 3. The separate financial statements as of and for the year ended December 31, 2025 were authorized for issue by the Board of Directors on March 6, 2026. The separate financial statements may be revised and authorized at regular general meeting of shareholders scheduled on March 27, 2026

2.2 Material accounting policy information

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; and
- 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 (presented as "Korean won", "₩" or "KRW"), 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 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 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 properties 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 it 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 follows:

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and
- 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 assets 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 losses related to financial instruments measured at fair value through other comprehensive income.

(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 gains or losses related to financial instrument measured at fair value through profit or loss.

1) 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 gains or losses related to derivatives.
(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, and changes in the fair value of the hedged item due to the hedged risk are also recognized in profit or loss. 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 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 profit or loss. The amount accumulated in accumulated other comprehensive income is recognized in the statement of comprehensive income as profit or loss for 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 profit or loss when expected transactions are recognized in the statement of comprehensive income. 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 profit or loss.
3) Embedded derivatives
A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Changes in the fair value of embedded derivatives separated from the host contract are recognized as part of the net gain (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 the statement of comprehensive income.
(1) Retirement benefits: defined contribution plan
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 plan
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

Kyobo Life Insurance Co., Ltd.
Separate statements of cash flows
for each of the two years in the period ended December 31, 2025

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 estimating future cash flows 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 an 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.

2.2.16 Investment contract liabilities and other contract liabilities

A. Investment contract liabilities

Investment contract liabilities are liabilities related to participating and pprincipal and interest guaranteed retirement pensions and are accounted for in accordance with the KIFRS 1109 *Financial Instruments*, as investment contracts without discretionary participation features in accordance with the classification standards for insurance contracts and investment contracts.

B. Other contract liabilities

The reserve for stabilization of policyholder dividends, accumulated from the revaluation surplus arising from asset revaluation pursuant to the Assets Revaluation Act to ensure stable dividend payments, and the public interest contribution fund, accumulated from the same surplus for contributions to public interest activities, are recorded as other contract liabilities.

2.2.17 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 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.

2.2.18 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. - 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. 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:

- identifying the contracts with a customer;
- identifying the performance obligations in the contract;
- determining the transaction price;
- allocating the transaction price to each performance obligation; and
- recognizing 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 1109 *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) Dividend income

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.

2.2.19 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; and
- 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; and
- 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.

2.2.20 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 Change in accounting policies

KIFRS 1117 requires that liabilities for participating insurance contracts be measured by estimating the related cash flows for future dividends and applying a discount rate that reflects current assumptions and risks. Specifically, when measuring insurance contract liabilities, reasonable and supportable information available without undue cost or effort must be reflected, excluding any arbitrary plans or intentions of the Company, and until changes in laws are substantively enacted, current expectations of future amendments are not reflected in the measurement of insurance contract liabilities, and it is required to use neutral estimates that are free from bias or subjectivity in estimating the corresponding cash flows. Accordingly, when calculating insurance contract liabilities (best estimate liability ("BEL"), liability for remaining coverage ("LRC")), insurance companies do not derive investment yield scenarios based on individual disposal plans for held assets. Instead, these scenarios are calculated based on the discount rate adjusted for volatility effects as prescribed in KIFRS 1117. In response to these requirements, upon the adoption of KIFRS 1117 in 2023, the Company estimated the future expected dividend cash flows of participating contracts by neutrally reflecting reasonable and supportable information, including the Company's experience statistics (such as historical dividend payments under the relevant contracts), management's asset management plans, and risk management strategies. In particular, when the management has finalized a specific disposal plan for assets, such as disposal of operating assets or approval of the board of directors for specific assets, the Company measures insurance contract liabilities by considering the expected gains or losses on disposal of the relevant assets and reflecting this in cash flow to determine whether a policyholder dividend will be generated. However, the Company determined that measuring insurance contract liabilities in accordance with KIFRS 1117 from the date of adoption in 2023 would result in a significant portion of the policyholders' equity adjustment, previously presented as a liability and is now reclassified as equity, leading to an understatement of total liabilities which would conflict with the "Objective of Financial Statements" set out in the Conceptual Framework for Financial Reporting and constitute one of the ''extremely rare circumstances'' described in paragraph 19 of KIFRS 1001, potentially misleading users of the financial statements. Accordingly, comprehensive liabilities (policyholder dividends) to future policyholders expected to arise from unrealized asset valuation gains and losses as of the end of the reporting period have been measured as liabilities by applying the method stipulated in Article 4-1, Paragraph 2 of the *Detailed Regulations on Supervision of Insurance Business* of Korea. Meanwhile, participating insurance contracts are contracts in which, pursuant to the agreement between the insurer and the policyholders, the insurer's excess profits are distributed to the policyholders in accordance with the *Regulation on Supervision of Insurance Business* of Korea, in addition to insurance claims or surrender value, and the insurer bears a contractual obligation to pay dividends when to policyholders, in accordance with the insurance terms and conditions, in the event that such dividends arise. In December 2025, the Financial Supervisory Service of Korea ("FSS") issued a response to the Company's inquiry regarding the accounting treatment of policyholders' equity adjustments (accounting departure) applied by life insurers, stating that it is difficult to conclude definitively whether applying KIFRS 1117 to dividend payment obligations related to participating insurance contracts would mislead users of financial statements and expressing the view that, considering (i) the need to eliminate unnecessary controversies arising from the continued application of accounting departure as KIFRS 1117 stabilizes following the transition period and (ii) concerns that the Republic of Korea may not be regarded as a full adopter of IFRS if domestic life insurers continue to apply such accounting departure, it would be appropriate to discontinue the application of accounting departure at this time. Furthermore, the FSS indicated that, even if management believes that compliance with KIFRS 1117 may conflict with the purpose of financial statements as set forth in the *Conceptual Framework for Financial Reporting*, continuation of accounting departure would not be acceptable from a regulatory perspective. In other words, the response to the inquiry states that life insurance companies may no longer apply the accounting departure (policyholders' equity adjustment) under paragraph 19 of KIFRS 1001 *Presentation of Financial Statements* to dividend payment obligations related to participating insurance contracts in financial statements prepared in accordance with the *Act on External Audit of Stock Companies, etc.*, and such obligations should instead be accounted for in accordance with KIFRS 1117 *Insurance Contracts*. After comprehensive consideration of the circumstances described above, the Company changed its accounting policy to measure insurance contract liabilities in compliance with KIFRS 1117 as of December 31, 202. This change in accounting policy does not affect the contractual rights of participating policyholders under the relevant insurance terms and conditions. In addition, the FSS stated that when life insurance companies change the measurement basis for dividend payment obligations from accounting departure to KIFRS 1117, such change should be accounted for as a change in accounting policy under KIFRS 1008. Accordingly, the Company has applied the effects of this change retrospectively in accordance with KIFRS 1008. The effects of the retrospective application in accordance with KIFRS 1008 *Accounting Policies, Changes in Accounting Estimates and Errors* are disclosed in Note 44.

2.3.2.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, 2025.

(1) Amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability*

The amendments to KIFRS 1021 *The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability*, effective for the year beginning on or after January 1, 2025, clarify how companies assess the exchangeability of a currency with another currency and determine the spot exchange rate when exchangeability is lacking. Additionally, these amendments require disclosure of information that enables users of financial statements to understand how non-convertible currencies affect, or are expected to affect, a company's financial performance, financial position, and cash flows. The Company does not expect the amendments to have a material impact on the financial statements.

(2) Amendments to KIFRS 1117 *Insurance contracts - Disclosure of Methods for Estimating Inputs Used to Measure Insurance Contract*

The amendments to KIFRS 1117 *Insurance Contracts*, effective for annual reporting periods ending on or after December 31, 2025, specify disclosure requirements applied when the entity with insufficient historical data or experience available is required to use principle-based estimation techniques in accordance with insurance-related laws and regulations. If the entity uses the estimation techniques for inputs in measuring insurance contracts different from the principle-based estimation techniques as required by insurance-related laws and regulations and the information about such differences is judged to be relevant and material to users of financial statements, the entity is required to disclose the followings:

A. the methods that the entity used for estimating inputs based on its significant judgment and the basis of such judgment, and the difference between the estimation technique used by the entity and the principle-based estimation techniques required by laws and regulations; and

B. the impact of applying the principle-based estimation techniques required by laws and regulations on the estimates of future cash flows, insurance contract margins, insurance revenues and insurance service expenses.

However, the amendments will remain effective until the annual reporting period that includes December 31, 2029 and the material impact of the application of the standard on the financial statements is disclosed in Note 46.

2.3.3 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, 2025 are follows:

(1) Amendment to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments: Disclosure*

The amendments to KIFRS 1109 and KIFRS 1107 *Classification and Measurement of Financial Instruments* include:

- a clarification that a financial liability is derecognized on the "settlement date" and the introduction of an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date;
- additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed;
- clarifications on what constitute "non-recourse features" and what are the characteristics of contractually linked instruments; and
- the introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments measured at fair value through other comprehensive income (OCI).

The amendments are effective for annual periods beginning on or after January 1, 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Company is currently in review of impact the amendments on its financial statements.

(2) Annual Improvement of KIFRS Volume 11

Annual Improvements to KIFRS - Volume 11 have been announced for the purpose of improving consistency of requirements set out in each standard, enhancing clarity, and providing better understanding of the amendments.

- Amendments to KIFRS 1101 *First-time adoption of KIFRS: Hedge accounting by a first-time adopter*
- Amendments to KIFRS 1107 *Financial Instruments: Disclosures: Gain or loss on derecognition, Guidance for application of amendments in practice*
- Amendments to KIFRS 1109 *Financial Instruments: Accounting for derecognition of lease liabilities and definition of transaction prices*
- Amendments to KIFRS 1110 *Consolidated Financial Statements: Determination of a 'de facto agent'*
- Amendments to KIFRS 1007 *Statement of Cash Flows: Cost Method*

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted and must be disclosed. The amendments are not expected to have a material impact on the Company's financial statements.

(3) Amendment to KIFRS 1109 *Financial Instruments* and KIFRS 1107 *Financial Instruments*: *Contracts Referencing Nature-dependent Electricity*

Amendments to KIFRS 1109 and 1107, which address contracts referencing nature-dependent electricity have been announced and key details include:

(1) clarification of the application of the "own-use" requirement to contracts within the scope of application;
(2) amendments to the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts; and
(3) addition of new disclosure requirements to enable investors to understand the effect of these contracts on an entity's financial performance and cash flow.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted and must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the disclosure amendments to KIFRS 1107 must be implemented alongside the amendments to KIFRS 1109. If an entity does not restate comparative information, it cannot present comparative disclosures. The amendments are not expected to have a material impact on the Company's financial statements.

(4) KIFRS 1118 *Presentation and Disclosure in Financial Statement*

KIFRS 1118 has been issued, which replaces KIFRS 1001 *Presentation of Financial Statements*. KIFRS 1118 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to KIFRS 1007 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. KIFRS 1118, and the amendments to the other standards, are effective for annual reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. KIFRS 1118 will apply retrospectively. The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

3. Material accounting judgments, estimates and assumptions

3.1 Accounting estimates and changes

The key sources of the uncertainty concerning material assumptions and estimation on the future at the reporting date that have a material 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 separate 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 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 its 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 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 assets. For the calculation of present value of future expected cash flows, adequate discount rate should be chosen.

(4) Deferred tax assets

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 are 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.

4. Cash and due from banks

(1) Details of cash and cash equivalent as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Cash	₩	585	508
Demand deposits		48,075	45,097
MMDA		373,572	541,700
Other deposits		1,417,029	926,501
	₩	1,839,261	1,513,806

(2) Details of dues from banks as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Time deposits	₩	1,215,990	1,392,990
Other deposits		809,407	487,789
Future transactions deposits		119,460	107,747
(Allowance for loss)		(4,050)	(1,082)
	₩	2,140,807	1,987,444

(3) Details of bank deposits with withdrawal restrictions as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024	Details
Guarantee deposits for current deposits	₩	10	10	Guarantee deposits for checking accounts
Future transactions deposits		119,460	107,747	Future trading
Demand deposits		-	50	Court-ordered seizure
	₩	119,470	107,807	

(4) Changes in loss allowances for deposits at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,082	-	-	1,082
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
		2,968			2,968
Charge for the period, net		-	-	-	-
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		4,050	-	-	4,050
Ending balance	₩	1,082	-	-	1,082

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

(5) Changes in the total carrying amounts of deposits at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,988,526	-	-	1,988,526
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		156,331	-	-	156,331
Ending balance	₩	2,144,857	-	-	2,144,857

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,296,580	-	-	1,296,580
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		691,946	-	-	691,946
Ending balance	₩	1,988,526	-	-	1,988,526

5. Financial assets at fair value through profit or loss

(1) Details of financial assets at fair value through profit or loss as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Shares	₩	5,346,476	3,941,892
Equity investments		170,667	158,994
Beneficiary certificates (*)		18,558,660	17,425,481
Government and public bonds		3,107,375	3,699,510
Special bonds		1,789,136	1,881,806
Financial institutions bonds		1,209,157	1,258,235
Corporate bonds		784,547	894,594
Foreign securities		3,214,294	2,949,232
Other securities		2,511	1,915
	₩	34,182,823	32,211,659

(*) As of December 31, 2025 and 2024, the amounts of ₩284,889 million and ₩263,593 million, respectively, were included in relation to a fund associated with Corsair, a major shareholder of the Company. Dividend income recognized from the fund amounts to ₩6,715 million for the year ended December 31, 2025 and ₩1,686 million for the year ended December 31, 2024. In addition, the amount of additional acquisition for the years ended December 31, 2025 and 2024 is ₩13,276 and ₩6,072 million, respectively, while the amount of disposal for the years ended December 31, 2025 and 2024 is ₩27,161 and ₩3,517 million, respectively.

(2) Details of financial assets at fair value through profit or loss pledged as collateral as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024	Counterparty
Collateral for derivative contracts:			
Shares	442,821	179,720	KSD,etc.
Bonds	38,558	44,815	KSD,etc.
	481,379	224,535	

(3) Details of securities for lending in relation with financial assets at fair value through profit or loss, as of December 31, 2025 and 2024, as lending securities that do not meet the derecognition criteria per KIFRS 1109 are as follows::

			December 31, 2025	December 31, 2024
Government and public bonds	Financial assets at fair value through profit or loss	₩	76,013	24,048

6. Financial assets at fair value through other comprehensive income

(1) Details of financial assets at fair value through other comprehensive income as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Equity securities:			
Shares	₩	235,595	158,647
Overseas equity investments		-	46,051
Other securities		948,648	835,368
		1,184,243	1,040,066
Debt securities:			
Government and public bonds		31,692,777	29,685,854
Special bonds		6,135,169	6,315,655
Financial institutions bonds		1,045,826	1,607,853
Corporate bonds		3,884,200	4,668,728
Overseas debt instruments		16,887,673	14,707,766
		59,645,645	56,985,856
	₩	60,829,888	58,025,922

(2) Details of and reasons for being designated as equity instruments at fair value through other comprehensive income as of December 31, 2025 and 2024 are as follows:

		December 31, 2025 (*1)
SK telecom Hybrid 3	₩	157,289
IBK CoCo bonds 24030		153,492
Smallstream 3rd 1 (Hybrid)		70,234
KB FG CoCo bonds 12		62,768
Shinhan FG CoCo bonds 14		53,077
DGB FG CoCo bonds 7		52,870
Woori FG CoCo bonds 16		52,530

Hana FG CoCo bonds 14		52,428
Shinhan Bank CoCo bonds 28-04		50,931
Others		478,624
	₩	1,184,243

(*1) The option to elect to be measured at fair value through other comprehensive income was exercised as required to be held by policy.

	December 31, 2024 (*1)
SK telecom Hybrid 3	₩ 171,846
IBK CoCo bonds 24030	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

(*1) The option to elect to be measured at fair value through other comprehensive income was exercised as required to be held by policy.

(3) Details of dividend income recognized from equity instruments designated at fair value through other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Shares	₩	12,204	10,096
Overseas equity securities		959	667
Other securities		41,457	36,043
	₩	54,620	46,806

(4) Details of equity instruments designated as at fair value through other comprehensive income which have been disposed of for each of the two years in the period ended December 31, 2025 are as follows:

		2025		
		Fair value at disposal	Cumulative valuation gain (loss)	Details
SouthEastPower1-2	₩	50,000	-	Early redemption
BLACKSTONE ISG INVESTMENT PARTNERS - R (BMU) L.P. (*)		60,384	19,631	Early redemption
		110,384	19,631	

(*) The cumulative valuation gain (loss) recognized in other comprehensive income was reclassified to retained earnings upon the disposal of BLACKSTONE ISG INVESTMENT PARTNERS - R (BMU) L.P.

		2024		
		Fair value at disposal	Cumulative valuation gain (loss)	Details
E-mart Hybrid tier 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)	

(*) The cumulative valuation gain (loss) recognized in other comprehensive income was reclassified to retained earnings upon the disposal of SK E&S Hybrid Capital Securities and E-mart Everyday shares.

(5) Changes in loss allowances for financial assets at fair value through other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	7,618	-	-	7,618
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Reversal for the period, net		(576)	-	-	(576)
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending balance	₩	7,042	-	-	7,042

		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					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Reversal for the period, net		(4,559)	-	-	(4,559)
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending balance	₩	7,618	-	-	7,618

(6) Changes in the carrying amounts of debt securities measured at fair value through other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	56,985,855	-	1	56,985,856
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		2,659,789	-	-	2,659,789
Ending balance	₩	59,645,644	-	1	59,645,645

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	49,057,441	-	1	49,057,442
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		7,928,414	-	-	7,928,414
Ending balance	₩	56,985,855	-	1	56,985,856

(7) Details of securities lent in relation to financial assets at fair value through other comprehensive income as of December 31, 2025 and 2024 as a transfer transaction that does not meet the derecognition requirements of KIFRS 1109 are as follows:

	Classification		December 31, 2025	December 31, 2024
Government and Public bonds	Financial assets at fair value through other comprehensive income	₩	1,030,912	672,889

(8) Financial assets pledged as collateral as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024	Counterparty
Collateral for derivative contracts	₩	3,227,597	2,399,956	BNP Paribas, etc.
CCP-IRS substitute securities		328,044	347,654	NH Investment&Securities, etc.
Futures substitute securities		305,673	216,469	Kyobo securities, etc.

(9) Details of the total gains and losses related to financial assets at fair value through other comprehensive income and their allocation to deferred tax liabilities and accumulated other comprehensive income as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Total gains and losses related to financial assets at fair value through other comprehensive income	₩	(7,275,602)	(4,623,082)
Amount allocated to deferred tax liabilities		(2,000,791)	(1,220,494)
Amount allocated to accumulated other comprehensive income		(5,274,811)	(3,402,588)

7. Securities at amortized cost

(1) Details of securities at amortized cost as of December 31, 2025 and 2024 are as follows

		December 31, 2025	December 31, 2024
Debt securities:			
Special bonds	₩	521,381	586,901
Corporate bonds		529,831	568,199
Overseas securities		47,180	58,063
		1,098,392	1,213,163
Loss allowances		(11)	(14)
	₩	1,098,381	1,213,149

(2) Changes in loss allowances for securities at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	14	-	-	14
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Reversal for the period, net		(3)	-	-	(3)
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending balance	₩	11	-	-	11

		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					

Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as credit-impaired financial assets		-	-	-	-
		-	-	-	-
Charge for the period, net		(13)	-	-	(13)
Write off, etc.		-	-	-	-
Effective interest amortization		-	-	-	-
Recovery of amortized receivables		-	-	-	-
Ending balance	₩	14	-	-	14

(3) Changes in the total carrying amounts of securities at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,213,163	-	-	1,213,163
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		(114,771)	-	-	(114,771)
Ending balance	₩	1,098,392	-	-	1,098,392

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,263,548	-	-	1,263,548
Reclassified as 12-month expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss		-	-	-	-
Reclassified as lifetime expected credit loss of impaired receivables		-	-	-	-
Purchases or derecognition, etc.		(50,385)	-	-	(50,385)
Ending balance	₩	1,213,163	-	-	1,213,163

(4) No securities at amortized cost are pledged as collateral as of December 31, 2025 and 2024.

8. Loan receivables at amortized cost

(1) Details of loan receivables at amortized cost as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Loan receivables secured by investment	₩	300,000	-
Loan receivables secured by real estate		6,010,017	6,657,910
Unsecured loan receivables		10,245,846	10,431,451
Guaranteed loan receivables		1,252,796	1,210,563
Other loan receivables		1,513,051	926,301
		19,321,710	19,226,225
Less: deferred loan origination costs and fees		(43,021)	(54,503)
Less: allowance for loss on loan receivables		(101,887)	(90,702)
	₩	19,176,802	19,081,020

(2) Changes in loss allowances for loan receivables at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	24,795	37,091	28,816	90,702
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		6,301	(6,301)	-	-
Reclassified as lifetime expected credit loss		(2,363)	2,747	(384)	-
Reclassified as credit-impaired financial assets		(813)	(10,312)	11,125	-
		3,125	(13,866)	10,741	-
Charge(reversal) for the period, net		(3,002)	9,151	58,175	64,324
Write off, etc.		(20)	(2,393)	(64,940)	(67,353)
Recovery of amortized receivables		-	-	14,214	14,214
Ending balance	₩	24,898	29,983	47,006	101,887

		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					
Reclassified as 12-month expected credit loss		3,228	(3,218)	(10)	-
Reclassified as lifetime expected credit loss		(1,960)	10,907	(8,947)	-
Reclassified as credit-impaired financial assets		(727)	(7,854)	8,581	-
		541	(165)	(376)	-
Charge for the period, net		7,857	16,665	28,795	53,317
Write off, etc.		-	(1,522)	(44,934)	(46,456)

Recovery of amortized receivables		-	-	13,442	13,442
Ending balance	₩	24,796	37,090	28,816	90,702

(3) Changes in loan receivables at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	18,199,345	988,701	38,179	19,226,225
Reclassified as 12-month expected credit loss		159,239	(159,239)	-	-
Reclassified as lifetime expected credit loss		(393,800)	394,787	(987)	-
Reclassified as lifetime expected credit loss of impaired receivables		(88,171)	(12,207)	100,378	-
Purchases or derecognition, etc.		529,048	(405,640)	46,558	169,966
Write-off or sale of non-performing loans		(40)	(4,287)	(70,154)	(74,481)
Ending balance	₩	18,405,621	802,115	113,974	19,321,710

		2024			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	18,471,537	843,108	45,632	19,360,277
Reclassified as 12-month expected credit loss		112,861	(112,849)	(12)	-
Reclassified as lifetime expected credit loss		(361,056)	373,851	(12,795)	-
Reclassified as lifetime expected credit loss of impaired receivables		(12,475)	(10,343)	22,818	-
Purchases or derecognition, etc.		(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

(4) Changes in deferred loan origination costs and fees for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Beginning balance	₩	(54,503)	(64,189)
Loan originations		(15,385)	(23,545)
Amortization		26,867	33,231
Ending balance	₩	(43,021)	(54,503)

(5) There is no loan receivable of which contractual cash flow has changed for the year ended December 31, 2025, 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, 2025.

(7) Contractual uncollected loan receivables which have been amortized but are still being collected amount to ₩ 162,882 million as of December 31, 2025.

9. Other financial assets at amortized cost

(1) Details of other financial assets at amortized cost as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Insurance receivables	₩	4,452	4,725
Accounts receivables		135,029	73,911
Guarantee deposits		41,590	43,402
Accrued income		1,107,212	895,201
Others		131	139
		1,288,414	1,017,378
Less: present value discount		(2,167)	(2,150)
Less: allowance for other receivables		(14,956)	(14,637)
	₩	1,271,291	1,000,591

(2) Changes in allowances for losses on other financial assets at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Beginning balance	₩	1,236	616	12,785	14,637
Changes due to significant increases and decreases in credit risk					
Reclassified as 12-month expected credit loss		75	(75)	-	-
Reclassified as lifetime expected credit loss		(16)	35	(19)	-
Reclassified as credit-impaired financial assets		(1)	(20)	21	-
		58	(60)	2	-
Charge(reversal) for the period, net		(7)	(54)	3,211	3,150
Write off, etc.		-	-	(2,831)	(2,831)
Ending balance	₩	1,287	502	13,167	14,956

		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					
Reclassified as 12-month expected credit loss		30	(30)	-	-
Reclassified as lifetime expected credit loss		(13)	17	(4)	-
Reclassified as credit-impaired financial assets		(10)	(17)	27	-
		7	(30)	23	-
Charge for the period, net		404	266	3,045	3,715

Write off, etc.		-	-	(5,164)	(5,164)
Ending balance	₩	1,236	616	12,785	14,637

(3) Changes in other financial assets at amortized cost for each of the two years in the period ended December 31, 2025 are as follows:

2025

		12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
			Non impaired	Impaired	
Beginning balance	₩	992,243	4,936	20,199	1,017,378
Reclassified as 12-month expected credit loss		570	(570)	-	-
Reclassified as lifetime expected credit loss		(7,577)	7,596	(19)	-
Reclassified as lifetime expected credit loss of impaired receivables		(49)	(60)	109	-
Purchases or derecognition, etc.		279,027	1,739	(9,730)	271,036
Ending balance	₩	1,264,214	13,641	10,559	1,288,414

2024

		12-month expected credit loss measurement	Lifetime expected credit loss measurement		Total
			Non impaired	Impaired	
Beginning balance	₩	973,694	2,463	16,625	992,782
Reclassified as 12-month expected credit loss		348	(348)	-	-
Reclassified as lifetime expected credit loss		(1,090)	1,094	(4)	-
Reclassified as lifetime expected credit loss of impaired receivables		(50)	(50)	100	-
Purchases or derecognition, etc.		19,341	1,777	3,478	24,596
Ending balance	₩	992,243	4,936	20,199	1,017,378

10. Investments in subsidiaries, associates and joint ventures

Details of investments in subsidiaries, associates and joint ventures as of December 31, 2025 and 2024 are as follows:

(*1) For the year ended December 31, 2024, Kyobo Info. & Comm. Co., Ltd. changed its name to Kyobo DTS Co., Ltd.

	Valuation method	Country of domicile		December 31, 2025 Book value	December 31, 2025 Owner -ship (%)	December 31, 2024 Book value	December 31, 2024 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	223,830	100
Kyobo DTS. Co., Ltd. (*1)	Cost	Korea		78,253	100	78,253	100
Kyobo Realco Inc.	Cost	Korea		15,985	100	15,985	100
KCA Claim Adjustment Co., Ltd.	Cost	Korea		2,680	100	2,680	100
KCA Service	Cost	Korea		10,484	66.7	10,484	66.7
Kyobo Life Planet Life Insurance company (*5)	Cost	Korea		181,647	100	209,841	100
Kyobo Asset Trust Co., Ltd. (*5)	Cost	Korea		436,144	100	526,587	100
Kyobo AIM Asset Management Co., Ltd.	Cost	Korea		33,501	100	33,501	100
Kyobo Dasom Care	Cost	Korea		5,240	100	5,240	100
Kyobo Life Asset Management Co., Ltd. (USA)	Cost	USA		3,503	100	3,503	100
Kyobo Life Asset Management Co., Ltd. (Japan)	Cost	Japan		1,118	100	1,118	100
Kyobo New Technology Investment Association No.1 (*4)	Cost	Korea		77,000	87.5	80,500	87.5
Kyobo Tech Valueup Investment Association No. 1	Cost	Korea		56,000	93.3	42,000	93.3
Consus BTL Private Special Asset Investment Trust 1	Fair value	Korea		11,329	57.2	13,309	57.2
Consus Hope BTL Private Special Asset Investment Trust 1	Fair value	Korea		10,516	66.7	13,233	66.7
Consus New Energy Private Special Asset Investment Trust 2	Fair value	Korea		1,246	68.8	2,454	68.8
KIAMCO SHIPPING Private Special Asset Investment Trust KX-1	Fair value	Korea		11,015	100	11,976	100
Kyobo AIM Core Private Real Estate Investment Trust 1	Fair value	Korea		314,231	97.5	133,351	97.5
Kyobo AIM ESG Infra Special Asset Investment Trust 1	Fair value	Korea		364,577	97.5	282,058	97.5
Kyobo AIM Corporate Finance Private Investment Trust 1	Fair value	Korea		518,011	98.8	460,834	98.8
Kyobo AIM Corporate Finance Private Investment Trust 2 (*2)	Fair value	Korea		340,630	99.80	-	-
Kyobo AIM ESG Infra Special Asset Investment Trust 2 (*2)	Fair value	Korea		51,595	96.20	-	-
				3,478,639		2,880,841	
Associates:							
A&D Credit Information Co., Ltd. (*3)	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
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership(*2)	Fair value	Korea		11,667	29.2	-	-
				38,626		26,959	
			₩	3,520,212		2,910,747	

(*2) Newly acquired shares during the current period
(*3) Classified as an associate despite of the Company's ownership percentage below 20%, as the Company can exercise significant influence over the entity since the Company's Directors also take the role of Director in the entity.
(*4) The Company recovered a portion of its investment in the entity for the year ended December 31, 2025.
(*5) An impairment loss due to changes in the book value was recognized for the year ended December 31, 2025

11. Classification of financial instruments by category

(1) The carrying amounts of financial assets and financial liabilities by category as of December 31, 2025 and 2024 are summarized as follows:

December 31, 2025

		Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	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	₩	-	-	3,980,068	-	-	-	3,980,068
Financial assets at fair value through profit or loss		34,182,823	-	-	-	-	-	34,182,823
Derivative assets		180,782	-	-	86,694	-	-	267,476
Financial assets at fair value through other comprehensive income		-	60,829,888	-	-	-	-	60,829,888
Investments in associates and subsidiaries(*)		1,634,818	-	-	-	-	-	1,634,818
Securities at amortized cost		-	-	1,098,381	-	-	-	1,098,381
Loan receivables at amortized cost		-	-	19,176,802	-	-	-	19,176,802
Other financial assets at amortized cost		-	-	1,271,291	-	-	-	1,271,291
	₩	35,998,423	60,829,888	24,428,361	86,694	-	-	122,441,547
Financial liabilities:								
Investment contract liabilities	₩	-	-	-	-	-	18,578,966	18,578,966
Derivative liabilities		-	-	-	1,992,808	852,514	-	2,845,322
Borrowings		-	-	-	-	-	698,245	698,245
Other financial liabilities		-	-	-	-	-	945,092	945,092
	₩	-	-	-	1,992,808	852,514	20,222,303	23,067,625

December 31, 2024

		Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	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 financial assets at amortized cost		-	-	1,000,501	-	-	-	1,000,501

(2) Gains (losses) on financial instruments by category for each of the two years in the period ended December 31, 2025 are as follows:

	2025						
	Net profit or loss (*3)						Other comprehensive income (loss) (*2)
	Interest income (expense)	Gain (loss) on disposal	Gain (loss) on valuation (*4)	Impairment Gain(loss)	Other gain (loss) (*1)	Total	
Financial assets at fair value through profit or loss	₩ 229,985	1,254,674	2,495,365	-	926,408	4,906,432	-
Financial assets at fair value through other comprehensive income	2,047,233	204,268	(3,749)	576	(2,652)	2,245,676	(1,853,093)
Securities at amortized cost	35,301	-	-	3	(1,280)	34,024	-
Derivatives	(106,632)	(893,901)	(539,560)	-	-	(1,540,093)	(505,106)
Loan receivables at amortized cost	949,784	1,786	-	(64,324)	19,640	906,886	-
Other financial assets at amortized cost	111,699	-	-	(6,118)	(10,298)	95,283	-
Investments in associates and subsidiaries	-	(400)	44,291	-	34,881	78,772	-
Investment contract liabilities	-	-	-	-	(767,391)	(767,391)	-
Financial liabilities at amortized cost	(41,162)	-	-	-	-	(41,162)	-
	₩ 3,226,208	566,427	1,996,347	(69,863)	199,308	5,918,427	(2,358,199)

(*1) Including gains or losses from foreign currency transactions, dividend income, other operating income and other financial expenses.
(*2) Amounts adjusted for income tax effect.
(*3) Including gains or losses from performance-based dividends.
(*4) In accordance with KIFRS 1109, a loss of ₩3,749 million was recognized in profit or loss for the year in relation to the designation of debt securities measured at fair value through other comprehensive income currently held (issue name: US Treasury N/B) as the hedged item in a fair value hedge.

(2) Gains (losses) on financial instruments by category for each of the two years in the period ended December 31, 2025 are as follows, continued:

	2024						
	Net profit or loss (*3)						Other comprehensive income (loss) (*2)
	Interest income (expense)	Gain (loss) on disposal	Gain (loss) on valuation	Impairment Gain(loss)	Other gain (loss) (*1)	Total	
Financial assets at fair value through profit or loss	₩ 285,029	141,091	6,427	-	1,207,719	1,640,266	-
Financial assets at fair value through other comprehensive income	1,772,290	(31,194)	-	4,559	1,973,284	3,718,939	261,439
Securities at amortized cost	38,378	-	-	13	5,092	43,483	-
Derivatives	(91,152)	(53,779)	(1,994,474)	-	-	(2,139,405)	36,350
Loan receivables at amortized cost	938,440	646	-	(53,317)	50,409	936,178	-
Other financial assets at amortized cost	118,594	-	-	(4,128)	7,480	121,946	-
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	297,789

(*1) Including gains or losses from foreign currency transactions, dividend income, other operating income and other financial expenses.
(*2) Amounts adjusted for income tax effect.
(*3) Including gains or losses from performance-based dividends.

12. Fair value of financial assets and liabilities

(1) The book values and fair values of financial assets and liabilities as of December 31, 2025 and 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Book value	Fair value	Book value	Fair value
Financial assets:				
Cash and due from banks	₩ 3,980,068	3,980,068	3,501,250	3,501,250
Financial assets at fair value through profit or loss	34,182,823	34,182,823	32,211,659	32,211,659
Derivative assets	267,476	267,476	597,560	597,560
Financial assets at fair value through other comprehensive income	60,829,888	60,829,888	58,025,922	58,025,922
Securities at amortized cost	1,098,381	1,021,104	1,213,149	1,148,749
Loan receivables at amortized cost	19,176,802	18,956,207	19,081,020	19,191,710
Other financial assets at amortized cost	1,271,291	1,271,486	1,000,591	1,000,538
Investments in associates and subsidiaries(*)	1,634,818	1,634,818	917,215	917,215
	₩ 122,441,547	122,143,870	116,548,366	116,594,603
Financial liabilities:				
Investment contract liabilities	₩ 18,578,966	18,578,966	16,000,079	16,000,079
Derivative liabilities	2,845,322	2,845,322	2,462,070	2,462,070
Borrowings	698,245	702,360	698,080	714,960
Other financial liabilities	945,092	945,546	919,868	919,053
	₩ 23,067,625	23,072,194	20,080,097	20,096,162

(*) Presenting beneficiary certificates subject to the consolidation which are accounted for by applying KIFRS 1109.

(2) Financial instruments measured at 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 with market data are classified as level 2; and
- 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 the transfers between levels of fair value hierarchy at the end of the reporting period.

Details of financial instruments measured at fair value as of December 31, 2025 and 2024 are as follows:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss	₩ 9,914,098	10,239,771	14,028,954	34,182,823
Financial assets at fair value through other comprehensive income	36,220,598	24,585,104	24,186	60,829,888
Derivative assets	-	267,476	-	267,476
Investments in associates and subsidiaries	-	-	1,634,818	1,634,818
	₩ 46,134,696	35,092,351	15,687,958	96,915,005
Financial liabilities:				
Derivative liabilities	₩ -	2,845,322	-	2,845,322

	December 31, 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

(3) Changes in financial instruments at the level 3 fair value hierarchy for each of the two years in the period ended December 31, 2025 are as follows:

	2025			
	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Investments in subsidiaries and associates	Total
Beginning balance	₩ 14,157,155	65,762	917,215	15,140,132
Purchases	2,389,403	-	686,735	3,076,138
Settlements/disposals	(2,476,804)	(46,051)	(13,423)	(2,536,278)
Transfers between levels (*)	(42,762)	-	-	(42,762)
Total comprehensive income:	1,962	4,475	44,291	50,728
Profit (loss)	1,962	-	44,291	46,253
Other comprehensive income (loss)	-	4,475	-	4,475
Ending balance	₩ 14,028,954	24,186	1,634,818	15,687,958

(*) Transfers between levels occurred due to a change in the availability of observable market data for the financial instrument.

	2024			

(In millions of Korean won)

	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)
Transfers between levels (*)	-	-	-	-	-
Others	21,511	-	-	-	21,511
Total comprehensive income:	379,581	-	19,506	20,221	419,308
Profit (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

(*) There was no transfer between level 3 and other levels for the year ended December 31, 2024.

(4) The total gains or losses for each of the two years in the period ended December 31, 2025 recognized in profits or losses and gains or losses relating to financial instruments in level 3 at the end of the reporting period are presented in the interim condensed separate statement of comprehensive income as follows:

	2025	
	Total Gains	Gains relating to financial instruments held
Recognized in profit or loss relating to financial instruments in level 3	₩ 41,455	46,253

	2024	
	Total Gains	Gains relating to financial instruments held
Recognized in profit or loss relating to financial instruments in level 3	₩ 363,480	399,802

(5) The valuation techniques and inputs used in measuring the fair values of financial instruments classified as level 2 as of December 31, 2025 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, Net asset method, Standard price method	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	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..

(6) There was no transfer between level 1 and level 2 fair value measurement for each of the two years in the period ended December 31, 2025.

(7) The information on significant unobservable inputs in measuring financial instruments categorized in level 3 as of December 31, 2025 and 2024 is as follows:

December 31, 2025

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	Discounted cash flow ("DCF") model, Net asset method, Binominal regression	Growth rate	0-1%	A significant increase in growth rate would result in a higher fair value
		Discount rate	3.72%-11.47%	A significant increase in discount rate would result in a lower fair value
		The volatility of liquidation value rate	-	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, Comparable company method	Growth rate	1%	A significant increase in growth rate would result in a higher fair value
		Discount rate	9.32%-12.54%	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	-	A significant increase in the volatility of liquidation value rate would result in a higher fair value

December 31, 2024

(In millions of Korean won)

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	DCF model, Net asset method, Binominal regression	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	-	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%	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	-	A significant increase in the volatility of liquidation value rate would result in a higher fair value

(8) The sensitivity analysis on the fair value measurement arising from changes in the significant unobservable inputs as of December 31, 2025 and 2024 is as follows:

	December 31, 2025			
	Profit (loss)		Other comprehensive income (loss)	
	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets:				
Financial assets at fair value through profit or loss (*1)	₩ 161,344	(143,859)	-	-
Financial assets at fair value through other comprehensive income (*2)	-	-	1,052	(781)
Investments in associates and subsidiaries (*2)	15,441	(15,442)	-	-

(*1) A change in fair value is calculated by increasing or decreasing stock price (-1%~1%), volatility (-1%~1%), liquidation value (-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%) and discount rate (-1%~1%)

	December 31, 2024			
	Profit (loss)		Other comprehensive income (loss)	
	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%), liquidation value (-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%) and discount rate (-1%~1%).

(9) The fair values of financial assets and financial liabilities by hierarchy level, which are not measured at fair value but whose fair values are disclosed as of December 31, 2025 and 2024, are as follows:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Cash and due from banks	₩ 585	3,979,483	-	3,980,068
Loan receivables at amortized cost	-	-	18,956,207	18,956,207
Other financial assets at amortized cost	-	-	1,271,486	1,271,486
Securities at amortized cost	-	1,021,104	-	1,021,104
	585	5,000,587	20,227,693	25,228,865
Financial liabilities:				
Investment contract liabilities	-	-	18,578,966	18,578,966
Borrowings	-	702,360	-	702,360
Other financial liabilities	-	-	945,546	945,546
	₩ -	702,360	19,524,512	20,226,872

December 31, 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

(10) Offsetting of financial assets and financial liabilities

The Company is subject to enforceable master netting arrangements 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, securities lending transactions, etc.

Details of financial assets and financial liabilities subject to enforceable master netting agreements and similar agreements as of December 31, 2025 and 2024 are as follows:

		December 31, 2025					
			Offsetting financial assets and liabilities recognized	Financial assets and liabilities recognized after offset	Amount not offsetting in the statements of financial position		
		Financial assets and liabilities recognized			Financial instruments	Cash collateral received	Net amounts
Financial assets:							
Derivative assets	₩	267,476	-	267,476	261,055	-	6,421
Securities lending agreement		1,106,925	-	1,106,925	1,106,925	-	-
Financial liabilities:							
Derivative liabilities	₩	2,845,322	-	2,845,322	261,055	2,305,842	278,425

		December 31, 2024					
			Offsetting financial assets and liabilities recognized	Financial assets and liabilities recognized after offset	Amount not offsetting in the statements of financial position		
		Financial assets and liabilities recognized			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

13. Investment property

(1) Details of investment properties as of December 31, 2025 and 2024 are as follows:

		December 31, 2025			
		Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Book value
Land	₩	842,967	-	(6,164)	836,803
Buildings		532,406	(225,616)	(16,143)	290,647
Structures		11,618	(5,014)	(321)	6,283
	₩	1,386,991	(230,630)	(22,628)	1,133,733

		December 31, 2024			
		Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Book value
Land	₩	847,599	-	(5,932)	841,667
Buildings		532,806	(216,488)	(15,500)	300,818
Structures		11,699	(4,826)	(304)	6,569
	₩	1,392,104	(221,314)	(21,736)	1,149,054

(2) Changes in investment properties for each of the two years in the period ended December 31, 2025 are as follows:

		2025					
		Beginning balance	Acquisitions	Disposal/ Termination	Depreciation	Others (*)	Ending balance
Land	₩	841,667	-	(2,733)	-	(2,131)	836,803
Buildings		300,818	1,884	(376)	(10,368)	(1,311)	290,647
Structures		6,569	-	(24)	(228)	(34)	6,283
	₩	1,149,054	1,884	(3,133)	(10,596)	(3,476)	1,133,733

		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 and to property and equipment.

(3) Gains and losses related to investment properties for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Rental income	₩	107,845	103,269
Direct operating expenses:			
Income-generating properties		41,103	40,155
Non-income-generating properties		6,192	5,282

(4) The total fair values of investment properties measured at cost as of December 31, 2025 and 2024 amounted to ₩2,694,178 million and ₩2,632,886 million, respectively. The fair values were determined by a professionally qualified and independent appraisal firm and were classified as level 3 fair values based on the inputs used in the valuation techniques.

The valuation techniques and significant unobservable inputs used in measuring the fair values of the investment properties 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 the discount rate would decrease the fair value. An increase in the vacancy rate would decrease the fair value. An increase in the operating expense rate would decrease the fair value.

(5) Details of investment properties pledged as collaterals as of December 31, 2025 and 2024 are as follows:

			December 31, 2025	December 31, 2024	Purpose
Woori Bank, etc	Book value	₩	48,192	54,012	Establishment of a mortgage
	Maximum credit amount		56,513	63,880	

14. Property and equipment

(1) Details of property and equipment as of December 31, 2025 and 2024 are as follows:

		December 31, 2025			
		Acquisition cost	Accumulated depreciation	Accumulated impairment losses	Book value
Land	₩	533,735	-	(4,584)	529,151
Buildings		470,562	(195,527)	(28,907)	246,128
Structures		16,645	(8,059)	(203)	8,383
Vehicles		1,311	(1,236)	-	75
Equipment		97,917	(78,408)	-	19,509
Right-of-use assets (Real estates)		86,643	(39,283)	-	47,360
Right-of-use assets (Vehicles)		2,963	(1,452)	-	1,511
Others		12,463	(1,689)	(358)	10,416
	₩	1,222,239	(325,654)	(34,052)	862,533

		December 31, 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

(2) Changes in property and equipment for each of the two years in the period ended December 31, 2025 are as follows:

2025	Beginning balance	Acquisitions	Disposals/ Termination	Depreciation	Impairment	Others (*)	Ending balance
Land	₩ 527,019	1	-	-	-	2,131	529,151
Buildings	253,318	274	-	(8,775)	-	1,311	246,128
Structures	8,676	-	-	(327)	-	34	8,383
Vehicles	57	90	-	(72)	-	-	75
Equipment	18,051	9,926	(230)	(11,216)	-	2,936	19,467
Right-of-use assets (Real estate)	44,103	58,439	(13,084)	(37,934)	-	-	47,364
Right-of-use assets (Vehicles)	2,088	425	-	(946)	-	-	1,567
Others	10,571	-	(36)	(132)	-	-	10,403
	₩ 863,883	69,155	(13,350)	(59,402)	-	6,412	862,538

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

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 estate)	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 the transfers to or from investment properties, advanced payments and others

(3) The total revaluation surplus on property and equipment as of December 31, 2025 and 2024, and the amounts allocated to deferred tax liabilities and accumulated other comprehensive income, are as follows:

	December 31, 2025	December 31, 2024
Revaluation surplus on property and equipment	833,109	833,109
Allocation to deferred tax liabilities	229,105	219,941
Allocation to accumulated other comprehensive income	604,004	613,168

(4) Reserve for revaluation as of December 31, 2025 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 Company's property and equipment was revalued in accordance with the *Asset Revaluation Act* of Korea. 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 Company's property and equipment was revalued in accordance with the *Asset Revaluation Act* of Korea, 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, ₩174,107 million was used as a policyholder dividend fund, and the policyholder dividend stabilization reserve is ₩68,379 million as of December 31, 2025.

15. Intangible assets

(1) Details of intangible assets as of December 31, 2025 and 2024 are as follows:

	December 31, 2025			
	Acquisition cost	Accumulated amortization	Accumulated impairment	Book value
Software	₩ 108,834	(94,620)	-	14,214
Development costs	277,230	(247,960)	-	29,270
Memberships	14,556	-	(963)	13,593
	₩ 400,620	(342,580)	(963)	57,077

	December 31, 2024			
	Acquisition cost	Accumulated amortization	Accumulated impairment	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

(2) Changes in intangible assets for each of the two years in the period ended December 31, 2025 are as follows:

2025	Beginning balance	Acquisitions	Amortization	Impairment	Others (*)	Ending balance
Software	₩ 13,477	3,258	(5,715)	-	3,194	14,214
Development costs	29,151	8,934	(13,795)	-	4,980	29,270
Memberships	9,904	4,021	-	(332)	-	13,593
	₩ 52,532	16,213	(19,510)	(332)	8,174	57,077

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 the transfers from advanced payments.

16. Other assets

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

	December 31, 2025	December 31, 2024
Prepaid expense	₩ 3,351	3,089
Advced payments	13,976	13,171
Others	51	165
	₩ 17,378	16,425

17. Insurance contract liabilities and reinsurance contract liabilities

(1) Details of insurance contract liabilities and reinsurance contract assets held for insurance contracts issued by portfolio as of December 31, 2025 and 2024 are as follows:

	Assets		Liabilities	
	December 31, 2025	December 31, 2024	December 31,	December 31, 2024

(In millions of Korean won)

				2025	
Insurance contract portfolio:	₩				
Participating insurance contracts		-	-	26,334,166	27,405,481
Death		-	-	22,393	24,743
Health		-	-	421,114	464,311
Annuity saving		-	-	25,890,658	26,916,427
Non-participating insurance contracts		-	-	54,390,366	52,810,417
Death		-	-	21,810,188	21,927,327
Health		-	-	8,856,603	9,430,687
Annuity saving		-	-	23,723,574	21,452,403
Variable insurance contracts		-		16,108,227	14,225,386
Death		-	-	5,937,814	5,345,127
Health		-	-	7	-
Annuity saving		-	-	10,170,406	8,880,259
		-	-	96,832,759	94,441,284
Reinsurance contract portfolio:					
Death		18,912	14,772	125,733	148,306
Health		93,439	100,603	69,753	62,317
Other		77,227	77,894	65,855	62,185
	₩	189,578	193,269	261,341	272,808

(2) Changes in insurance contract liabilities for each of the two years in the period ended December 31, 2025 are as follows:

< Participating insurance contracts >

		2025			
		Remaining coverage component			
		Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities	₩	25,459,210	529,356	1,416,915	27,405,481
(1) Insurance contract assets		-	-	-	-
(2) Insurance contract liabilities		25,459,210	529,356	1,416,915	27,405,481
Insurance contract liabilities (assets), net		25,459,210	529,356	1,416,915	27,405,481
2. Insurance revenue		(252,480)	-	-	(252,480)
(1) Insurance contracts under full retrospective approach		(3,376)	-	-	(3,376)
(2) Insurance contracts under fair value approach		(246,525)	-	-	(246,525)
(3) Others		(2,579)	-	-	(2,579)
3. Insurance service expense		(184)	175,065	308,851	483,732
(1) Claims and other insurance service expenses incurred		(2,140)	-	322,003	319,863
(2) Amortization of insurance acquisition cash flow		1,956	-	-	1,956
(3) Changes in the fulfillment cash flow in the liability for incurred claims		-	-	(13,152)	(13,152)
(4) Losses(reversal) of group of onerous contracts		-	175,065	-	175,065
4. Investment components		(1,111,240)	-	1,111,240	-
5. Cash flow		237,186	-	(1,447,205)	(1,210,019)
(1) Premium received		239,778	-	-	239,778
(2) Insurance acquisition cash flow		(2,592)	-	-	(2,592)
(3) Claims and other insurance service expenses incurred		-	-	(1,447,205)	(1,447,205)
6. Insurance finance income(expense)		(72,182)	(20,307)	(966)	(93,455)
(1) Profit (loss)		764,877	16,459	19	781,356
(2) Other comprehensive income		(837,059)	(36,766)	(985)	(874,811)
7. Others		985	-	(78)	907
(1) Adjustments not related to movements		985	-	(78)	907
8. Ending balance of Insurance contract assets and liabilities		24,261,294	684,114	1,388,757	26,334,166
(1) Insurance contract assets		-	-	-	-
(2) Insurance contract liabilities		24,261,294	684,114	1,388,757	26,334,166
Insurance contract liabilities (assets), net	₩	24,261,294	684,114	1,388,757	26,334,166

(In millions of Korean won)

< Non-participating insurance contracts >

		2025			
		Remaining coverage component			
		Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities	₩	51,190,309	515,926	1,104,182	52,810,417
(1) Insurance contract assets		-	-	-	-
(2) Insurance contract liabilities		51,190,309	515,926	1,104,182	52,810,417
Insurance contract liabilities (assets), net		51,190,309	515,926	1,104,182	52,810,417
2. Insurance revenue		(3,670,771)	-	-	(3,670,771)
(1) Insurance contracts under full retrospective approach		(370,827)	-	-	(370,827)
(2) Insurance contracts under fair value approach		(1,806,063)	-	-	(1,806,063)
(3) Others		(1,493,880)	-	-	(1,493,880)
3. Insurance service expense		652,923	(71,059)	2,473,225	3,055,090
(1) Claims and other insurance service expenses incurred		69,421	-	2,525,945	2,595,366
(2) Amortization of insurance acquisition cash flow		465,035	-	-	465,035
(3) Changes in the fulfillment cash flow in the liability for incurred claims		-	-	(52,720)	(52,720)
(4) Losses(reversal) of group of onerous contracts		118,467	(71,059)	-	47,409
4. Investment components		(4,436,105)	-	4,436,105	-
5. Cash flow		9,427,169	-	(6,893,134)	2,534,035
(1) Premium received		11,087,532	-	-	11,087,532
(2) Insurance acquisition cash flow		(1,660,363)	-	-	(1,660,363)
(3) Claims and other insurance service expenses incurred		-	-	(6,893,134)	(6,893,134)
6. Insurance finance income(expense)		(457,025)	107,253	15,684	(334,087)
(1) Profit (loss)		1,768,418	20,561	15,853	1,804,832
(2) Other comprehensive income		(2,225,442)	86,692	(169)	(2,138,919)
7. Others		(3,034)	-	(1,283)	(4,317)
(1) Adjustments not related to movements		(3,034)	-	(1,283)	(4,317)
8. Ending balance of Insurance contract assets and liabilities		52,703,466	552,120	1,134,780	54,390,366
(1) Insurance contract assets		-	-	-	-
(2) Insurance contract liabilities		52,703,466	552,120	1,134,780	54,390,366
Insurance contract liabilities (assets), net	₩	52,703,466	552,120	1,134,780	54,390,366

< Variable insurance contracts >

		2025			
		Remaining coverage component			
		Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities	₩	14,134,726	83	90,576	14,225,386
(1) Insurance contract assets		-	-	-	-
(2) Insurance contract liabilities		14,134,726	83	90,576	14,225,386
Insurance contract liabilities (assets), net		14,134,726	83	90,576	14,225,386
2. Insurance revenue		(385,527)	-	-	(385,527)
(1) Insurance contracts under full retrospective approach		(14,486)	-	-	(14,486)
(2) Insurance contracts under fair value approach		(363,838)	-	-	(363,838)
(3) Others		(7,203)	-	-	(7,203)
3. Insurance service expense		17,041	32	306,620	323,693
(1) Claims and other insurance service expenses incurred		6,255	-	310,384	316,639
(2) Amortization of insurance acquisition cash flow		10,786	-	-	10,786
(3) Changes in the fulfillment cash flow in the liability for incurred claims		-	-	(3,764)	(3,764)
(4) Losses(reversal) of group of onerous contracts		-	32	-	32
4. Investment components		(1,590,232)	-	1,590,232	-
5. Cash flow		1,154,448	-	(1,890,791)	(736,343)
(1) Premium received		1,161,339	-	-	1,161,339

(In millions of Korean won)

(2) Insurance acquisition cash flow	(6,891)	-	-	(6,891)
(3) Claims and other insurance service expenses incurred	-	-	(1,890,791)	(1,890,791)
6. Insurance finance income(expense)	2,681,432	3	160	2,681,595
(1) Profit (loss)	2,681,432	3	296	2,681,731
(2) Other comprehensive income	-	-	(136)	(136)
7. Others	(556)	-	(21)	(578)
(1) Adjustments not related to movements	(556)	-	(21)	(578)
8. Ending balance of Insurance contract assets and liabilities	16,011,333	118	96,776	16,108,227
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	16,011,333	118	96,776	16,108,227
Insurance contract liabilities (assets), net ₩	16,011,333	118	96,776	16,108,227

<Participating insurance contracts >

	2024			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities ₩	23,891,391	332,663	1,457,676	25,681,729
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	23,891,391	332,663	1,457,676	25,681,729
Insurance contract liabilities (assets), net	23,891,391	332,663	1,457,676	25,681,729
2. Insurance revenue	(280,008)	-	-	(280,008)
(1) Insurance contracts under full retrospective approach	(3,055)	-	-	(3,055)
(2) Insurance contracts under fair value approach	(274,498)	-	-	(274,498)
(3) Others	(2,455)	-	-	(2,455)
3. Insurance service expense	(948)	114,815	264,267	378,134
(1) Claims and other insurance service expenses incurred	(2,302)	-	278,907	276,606
(2) Amortization of insurance acquisition cash flow	1,354	-	-	1,354
(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(14,641)	(14,641)
(4) Losses(reversal) of group of onerous contracts	-	114,815	-	114,815
4. Investment components	(1,107,291)	-	1,107,291	-
5. Cash flow	279,683	-	(1,428,737)	(1,149,054)
(1) Premium received	282,800	-	-	282,800
(2) Insurance acquisition cash flow	(3,117)	-	-	(3,117)
(3) Claims and other insurance service expenses incurred	-	-	(1,428,737)	(1,428,737)
6. Insurance finance income(expense)	2,675,575	81,878	13,601	2,771,054
(1) Profit (loss)	748,375	11,470	10,343	770,189
(2) Other comprehensive income	1,927,200	70,407	3,258	2,000,865
7. Others	808	-	2,818	3,626
(1) Adjustments not related to movements	808	-	2,818	3,626
8. Ending balance of Insurance contract assets and liabilities	25,459,210	529,356	1,416,915	27,405,481
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	25,459,210	529,356	1,416,915	27,405,481
Insurance contract liabilities (assets), net ₩	25,459,210	529,356	1,416,915	27,405,481

< Non-participating insurance contracts >

	2024			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities ₩	45,503,223	504,807	1,135,831	47,143,861
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	45,503,223	504,807	1,135,831	47,143,861
Insurance contract liabilities (assets), net	45,503,223	504,807	1,135,831	47,143,861
2. Insurance revenue	(3,311,864)	-	-	(3,311,864)
(1) Insurance contracts under full retrospective approach	(379,866)	-	-	(379,866)

(In millions of Korean won)

(2) Insurance contracts under fair value approach	(1,739,287)	-	-	(1,739,287)
(3) Others	(1,192,711)	-	-	(1,192,711)
3. Insurance service expense	337,585	17,166	2,408,696	2,763,447
(1) Claims and other insurance service expenses incurred	57,333	-	2,465,359	2,522,692
(2) Amortization of insurance acquisition cash flow	280,252	-	-	280,252
(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(56,663)	(56,663)
(4) Losses(reversal) of group of onerous contracts	-	17,166	-	17,166
4. Investment components	(4,917,770)	-	4,917,770	-
5. Cash flow	8,320,683	-	(7,375,292)	945,391
(1) Premium received	9,698,944	-	-	9,698,944
(2) Insurance acquisition cash flow	(1,378,260)	-	-	(1,378,260)
(3) Claims and other insurance service expenses incurred	-	-	(7,375,292)	(7,375,292)
6. Insurance finance income(expense)	5,385,036	(5,799)	18,137	5,397,374
(1) Profit (loss)	1,721,857	18,425	15,997	1,756,279
(2) Other comprehensive income	3,663,179	(24,224)	2,140	3,641,095
7. Others	(126,585)	(249)	(959)	(127,792)
(1) Adjustments not related to movements	(126,585)	(249)	(959)	(127,792)
8. Ending balance of Insurance contract assets and liabilities	51,190,309	515,926	1,104,182	52,810,417
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	51,190,309	515,926	1,104,182	52,810,417
Insurance contract liabilities (assets), net ₩	51,190,309	515,926	1,104,182	52,810,417

<Variable insurance contracts >

	2024			
	Remaining coverage component			
	Excluding loss component	Including loss component	Liability for incurred claims	Insurance contract liabilities (assets)
1. Beginning balance of Insurance contract assets and liabilities ₩	14,318,010	39	99,240	14,417,289
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	14,318,010	39	99,240	14,417,289
Insurance contract liabilities (assets), net	14,318,010	39	99,240	14,417,289
2. Insurance revenue	(387,570)	-	-	(387,570)
(1) Insurance contracts under full retrospective approach	(17,944)	-	-	(17,944)
(2) Insurance contracts under fair value approach	(359,855)	-	-	(359,855)
(3) Others	(9,771)	-	-	(9,771)
3. Insurance service expense	17,226	45	304,034	321,305
(1) Claims and other insurance service expenses incurred	5,569	-	306,432	312,001
(2) Amortization of insurance acquisition cash flow	11,657	-	-	11,657
(3) Changes in the fulfillment cash flow in the liability for incurred claims	-	-	(2,398)	(2,398)
(4) Losses(reversal) of group of onerous contracts	-	45	-	45
4. Investment components	(1,537,812)	-	1,537,812	-
5. Cash flow	1,330,646	-	(1,851,330)	(520,684)
(1) Premium received	1,340,125	-	-	1,340,125
(2) Insurance acquisition cash flow	(9,479)	-	-	(9,479)
(3) Claims and other insurance service expenses incurred	-	-	(1,851,330)	(1,851,330)
6. Insurance finance income(expense)	397,113	4	858	397,975
(1) Profit (loss)	397,113	4	321	397,438
(2) Other comprehensive income	-	-	537	537
7. Others	(2,887)	(5)	(37)	(2,928)
(1) Adjustments not related to movements	(2,887)	(5)	(37)	(2,928)
8. Ending balance of Insurance contract assets and liabilities	14,134,726	83	90,576	14,225,386
(1) Insurance contract assets	-	-	-	-
(2) Insurance contract liabilities	14,134,726	83	90,576	14,225,386
Insurance contract liabilities (assets), net ₩	14,134,726	83	90,576	14,225,386

(3) Changes in reinsurance contract liabilities for each of the two years in the period ended December 31, 2025 are as follows:

	2025			
	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	₩ (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
Reinsurance contract liabilities (assets), net	(203,110)	442	123,129	(79,539)
2. Reinsurance service expenses	(28,289)	(817)	-	(29,106)
3. Reinsurance service income	-	1,066	37,288	38,353
4. Investment components	(141,467)	-	141,467	-
5. Cash flow	183,017	-	(176,355)	6,662
(1) Reinsurance premium paid	183,017	-	-	183,017
(2) Reinsurance claim received and other reinsurance service income	-	-	(176,355)	(176,355)
6. Reinsurance finance income and expenses	(5,050)	17	922	(4,112)
(1) Profit (loss)	(3,324)	17	938	(2,368)
(2) The effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded	65	-	(9)	56
(3) Other comprehensive income (loss)	(1,792)	-	(8)	(1,799)
7. Others	(3,671)	-	(351)	(4,022)
8. Ending balance of reinsurance contract assets and liabilities	(198,570)	707	126,100	(71,764)
(1) Reinsurance contract assets	84,883	697	103,997	189,578
(2) Reinsurance contract liabilities	283,454	(10)	(22,103)	261,341
Ending balance of reinsurance contract assets (liabilities), net	₩ (198,570)	707	126,100	(71,764)

	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 liabilities (assets), 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 (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 (loss)	(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
Ending balance of reinsurance contract assets (liabilities), net	₩ (203,110)	442	123,129	(79,539)

(4) Changes in insurance contract liabilities (assets) for each of the two years in the period ended December 31, 2025 by element, other than insurance contracts to which the premium allocation approach was applied, are as follows:

<Participating insurance contracts>

	2025						
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual Service Margin				Insurance contract liabilities (assets)
			The fully retrospective approach	The fair value approach	Other	Total	
1.Beginning balance of insurance contract assets and liabilities	₩ 27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
Insurance contract liabilities(assets), net	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481

2. Changes related to future service	262,768	932	686	(3,337)	515	(2,136)	261,564
(1) Change in estimate adjusting contractual service margin	6,622	(3,224)	686	(3,337)	(747)	(3,398)	-
(2) Losses(reversal) of group of onerous contracts	257,442	4,076	-	-	-	-	261,518
(3) Effect of initially recognized contracts	(1,296)	80	-	-	1,262	1,262	46
3. Changes related to current service	12,708	(10,382)	(837)	(17,845)	(805)	(19,487)	(17,161)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(837)	(17,845)	(805)	(19,487)	(19,487)
(2) Changes in risk adjustment for non-financial risk	-	(10,382)	-	-	-	-	(10,382)
(3) Experience adjustments	12,708	-	-	-	-	-	12,708
4. Changes in the fulfillment cash flow in the liability for incurred claims	(13,152)	-	-	-	-	-	(13,152)
5. Cash flow	(1,210,019)	-	-	-	-	-	(1,210,019)
(1) Premium received	239,778	-	-	-	-	-	239,778
(2) Insurance acquisition cash flow	(2,592)	-	-	-	-	-	(2,592)
(3) Claims and other insurance service expenses incurred	(1,447,205)	-	-	-	-	-	(1,447,205)
6. Insurance finance income	(98,261)	(203)	238	4,384	388	5,009	(93,455)
(1) Profit (loss)	772,444	3,903	238	4,384	388	5,009	781,356
(2) Other comprehensive income (loss)	(870,705)	(4,106)	-	-	-	-	(874,811)
7. Others	907	-	-	-	-	-	907
8. Ending balance of insurance contract assets and liabilities	26,060,459	121,650	9,495	133,815	8,746	152,057	26,334,166
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	26,060,459	121,650	9,495	133,815	8,746	152,057	26,334,166
Ending balance of reinsurance contract liabilities (assets), net	₩ 26,060,459	121,650	9,495	133,815	8,746	152,057	26,334,166

< Non-participating insurance contracts >

	2025						
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	Contractual Service Margin				Insurance contract liabilities (assets)
			The fully retrospective approach	The fair value approach	Other	Total	
1.Beginning balance of insurance contract assets and liabilities	₩ 46,424,629	1,046,000	1,510,393	1,604,331	2,225,065	5,339,789	52,810,417
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	46,424,629	1,046,000	1,510,393	1,604,331	2,225,065	5,339,789	52,810,417
Insurance contract liabilities(assets), net	46,424,629	1,046,000	1,510,393	1,604,331	2,225,065	5,339,789	52,810,417
2. Changes related to future service	(639,448)	147,235	(241,446)	34,895	889,069	682,518	190,306
(1) Change in estimate adjusting contractual service margin	600,664	(8,294)	(241,446)	34,895	(385,819)	(592,370)	-
(2) Losses(reversal) of group of onerous contracts	87,121	1,379	-	-	-	-	88,500
(3) Effect of initially recognized contracts	(1,327,233)	154,150	-	-	1,274,888	1,274,888	101,806
3. Changes related to current service	(122,686)	(130,208)	(116,701)	(111,415)	(272,257)	(500,373)	(753,267)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(116,701)	(111,415)	(272,257)	(500,373)	(500,373)
(2) Changes in risk adjustment for non-financial risk	-	(130,208)	-	-	-	-	(130,208)
(3) Experience adjustments	(122,686)	-	-	-	-	-	(122,686)
4. Changes in the fulfillment cash flow in the liability for incurred claims	(52,720)	-	-	-	-	-	(52,720)
5. Cash flow	2,534,035	-	-	-	-	-	2,534,035
(1) Premium received	11,087,532	-	-	-	-	-	11,087,532
(2) Insurance acquisition cash flow	(1,660,363)	-	-	-	-	-	(1,660,363)
(3) Claims and other insurance service expenses incurred	(6,893,134)	-	-	-	-	-	(6,893,134)
6. Insurance finance income	(549,102)	33,477	36,799	41,209	103,530	181,538	(334,087)
(1) Profit (loss)	1,584,659	38,635	36,799	41,209	103,530	181,538	1,804,832

(In millions of Korean won)

(2) Other comprehensive income (loss)	(2,133,761)	(5,158)	-	-	-	-	(2,138,919)
7. Others	(4,317)	-	-	-	-	-	(4,317)
8. Ending balance of insurance contract assets and liabilities	47,590,390	1,096,503	1,189,045	1,569,020	2,945,406	5,703,472	54,390,366
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	47,590,390	1,096,503	1,189,045	1,569,020	2,945,406	5,703,472	54,390,366
Ending balance of reinsurance contract liabilities (assets), net							
₩	47,590,390	1,096,503	1,189,045	1,569,020	2,945,406	5,703,472	54,390,366

< Variable insurance contracts >

	2025						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities ₩	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
Insurance contract liabilities(assets), net	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
2. Changes related to future service	193,772	12,372	(2,260)	(205,182)	1,411	(206,031)	113
(1) Change in estimate adjusting contractual service margin	195,824	12,192	(2,260)	(205,182)	(574)	(208,016)	-
(2) Losses(reversal) of group of onerous contracts	35	1	-	-	-	-	36
(3) Effect of initially recognized contracts	(2,087)	180	-	-	1,984	1,984	77
3. Changes related to current service	23,685	(13,731)	(6,032)	(60,173)	(1,930)	(68,136)	(58,182)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(6,032)	(60,173)	(1,930)	(68,136)	(68,136)
(2) Changes in risk adjustment for non-financial risk	-	(13,731)	-	-	-	-	(13,731)
(3) Experience adjustments	23,685	-	-	-	-	-	23,685
4. Changes in the fulfillment cash flow in the liability for incurred claims	(3,764)	-	-	-	-	-	(3,764)
5. Cash flow	(736,343)	-	-	-	-	-	(736,343)
(1) Premium received	1,161,339	-	-	-	-	-	1,161,339
(2) Insurance acquisition cash flow	(6,891)	-	-	-	-	-	(6,891)
(3) Claims and other insurance service expenses incurred	(1,890,791)	-	-	-	-	-	(1,890,791)
6. Insurance finance income	2,681,595	-	-	-	-	-	2,681,595
(1) Profit (loss)	2,681,731	-	-	-	-	-	2,681,731
(2) Other comprehensive income (loss)	(136)	-	-	-	-	-	(136)
7. Others	(578)	-	-	-	-	-	(578)
8. Ending balance of insurance contract assets and liabilities	15,289,119	163,676	67,926	562,265	25,241	655,432	16,108,227
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	15,289,119	163,676	67,926	562,265	25,241	655,432	16,108,227
Ending balance of reinsurance contract liabilities (assets), net							
₩	15,289,119	163,676	67,926	562,265	25,241	655,432	16,108,227

<Participating insurance contracts>

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities ₩	25,401,802	119,381	10,736	140,068	9,742	160,547	25,681,729
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	25,401,802	119,381	10,736	140,068	9,742	160,547	25,681,729
Insurance contract liabilities(assets), net	25,401,802	119,381	10,736	140,068	9,742	160,547	25,681,729
2. Changes related to future service	152,956	2,113	(756)	19,946	(586)	18,605	173,675

(In millions of Korean won)

(1) Change in estimate adjusting contractual service margin	(16,452)	(686)	(756)	19,946	(2,053)	17,138	-
(2) Losses(reversal) of group of onerous contracts	170,950	2,693	-	-	-	-	173,643
(3) Effect of initially recognized contracts	(1,542)	106	-	-	1,467	1,467	32
3. Changes related to current service	(37,720)	(8,366)	(819)	(13,084)	(919)	(14,822)	(60,909)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(819)	(13,084)	(919)	(14,822)	(14,822)
(2) Changes in risk adjustment for non-financial risk	-	(8,366)	-	-	-	-	(8,366)
(3) Experience adjustments	(37,720)	-	-	-	-	-	(37,720)
4. Changes in the fulfillment cash flow in the liability for incurred claims	(14,641)	-	-	-	-	-	(14,641)
5. Cash flow	(1,149,054)	-	-	-	-	-	(1,149,054)
(1) Premium received	282,800	-	-	-	-	-	282,800
(2) Insurance acquisition cash flow	(3,117)	-	-	-	-	-	(3,117)
(3) Claims and other insurance service expenses incurred	(1,428,737)	-	-	-	-	-	(1,428,737)
6. Insurance finance income	2,748,538	18,175	246	3,683	412	4,341	2,771,054
(1) Profit (loss)	762,041	3,807	246	3,683	412	4,341	770,189
(2) Other comprehensive income (loss)	1,986,497	14,368	-	-	-	-	2,000,865
7. Others	3,626	-	-	-	-	-	3,626
8. Ending balance of insurance contract assets and liabilities	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481
Ending balance of reinsurance contract liabilities (assets), net							
₩	27,105,508	131,303	9,408	150,613	8,649	168,670	27,405,481

<Non-participating insurance contracts>

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities ₩	41,509,596	960,861	1,659,104	1,102,675	1,911,625	4,673,404	47,143,861
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	41,509,596	960,861	1,659,104	1,102,675	1,911,625	4,673,404	47,143,861
Insurance contract liabilities(assets), net	41,509,596	960,861	1,659,104	1,102,675	1,911,625	4,673,404	47,143,861
2. Changes related to future service	(1,039,127)	178,166	(43,409)	567,687	481,837	1,006,114	145,153
(1) Change in estimate adjusting contractual service margin	333,909	28,939	(43,409)	567,687	(887,125)	(362,848)	-
(2) Losses(reversal) of group of onerous contracts	94,329	1,486	-	-	-	-	95,815
(3) Effect of initially recognized contracts	(1,467,366)	147,742	-	-	1,368,962	1,368,962	49,338
3. Changes related to current service	6,628	(133,913)	(142,161)	(94,283)	(273,178)	(509,622)	(636,907)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(142,161)	(94,283)	(273,178)	(509,622)	(509,622)
(2) Changes in risk adjustment for non-financial risk	-	(133,913)	-	-	-	-	(133,913)
(3) Experience adjustments	6,628	-	-	-	-	-	6,628
4. Changes in the fulfillment cash flow in the liability for incurred claims	(56,663)	-	-	-	-	-	(56,663)
5. Cash flow	945,391	-	-	-	-	-	945,391
(1) Premium received	9,698,944	-	-	-	-	-	9,698,944
(2) Insurance acquisition cash flow	(1,378,260)	-	-	-	-	-	(1,378,260)
(3) Claims and other insurance service expenses incurred	(7,375,292)	-	-	-	-	-	(7,375,292)
6. Insurance finance income	5,186,596	40,886	36,859	28,252	104,781	169,892	5,397,374
(1) Profit (loss)	1,551,659	34,728	36,859	28,252	104,781	169,892	1,756,279

(In millions of Korean won)

(2) Other comprehensive income (loss)	3,634,937	6,158	-	-	-	-	3,641,095
7. Others	(127,792)	-	-	-	-	-	(127,792)
8. Ending balance of insurance contract assets and liabilities	46,424,629	1,046,000	1,510,393	1,604,331	2,225,065	5,339,789	52,810,417
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	46,424,629	1,046,000	1,510,393	1,604,331	2,225,065	5,339,789	52,810,417
Ending balance of reinsurance contract liabilities (assets), net							
₩	46,424,629	1,046,000	1,510,393	1,604,331	2,225,065	5,339,789	52,810,417

<Variable insurance contracts>

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Insurance contract liabilities (assets)
1.Beginning balance of insurance contract assets and liabilities	₩ 13,264,659	161,657	74,471	890,694	25,807	990,973	14,417,289
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	13,264,659	161,657	74,471	890,694	25,807	990,973	14,417,289
Insurance contract liabilities(assets), net	13,264,659	161,657	74,471	890,694	25,807	990,973	14,417,289
2. Changes related to future service	(98,781)	12,857	5,138	80,489	402	86,029	106
(1) Change in estimate adjusting contractual service margin	(97,632)	12,742	5,138	80,489	(737)	84,890	-
(2) Losses(reversal) of group of onerous contracts	(76)	(1)	-	-	-	-	(77)
(3) Effect of initially recognized contracts	(1,073)	117	-	-	1,139	1,139	183
3. Changes related to current service	25,908	(13,341)	(8,630)	(64,440)	(3,471)	(76,540)	(63,973)
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	(8,630)	(64,440)	(3,471)	(76,540)	(76,540)
(2) Changes in risk adjustment for non-financial risk	-	(13,341)	-	-	-	-	(13,341)
(3) Experience adjustments	25,908	-	-	-	-	-	25,908
4. Changes in the fulfillment cash flow in the liability for incurred claims	(2,398)	-	-	-	-	-	(2,398)
5. Cash flow	(520,684)	-	-	-	-	-	(520,684)
(1) Premium received	1,340,125	-	-	-	-	-	1,340,125
(2) Insurance acquisition cash flow	(9,479)	-	-	-	-	-	(9,479)
(3) Claims and other insurance service expenses incurred	(1,851,330)	-	-	-	-	-	(1,851,330)
6. Insurance finance income	464,935	3,861	5,239	(79,123)	3,022	(70,862)	397,934
(1) Profit (loss)	464,397	3,861	5,239	(79,123)	3,022	(70,862)	397,397
(2) Other comprehensive income (loss)	537	-	-	-	-	-	537
7. Others	(2,887)	-	-	-	-	-	(2,887)
8. Ending balance of insurance contract assets and liabilities	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
(1) Insurance contract assets	-	-	-	-	-	-	-
(2) Insurance contract liabilities	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386
Ending balance of reinsurance contract liabilities (assets), net							
₩	13,130,752	165,035	76,219	827,620	25,760	929,599	14,225,386

(5) Changes in reinsurance contract assets (liabilities) for each of the two years in the period ended December 31, 2025, by element, to which the premium allocation approach is not applied, are as follows:

	2025						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Reinsurance contract assets (liabilities)
1.Beginning 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
Reinsurance contract assets (liabilities), net	(25,058)	8,994	(2,871)	(71,765)	11,161	(63,475)	(79,539)

(In millions of Korean won)

2. Changes related to future service	64,503	32,575	(47,513)	(18,195)	(30,305)	(96,012)	1,066
(1) Change in estimate adjusting contractual service margin	67,481	31,032	(47,513)	(18,195)	(32,806)	(98,513)	-
(2) Losses(reversal) of loss recovery component contracts	357	709	-	-	-	-	1,066
(3) Effect of initially recognized contracts	(3,335)	834	-	-	2,501	2,501	-
3. Changes related to current service	(2,264)	(642)	4,670	5,411	1,007	11,088	8,182
(1) Contractual service margin recognized in profit (loss) to reflect service transfers	-	-	4,670	5,411	1,007	11,088	11,088
(2) Changes in risk adjustment for non-financial risk	-	(755)	-	-	-	-	(755)
(3) Risk adjustments	(2,264)	113	-	-	-	-	(2,151)
4. Changes in the fulfillment cash flow in the liability for incurred claims	-	-	-	-	-	-	-
5. Cash flow	6,662	-	-	-	-	-	6,662
(1) Reinsurance premium paid	183,017	-	-	-	-	-	183,017
(2) Reinsurance claim received and other reinsurance service income	(176,355)	-	-	-	-	-	(176,355)
6. Reinsurance finance income or expenses	(1,453)	(1,004)	(213)	(1,893)	451	(1,655)	(4,112)
(1) Profit (loss)	(1,428)	715	(213)	(1,893)	451	(1,655)	(2,368)
(2) Effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded	56	-	-	-	-	-	56
(3) Other comprehensive income (loss)	(81)	(1,718)	-	-	-	-	(1,799)
7. Others	(4,022)	-	-	-	-	-	(4,022)
8. Ending balance of Reinsurance contract assets and liabilities	38,367	39,922	(45,926)	(86,442)	(17,685)	(150,053)	(71,764)
(1) Reinsurance contract assets	168,827	15,092	2,730	616	2,312	5,658	189,578
(2) Reinsurance contract liabilities	130,459	(24,830)	48,657	87,058	19,997	155,712	261,341
Ending balance of Reinsurance contract assets (liabilities), net	₩ 38,367	39,922	(45,926)	(86,442)	(17,685)	(150,053)	(71,764)

	2024						
			Contractual Service Margin				
	An estimate of the present value of future cash flows	Risk adjustment for non-financial risk	The fully retrospective approach	The fair value approach	Other	Total	Reinsurance contract assets (liabilities)
1.Beginning 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
Reinsurance contract assets (liabilities), net	(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 contractual service margin	(5,477)	(6,587)	4,603	17,746	(10,284)	12,065	-
(2) Losses(reversal) of loss recovery component 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 in profit (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) Risk adjustments	1,914	47	-	-	-	-	1,961
4. Changes in the fulfillment cash flow in the 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. Reinsurance finance income or expenses	(14,232)	1,817	(248)	(2,617)	769	(2,097)	(14,512)
(1) Profit (loss)	(706)	384	(248)	(2,617)	769	(2,097)	(2,419)
(2) Effect of changes in the risk of non-performance of the issuer of reinsurance contract ceded	(958)	-	-	-	-	-	(958)
(3) Other comprehensive income (loss)	(12,568)	1,433	-	-	-	-	(11,135)
7. Others	10,720	-	-	-	-	-	10,720

8. 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 assets (liabilities), net	₩	(25,058)	8,994	(2,871)	(71,765)	11,161	(63,475)	(79,539)

(6) The effects on the interim condensed separate statement of financial position at the time of initial recognition of new insurance contracts for each of the two years in the period ended December 31, 2025 are as follows:

		2025		
		Insurance contract issued		Insurance contract liabilities (assets)
		Exclusive of onerous contracts	Onerous contracts	
1. Estimate of the present value of future cash outflows	₩	9,949,555	1,773,707	11,723,261
(1) Expected claims and other insurance service expenses		8,640,828	1,500,658	10,141,486
(2) Insurance acquisition cash flow		1,308,727	273,049	1,581,775
2. Estimate of the present value of future cash inflows		11,365,916	1,687,962	13,053,878
3. Estimate of the present value of future flows		(1,416,361)	85,745	(1,330,616)
4. Risk adjustment for non-financial risk		138,226	16,184	154,410
5. Contractual service margin		1,278,135	-	1,278,135
* Loss component at initial recognition	₩	-	101,929	101,929

		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

(7) The effects on the interim condensed separate statement of financial position at the time of initial recognition of new reinsurance contracts for each of the two years in the period ended December 31, 2025 are as follows:

		2025		
		Reinsurance contract held		Reinsurance contract assets(liabilities)
		Exclusive of onerous contracts	Onerous contracts	
1. Estimate of the present value of future cash outflows	₩	4,948	36,004	40,952
2. Estimate of the present value of future cash inflows		5,704	31,912	37,617
3. Estimate of the present value of future cash flows		757	(4,091)	(3,335)
(1) Valuation_new contract_onerous		-	(4,091)	(4,091)
(2) Valuation_new contract_non onerous		757	-	757
4. Risk adjustment for non-financial risk		129	705	834
(1) Valuation_new contract_onerous		-	705	705
(2) Valuation_new contract_non onerous		129	-	129
5. Contractual service margin		(886)	3,387	2,501
* Loss-recovery component		-	846	846

		2024		
		Reinsurance contract held		Reinsurance contract assets(liabilities)
		Exclusive of onerous contracts	Onerous contracts	
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) Valuation_new contract_onerous		-	(3,499)	(3,499)
(2) Valuation_new contract_non onerous		138	-	138
4. Risk adjustment for non-financial risk		6	5	11
(1) Valuation_new contract_onerous		-	5	5
(2) Valuation_new contract_non onerous		6	-	6
5. Contractual service margin		(144)	3,494	3,350
* Loss-recovery component		-	1,731	1,731

(6) The amounts of contractual service margin by the expected amortization period for insurance contracts issued and reinsurance contracts held as of December 31, 2025 and 2024 are as follows:

	2025					
	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	₩ 570,766	499,661	438,540	395,893	359,973	1,411,319	2,834,809	6,510,961
Participating insurance contracts	17,172	15,452	13,875	12,428	11,155	40,090	41,883	152,057
Non-participating insurance contracts	494,894	430,370	375,444	338,473	307,582	1,213,143	2,543,566	5,703,472
Variable insurance contracts	58,700	53,838	49,221	44,992	41,236	158,086	249,359	655,432
Contractual service margin of reinsurance contracts ceded	12,808	11,452	10,197	9,159	8,288	32,343	65,807	150,053

	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	1,181,174	2,960,068	6,438,058
Participating insurance contracts	19,774	18,097	16,638	15,362	14,108	45,947	106,783	236,708
Non-participating insurance contracts	507,924	439,298	394,801	356,420	321,492	1,028,648	2,582,796	5,631,379
Variable insurance contracts	44,781	41,405	38,434	35,630	32,653	106,578	270,490	569,970
Contractual service margin of reinsurance contracts ceded	4,594	4,455	4,011	3,646	3,322	13,228	30,218	63,475

(7) The total amounts recognized as insurance finance income and expenses, the amounts recognized as other comprehensive income among insurance finance income and expenses and investment gains and losses on assets for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
1. Investment income and expense	₩	2,521,263	3,997,268
(1) Interest income		3,415,134	3,173,869
(2) Other investment income and expense		2,428,311	418,740
(3) Other comprehensive income		(3,322,183)	404,659
2. Insurance finance income and expense		(2,254,052)	(8,566,404)
(1) Profit (loss)		(5,267,918)	(2,923,906)
(2) Other comprehensive income (loss)		3,013,866	(5,642,498)
3. Reinsurance finance income and expense		(4,112)	(14,512)
(1) Profit (loss)		(2,312)	(3,377)
(2) Other comprehensive income (loss)		(1,799)	(11,135)
4. Total finance income and expense	₩	263,099	(4,583,648)

(8) The fair values of the underlying items of contracts with direct participation features among insurance contracts issued by the Company as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Cash and due from banks	₩	604,123	384,153
Securities		15,777,734	13,746,163
Loan receivables		979,116	428,762
Derivative instruments asset		5,664	364
Others		219,369	211,684
	₩	17,586,006	14,771,126

(9) In case of the 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 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 for the years ended December 31, 2025 and 2024 are as follows:

		2025	2024
Unrecognized amount of change	₩	1,272,799	(181,717)

(10) Details of insurance revenue recognized for insurance contracts issued by the Company for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
1. Amount related to changes in the liability for remaining coverage	₩	3,831,001	3,686,180
(1) Insurance service expenses incurred		3,093,381	2,970,387
a. Expected claim (insurance component)		2,158,627	1,988,855
b. Expected maintenance expense, etc.		1,163,231	1,167,968
c. Allocation of loss component		(228,477)	(186,436)
(2) Change in risk-adjustment for non-financial risk		149,625	148,199
a. RA amortization		150,625	147,094
b. Allocation of loss component		(1,000)	(471)
c. Cancelled contracts		-	1,576
(3) Contractual service margin recognized in profit (loss)		587,995	600,984
a. CSM amortization		587,995	585,618
b. Cancelled contracts		-	15,367
(4) Others		-	(33,390)
a. Cancelled contracts		-	(33,390)
2. Allocation of Insurance acquisition cash flow		477,776	293,262
a. Contract conclusion expense amortization		477,776	293,262
	₩	4,308,778	3,979,442

(11) Details of reinsurance revenue recognized for reinsurance contracts held by the Company for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Reinsurance claim	₩	34,888	30,690
Adjustment of incurred claims for reinsurance		2,400	(549)
Relevant revenue for loss component		1,066	1,416
	₩	38,353	31,557

(12) Details of insurance expenses recognized for insurance contracts issued by the Company for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
1. Insurance expenses recognized for insurance contracts	₩	3,862,516	3,462,885
(1) Actual insurance premium		2,081,312	1,947,859
(2) Actual contract maintenance expenses		957,558	993,384
(3) Actual investment management expenses		89,825	87,532
(4) Onerous contracts expenses		451,982	318,934

Kyobo Life Insurance Co., Ltd.
Notes to the separate financial statements, continued
December 31, 2025 and 2024

(In millions of Korean won and in thousands of USD)

(5) Adjustment of incurred claims factor		34,791	12,791
(6) Depreciation of cash flow obtained from insurance		477,776	293,262
(7) Loss component allocation		(229,476)	(186,907)
(8) Other insurance service expenses		(1,254)	(3,969)
2. Other insurance operating expenses		63,919	40,950
	₩	3,926,435	3,503,836

(13) Details of reinsurance expenses recognized for reinsurance contracts held by the Company for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Expected reinsurance claim	₩	25,602	22,188
Expected reinsurance premium		4,202	6,023
Changes of risk adjustment		755	1,028
Insurance contractual margin amortization		(11,088)	4,333
Other reinsurance expenses		9,636	(32)
	₩	29,106	33,540

18. Investment contract liabilities and other contract liabilities

(1) Investment contract liabilities as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Retirement pension contracts	₩	18,535,098	15,940,054
Retirement benefit insurance contracts		43,868	60,025
	₩	18,578,966	16,000,079

(2) Other contract liabilities as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Reserve for policyholder dividend stabilization	₩	68,379	70,592
Policyholder's equity adjustment		99,466	99,466
	₩	167,845	170,058

19. Other financial liabilities

(1) Other financial liabilities as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Insurance payables	₩	29,133	27,401
Accounts payable		146,815	227,154
Accrued expenses		317,926	355,182
Leasehold deposits received		101,871	104,727
(Present value discount)		(5,933)	(4,370)
Trust accounts liabilities		311,858	168,405
Lease liabilities (*)		43,422	41,368
	₩	945,092	919,867

(*) Lease liabilities are recognized and measured in accordance with KIFRS 1116 Leases.

(2) Lease expenses for each of the two years in the period ended December 31, 2025 are as follows :

		2025	2024
Short-term lease (*)	₩	6,747	5,813
Lease for which the underlying asset is of low value (*)		33	38
Interest expense on the lease liability		1,569	1,716
	₩	8,349	7,567

(*) The Company recognized lease payments as an expense on a straight-line basis over the lease term.

(3) The maturity profile of the undiscounted lease payments as of December 31, 2025 and 2024 is as follows:

		December 31, 2025	
		Less than 1 year	1~5 years
Real estates	₩	26,155	30,941
Vehicles		59	1,547
	₩	26,214	32,488

		December 31, 2024	
		Less than 1 year	1~5 years
Real estates	₩	22,951	16,664
Vehicles		31	2,184
	₩	22,982	18,848

(4) The total cash outflows from leases are ₩39,204 million and ₩38,018 million for the years ended December 31, 2025 and 2024, respectively.

20. Borrowings

(1) Borrowings as of December 31, 2025 and December 31, 2024 are summarized as follows:

	Creditors	Interest rate (%)	Issue date	Maturity date	December 31, 2025	December 31, 202
Unsecured subordinated bonds (*1)	Individuals, etc.	4.30%	August 6, 2024	August 6, 2034	700,000	700,0
Discount on bonds					(1,755)	(1,9
Book value					₩ 698,245	698,0

(*1) Unsecured subordinated bonds above may be fully redeemed by the Company after the date five years from the issuance date.

(2) The maturity analysis of borrowings based on their remaining contractual maturity as of December 31, 2025 is as follows:

	Less than 1 year	1-5 years	Over 5 years	Total
Unsecured subordinated bonds	-	-	700,000	700,00

21. Provisions

(1) Changes in provisions for each of the two years in the period ended December 31, 2025 are as follows:

	2025				
	Restoration cost	Litigation	Unused provisions	Provision related to immediate annuity (Inheritance-maturity type)	Total
Beginning balance	₩ 8,279	409	21,452	-	30,140
Increase	13,228	-	-	-	13,228
Utilized	(876)	-	-	-	(876)
Charge (reversal) for the period, net	(12,075)	650	12,313	15,800	16,688
Ending balance	₩ 8,556	1,059	33,765	15,800	59,180

	2024			
	Restoration cost	Litigation	Unused provisions	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

(2) The nature of the Company's provisions and the expected timing of the related outflows of economic benefits as of December 31, 2025 are as follows:

	Less than 1 year	1-3 years	3-5 years	Over 5 years	Total
Restoration cost	₩ 4,865	2,632	705	354	8,556
Litigation	1,059	-	-	-	1,059
Unused provisions	33,765	-	-	-	33,765
Provision related to immediate annuity (Inheritance-maturity type)	15,800	-	-	-	15,800
	₩ 55,489	2,632	705	354	59,180

22. Defined benefit liabilities

(1) The Company operates a defined benefit plan based on compensation for pension of the employees and the period of services rendered. The Company has entrusted the plan assets of defined benefit obligations at Kookmin Banks and others.

Defined benefit plan assets and liabilities as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Present value of defined benefit obligations	₩ 264,377	251,135
Fair value of plan assets	(207,162)	(224,149)
Defined benefit liabilities	₩ 57,215	26,986

(2) Changes in defined benefit obligations for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Beginning balance	₩ 251,135	250,690
Current service costs	51,245	56,435
Interest expenses	9,082	10,219
Remeasurements:	(14,621)	(10,837)
Change in financial assumptions	(3,076)	9,810
Change in demographic assumptions	-	23
Experience adjustments	(11,545)	(20,670)
Benefits paid by the plan	(32,464)	(55,372)
Ending balance	₩ 264,377	251,135

(3) Changes in the fair values of plan assets for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Beginning balance	₩ 224,149	216,045
Interest income	8,037	8,688
Remeasurement	(1,806)	(1,050)
Contributions paid into the plan	10,000	22,200
Benefit paid by the plan	(33,218)	(21,734)
Ending balance	₩ 207,162	224,149

(4) Plan assets as of December 31, 2025 and 2024 are as follows:

	December 31, 2025		December 31, 2024	
	Amount	Ratio (%)	Amount	Ratio (%)
Time deposit, etc.	₩ 173,150	83.58%	212,031	94.59%
Debt instruments	34,012	16.42%	12,117	5.41%
	₩ 207,162	100.00%	224,148	100.00%

(5) Actuarial assumptions as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Discount rate (*)	4.22%	3.87%
Future salary increasing rate	2.00% +advancement rate	2.00% +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

The sensitivity analysis of the present value of defined benefit obligations as of December 31, 2025 is as follows:

	December 31, 2025	
	1% Point increase	1% Point decrease
Discount rate	₩ (13,564)	15,427
Future salary increasing rate	16,367	(14,629)

(7) The weighted average maturity of the defined benefit obligations is 6.46 years as of December 31, 2025.

23. Other liabilities

Other liabilities as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Unearned income	₩ 10,710	8,397
Withholdings	52,082	54,755
Value added tax withheld	2,177	2,004
Others (*)	100	15,800
	₩ 65,069	80,956

(*) As of December 31, 2024, this account included ₩15,800 million of the amounts expected to be paid to policyholders of the immediate annuity (Inheritance-maturity type) product. For the year ended December 31, 2025, the Company determined that the related liability meets the definition of a provision and reclassified it from other liabilities to provisions. (See Note 21)

24. Derivatives

1. Derivative instruments held for trading

(1) Unsettled commitments and the fair values of derivative instruments held for trading as of December 31, 2025 and 2024 are as follows:

		December 31, 2025			
	Type		Unsettled commitment	Asset	Liability
Currency related:	Currency forward	₩	9,833,388	95,220	320,258
	Currency swap		2,658,536	72,424	258,661
	Currency futures		39,085	-	-
			12,531,009	167,644	578,919
Equity related:	Stock index futures		1,817,380	-	-
	Stock index options		89	-	60
	Individual stock futures		32,531	-	-
			1,850,000	-	60
Interest related:	Interest rate futures		3,397,788	-	-
	Interest rate forward		140,000	-	11,456
	Interest rate swap		25,831,514	13,138	261,445
			29,369,302	13,138	272,901
Credit risk adjustments			-	-	-
		₩	43,750,311	180,782	852,514

		December 31, 2024			
	Type		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 options		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			-	-	-
		₩	34,505,268	293,089	718,728

(2) Gains and losses on the valuation of derivative instruments held for trading for each of the two years in the period ended December 31, 2025 are as follows:

		2025		
	Type		Gain	Loss
Currency related:	Currency forward	₩	32,592	189,055
	Currency swap		57,198	79,429
	Currency futures		2,494	3,896
			92,284	272,380
Equity related:	Stock index futures		88,417	241
	Stock index options		30	-
	Individual stock futures		27,732	14,407
			116,179	14,648
Interest related:	Interest rate futures		9,231	15,134
	Interest rate forward		-	11,456
	Interest rate swap		3,210	302,902
			12,441	329,492
Credit risk adjustments			184	176
		₩	221,088	616,696

		2024		
	Type		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 options		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

2. Fair value hedge

(1) Details of the fair value hedged items as of December 31, 2025 and 2024 and changes in their fair values for each of the two years in the period ended December 31, 2025 are as follows:

			December 31, 2025		
	Type		Book value	Accumulated fair value adjustment	Change in fair value during the period
Foreign exchange related:	Foreign debt instruments	₩	116,680	3,899	1,489
	Foreign loan receivables		184,922	10,927	11,922
	Foreign beneficiary certificates		1,156,825	136,708	10,000
Interest related:	Foreign debt instruments		95,215	(3,749)	(3,749)
	Domestic debt instruments		-	-	-
		₩	1,553,642	147,785	19,662

			December 31, 2024		
	Type		Book value	Accumulated fair value adjustment	Change in fair value during the period
Foreign exchange related:	Foreign debt instruments	₩	86,396	6,564	5,535
	Foreign loan receivables		186,854	7,346	7,346
	Foreign beneficiary certificates		2,148,900	309,123	203,971
Interest related:	Foreign debt instruments		-	-	-
	Domestic debt instruments		226,893	(12,146)	(12,146)
		₩	2,649,043	310,887	204,706

(2) Derivatives designated as fair value hedging instruments as of December 31, 2025 and 2024 and changes in their fair values for each of the two years in the period ended December 31, 2025 are as follows:

		December 31, 2025			
		Unrecognized firm commitments	Asset	Liability	Change in fair value for the period
Currency forward	₩	1,894,069	22,746	133,958	(36,031)
Currency swap		44,913	-	2,525	(1,644)
Interest rate futures		98,374	-	-	4,156
Interest rate forward		-	-	-	-
	₩	1,938,982	22,746	136,483	(37,675)

		December 31, 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 futures		-	-	-	-
Interest rate forward		239,219	10,091	-	10,091
	₩	3,436,029	46,073	252,986	(208,293)

(3) The amounts recognized in profit or loss due to the ineffective portion of fair value hedge for each of the two years in the period ended December 31, 2025 are as follows:

			2025		
	Risk		Profit (loss) related to fair value hedge designation (hedged item)	Profit (loss) related to fair value hedge designation (hedging instrument)	Ineffective portion of hedge recognized in profit or loss (*)
Fair value hedge	Market price	₩	(3,749)	4,156	407
	Foreign exchange		23,411	(37,675)	(14,264)
		₩	19,662	(33,519)	(13,857)

(*) The ineffective portion of the hedge is the difference between the hedging gain and loss between the hedging instrument and the hedged item.

			2024		
	Risk		Profit (loss) related to fair value hedge designation (hedged item)	Profit (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 ineffective portion of the hedge is the difference between the hedging gain and loss between the hedging instrument and the hedged item.

3. Cash flow hedge

Kyobo Life Insurance Co., Ltd.
Notes to the separate financial statements, continued
December 31, 2025 and 2024

(In millions of Korean won and in thousands of USD)

(1) Derivatives designated as cash flow hedging instruments as of December 31, 2025 and 2024 and changes in their fair value for each of the two years in the period ended December 31, 2025 are as follows:

		December 31, 2025			
		Unrecognized firm commitments	Asset	Liability	Change in fair value for the period
Interest rate forward	₩	6,281,272	19,221	511,976	(393,368)
Interest rate swap		46,969	-	1,254	427
Currency forward		2,121,468	535	175,064	(130,006)
Currency swap		12,494,428	44,192	1,168,031	(194,007)
	₩	20,944,137	63,948	1,856,325	(716,954)

		December 31, 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)

(2) Changes in the values of hedged items and cash flow hedge reserves used as a basis for recognizing the ineffective portion of hedge for each of the two years in the period ended December 31, 2025 are as follows:

		2025	
		Change in fair value used to calculate ineffective portion of hedge	Cash flow hedge reserve
Foreign exchange risk:	₩		
Foreign securities		(1,478)	101,695
Overseas loan receivable		11,025	(1,136)
		9,547	100,559
Interest rate risk:			
Prospective purchase transaction for bond		-	(373,899)
Domestic loans and foreign bonds		-	(1,254)
		-	(375,153)
	₩	9,547	(274,594)

		2024	
		Change in fair value used to calculate ineffective portion of hedge	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:			
Prospective purchase transaction for bond		-	18,011
Domestic loans and foreign bonds		-	(1,681)
		-	16,330
	₩	1,354,881	412,841

(3) Profits or losses and other comprehensive income affected from the ineffective portion of cashflow hedge for each of the two years in the period ended December 31, 2025 are as follows:

			2025		
	Risk		Hedge gain (loss) recognized in other comprehensive income (*1)	Ineffective portion of hedge recognized in profit or loss	Reclassified from cash flow hedge reserve to profit or loss
Cash flow hedge	Interest rate	₩	(392,941)	-	1,983
	Foreign exchange		(230,051)	-	(94,561)
		₩	(622,992)	-	(92,578)

(*1) Other comprehensive income on the separate statement of comprehensive income before income tax effect.

			2024		
	Risk		Hedge gain (loss) recognized in other comprehensive income (loss) (*1)	Ineffective portion 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 separate statement of comprehensive income before income tax effect.

(*2) The ineffective portion of hedge is the difference between the hedge gain and loss of the hedging instrument and the hedged item.

When it is expected that no further anticipated transactions, which qualify for hedge accounting for cash flow risks, will occur, the Company immediately recognizes the accumulated gains or losses, which have been recognized in equity, in the separate statement of comprehensive income. The expected longest period of exposure to cash flow variability for derivative contracts to which the Company applies cash flow hedge accounting is until April 2, 2035.

25. Equity

(1) Details of equity as of December 31, 2025 and 2024 are as follows:

			December 31, 2025	December 31, 2024
Capital stock	Capital stock	₩	102,500	102,500
Hybrid bonds	Hybrid bonds		2,205,726	2,205,726
Capital surplus	Share premium		359,937	359,937
	Asset revaluation surplus		4,502	4,502
	Others		1,527	1,497
			365,966	365,936
Capital adjustments	Negative equity changes in equity method adjustments		(8,995)	(8,995)
	Other capital adjustments		(104,412)	(104,412)
	Treasury shares		(83,828)	(84,008)
			(197,235)	(197,415)
Accumulated other comprehensive income	Loss on valuation of financial assets at fair value		(5,274,811)	(3,402,589)
	Loss allowance of debt instrument at fair value		5,105	5,607
	Net financial gain (loss) on insurance contracts		2,412,261	230,655
	Net financial gain (loss) on reinsurance contracts		2,447	3,809
	Gain on valuation of cash flow hedging derivatives		(199,080)	301,368
	Gain on revaluation of property and equipment		604,004	613,168
	Remeasurements related to defined benefit plan		52,093	43,453
			(2,397,981)	(2,204,529)
Retained earnings	Legal reserve		51,250	51,250
	Other legal reserves		330,778	275,996
	Regulatory reserve for loan loss		105,638	126,553
	Retained earnings		7,085,117	6,577,203
	Voluntary reserve		3,000	3,000
			7,575,783	7,034,002
		₩	7,654,759	7,306,220

(2) Capital stock

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

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

	December 31, 2025					
	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)	September 10, 2021	September 10, 2051	3.72	$	-	₩ 470,000
Domestic hybrid bonds (*2)	May 12, 2023	May 12, 2053	5.80		-	500,000
Domestic hybrid bonds (*2)	November 12, 2024	November 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

	December 31, 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)	September 10, 2021	September 10, 2051	3.72	$	-	₩ 470,000
Domestic hybrid bonds (*2)	May 12, 2023	May 12, 2053	5.80		-	500,000
Domestic hybrid bonds (*2)	November 12, 2024	November 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

(*1) The above hybrid bonds are redeemable at the Company's option after five years from issuance, with the reference rate reset every five years starting from the fifth anniversary and the spread adjusted only once after ten years. At maturity, the Company may, at its option, extend the bonds under the same issuance terms and conditions.

(*2) The above hybrid bonds are redeemable at the Company's option after five years from issuance, with the reference rate reset only once after five years and the spread adjusted only once after ten years. At maturity, the Company may, at its option, extend the bonds under the same issuance terms and conditions.

(4) Accumulated other comprehensive income

Changes in accumulated other comprehensive income for each of the two years in the period ended December 31, 2025 are as follows:

2025		Financial gain (loss) on reinsurance contract assets (liabilities)	Valuation gain (loss) on hedging derivatives	Gain (loss) on revaluation of property and equipment	Remeasurement gain (loss) related to defined benefit plan	Total
Beginning balance	₩	3,809	301,368	613,167	43,453	(2,204,529)
Fair value evaluation		(1,799)	(596,140)	-	12,814	(151,691)
Realization of gain (loss)		-	(92,579)	-	-	(145,612)
Income tax effects		437	183,613	(9,163)	(4,174)	118,824
Transfer to retained earnings		-	4,658	-	-	(14,973)
Ending balance	₩	2,447	(199,080)	604,004	52,093	(2,397,981)

2024		Financial gain (loss) on reinsurance contract assets (liabilities)	Valuation gain (loss) on hedging derivatives	Gain (loss) on revaluation of property and equipment	Remeasurement gain (loss) related to defined benefit plan	Total
Beginning balance	₩	12,004	265,018	613,167	36,250	1,651,400
Fair value evaluation		(11,135)	1,383,778	-	9,787	(4,046,255)
Realization of gain (loss)		-	(1,334,390)	-	-	(1,192,932)
Income tax effects		2,940	(13,038)	-	(2,584)	1,383,106
Transfer to retained earnings		-	-	-	-	152
Ending balance	₩	3,809	301,368	613,167	43,453	(2,204,529)

		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)
Beginning balance	₩	(3,402,588)	5,607	230,655
Fair value evaluation		(2,579,856)	(576)	3,013,866
Realization of gain (loss)		(53,033)	-	-
Income tax effects		780,297	74	(832,260)
Transfer to retained earnings		(19,631)	-	-
Ending balance	₩	(5,274,811)	5,105	2,412,261

		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)
Beginning balance	₩	(3,667,535)	8,962	4,383,534
Fair value evaluation		218,372	(4,559)	(5,642,498)
Realization of gain (loss)		141,458	-	-
Income tax effects		(95,035)	1,204	1,489,619
Transfer to retained earnings		152	-	-
Ending balance	₩	(3,402,588)	5,607	230,655

(5) Retained earnings
(a) Legal reserve
Legal reserve is restricted for the dividend to stockholders by law or legislation. According to the *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 only be used to reduce the deficit or transfer to capital in accordance with the decision of the board of directors.
(b) Dividends
Details of dividends recognized as distributions to common stockholders for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Number of shares		102,500,000 shares	102,500,000 shares
Treasury shares		2,089,425 shares	2,093,911 shares
Number of shares entitled to dividends		100,410,575 shares	100,406,089 shares
Par value per share (Korean won in unit)	₩	1,000	1,000
Dividend rate per share		119%	120%
Dividend per share (Korean won in unit)	₩	1,190	1,200

i) The dividend payout ratio for each of the two years in the period ended December 31, 2025 is as follows:

		2025	2024
Dividend per share in Korean won	₩	119,488	120,487
Profit for the year		763,210	698,736
Dividend payout ratio		15.66%	17.24%

(c) Appropriation of retained earnings
The separate statements of appropriation of retained earnings for each of the two years in the period ended December 31, 2025 are as follows:

		2025 Proposed Date of Appropriation 2026-03-06	2024 Date of Approval 2025-03-05
Unappropriated retained earnings:			
Balance at beginning of year	₩	6,422,849	5,970,326
Net income		763,210	698,736
Dividends to hybrid bonds		(115,916)	(91,708)
Gain (loss) on valuation of financial assets at fair value through other comprehensive income		14,973	(152)
		7,085,116	6,577,202
Appropriation of retained earnings:			
Dividends		119,488	120,487
Dividends in cash		119,488	120,487
Dividend amount per share (rate):			
December 31, 2025: 1,190 won (119%)			
December 31, 2024: 1,200 won (120%)			
Regulatory reserve for loss on loan receivables		2,631	(20,915)
Surrender reserve		1,255,979	-
Guarantee reserve		52,458	54,782
Voluntary reserve		100	-
		1,430,656	154,354
Unappropriated retained earnings to be carried over to subsequent year	₩	5,654,460	6,422,848

(d) Regulatory reserve for loan losses
When allowances for bad debts provided on the basis of KIFRS are less than the total of minimum regulatory allowances for bad debts required by the regulations, the difference is reserved as regulatory reserve for loan losses. 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 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 are undisposed deficits, the regulatory reserve for loan losses is reserved after the deficits are disposed. When the amount previously reserved for the 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 reserves for loan losses as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Regulatory reserve for loan losses accumulated	₩	105,638	126,553
Amount to be accumulated (reversed)		2,631	(20,915)
	₩	108,269	105,638

ii) Surrender value reserve, etc. as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Surrender value reserve accumulated	₩	-	-
Amount to be accumulated		1,255,979	-
	₩	1,255,979	-

ii) Guarantee reserve, etc. as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	December 31, 2024
Guarantee reserve accumulated	₩	330,778	275,996
Amount to be accumulated		52,458	54,782
	₩	383,236	330,778

iv) Reversals (Charges) of regulatory reserves for loan losses and adjusted profits after reflecting the regulatory reserves for loan losses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Profit for the period before legal reserve	₩	763,210	698,736
Hybrid bonds dividend		(115,916)	(91,708)
Reversal (charge) of regulatory reserve for loan losses		(2,631)	20,915
Charge to surrender value reserve		(1,255,979)	-
Charge to guarantee reserve		(52,458)	(54,782)
Income adjusted for regulatory reserve for loan losses, etc. (*)	₩	(663,774)	573,161

(*) 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
Details of interest income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Cash and due from banks	₩	109,748	116,511
Financial assets at fair value through profit or loss		229,985	285,029
Financial assets at fair value through other comprehensive income		2,047,233	1,772,290
Securities at amortized cost		35,301	38,378
Loan receivables at amortized cost		949,784	938,440
Derivative instrument		41,133	21,139
Others		1,951	2,082
	₩	3,415,135	3,173,869

27. Gain on valuation and disposal of financial instruments
Gains on valuation and disposal of financial instruments for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Financial assets at fair value through profit or loss:	₩		
Gain on valuation		2,982,338	1,117,702
Gain on disposal		1,619,329	669,557
Financial assets at fair value through other comprehensive income:			
Gain on disposal		276,904	228,922
Securities at amortized cost:			
Reversal of impairment loss		3	13
Loan receivables at amortized cost:			
Gain on disposal		10,229	4,804
Derivatives:			
Gain on valuation		494,546	328,015
Gain on disposal		863,527	702,749
	W	6,246,876	3,051,762

28. Fee and commission income
Details of fee and commission income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Credit placement fees	₩	9,465	5,662
Securities lending and borrowing fees		1,146	1,217
Retirement pension management fee		179	164
Mortgage fees		1,090	1,229
Sales commissions on beneficiary certificates		3,693	3,422
Others		16,478	13,441
	₩	32,051	25,135

29. Dividend income
Details of dividend income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Financial assets at fair value through profit or loss:	₩		
Equity securities		117,727	96,980
Overseas securities		268	152
		117,995	97,132
Financial assets measured at fair value through other comprehensive income:			
Equity securities		12,204	10,096
Other securities		41,456	36,043
Overseas securities		959	667
		54,619	46,806
	₩	172,614	143,938

30. Other investment income
Details of other investment income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Other investment income	₩	833,209	783,649
Special account fee income		13,677	13,208
	₩	846,886	796,857

31. Operating expense and asset management expenses

Details of operating expenses and asset management expenses for each of the two years in the period ended December 31, 2025 are as follows:

2025	Cash flow obtained from insurance	Maintenance expenses	Investment management expenses	Other(*)	Total
Salaries and wages	₩ -	221,862	10,891	22,842	255,595
Employee fringe benefits	-	73,729	3,240	6,313	83,282
Proportional wages	766,614	-	-	-	766,614
Taxes and dues	-	124,865	9,816	11,483	146,164
Commission	-	176,291	20,324	29,280	225,895
Computational expenses	-	67,501	4,050	7,581	79,132
Store operating expenses	81,372	11,051	-	255	92,678
Special bonus	-	111,654	5,709	11,436	128,799
Promotion expenses	409,069	-	-	1,228	410,297
Depreciation	-	56,917	876	1,609	59,402
Administration expenses	-	9,263	26,430	32,536	68,229
Others	412,792	104,425	8,489	72,579	598,285
	₩ 1,669,847	957,558	89,825	197,142	2,914,372

2024	Cash flow obtained from insurance	Maintenance expenses	Investment management expenses	Other(*)	Total
Salaries and wages	₩ -	233,148	11,198	20,312	264,658
Employee fringe benefits	-	67,079	2,982	5,222	75,283
Proportional wages	675,338	-	-	808	676,146
Taxes and dues	-	119,101	9,528	11,775	140,404
Commission	-	153,554	17,327	26,334	197,215
Computational 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
Promotion expenses	323,396	-	-	1,697	325,093
Depreciation	-	57,865	834	1,514	60,213
Administration expenses	-	8,775	25,292	32,256	66,323
Others	322,848	160,990	10,526	57,591	551,955
	₩ 1,395,494	993,384	87,531	175,779	2,652,188

(*) Other business expenses include other business expenses, property management expenses and other financial expenses.

32. Interest expense

Details of interest expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Borrowings	₩	30,265	2,506
Derivatives		147,765	112,290
Others		10,897	10,367
	₩	188,927	125,163

33. Loss on valuation and disposal of financial instruments

Losses on the valuation and disposal of financial instruments for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Financial assets at fair value through profit or loss:	₩		
Loss on valuation		442,682	1,091,053
Loss on disposal		365,055	528,415
Financial assets at fair value through other comprehensive income:			
Loss on valuation (*3)		3,749	-
Loss on disposal		72,636	260,116
Impairment loss		(576)	(4,559)
Loan receivables at amortized cost:			
Bad debt expense		64,324	53,317
Loss on disposal		8,444	4,159
Other financial assets at amortized cost:			
Bad debt expense		6,118	4,128
Derivatives:			
Loss on valuation		1,034,106	2,322,489
Loss on disposal		1,757,429	756,528
Unsettled commitments (*1)			
Bad debt expense		12,313	3,882
Retirement insurance pension (*2)			
Other expense		767,391	710,392
	₩	4,533,672	5,729,920

(*1) Bad debt expenses above are included in other financial expenses in the separate statement of comprehensive income.
(*2) Other expenses above are included in other financial expenses in the separate statement of comprehensive income.
(*3) In accordance with KIFRS 1109, ₩3,749 million was recognized as loss on valuation as debt instruments at fair value through other comprehensive income (issue name: U.S. Treasury N/B) held for the year ended December 31, 2025 were designated as the fair value hedged item in a hedge during the current period.

34. Other investment expenses

Details of other investment expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Depreciation of investment properties	₩	10,595	10,518
Amortization of intangible assets		19,510	54,971
Others		468	13804
	₩	30,573	79,293

35. Foreign currency translation

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

	December 31, 2025		December 31, 2024	
	Amount of foreign currency	Amount of KRW equivalent	Amount of foreign currency	Amount of KRW equivalent
Cash and due from banks:				
USD	33,164	47,587	126,502	186,029
EUR	1,686	2,841	1,333	2,038
JPY	8,862	81	182,495	1,719
Other	-	1,897	-	167
Financial assets at fair value through profit or loss:				
USD	1,725,876	2,476,461	1,524,750	2,242,185
EUR	399,830	674,002	390,364	596,762
JPY	6,204,765	56,937	6,201,552	58,250
Other	-	6,894	-	30,523
Financial assets at fair value through other comprehensive income:				
USD	8,828,202	12,667,587	8,405,474	12,356,047
EUR	1,205,850	2,032,725	715,956	1,094,504
JPY	33,200,079	304,654	5,465,363	51,182

Other	-	1,882,707	-	1,252,085
Loan receivables at amortized cost:				
USD	166,728	239,240	184,162	270,718
EUR	100,630	169,646	109,442	167,311
Other	-	194,108	-	187,889
Securities at amortized cost:				
USD	32,880	47,180	39,499	58,063
Other financial assets at amortized cost:				
USD	250,863	359,963	195,216	286,968
EUR	26,926	45,390	14,254	21,791
JPY	276,211	2,535	54,831	513
Other	-	118,527	-	63,494
Financial assets:				
USD	11,037,712	15,838,017	10,475,603	15,400,010
EUR	1,734,922	2,924,605	1,231,349	1,882,406
JPY	39,689,918	364,207	11,904,241	111,664
Other	-	2,204,133	-	1,534,158

	December 31, 2025		December 31, 2024	
	Amount of foreign currency	Amount of KRW equivalent	Amount of foreign currency	Amount of KRW equivalent
Financial liabilities:				
USD	21,953	31,500	22,852	33,592
EUR	1,253	2,113	232	354
Other	-	11,553	-	5,393

(2) Gains (losses) on foreign currency transactions for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Gain on foreign currency translation	₩	421,917	2,158,582
Gain on foreign currency transaction		114,454	199,981
	₩	536,371	2,358,563
Loss on foreign currency translation	₩	432,646	517
Loss on foreign currency transaction		142,849	32,317
	₩	575,495	32,834

36. Non-operating income and expenses

(1) Details of non-operating income for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Gain on disposal of investments in subsidiaries and associates	₩	1,199	-
Gain on dividend of investments in subsidiaries and associates		20,952	6,626
Gain on disposal of investments in property		817	-
Gain on disposal of property and equipment		17	104
Miscellaneous gains		4,762	10,067
Others		13,780	11,331
	₩	41,527	28,128

(2) Details of non-operating expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Loss on valuation of investments in associates	₩	118,637	279,223
Impairment loss on investment properties		-	18
Loss on disposal of property and equipment		7,020	4,603
Impairment loss on property and equipment		-	64
Loss on disposal of intangible assets		-	29
Impairment loss on intangible assets		332	15
Donations		5,117	4,638
Miscellaneous losses		9,185	2,829
Penalty		17	352
Others		746	590
	₩	141,054	292,361

37. Income tax expenses

(1) Details of income tax expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Current income tax expenses	₩	-	53,801
Origination and reversal of temporary differences		78,515	(1,251,756)
Income tax expense directly recognized in equity		118,824	1,383,105
Additional payment (refund) of income taxes		1,549	(3,097)
Adjustments recognized in the current period for past income taxes		-	-

Income tax expenses	₩	198,888	182,053

(2) The reconciliation between income tax expense at the effective income tax rate and accounting profit before income tax at the statutory rate of Korea for each of the two years in the period ended December 31, 2025 is as follows:

		2025	2024
Profit before income taxes	₩	962,098	880,790
Income taxes at statutory tax rates		243,632	222,167
Adjustments:		(44,744)	(40,113)
Permanent difference		(31,284)	(30,168)
Additional payment (refund) of income taxes		1,549	(3,097)
Effect of changes in tax rate		(15,009)	(6,848)
Income tax expenses	₩	198,888	182,054
Effective tax rate		20.67%	20.67%

(3) Details of increases and decreases in deferred tax assets (liabilities) for each of the two years in the period ended December 31, 2025 are as follows:

		2025		
		Beginning balance	Increase (decrease)	Ending balance
Deferred tax assets:				
Depreciation	₩	9,495	68	9,563
Allowance for losses		6,042	4,454	10,496
Taxes and dues		9,706	1,316	11,022
Defined benefit liabilities		8,095	9,296	17,391
Accrued bonus expenses		12,746	1,073	13,819
Miscellaneous losses (impairment loss on land)		2,838	118	2,956
Miscellaneous losses (dormant insurance payments)		6,270	814	7,084
Contingent liabilities		4,684	423	5,107
Loss on revaluation of land		3,485	61	3,546
Loss on valuation of financial assets at fair value through other comprehensive income ("OCI")		1,220,494	780,296	2,000,790
Loss on valuation of derivatives		626,897	61,813	688,710
Other (Deficit carried forward)		1,080,431	811,886	1,892,317
Others		438,536	66,170	504,706
		3,429,719	1,737,788	5,167,507
Deferred tax liabilities:				
Gain on valuation of financial assets at fair value through profit and loss		(208,533)	(706,270)	(914,803)
Interest income		(78,889)	(10,780)	(89,669)
Valuation gains on assets		(778,668)	33,557	(745,111)
Allowance related to asset revaluation		(21,614)	(789)	(22,403)
Cost adjustments		(212,002)	(39,069)	(251,071)
Gain on valuation of derivatives		(108,099)	108,099	-
Gain on revaluation of property and equipment		(219,941)	(9,164)	(229,105)
Net financial gain on insurance contract asset (liability) included in OCI		(82,735)	(832,261)	(914,996)
Net financial gain on reinsurance contract asset (liability) included in OCI		(1,366)	438	(928)
Loss provision on debt instruments at fair value through OCI		(2,011)	74	(1,937)
Others		(289,836)	(360,138)	(649,974)
		(2,003,694)	(1,816,303)	(3,819,997)
Deferred tax assets(liabilities)	₩	1,426,025	(78,515)	1,347,510

	2024		
	Beginning balance	Increase (decrease)	Ending balance
Deferred tax assets:			
Depreciation	₩ 9,690	(195)	9,495
Allowance for losses	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	1,315,529	(95,035)	1,220,494
Loss on valuation of derivatives	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
	3,139,895	289,824	3,429,719
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	(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	(219,941)	-	(219,941)
Net financial gain on insurance contract asset (liability) included in OCI	(1,572,355)	1,489,620	(82,735)
Net financial gain on reinsurance contract asset (liability) included in OCI	(4,306)	2,940	(1,366)
Loss provision on debt instruments at fair value through OCI	(3,215)	1,204	(2,011)
Others	(269,644)	(20,192)	(289,836)
	(2,965,626)	961,932	(2,003,694)
Deferred tax assets(liabilities)	₩ 174,269	1,251,756	1,426,025

(4) Details of deferred tax recognized in items other than profit or loss as of December 31, 2025 and 2024 are as follows:

	2025		2024	
	Amount	Tax effect	Amount	Tax effect
Reserve for asset revaluation	₩ 24,366	(19,863)	24,366	(19,863)
Gain or loss on valuation of financial assets at fair value through other comprehensive income	(7,275,602)	2,000,790	(4,623,082)	1,220,494
Loss provision on debt instruments at fair value through other comprehensive income	7,042	(1,936)	7,618	(2,011)
Net financial gain (loss) on insurance contract assets (liabilities) included in OCI	3,327,256	(914,995)	313,390	(82,735)
Net financial gain (loss) on reinsurance contract assets (liabilities) included in OCI	3,375	(928)	5,175	(1,366)
Gain or loss on valuation of cash flow hedge derivatives	(274,594)	75,513	409,467	(108,099)
Gain on revaluation of property and equipment	833,109	(229,105)	833,109	(219,941)
Remeasurement gain (loss) related to defined benefit liabilities	71,853	(19,759)	59,039	(15,586)
	₩ (3,283,195)	889,717	(2,970,918)	770,893

(5) The gross amounts of deferred tax assets and liabilities and current tax assets and liabilities of the Company as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Deferred tax assets	₩ 5,167,507	3,429,719
Deferred tax liabilities	(3,819,997)	(2,003,694)
Deferred tax assets (liabilities), net	₩ 1,347,510	1,426,025
Current tax assets	₩ 231,047	219,268
Current tax liabilities	-	(53,802)
Current tax assets (liabilities), net	₩ 231,047	165,466

(6) Deferred tax assets include ₩1,892,317 million related to the tax loss carryforwards of the Company. The Company determined that these deferred tax assets are recoverable based on projected future taxable income derived from the approved mid- to long-term business plan and budget. Although taxable income may fluctuate by year, the Company expects to generate taxable income in the mid- to long-term. Tax loss carryforwards may be carried forward for 15 years, with the latest expiration date in 2040.

Kyobo Life Insurance Co., Ltd.
Notes to the separate financial statements, continued
December 31, 2025 and 2024

(In millions of Korean won)

38. Employee benefits

Details of employee benefits for each of the two years in the period ended December 31, 2025 are as follows:

	2025	2024
Short-term and other long-term employee benefits	₩ 384,394	393,946
Post-employment benefits (*)	66,738	125,580

(*) Post-employment benefits do not include termination benefits or special compensation for the year ended December 31, 2025, but include ₩52,868 million of termination benefits for the year ended December 31, 2024, and ₩14,449 million and ₩14,746 million related to defined contribution retirement benefits for the years ended December 31, 2025 and 2024, respectively.

39. Commitments and contingencies

(1) Pending litigations

There are 107 litigations in which the Company is a defendant including the ones for the payment of insurance claims with claimed amount amounting to ₩10,492 million as of December 31, 2025. Furthermore, there are 393 litigations where the Company is the plaintiff with claimed amount amounting to ₩37,307 million. The outcome of litigations cannot be predicted as of December 31, 2025. The Company has recognized a reserve of ₩8,676 million for the payment of above insurance claim, and provisions of ₩1,059 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, 2025, the Company has included the reasonable estimates of additional payments and reflected in the separate financial statements.

(2) Insurance commitments

Details of contracts held by the Company under various insurance contracts as of December 31, 2025 are as follows:

	Number of contracts	Total contract amount
General accounts	8,742,979	₩ 289,908,461
Separate accounts	1,099,956	18,577,329
	9,842,935	₩ 308,485,790

(3) Reinsurance agreements

Details of reinsurance agreements of individual and group insurance as of December 31, 2025 are as follows:

Reinsurance method	Reinsurance company	Ceding ratio (%)	Nature of risk
Surplus	SCOR Reinsurance Asia-Pacific	100% of the excess amount	Risk from excessive contracts
Surplus	SCOR Reinsurance Asia-Pacific	100% of the excess amount	Risk from excess number of contracts with individuals with high-risk occupations
Surplus	Korean Re	100% of the excess amount	Kyobo Big Love Guarantee Insurance
Surplus, Quota Share	Munich Re	60% of the excess amount	Contract exceeding subscription limit
Surplus, Quota Share	Korean Re	40% of the excess amount	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	Kyobo care, nursing care insurance : 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	Major cancer treatment costs
Quota Share	RGA Re	80	Facultative reinsurance Facultative reinsurance (Mortality Risk)
Quota Share	RGA Re	90	Substandard insurance
Quota Share	SCOR Reinsurance Asia-Pacific	10	Personal loss rider
Quota Share	SCOR Reinsurance Asia-Pacific	10 ~ 50	SI life insurance
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	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 ~ 50	Kyobo cancer insurance
Quota Share	Korean Re	30 ~ 50	Integrated health insurance
Quota Share	Korean Re	50	SI Insurance, Dementia Insurance
Quota Share	Korean Re	80	Facultative reinsurance
Quota Share	Korean Re	Main contract: 40 Joint developed special contract: 50	Kyobo cancer insurance
Financial reinsurance	Munich Re	-	Mass lapse
Financial reinsurance	Swiss Re	-	Mass lapse

(4) The Company has the bank overdraft facility agreements with Standard Chartered Bank, etc. with a limit of ₩290,000 million as of December 31, 2025.
(5) The Company is provided with the payment guarantee of ₩ 23,597 million from the Seoul Guarantee Insurance as of December 31, 2025.
(6) Other commitments
Details of other commitments as of December 31, 2025 are as follows:

		Amount
Loan commitments	₩	3,677,847
Investment commitments		6,072,998
Purchase commitments		15,000
	₩	9,765,845

(7) Lending and borrowing transactions of securities
Details of lending and borrowing transactions of securities as of December 31, 2025 are as follows:

	Security		Amount	Valuation method
Securities for lending	Bonds	₩	1,106,925	Fair value

The transaction of securities for lending is the one in which the ownership is transferred under an agreement to return securities of the same type and amount after a certain period of time, and as this transaction does not meet the conditions for derecognition, the securities are still recognized as assets of the Company.

40. Related parties

(1) Details of the Company's related parties as of December 31, 2025 and 2024 are as follows:

December 31, 2025

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.	Kyobo Life Insurance Co., Ltd.
Dplanex Co., Ltd., Fortress Innovation 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. KCA Claim Adjustment Co., Ltd.
Kyobo Life Planet Life Insurance Co., Ltd.	Kyobo Life Insurance Co., Ltd.
Kyobo New Technology Investment Association No.1, Kyobo Tech Valueup Investment Association No. 1	Kyobo Life Insurance Co., Ltd, Kyobo Securities Co., Ltd.
Kyobo New Technology Investment Association No.2	Kyobo Life Planet Life Insurance Co., Ltd., Kyobo Securities 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 AIM Corporate Finance General Private Investment Trust 2, Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 2	Kyobo Life Insurance Co., Ltd.
Doublerich 5th 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., Easytree 3rd Co,Ltd., Ujur 2nd Co.,Ltd., Entrepo JinCheon Co.,Ltd., Asan JS 1st Co.,Ltd., KCQ 4th Co.,Ltd., Stadblue 4th Co.,Ltd., Ujur 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., 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 3rd Co.,Ltd., H1 1st Co.,Ltd., Dreamgusam Songlim 1st Co.,Ltd., Kyobo Securities V-Long Short General Private Equity Trust, Yongin Cheoin2 1st Co.,Ltd., Dreamgusam Nonhyeon 2nd Co.,Ltd., Hidream 4th Co.,Ltd., Dream Plant 1st Co.,Ltd., Hidream 8th Co.,Ltd., Quad BS 1st Co.,Ltd., ND 1st Co.,Ltd., DK Namhangang Co., Ltd., Dear buddy 5th Co., Ltd., Dreamgusam Dangsan 1st Co., Ltd., Trustsuncheon 1st Co.,Ltd., Namsan Dream Hilton 1st Co., Ltd., Milkyway 1st Co., Ltd., J-A Story 12th Co., Ltd., Quad SRP 1st Co., Ltd., Brand New Sejong Co., Ltd., DH Eagle 1st Co., Ltd., I PRO Golden 4th Co., Ltd., Milkyway 4th Co., Ltd., Brand New Nokchon Co.,	Kyobo Securities Co., Ltd.

Ltd., PINIX Anseong 1st Co., Ltd., Luckyviki 2nd Co., Ltd., IB Together 2nd Co., Ltd., Milkyway 5th Co., Ltd., Cherryblossom 3rd Co., Ltd., IB Together 3rd Co., Ltd., Legend of Autumn 1st Co., Ltd., K The CL 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.
	Kyobo Life Insurance Co., Ltd., Kyobo
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership	AIM Asset Management Co., Ltd.

December 31, 2025

Related parties	Investor
Others	
Daesan Foundation for Rural Culture & Society, Daesan Foundation for Culture, Kyobo Foundation for Education & Culture, Daesan Shin Yong Ho Memorial Society, Artsylvia Foundation, JANUS Co., Ltd.	Kyobo Life Insurance Co., Ltd.
Associates	
Kyobo 14 Special Purpose Acquisition Company, Songsan Industrial Complex Development Co.,Ltd., Guri Galmae REIT Co.,Ltd., Yeoido H2 PFV, Busan Ecodeltacity PFV, Logistec Yangsan Co.,Ltd., Incheon Gundam 3rd PFV, Hera Park City development PFV, Hera Park City development AMC Co.,Ltd., Incheon Yeongjong PFV, Dongdaemun Urban PFV, Chungju Biz Core City, Chungnam Naepo1 PFV, Pecocity, Incheon Yeongjong 1st PFV, Kyobo-CELTIS AI New Technology Investment Association, SBI-NTU-Kyobo Digital Innovation Fund, Kyobo-SP Advanced Materials New Technology Investment Association, 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 Hyundai Mezzanine No.1 Private Equity Partnership, IBKC Kyobo Mezzanine New Technology Investment Association No.1, Kyobo-NBH-Alpine Route Sports Innovation Investment Association, Kyobo Securities Champion Inc. Solutions 3Y General Private Equity Trust, Jinjeop District 2 REIT Co.,Ltd., Together Nonhyeon-dong Office No.8 REIT Co., Ltd., KYOBO-Mark New Technology Investment Association No.1, Kyobo 15 Special Purpose Acquisition Company, Kyobo Healthcare New Technology Investment Association 1, Kyobo 16 Special Purpose Acquisition Company, Kyobo 17 Special Purpose Acquisition Company, Kyobo 18 Special Purpose Acquisition Company, Kyobo Securities Hi-Public Stock General Private Investment Trust, Kyobo Securities Solid Income 1Y General Private Investment Trust No.3, Kyobo Securities Solid Income 1Y General Private Investment Trust No.5, Kyobo Securities Solid Income 1Y General Private Investment Trust No.6, Kyobo Securities Solid Income 1Y General Private Investment Trust No.7, Kyobo Securities Solid Income 1Y General Private Investment Trust No.8, Kyobo KDBC Moneyball New Technology Investment Association No. 1, Kyobo Big Inning Semiconductor Equipment New Technology Investment Association No. 1, Startup Korea GNTech-Kyobo Super Gap Fund, Kyobo 19 Special Purpose Acquisition Company, Kyobo 20 Special Purpose Acquisition Company	Kyobo Securities Co., Ltd.
Marston General Private Real Estate Investment Trust No. 61, The Givers, Spiderlab	Kyobo Book Center Co., Ltd.

December 31, 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.	Kyobo Life Insurance Co., Ltd.
Dplanex Co., Ltd.	Kyobo DTS. Co., Ltd. (*1)
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. 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., Ujur 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 3rd 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	Kyobo Securities Co., Ltd.

Cheoin2 1st Co.,Ltd., Dreamgusam Nonhyeon 2nd 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 new technology Investment Association No. 2	Kyobo Life Planet Life Insurance Co., Ltd. Kyobo Securities Co., Ltd. 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.

	December 31, 2024
Related parties	Investor
Others	
Daesan Foundation for Rural Culture & Society, Daesan Foundation for Culture, Kyobo Foundation for Education & Culture, Daesan Shin Yong Ho Memorial Society, Artsylvia Foundation	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 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	Kyobo Securities Co., Ltd.
Marston General Private Real Estate Investment Trust No. 61, The Givers, Spiderlab	Kyobo Book Center Co., Ltd.

(*1) During the previous period, Kyobo Info. & Comm. Co., Ltd changed its name to Kyobo DTS. Co., Ltd.

(2) Details of material balances with the related parties as of December 31, 2025 and 2024 are as follows:

Related party	Account		December 31, 2025	December 31, 2024
Subsidiaries				
Kyobo Securities Co., Ltd.	Accounts receivables	₩	-	10
	Accounts payable		1	8
	Deposits		50,270	128,261
	Leasehold deposits received (*1)		300	2,822
	Retirement pension (*2)		36,256	22,845
Kyobo Book Center Co., Ltd.	Accounts receivables		38	36
	Accounts payable		216	167
	Leasehold deposits		935	994
	Leasehold deposits received		25,530	24,543
	Retirement pension (*2)		80,554	64,630
	Lease liabilities		2,538	326
Kyobo DTS. Co., Ltd.	Accounts receivables		2	1
	Accounts payable		2,624	2,219
	Leasehold deposits		220	220
	Retirement pension (*2)		13,573	12,664
	Lease liabilities		8,774	2,303
Kyobo Realco Inc.	Accounts receivables		99	7
	Accounts payable		2,821	1,995
	Leasehold deposits received		118	118
	Retirement pension (*2)		12,430	11,844
Jeil Total Management Co., Ltd	Retirement pension (*2)		562	576
KCA Claim Adjustment Co., Ltd	Accounts payable		4,264	4,042
	Leasehold deposits received		401	424
	Retirement pension (*2)		16,676	15,721
KCA Service Co., Ltd.	Accounts receivables		2	1
	Accounts payable		969	1,970
	Leasehold deposits received		1,041	-
	Retirement pension (*2)		10,973	9,495
Kyobo Life Planet Life Insurance Co., Ltd.	Leasehold deposits received		1,096	1,096
	Retirement pension (*2)		4,195	3,959
Foretress Innovation Co., Ltd.	Accounts payable		95	-
	Retirement pension (*2)		323	265
Kyobo Asset Trust Co., Ltd	Accrued receivables		2	427
	Accounts payable		5	-

	Leasehold deposits received		3,000	3,000
	Retirement pension (*2)		10,038	10,928
DPLANEX Co.,Ltd.	Accounts receivables		4	1
	Leasehold deposits received		738	758
	Accounts payable		1	1

Related party	Account		December 31, 2025	December 31, 2024
Subsidiaries, continued				
Kyobo AIM Asset Management Co., Ltd.	Retirement pension (*2)	₩	572	630
Kyobo Dasom Care Co., Ltd.	Accounts receivables		-	3
	Accounts payable		679	13
Associates				
A&D Credit Information Co., Ltd.	Accounts payable		668	573
	Retirement pension (*2)		464	442
Joint Ventures				
Kyobo AXA Investment	Accounts payable		1,348	1,306
Managers Co., Ltd.	Leasehold deposits received		845	845
Others				
Daesan Foundation for Rural Culture & Society	Accounts receivables		1	1
	Leasehold deposits received		1,363	1,363
Key management	Loan receivables		184	249

(*1) In relation to the leasehold deposits received, ₩390 million of the land and buildings held by the Company has been pledged as collateral.

(*2) Retirement pension is the reserves of policyholders included in investment contract liabilities.

(3) Details of material transactions with the related parties for each of the two years in the period ended December 31, 2025 are as follows:

			2025		2024	
Related party	Account		Revenues	Expenses	Revenues	Expenses
Subsidiaries						
Kyobo Securities Co., Ltd.	Insurance service income	₩	184	-	211	-
	Interest income		55	-	122	-
	Fee and commission income		3,208	-	2,581	-
	Rental income		165	-	241	-
	Non-operating income		-	-	45	-
	Other finance expense		-	1,302	-	1,331
	Fee and commission expense		-	6,459	-	4,897
	Insurance service expense		-	3	-	7
Kyobo Book Center Co., Ltd.	Insurance service income		205	-	198	-
	Fee and commission income		159	-	155	-
	Rental income		11,035	-	10,829	-
	Other finance expense		-	2,484	-	2,419
	Insurance service expense		-	4,084	-	5,673
	Other insurance operating expense		-	817	-	834
	Interest expenses		-	48	-	33
Kyobo DTS. Co., Ltd.	Insurance service income		53	-	53	-
	Fee and commission income		145	-	132	-
	Other finance expense		-	544	-	649
	Insurance service expense		-	69,367	-	68,928
	Interest expense		-	115	-	66
Kyobo Realco Inc.	Insurance service income		200	-	90	-
	Fee and commission income		206	-	205	-
	Rental income		230	-	230	-
	Other finance expense		-	649	-	645
	Insurance service expense		-	47,976	-	46,024
Jeil Total Management Co., Ltd.	Rental income		-	-	1	-
	Fee and commission income		2	-	2	-
	Other finance expense		-	29	-	27
	Insurance service expense		-	986	-	953
KCA Claim Adjustment Co., Ltd.	Insurance service income		53	-	57	-
	Fee and commission income		39	-	38	-
	Rental income		872	-	891	-
	Interest income		-	-	1	-
	Other finance expense		-	824	-	798
	Insurance service expense		-	36,556	-	35,430

(Continued)

Related party	Account		2025 Revenues	2025 Expenses	2024 Revenues	2024 Expenses
Subsidiaries, continued						
KCA Service Co., Ltd.	Insurance service income	₩	106	-	243	-
	Fee and commission income		25	-	22	-
	Rental income		2,194	-	2,487	-
	Other finance expense		-	479	-	441
	Insurance service expense		-	32,301	-	31,347
Kyobo Life Planet Life Insurance Co., Ltd.	Insurance service income		-	-	1	-
	Fee and commission income		9	-	-	-
	Rental income		580	-	579	-
	Non-operating income		-	-	51	-
	Other finance expense		-	115	-	1
	Insurance service expense		-	-	-	6
Kyobo Asset Trust Co., Ltd	Insurance service income		49	-	55	-
	Fee and commission income		295	-	259	-
	Rental income		2,287	-	2,861	-
	Dividend income		13,973	-	427	-
	Insurance service expense		-	36	-	-
	Other finance expense		-	558	-	582
Kyobo AIM Asset Management Co., Ltd	Insurance service income		9	-	-	-
	Fee and commission income		11	-	8	-
	Rental income		-	-	3	-
	Other finance expense		-	19	-	19
Kyobo Dasom Care Co., Ltd.	Insurance service income		8	-	5	-
	Rental income		1	-	-	-
	Insurance service expense		-	6,217	-	19
	Other insurance operating expense		-	634	-	-
DPLANEX Co.,Ltd.	Insurance service income		12	-	10	-
	Rental income		648	-	595	-
	Insurance service expense		-	3,505	-	5,030
Fortress Innovation Co.,Ltd.	Fee and commission income		1	-	1	-
	Insurance service expense		-	86	-	-
	Other finance expense		-	7	-	8
Kyobo Life Asset Management (America) Co., Ltd.	Insurance service expense		-	1,962	-	1,739
Kyobo Life Asset Management (Japan) Co., Ltd.	Insurance service expense		-	585	-	687
Consus BTL Private Special Asset Investment Trust 1	Other investment income		285	-	309	-
Consus Hope BTL Private Special Asset Investment Trust1	Other investment income		702	-	607	-
Consus New Energy Private Special Asset Investment Trust2	Other investment income		74	-	234	-

Related party	Account		2025 Revenues	2025 Expenses	2024 Revenues	2024 Expenses
Subsidiaries, continued						
KIAMCO Shipping Private Special Asset Investment TrustKX-1	Other investment income	₩	566	-	608	-
Kyobo AIM Core General Private Real Estate Investment Trust 1	Other investment income		8,124	-	1,589	-
Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 1	Other investment income		18,094	-	5,984	-
Kyobo AIM Corporate Finance General Private Investment Trust 1	Other investment income		6,953	-	-	-
Kyobo AIM ESG Infrastructure General Private Placement Special Asset Investment Trust 2	Other investment income		84	-	-	-
Associates						
A&D Credit Information Co., Ltd.	Fee and commission income		1	-	1	-
	Dividend income		49	-	49	-
	Other finance expense		-	25	-	24
	Insurance service expense		-	7,113	-	6,894
Joint Ventures						
Kyobo AXA Investment Managers Co., Ltd.	Insurance service income		1	-	2	-
	Fee and commission income		153	-	182	-
	Dividend income		6,930	-	6,150	-
	Rental income		1,701	-	1,599	-
	Insurance service expense		-	5,347	-	4,207

Others						
Daesan Foundation for Rural Culture & Society	Rental income		4	-	-	-
	Non-operating expense		-	1,092	-	1,146
Daesan Foundation for Culture	Rental income		74	-	71	-
	Insurance service expense		-	42	-	60
	Non-operating expense		-	1,095	-	1,018
Kyobo Foundation for Education & Culture	Rental income		26	-	14	-
	Non-operating expense		-	1,000	-	1,000
Daesan Shin Yong Ho Memorial Society	Non-operating expense		-	300	-	-

(*) Insurance service income is calculated based on the actual amount of insurance premiums received, and insurance service expenses are calculated based on actual insurance claims and business expenses.

(4) Details of material transactions with the related parties for each of the two years in the period ended December 31, 2025 are summarized as follows:

Related party	Account		2025 Acquisition	2025 Disposition	2024 Acquisition	2024 Disposition
Subsidiaries						
Fortress Innovation	Advanced payments	₩	2,321	-	1,644	-
Kyobo Book Center Co., Ltd	Right-of-use assets		2,348	-	867	-
	Development costs		3,429	-	-	-
Kyobo DTS Co., Ltd.	Development costs		-	-	13	-
	Advanced payments		-	-	3,143	-
	Right-of-use assets		8,367	-	2,954	-
	Software		773	-	4	-
	Tool equipment		-	-	62	-
The Planics Co.,Ltd.	Development costs		-	-	64	-
Kyobo Realco Inc.	Tool equipment		-	-	39	-

(5) Details of financial transactions with the related parties for each of the two years in the period ended December 31, 2025 are as follows:

Related party		2025 Loan transaction: Lending	2025 Loan transaction: Collection	2025 Cash capital contribution (Return of capital)
Subsidiaries				
Kyobo Asset Trust Co., Ltd. (*1)	₩	-	-	-
Kyobo New Technology Investment Association No.1		-	-	(3,500)
Kyobo Tech Valueup Investment Association No. 1		-	-	14,000
Consus BTL Private Special Asset Investment Trust 1		-	-	(1,956)
Consus Hope BTL Private Special Asset Investment Trust 1		-	-	(2,486)
Consus New Energy Private Special Asset Investment Trust 2		-	-	(1,424)
KIAMCO Shipping Private Special Asset Investment Trust KX-1		-	-	(803)
Kyobo AIM Core Private Real Estate Investment Trust 1		-	-	171,521
Kyobo AIM ESG Infrastructure General Private Special Asset Investment Trust 1		-	-	83,512
Kyobo AIM Corporate Finance General Private Investment Trust 1		-	-	30,375
Kyobo AIM Corporate Finance General Private Investment Trust 2		-	-	332,351
Kyobo AIM ESG Infrastructure General Private Special Asset Investment Trust 2		-	-	50,954
	₩	-	-	672,544
Joint Ventures				
Shinyoung Kyobo AIM Real Estate No. 1 Private Equity Partnership		-	-	11,667
	₩	-	-	684,211

(*1) The Company converted the entire amount of ₩ 178,000 million in hybrid securities into equity for the year ended December 31, 2025.

Related party		2024 Loan transaction: Lending	2024 Loan transaction: Collection	2024 Cash capital contribution (Return of capital)
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) Including proceeds from sale of hybrid securities amounting to ₩ 178,000 million.

(6) Details of transactions of securities through the major related parties for each of the two years in the period ended December 31, 2025 are as follows:

Related party	Type of securities		2025 Buy	2025 Sell	2024 Buy	2024 Sell
Kyobo AXA Investment Managers Co., Ltd.	Beneficiary certificates	₩	2,310,675	2,694,896	1,872,909	2,047,161
Kyobo Securities Co., Ltd.	Bond		5,521,573	3,856,455	6,441,727	3,795,667
	Stock		1,383,198	1,692,129	1,299,376	1,334,318
	Beneficiary certificates		2,213,597	2,691,169	1,942,603	2,366,302
Kyobo AIM Life Asset Management Co., Ltd.	Beneficiary certificates		675,068	6,354	672,619	471
		₩	12,104,111	10,941,003	12,229,234	9,543,919

(7) Details of collateral that the Company has provided to its related parties as of December 31, 2025 are as follows:

Related party	Collateral		2025 Book value	2025 Purpose
Subsidiaries				
Kyobo Securities Co., Ltd.	Financial assets at fair value through other comprehensive income	₩	245,332	Futures substitute Securities
	Financial assets at fair value through other comprehensive income		99,080	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. Details of key management compensations for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Long and short-term employee benefits	₩	17,298	14,890
Retirement benefits		4,952	4,403
	₩	22,250	19,293

41. Earnings per share

(1) Details of basic earnings per share for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Profit for the year	₩	763,210	698,736
Dividends to hybrid bonds		(115,916)	(91,708)
Profit available for common stock	₩	647,294	607,028
Weighted average number of common shares outstanding (in shares)		100,409,112	100,406,089
Earnings per share in won	₩	6,447	6,046

(1) The weighted average number of common shares outstanding for each of the two years in the period ended December 31, 2025 is as follows:

		2025	2024
Weighted average total number of shares issued	₩	102,500,000	102,500,000
Weighted average number of treasury shares		2,090,888	2,093,911
Weighted average number of common shares outstanding	₩	100,409,112	100,406,089

The Company'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, 2025 and 2024.

42. Statement of cash flows

(1) Details of adjustments of earnings and expenses for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Interest expenses	W	188,927	125,163
Income tax expenses		198,888	182,054
Bad debt expenses		79,606	57,612
Gain (loss) on foreign currency transaction, net		10,728	(2,158,065)
Loss on valuation of derivative, net		539,560	1,994,474
Gain (loss) on valuation of derivative trading, net		(245)	40,213
Gain on disposal of investment in associates and subsidiaries, net		(1,199)	-
Impairment losses on investment in associates and subsidiaries, net		118,637	279,223
Gain on disposal of investment properties		(817)	-
Depreciation of investment properties		10,595	10,518
Impairment losses on investment properties		-	18
Loss on disposal of property and equipment		7,003	4,499

Depreciation of property and equipment	59,403	60,21
Impairment losses on property and equipment	-	6
Amortization of intangible asset	19,510	54,97
Impairment losses on intangible assets	332	1
Loss on disposal of intangible asset	-	2
Reinsurance premium expenses	29,106	33,54
Interest income	(3,415,134)	(3,173,869
Dividend income	(193,566)	(150,563
Reinsurance income	(38,353)	(31,557
Insurance contract service revenue	(4,308,778)	(3,979,442
Insurance contract service expenses	3,862,516	3,462,88
Insurance contract finance profit and loss	5,267,918	2,923,90
Reinsurance contract finance expenses	5,644	5,60
Reinsurance contract finance income	(3,332)	(2,232
Gain on other contract liabilities	723,016	663,06
Retirement benefits	52,290	57,96
Bad debt expenses for other assets	3,150	3,71
Gain on cancellation of lease contracts	(558)	(951
Other gain	(11,813)	(9,983
Gain on disposal of financial assets at fair value through profit or loss	(76,880)	(56,031
Gain on valuation of financial assets at fair value through profit or loss	(2,540,271)	(26,013
Loss (Gain) on valuation of financial liabilities at fair value through profit or loss	615	(635
Loss (Gain) on disposal of financial assets at fair value through other comprehensive income	(204,268)	31,19
Loss (gain) on disposal of financial assets at fair value through other comprehensive income	3,749	
Reversal of impairment losses on financial assets at fair value through other comprehensive income	(576)	(4,559
Reversal of impairment losses on securities at amortized cost	(3)	(13
	385,400	397,03

(2) Changes in assets and liabilities for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Deposits	₩	(156,562)	(691,945
Financial assets at fair value through profit or loss		1,143,542	1,490,36
Loan receivables at amortized cost		(116,747)	160,29
Other financial assets at amortized cost		(456)	174,14
Derivatives assets		743,015	315,26
Other assets		(4,810)	1,76
Reinsurance contract asset		44,312	12,58
Insurance contract liabilities		581,682	(853,786
Reinsurance contract liabilities		(46,951)	(31,301
Derivatives liabilities		(1,417,396)	(692,522
Other financial liabilities		98,800	37,29
Provisions		(876)	(725
Defined benefit liabilities		(9,247)	(55,838
Investment contract liabilities		1,855,255	(89,855
Other liabilities		(837)	(13,008
		2,712,724	(237,262

(3) Details of material transactions not involving cash inflows and outflows for each of the two years in the period ended December 31, 2025 are as follows:

		2025	2024
Loss (gain) on valuation of financial assets at fair value through other comprehensive income	₩	(2,652,519)	359,98
Loss allowance of debt instrument at fair value through other comprehensive income		(576)	(4,559
Net finance gain (loss) on insurance contract assets (liabilities)		3,013,866	(5,642,498
Net finance gain (loss) on reinsurance contract assets (liabilities)		(1,799)	(11,135
Transfer between investment properties and property and equipment		(3,476)	(4,178
Remeasurements of net defined benefit obligations		12,814	9,78
Changes in payables related to purchase of securities		79,304	151,30
Changes in receivables related to disposal of securities		(105,112)	(40,465
Transfers of advance payments to property and equipment		2,936	
Transfers of advance payments to intangible assets		8,174	6,04
Loss(gain) on valuation of cash flow hedging derivatives		(684,061)	49,38
Write-off of loan receivables, etc.		(67,353)	(46,456
Transfers of other liabilities to provisions		15,800	
Conversion and acquisition of right-of-use assets		58,864	48,24
Disposition of right-of-use assets		(17,303)	(13,084
Write-off of other receivables, etc.		(2,831)	(5,165
Unpaid dividends on hybrid bonds		115,916	91,70
Reversal of regulatory reserve for loan losses		(20,915)	(31,947
Accumulation of guaranteed reserve		54,782	275,99
Reversal of financial solvency reserve		-	(1,096,736
Income tax expense reflected directly to equity		118,824	1,383,10

(4) Changes in liabilities from financing activities for each of the two years in the period ended December 31, 2025 are as follows:

		2025			
		Beginning balance	Cash flows from financing activities	Interest expense, etc.	Ending balance
Leasehold deposits received	₩	100,358	(8,194)	3,774	95,938
Lease liabilities		41,368	(32,424)	34,479	43,422
Borrowings		698,080	-	165	698,245

		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

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 1108 *Operating Segments*.

44. Effects of changes in accounting policies

As described in Note 2.3.1, although there is a possibility that complying with KIFRS 1117 could result in an understatement of liabilities compared to previous accounting practices and thereby potentially conflicting with the objectives of financial statements and misleading users of the financial statements, the Company determined that the regulatory framework no longer permits the prior accounting treatment, which applied KIFRS 1117 differently and consequently, the Company changed the method of measuring insurance contract liabilities to comply with the requirements of KIFRS 1117. In addition, the Financial Supervisory Service, in its response to the above inquiry, stated that when life insurance companies change their dividend payment obligations related to participating insurance contracts from accounting departure (policyholders' equity adjustment) to KIFRS 1117, it should be accounted for as a change in accounting policy under KIFRS 1008, and accordingly, the Company applied the effects of this change retroactively. The impacts of this change in the Company's accounting policy as of December 31, 2024 and January 1, 2024 are as follows.

(1) Overview of prior period errors

	Descriptions
Accounting Standards	KIFRS 1001 paragraph 19, 29, 30A KIFRS 1008 paragraph 10, 11, 35 KIFRS 1117 paragraph 93, 94, 95, 96, 117, 121, 122, 126, 128
Accounts	Deferred tax assets, Accumulated other comprehensive income, Other contract liabilities, Gain or loss on valuation of financial assets at fair value through other comprehensive income, Revaluation reserves on property and equipment
Adjustments	[Financial Position] Deferred tax assets as of December 31, 2024 (431) [Financial Position] Other contract liabilities as of December 31, 2024 (1,634) [Financial Position] Accumulated other comprehensive income as of December 31, 2024 1,203 [Financial Position] Deferred tax assets as of January 1, 2024 6,731 [Financial Position] Other contract liabilities as of January 1, 2024 25,497 [Financial Position] Accumulated other comprehensive income as of January 1, 2024 (18,766) [Statements of comprehensive income] Gain or loss on valuation of financial assets at fair value through other comprehensive income for period ended December 31, 2024 10,932 [Statements of comprehensive income] Revaluation reserves on property and equipment for period ended December 31, 2024 9,037
Errors Details	Changes in dividend payment obligations related to participating insurance contracts from accounting departure (policyholders' equity adjustment) to KIFRS 1117

(2) The impact on the financial positions

(a) The statement of financial position as of December 31, 2024 was retrospectively restated as follows:

After restatement			Before restatement			
Account		Amount	Account		Amount	Variance
Asset	₩	**122,408,552**	**Asset**	₩	**122,408,983**	**(431)**
Cash and due from banks		3,501,250	Cash and due from banks		3,501,250	-
Financial asset		115,040,646	Financial asset		115,040,646	-
Reinsurance contract asset		193,269	Reinsurance contract asset		193,269	-
Property and equipment, etc.		2,065,469	Property and equipment, etc.		2,065,469	-
Deferred tax assets		1,426,026	Deferred tax assets		1,426,457	(431)
Current tax assets		165,466	Current tax assets		165,466	-
Other assets		16,426	Other assets		16,426	-
Liability		**115,102,331**	**Liability**		**115,103,965**	**(1,634)**
Insurance contract liabilities		94,441,284	Insurance contract liabilities		94,441,284	-
Reinsurance contract liabilities		272,808	Reinsurance contract liabilities		272,808	-
Investment contract liabilities		16,000,079	Investment contract liabilities		16,000,079	-
Other contract liabilities		170,058	Other contract liabilities		171,692	(1,634)
Financial liabilities		4,080,018	Financial liabilities		4,080,018	-
Other liabilities		138,084	Other liabilities		138,084	-
Equity	₩	**7,306,221**	**Equity**	₩	**7,305,018**	**1,203**
Common stocks, etc.		2,476,748	Common stocks, etc.		2,476,748	-
Accumulated other comprehensive income		(2,204,529)	Accumulated other comprehensive income		(2,205,732)	1,203
Retained earnings		7,034,002	Retained earnings		7,034,002	-

(b) The statement of financial position as of January 1, 2024 was retrospectively restated as follows:

After restatement			Before restatement			
Account		Amount	Account		Amount	Variance
Asset	₩	**115,009,276**	**Asset**	₩	**115,002,545**	**6,731**
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	-
Property and equipment, etc.		2,132,951	Property and equipment, etc.		2,132,951	-
Deferred tax assets		174,269	Deferred tax assets		167,538	6,731
Current tax assets		198,365	Current tax assets		198,365	-
Other assets		9,845	Other assets		9,845	-
Liability		**105,052,287**	**Liability**		**105,026,790**	**25,497**
Insurance contract liabilities		87,242,879	Insurance contract liabilities		87,242,879	-
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		172,402	Other contract liabilities		146,905	25,497
Financial liabilities		1,794,987	Financial liabilities		1,794,987	-
Other liabilities		159,272	Other liabilities		159,272	-
Equity	₩	**9,956,989**	**Equity**	₩	**9,975,755**	**(18,766)**
Common stocks, etc.		1,878,462	Common stocks, etc.		1,878,462	-
Accumulated other comprehensive income		1,651,401	Accumulated other comprehensive income		1,670,167	(18,766)
Retained earnings		6,427,126	Retained earnings		6,427,126	-

(3) The statement of comprehensive income for the year ended December 31, 2024 is retrospectively restated as follows:

After restatement			Before restatement			
Account		Amount	Account		Amount	Variance
Operating profit	₩	**1,145,023**	**Operating profit**	₩	**1,145,023**	**-**
Non-operating income or expense		**(264,233)**	**Non-operating income or expense**		**(264,233)**	**-**
Non-operating income		28,128	Non-operating income		28,128	-
Non-operating expense		292,361	Non-operating expense		292,361	-
Profit before income tax		**880,790**	**Profit before income tax**		**880,790**	**-**
Income tax expense		**182,054**	**Income tax expense**		**182,054**	**-**
Profit or loss for the period		**698,736**	**Profit or loss for the period**		**698,736**	**-**
Accumulated other comprehensive income or loss		**(3,856,081)**	**Accumulated other comprehensive income or loss**		**(3,876,050)**	**19,969**
Gain or loss on valuation of financial assets at fair value through other comprehensive income		239,693	Gain or loss on valuation of financial assets at fair value through other comprehensive income		228,761	10,932
Revaluation reserves on property		-	Revaluation reserves on property		(9,037)	9,037
Other		(4,095,774)	Other		(4,095,774)	-
Total comprehensive income	₩	**(3,157,345)**	**Total comprehensive income**	₩	**(3,177,314)**	**19,969**

(4) The statement of changes in equity for the year ended December 31, 2024 was retrospectively restated as follows:

		2024		
		After restatement	Before restatement	Variance
Balance as of January 1, 2024 (Before change)	₩	9,975,755	9,975,755	-
Effects of changes in accounting policies		(18,766)	-	(18,766)
Balance as of January 1, 2024 (After change)		**9,956,989**	**9,975,755**	**(18,766)**
Changes in equity		**(2,650,768)**	**(2,670,737)**	**19,969**
Profit of loss for the period		698,736	698,736	-
Accumulated other comprehensive income or loss		(3,856,082)	(3,876,051)	19,969
Transactions with owners		506,578	506,578	-
Balance as of December 31, 2024	₩	**7,306,221**	**7,305,018**	**1,203**

(5) The statement of cash flows for the year ended December 31, 2024 has not been affected by retrospective restatement due to changes in accounting policies.

(6) The notes to financial statements for the year ended December 31, 2024 were retrospectively restated due to changes in accounting policies and details of notes changed are as follows: Note 6 *Financial assets at fair value through other comprehensive income*; Note 11 *Classification by categories of financial instruments*; Note 14 *Property and equipment*; Note 17 *Insurance contract liabilities and reinsurance contract liabilities*; Note 18 *Investment contract and other contract liabilities*; Note 25 *Equity*; Note 37 *Income tax expense*; Note 42 *Statements of cash flows*; and Note 45 *Risk management*.

45. Risk management

45-1) General

(1) Risk management overview

Kyobo Life Insurance Co., Ltd.
Notes to the separate financial statements, continued
December 31, 2025 and 2024

(In millions of Korean won)

The objective of risk management is to effectively manage and control various uncertainties that prevent the Company from achieving its business goal. The 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 Company's risk management process is as follows:
1) Risk identification and classification
The 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, while variable insurance market risk is measured using a stress-scenario approach. 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 Company continues to maintain Asset-Liability Management (ALM) policy to secure long-term stable interest rate margins. In order to achieve continuous structural improvements in assets and liabilities, the Company operates its liability portfolio primarily with linked products, while the asset portfolio is structured to expand the scale and duration of interest-bearing assets and enhance the investment yield.
3) Risk control
To maintain capital adequacy and financial soundness, the 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. The significant decision-making matters of the Company 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 Company, the 'Significant Contract Risk Review Working Council' supports accurate and prompt decision-making.
4) Risk monitoring and reporting
The 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 Company's major risk management organization is as follows.
1) Risk Management Committee
The Risk Management Committee, delegated by the Board of Directors, is a decision-making body responsible for overseeing and supervising the Company's risk profile, and it is composed of four outside directors to ensure independence and fairness. The Risk Management Committee has overall responsibility for establishing basic directions and major policies of risk management consistent with management strategies and setting appropriate risk limits for the 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 Risk Management Team, which supports the Risk Management Committee and the Risk Management Council in practical matters, is operated as a dedicated risk management department and individual risk management departments according to their respective roles. 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: finance team
- Liquidity risk: finance team
- Insurance risk: insurance service planning team/operation management team
- Variable insurance guarantee risk: risk management support team

45-2) Regulatory capital adequacy
1) K-ICS: Korean - Insurance Capital Standard
The Company measures, manages and discloses K-ICS ratio according to the *Regulation on Supervision of Insurance Business* of Korea to maintain required capital for the solvency margin. K-ICS (Newly adopted Solvency system) requires entities to hold enough equity capital for covering 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 of Korea (the "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 -Limits new business entering -Requires management replacement -Re-organization of subsidiaries -Suspension of management duties -Suspension of insurance business
Improvement required	Above 0% and below 50%	
Improvement commanded	Below 0%	

The 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 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.

Kyobo Life Insurance Co., Ltd.
Notes to the separate financial statements, continued
December 31, 2025 and 2024

(In millions of Korean won)

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) Insurance risk exposure and concentration
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, 2025 and 2024 are as follows:

		2025			2024		
		Insurance contract liabilities	Reinsurance contract assets (liabilities)	Total	Insurance contract liabilities	Reinsurance contract assets (liabilities)	Total
Participating Contract	₩	26,334,166	-	26,334,166	27,405,481	-	27,405,481
Death		22,393	-	22,393	24,743	-	24,743
Health		421,114	-	421,114	464,311	-	464,311
Annuity/Savings		25,890,658	-	25,890,658	26,916,427	-	26,916,427
Non-participating Contract		54,390,366	(71,764)	54,462,129	52,810,417	(79,539)	52,889,956
Death		21,810,188	(106,821)	21,917,009	21,927,327	(133,534)	22,060,862
Health		8,856,603	23,686	8,832,918	9,430,687	38,286	9,392,401
Annuity/Savings		23,723,574	11,372	23,712,203	21,452,403	15,709	21,436,693
Variable Contract		16,108,227	-	16,108,227	14,225,386	-	14,225,386
Death		5,937,814	-	5,937,814	5,345,127	-	5,345,127
Health		7	-	7	-	-	-
Annuity/Savings		10,170,406	-	10,170,406	8,880,259	-	8,880,259
	₩	96,832,759	(71,764)	96,904,522	94,441,284	(79,539)	94,520,823

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 estimated present value 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, 2025 and 2024 are as follows:

Item	Assumption		Basis for calculation
	2025	2024	
Surrender rate	0.25% ~ 74.5%	0.25% ~ 56.25%	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, 2025. (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	21% ~ 255.5%	31% ~ 272.5%	The ratio of insurance premiums paid to risk insurance premiums calculated by collateral, product, gender and age based on the past five years of experience statistics as of June 30, 2025. ※ 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 (3 years for policy loan expenses)
Discount rate	-4.2% ~ 16.9%	-4.2% ~ 16.9%	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.

a) 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 material impact on the uncertainty about the amount and timing of future cash flows arising from insurance contracts and manages insurance risk therethrough.

	2025			2024		
	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)
Before risk reduction by cedant insurance						
Participating contract						
10% increase in operating expense	₩ 54,166	(39,562)	(39,562)	60,014	(43,245)	(43,245)
10% decrease in operating expense	(54,173)	39,562	39,562	(60,023)	43,241	43,241
10% increase in risk rate	(276,654)	272,229	272,229	(270,183)	265,912	265,912
10% decrease in risk rate	306,784	(300,775)	(300,775)	301,876	(295,755)	(295,755)
10% increase in surrender rate	(17,914)	18,894	18,894	(26,767)	27,985	27,985
10% decrease in surrender rate	18,047	(19,058)	(19,058)	27,000	(28,270)	(28,270)
Non-participating contract						
10% increase in operating expense	586,069	(15,154)	(15,154)	571,648	(18,557)	(18,557)
10% decrease in operating expense	(586,098)	15,159	15,159	(571,656)	18,564	18,564
10% increase in risk rate	2,418,919	(402,021)	(402,021)	2,455,791	(357,560)	(357,560)
10% decrease in risk rate	(2,460,755)	(17,735)	(17,735)	(2,474,472)	(17,957)	(17,957)
10% increase in surrender rate	791,212	(16,545)	(16,545)	661,489	(11,957)	(11,957)
10% decrease in surrender rate	(850,938)	17,482	17,482	(716,747)	12,978	12,978
Variable contract						
10% increase in operating expense	59,501	-	-	62,925	-	-
10% decrease in operating expense	(59,501)	-	-	(62,768)	-	-
10% increase in risk rate	278,457	-	-	324,801	-	-
10% decrease in risk rate	(283,160)	-	-	(329,837)	-	-
10% increase in surrender rate	136,261	-	-	85,905	-	-
10% decrease in surrender rate	(144,650)	-	-	(89,630)	-	-

(*1) Profit or loss before income tax.

(*2) Effect on equity presents the amount before the deferred income tax is distributed.

	2025			2024		
	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)	Effect on fulfilment cashflows	Effect on net profit or loss (*1)	Effect on equity (*2)
After risk reduction by cedant insurance						
Participating contract						
10% increase in operating expense	₩ 54,166	(39,562)	(39,562)	60,014	(43,245)	(43,245)
10% decrease in operating expense	(54,173)	39,562	39,562	(60,023)	43,241	43,241
10% increase in risk rate	(276,654)	272,229	272,229	(270,183)	265,912	265,912
10% decrease in risk rate	306,784	(300,775)	(300,775)	301,876	(295,755)	(295,755)
10% increase in surrender rate	(17,914)	18,894	18,894	(26,767)	27,985	27,985
10% decrease in surrender rate	18,047	(19,058)	(19,058)	27,000	(28,270)	(28,270)
Non-participating contract						
10% increase in operating expense	586,069	(15,154)	(15,154)	571,648	(18,557)	(18,557)
10% decrease in operating expense	(586,098)	15,159	15,159	(571,656)	18,564	18,564
10% increase in risk rate	2,292,877	(402,021)	(402,021)	2,386,707	(357,560)	(357,560)
10% decrease in risk rate	(2,360,883)	(17,735)	(17,735)	(2,414,089)	(17,957)	(17,957)
10% increase in surrender rate	791,428	(16,545)	(16,545)	656,517	(11,957)	(11,957)
10% decrease in surrender rate	(851,235)	17,482	17,482	(711,387)	12,978	12,978
Variable contract						
10% increase in operating expense	59,501	-	-	62,925	-	-
10% decrease in operating expense	(59,501)	-	-	(62,768)	-	-
10% increase in risk rate	278,457	-	-	324,801	-	-
10% decrease in risk rate	(283,160)	-	-	(329,837)	-	-
10% increase in surrender rate	136,261	-	-	85,905	-	-
10% decrease in surrender rate	(144,650)	-	-	(89,630)	-	-

(*1) Profit or loss before income tax.

(*2) Effect on equity presents the amount before the deferred income tax is distributed.

b) 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:

	2025						
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							
2021	1,187,066	265,718	35,825	12,600	5,547	-	1,506,756
2022	1,210,166	289,075	37,422	16,708	-	-	1,553,371
2023	1,258,277	281,994	40,630	-	-	-	1,580,901
2024	1,289,643	296,317	-	-	-	-	1,585,960
2025	1,364,236	-	-	-	-	-	1,364,236
	6,309,388	1,133,104	113,877	29,308	5,547	-	7,591,224
Liability for incurred claims for insurance claims payments incurred after 2021	-	380,819	66,235	23,407	6,411	-	476,872
Liability for incurred claims for insurance claims payments incurred before 2021							33,121
Discount effects							(14,122)
Claims investigation expenses							15,253
Amount incurred in previous years, etc. (*)							2,095,392
Risk adjustments for non-financial risks							13,800
Liability for claims incurred at the end of reporting period							2,620,316

(*) This amount includes the accident incurred in the previous year and preparations for cost evaluation.

	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							
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 claims incurred at the end of reporting period							2,611,674

(*) This amount includes the accident incurred in the previous year and preparations for cost evaluation.

(4) Management of insurance risk

Insurance risk is managed by classifying it into death risk, longevity risk, disability and disease risk, property and other risks, termination risk, operating expense risk, and catastrophe risk by each risk factor. The details are as follows:

A. Death risk and longevity risk refers 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 Company calculates the risk amount for each factor on a quarterly basis in accordance with Article 7-2 of the *Regulation on Supervision of Insurance Business*, 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 qualifying credit level 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(liabilities) by reinsurance company
The credit ratings of reinsurers for reinsurance contract assets and reinsurance contract liabilities recognized as of December 31, 2025 and 2024 are as follows:

		December 31, 2025	
		Reinsurance contract assets	Reinsurance contract liabilities
AA+ to AA-	₩	40,007	187,398
A+ to A-		149,570	73,943
		189,577	261,341

		December 31, 2024	
		Reinsurance contract assets	Reinsurance contract liabilities
AA+ to AA-	₩	39,480	203,521
A+ to A-		153,790	69,287
		193,270	272,808

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 *Regulation on Supervision of Insurance Business* 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, 2025 and 2024 is as follows:

		2025	2024
Interest bearing asset:			
Financial assets at fair value through profit or loss (*1)	₩	11,540,047	11,730,123
Financial assets at fair value through other comprehensive income		59,645,645	56,985,856
Securities at amortized cost		1,098,392	1,213,163
Loan receivables at amortized cost		19,321,710	19,226,225
Other receivables at amortized cost		1,288,414	1,017,378
	₩	92,894,208	90,172,745
Interest bearing liabilities:			
Insurance contract liabilities (assets)		96,832,759	94,441,284
Participating contract		26,334,166	27,405,481
Non-participating contract		54,390,366	52,810,417
Variable contract		16,108,227	14,225,386
Reinsurance contract liabilities (assets)		71,763	79,539
Investment contract liabilities		18,578,966	16,000,079
	₩	115,483,488	110,520,902

(*1) Including 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 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. 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 risks as of December 31, 2025 and 2024 are as follows:

		2025	2024
Cash and due from banks (*1)	₩	3,979,483	3,500,742
Financial assets at fair value through profit or loss (*2)		7,278,223	7,991,054
Financial assets at fair value through other comprehensive income (*2)		59,645,645	56,985,856
Securities at amortized cost (*3)		1,098,392	1,213,163
Loan receivables at amortized cost (*3)		19,321,710	19,226,225
Other receivables at amortized cost (*3)		1,288,414	1,017,378
Derivative assets		267,476	597,560
	₩	92,879,343	90,531,978
Unused commitments	₩	9,750,845	7,698,585

(*1) The amount represents cash and deposits presented in the statement of financial position, excluding cash on hand that is not subject to credit risk.
(*2) The amount represents financial assets presented in the statement of financial position, excluding financial instruments in the nature of equity securities.
(*3) The maximum exposure amount for securities at amortized cost and loan receivables at amortized cost are presented before deducting loss allowances.

For other receivables at amortized cost, the maximum exposure amount is presented before deducting both discount on present value and loss allowances.

(4) Impairment information of financial instruments
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 values of financial instruments by credit rating as of December 31, 2025 are as follows:

		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
Cash and deposits at amortized cost	₩				
Grade 1		2,823,000	-	-	2,823,000
Grade 2		200,000	-	-	200,000
Grade 3		956,483	-	-	956,483
		3,979,483	-	-	3,979,483
Financial assets at fair value through other comprehensive income					
Grade 1		57,892,672	-	-	57,892,672
Grade 2		1,752,972	-	-	1,752,972
Grade 3		-	-	1	1
		59,645,644	-	1	59,645,645
Securities at amortized cost					
Grade 1		1,098,392	-	-	1,098,392
Grade 2		-	-	-	-
Grade 3		-	-	-	-
		1,098,392	-	-	1,098,392
Loan receivables at amortized cost					
Grade 1		17,173,186	61,062	261	17,234,509
Grade 2		1,040,097	370,109	75,732	1,485,938
Grade 3		192,337	370,945	37,981	601,263
		18,405,620	802,116	113,974	19,321,710
Other receivables at amortized cost					
Grade 1		53,698	5,384	6	59,088
Grade 2		4,846	1,500	14	6,360
Grade 3		1,205,673	6,756	10,537	1,222,966
		1,264,217	13,640	10,557	1,288,414
Unused commitments					
Grade 1		4,728,554	-	-	4,728,554
Grade 2		5,022,291	-	-	5,022,291
Grade 3		-	-	-	-
		9,750,845	-	-	9,750,845
	₩	94,144,201	815,756	124,532	95,084,489

The book values of financial instruments by credit rating as of December 31, 2024 are as follows:

	12-month expected credit loss measurement	Lifetime expected credit loss measurement		
		Non impaired	Impaired	Total
Cash and deposits at amortized cost	₩			
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 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
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
Unused commitments				
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 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	Level 1 to 3	AAA ~ BBB	AAA ~ A-	Aaa ~ Baa3	AAA ~ BBB-	Low credit risk applied
Grade 2	Level 4 to 5	BB+ ~ B	BBB+ ~ BB+	Ba1 ~ B1	BB+ ~ B+	Significant increase in credit risk
Grade 3	Under Level 6	Under CCC	Under BB	Under B2	Under B	Differential divergence point

(5) Concentration of debt securities by industry

The concentration of credit risks in securities measured at amortized cost by major industry as of December 31, 2025 and 2024 is as follows:

2025

	Country and public institution (Government bonds, Public bonds)	Finance and Insurance	Electricity, gas, steam and water supply	Construction	Real estate and rental	Others	Total
Financial assets at fair value through profit or loss	3,088,394	2,410,431	573,267	78,933	165,416	961,782	7,278,223
Financial assets at fair value through other comprehensive income	39,498,808	8,165,118	2,451,379	536,621	78,237	8,915,482	59,645,645
Securities at amortized cost	-	1,057,373	-	-	-	41,019	1,098,392
Total	42,587,202	11,632,922	3,024,646	615,554	243,653	9,918,283	68,022,260

2024

	Country and public institution	Finance and Insurance	Electricity, gas, steam and water supply	Construction	Real estate and rental	Others	Total

	(Government bonds, Public bonds)						
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
Securities 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

(6) Concentration of debt securities by country

The concentration of credit risks in loan and receivables at amortized cost by industry as of December 31, 2025 and 2024 is as follows:

2025

	Korea	USA	England	France	China	Others	Total
Financial assets at fair value through profit or loss	6,911,824	152,867	103,051	-	-	110,481	7,278,223
Financial assets at fair value through other comprehensive income	44,673,942	9,975,644	340,359	882,819	1,204	3,771,677	59,645,645
Securities at amortized cost	1,057,373	-	-	-	-	41,019	1,098,392
Total	52,643,139	10,128,511	443,410	882,819	1,204	3,923,177	68,022,260

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
Securities 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

(7) The concentration of credit risks in loan and receivables at amortized cost by industry as of December 31, 2025 and 2024 is as follows:

2025

	Real estate and rental	Retail, wholesale, Transportation, lodging	Finance, Insurance	Electricity, gas, steam and water supply	Construction	Others	Total
Real estate mortgage loan	1,882,779	-	2,122,710	-	-	2,004,528	6,010,017
Credit loan	2,257,673	560,513	1,314,084	2,682,597	807,610	2,623,370	10,245,847
Payment guarantee loan	1,164,380	-	-	-	25,157	63,259	1,252,796
Others	75,453	96,908	1,094,722	205,247	-	40,721	1,513,051
Securities mortgage loan	-	-	300,000	-	-	-	300,000
	5,380,285	657,421	4,831,516	2,887,844	832,767	4,731,878	19,321,711

2024

	Real estate and rental	Retail, wholesale, Transportation, lodging	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

(8) Credit reinforcement of loan and receivables at amortized cost

The financial effects related to credit risk mitigation through collateral and other credit enhancements for loans measured at amortized cost as of December 31, 2025 and 2024 are as follows:

2025

12-month expected credit loss measurement	Lifetime expected credit loss measurement		
	Non impaired	Impaired	Total

Guarantee	₩	1,252,023	773	-	1,252,796
Real estates		5,709,692	217,056	83,269	6,010,017
Securities		300,000	-	-	300,000
Total		7,261,715	217,829	83,269	7,562,813

		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		6,417,142	232,576	8,192	6,657,910
Total		7,625,046	233,601	9,826	7,868,473

There are no assets held at December 31, 2025 and 2024 that were acquired through the enforcement of collateral.

(9) Impairment information according to credit risk of off-balance sheet accounts

The impairment information based on the credit risks of the borrowing agreement and investment agreements as of December 31, 2025 is as follows:

		12-month expected credit loss measurement	Lifetime expected credit loss measurement		
			Non impaired	Impaired	Total
As of December 31, 2025	₩	9,750,845	-	-	9,750,845
As of December 31, 2024		7,698,585	-	-	7,698,585

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 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.

The sensitivity analysis of foreign exchange rate, interest rate and equity market as of December 31, 2025 and 2024 is as follow:

		2025		
Risk factor			Profit or loss effect (*1,3)	Equity effect (*2,3)
Foreign exchange	₩	100 increase in KRW/USD FX Rate	₩ (1,957)	64,558
		₩ 100 decrease in KRW/USD FX Rate	1,957	(64,558)
Interest rate		100bp increase	(54,577)	(6,541,294)
		100bp decrease	54,577	6,541,294
Stock prices		10% increase in equity index	98,316	17,799
		10% decrease in equity index	(98,316)	(17,799)

(*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.

The sensitivity analysis of foreign exchange rate, interest rate and equity market as of December 31, 2025 and 2024 is as follow, continued:

		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.

(4) Sensitivity analysis of insurance liabilities to risk factors including interest rates

The 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, 2025 and 2024 is as follows:

		2025				
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	(8,057,740)	429,948	7,627,792	-	7,627,792
		Participating contract	(2,369,404)	-	2,369,404	-	2,369,404
		Non-participating contract	(5,258,388)	-	5,258,388	-	5,258,388

	Variable contract		(429,948)	429,948	-	-	-
	100bp decrease		10,258,572	(704,566)	(9,554,006)	-	(9,554,006)
	Participating contract		2,847,268	-	(2,847,268)	-	(2,847,268)
	Non-participating contract		6,706,738	-	(6,706,738)	-	(6,706,738)
	Variable contract		704,566	(704,566)	-	-	-
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) Sensitivity analysis of insurance liabilities to risk factors including interest rates

The 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, 2025 and 2024 is as follows, continued:

		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	-	-	-	-	-
	100bp increase		(7,784,573)	539,018	7,245,555	-	7,245,555
	Participating contract		(2,425,028)	-	2,425,028	-	2,425,028
	Non-participating contract		(4,820,527)	-	4,820,527	-	4,820,527
Interest rate	Variable contract		(539,018)	539,018	-	-	-
	100bp decrease		9,865,036	(788,431)	(9,076,605)	-	(9,076,605)
	Participating contract		2,903,193	-	(2,903,193)	-	(2,903,193)
	Non-participating contract		6,173,412	-	(6,173,412)	-	(6,173,412)
	Variable contract		788,431	(788,431)	-	-	-
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 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.

- 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

(3) Liquidity risk exposure

	2025						
	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)	₩ 4,936,989	6,633,406	2,158,014	2,324,669	2,759,938	70,126,951	88,939,968
Participating contract	2,524,911	1,163,420	1,147,214	1,144,692	1,116,709	18,963,513	26,060,459
Non-participating contract	1,458,517	4,605,282	175,678	335,832	827,665	40,187,416	47,590,390
Variable contract	953,561	864,703	835,122	844,146	815,565	10,976,022	15,289,119
Reinsurance contract liabilities (*3)	18,689	(1,718)	(771)	78	541	21,549	38,367
Other financial liabilities (*1)	861,951	21,135	4,824	3,115	7,887	2,759	901,671
Derivative liabilities	1,118,266	347,329	595,694	464,035	275,766	44,232	2,845,322
Borrowings	-	-	-	-	-	698,245	698,245
	6,935,894	7,000,152	2,757,761	2,791,897	3,044,133	70,893,737	93,423,573
Off-balance items							
Loan agreement (*2)	3,677,847	-	-	-	-	-	3,677,847
Investment agreement (*2)	6,072,998	-	-	-	-	-	6,072,998
	₩ 9,750,845	-	-	-	-	-	9,750,845

(*1) Lease liabilities are excluded (See Note 19.).
(*2) These are the maximum amounts that the Company may pay in future by the contract. As of December 31, 2025, 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 KIFRS 1117, the amount to be paid upon request is ₩9,118.2 billion.

	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)	₩ 4,628,108	2,319,419	6,236,318	2,241,871	2,458,178	68,776,995	86,660,889
Participating contract	2,476,571	1,128,880	1,118,549	1,123,128	1,102,866	20,155,514	27,105,508
Non-participating contract	1,674,624	675,653	4,528,575	524,787	735,978	38,285,013	46,424,629
Variable contract	476,914	514,885	589,194	593,956	619,334	10,336,469	13,130,752
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
	6,444,480	3,170,210	6,392,818	2,450,616	2,661,550	69,604,923	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.).
(*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 KIFRS 1117, the amount to be paid upon request is ₩86,038.5 billion.

46. Summary of Financial Information

46-1) Summary of financial information

Operating profit for the current year is ₩ 1,061.6 billion. Of the operating profit of ₩ 1,061.6 billion, insurance profit is ₩ 391.6 billion, and investment profit is ₩ 670 billion. Non-operating loss is ₩ 99.5 billion, and net income before income tax expense is ₩ 962.1 billion. Net income for the year, reflecting income tax expense of ₩ 198.9 billion, is ₩ 763.2 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 ₩ 77.3 billion, and the difference between the planned operating expenses and the actual operating expenses of ₩ 115.8 billion. Contractual service margin of ₩ 588 billion was amortized and recognized as revenue. Risk adjustment of ₩ 150.6 billion was amortized and recognized as revenue. Reinsurance profit of the Company amounted to ₩ 9.2 billion. Investment income consists of interest income of ₩ 3.4 trillion, gain (loss) on disposal of financial assets of ₩ 1,460.3 billion, valuation gain (loss) of ₩ 2,466 billion, foreign exchange transaction gain (loss) of ₩ (-) 1,472.6 billion, and other investment gain (loss) of ₩ 71.3 billion. The insurance finance cost incurred during the current period (including reinsurance) is ₩ 5.3 trillion. Non-operating income (loss) was ₩ (-) 99.5 billion, consisting of ₩ 21.0 billion in dividends from affiliates and ₩ 118.6 billion in impairment losses. Assets amount to ₩ 128 trillion, of which operating assets amount to ₩ 107 trillion, consisting of ₩ 44.7 trillion in bonds, ₩ 0.7 trillion in stocks, ₩ 14.3 trillion in beneficiary certificates, ₩ 1.9 trillion in real estate, ₩ 18.3 trillion in loans, ₩ 19.5 trillion in overseas securities, ₩ 1.0 trillion in other securities, ₩ 3.5 trillion in investments in affiliates, and ₩ 4.0 trillion in cash and deposits. Non-operating assets amount to ₩ 3.3 trillion, and separate account assets amount to ₩ 17.6 trillion. Total operating assets increased by ₩ 3.0 trillion compared to the previous year, with the main factors being an increase of ₩ 0.2 trillion in bonds, ₩ 2.3 trillion in foreign currency marketable securities, and ₩ 0.6 trillion in investments on related parties. 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 the best estimate liability of ₩ 88.9 trillion, a risk adjustment of ₩ 1.4 trillion, and a contractual service margin of ₩ 6.5 trillion. Best estimate liabilities increased by ₩ 2.3 trillion compared to the end of the previous period. The main changes in BEL include an increase of ₩ 1.3 trillion due to changes in actuarial assumptions and volumes, a decrease of ₩

(-) 1.3 trillion due to the effect of new contracts, a decrease of ₩ (-) 3.0 trillion due to changes in accumulated comprehensive losses from discount rate changes, and an increase of ₩ 5.0 trillion in insurance finance costs recognized in profit or loss. Contractual service margin increased by ₩ 72.9 billion. The main changes in the contractual service margin are an increase of ₩ 1.3 trillion due to new contracts, a decrease of ₩ (-) 1.3 trillion due to changes in assumptions and volumes, an increase of ₩ 660 billion due to insurance finance costs and experience variance, and a decrease of ₩ (-) 588 billion due to amortization. The reinsurance contract liabilities amount to ₩ 71.8 billion, representing a decrease of ₩ 7.8 billion compared to the end of the previous period. The equity amounts to ₩ 7,654.8 billion, consisting of capital stock of ₩ 102.5 billion, hybrid capital securities of ₩ 2,205.7 billion, capital surplus of ₩ 366 billion, capital adjustments of ₩ (-)197.2 billion, retained earnings of ₩ 7,575.7 billion, and accumulated other comprehensive income of ₩ (-)2,398 billion. The change in retained earnings of ₩ 541.8 billion is due to an increase from net income of ₩ 763.2 billion, hybrid capital securities dividends of ₩ 115.9 billion, and annuity dividends of ₩ 120.5 billion. The decrease of ₩ 193.5 billion in accumulated other comprehensive income is due to an increase of ₩ 2,180.2 billion from changes in the fair value of insurance liabilities and a decrease of ₩ 2,373.1 billion from changes in the fair value of financial assets.

(In 100 million of Korean won)

46-2) Insurance liabilities by accounting model and portfolio

Portfolio			General approach			Variable fee approach		
			Best estimate Liabilities (*1/2)	Risk adjustment (*2)	Insurance contract margin	Best estimate Liabilities	Risk adjustment	Insurance contract margin
Non-Par	Dividend insurance of death	₩	97	1	5	-	-	-
	Non-dividend insurance of death		48,758	3,364	20,503	-	-	-
	Dividend insurance of health		3,648	31	255	-	-	-
	Non-dividend insurance of health		73,072	2,529	6,677	-	-	-
	Dividend insurance of annuity/saving		189,174	1,091	55	-	-	-
	Non-dividend insurance of annuity/saving		146,262	255	2,929	-	-	-
Indirect-Par	Non-dividend insurance of death		111,067	4,055	23,267	-	-	-
	Non-dividend insurance of health		2,637	386	1,858	-	-	-
	Dividend insurance of annuity/saving		1,246	6	-	-	-	-
	Non-dividend insurance of annuity/saving		83,300	244	1,800	-	-	-
	Asset linked of annuity/saving		52,822	83	1,206	-	-	-
Direct-Par	Variable insurance of death		-	-	-	54,479	1,260	3,414
	Variable insurance of annuity/saving		-	-	-	97,482	377	3,140
		₩	712,082	12,044	58,555	151,962	1,637	6,554

(*1) Amount before adjusting the settlement items such as advanced insurance premiums.
(*2) Only inclusion of residual guarantees

46-3) Changes in insurance contract liabilities

A. Actuarial assumption

		2025		
		Best estimate Liabilities	Risk adjustment	Contract margin
Change of future service	₩	(7,779)	1,552	10,747
1. Effect of new contract		(13,306)	1,544	12,781
2. Effect of others		5,527	8	(2,035)
(1) Change of assumption		327	-	(327)
- Change of termination rate assumption		2,781	-	(2,781)
- Change of risk rate assumption		(1,644)	-	1,644
- Change of operating expense rate assumption		(1,656)	-	1,656
- Change of other assumption		846	-	(846)
(2) Difference of quantity		5,200	8	(5,208)
(3) Element of loss	₩	-	-	3,501

46-3) Changes in insurance contract liabilities

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	₩	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.8	0.6	0.5	0.3	0.4	4.6

(In 100 million of Korean won)

	Non-dividend insurance of death	952.3	863.9	822.5	829.7	824.1	801.7	772.5	747.9	727.7	708.5	3,245.1	2,550.5	1,910.3	1,359.0	2,106.8	19,222.5
	Dividend insurance of health	25.7	23.2	21.2	19.7	18.0	16.3	14.6	13.1	11.7	10.6	39.4	21.7	11.8	5.6	2.4	255.0
	Non-dividend insurance of health	571.2	496.9	454.1	429.2	406.4	385.1	365.1	346.6	329.5	312.0	1,348.2	972.8	655.2	409.0	476.6	7,957.8
	Dividend insurance of annuity/saving	2.4	2.2	2.0	2.1	2.1	2.0	1.9	1.9	1.8	1.8	8.7	7.2	5.9	4.7	8.1	54.8
	Non-dividend insurance of annuity/saving	351.4	344.0	312.8	153.4	137.8	131.8	130.5	130.8	121.5	104.0	380.9	234.0	145.4	94.1	156.3	2,928.5
Indirect-Par	Non-dividend insurance of death	1,030.2	928.5	885.0	892.6	865.5	812.2	754.5	717.6	696.6	690.3	3,341.9	2,737.2	2,196.8	1,805.7	4,912.7	23,267.3
	Non-dividend insurance of health	140.2	122.5	110.5	102.5	95.6	90.1	84.5	74.7	66.3	62.1	273.3	213.9	141.8	80.5	200.1	1,858.4
	Dividend insurance of annuity/saving	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Non-dividend insurance of annuity/saving	175.1	153.7	138.3	126.6	117.3	107.6	97.8	86.7	74.4	65.8	246.4	149.0	91.4	59.1	111.0	1,800.3
	Asset linked of annuity/saving	98.2	89.9	84.1	80.6	76.5	71.6	66.6	61.8	57.0	52.3	201.0	119.2	67.2	37.5	42.7	1,206.1
Direct-Par	Variable insurance of death	143.7	129.4	123.5	126.3	126.5	123.2	118.0	113.0	109.1	107.1	512.4	424.5	347.7	285.7	624.0	3,414.2
	Variable insurance of annuity/saving	267.4	242.5	223.6	211.1	198.3	183.1	168.7	155.2	142.1	130.0	504.1	305.0	177.4	101.2	130.3	3,140.1
		3,758.1	3,396.8	3,177.8	2,973.9	2,868.3	2,725.0	2,575.0	2,449.4	2,338.0	2,244.6	10,102.2	7,735.7	5,751.2	4,242.3	8,771.3	65,109.6

(*) 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 = A-B) (%)
81.2	78.5	2.7

(*) 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 Risk insurance premium	0.7	0.8	0.7	0.8	0.8	0.8	0.7	0.7	0.7	0.7	3.1	2.1	0.5	(0.6)	(2.9)	8.5
			3.8	4.3	4.3	4.8	5.9	4.9	4.7	4.7	5.0	6.0	25.3	23.4	19.0	13.5	16.5	85.8
		Rate	18.3%	17.9%	17.2%	15.7%	12.8%	15.6%	15.8%	15.2%	13.9%	11.7%	12.2%	8.8%	2.6%	-5.0%	-18.0%	9.9%

(In 100 million of Korean won)

	Non-dividend insurance of death	Expected insurance	2,286.2	2,673.8	2,671.9	2,636.6	2,606.0	2,607.4	2,653.4	2,681.3	2,673.3	2,699.6	13,424.9	12,799.6	11,110.7	9,254.9	28,770.9	50,988.0
		Risk insurance premium	3,562.0	4,033.5	4,018.0	4,005.5	4,004.8	4,014.7	4,075.4	4,148.1	4,167.4	4,293.1	21,962.7	22,193.5	21,699.9	18,551.0	50,602.7	86,307.6
		Rate	64.2%	66.3%	66.5%	65.8%	65.1%	64.9%	65.1%	64.6%	64.1%	62.9%	61.1%	57.7%	51.2%	49.9%	56.9%	59.1%
	Dividend insurance of health	Expected insurance	140.2	143.9	134.4	124.3	115.5	107.3	99.2	91.3	84.3	77.4	301.4	182.3	105.5	53.3	22.2	1,314.9
		Risk insurance premium	281.3	293.5	278.2	261.9	248.9	234.6	220.9	208.1	197.2	185.5	765.6	483.5	269.9	126.1	49.4	2,974.6
		Rate	49.8%	49.0%	48.3%	47.5%	46.4%	45.7%	44.9%	43.9%	42.7%	41.7%	39.4%	37.7%	39.1%	42.2%	45.0%	44.2%
	Non-dividend insurance of health	Expected insurance	6,316.5	6,740.0	6,534.2	6,304.2	6,058.7	5,882.2	5,747.2	5,548.3	5,223.3	4,898.8	21,343.9	17,290.3	13,213.6	9,088.7	14,556.9	85,058.0
		Risk insurance premium	6,819.2	7,360.6	7,372.1	7,264.0	7,269.8	7,239.8	6,848.2	6,546.3	6,191.1	5,848.6	31,039.2	23,694.4	18,115.3	11,647.1	19,210.6	106,808.5
		Rate	92.6%	91.6%	88.6%	86.8%	83.3%	81.2%	83.9%	84.8%	84.4%	83.8%	68.8%	73.0%	72.9%	78.0%	75.8%	79.6%
	Dividend insurance of annuity/saving	Expected insurance	155.1	160.5	152.4	145.7	139.6	134.1	129.2	124.7	120.1	116.1	528.2	441.3	358.8	301.7	1,206.1	2,236.7
		Risk insurance premium	750.2	797.3	784.2	770.0	757.8	747.8	737.4	727.8	716.7	705.2	3,379.2	3,116.6	2,691.5	2,085.0	2,572.5	12,693.6
		Rate	20.7%	20.1%	19.4%	18.9%	18.4%	17.9%	17.5%	17.1%	16.8%	16.5%	15.6%	14.2%	13.3%	14.5%	46.9%	17.6%
	Non-dividend insurance of annuity/saving	Expected insurance	46.9	60.6	22.6	(5.1)	(38.6)	(62.8)	(71.2)	(107.4)	(165.9)	(221.1)	(1,078.9)	(530.7)	(308.9)	(244.2)	(473.6)	(1,665.8)
		Risk insurance premium	109.4	124.3	58.8	55.2	42.2	32.5	31.1	29.8	31.0	31.4	210.7	329.3	394.0	398.2	1,023.2	1,336.9
		Rate	42.9%	48.8%	38.4%	-9.0%	-91.0%	-193.0%	-229.0%	-360.0%	-535.0%	-704.0%	-512.0%	-161.0%	-78.0%	-61.0%	-46.0%	-125.0%

B. Expected insurance claim compared to risk insurance premium (Unit: 100 million KRW)

	Portfolio		1 yea	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-dividend insurance of death	Expected insurance	6,670.8	7,515.3	7,724.4	7,753.2	7,699.4	7,666.6	7,710.1	7,810.0	7,998.0	8,191.3	43,165.9	45,625.1	47,023.5	46,462.8	186,895.5	190,726.1
		Risk isurance premium	8,562.4	9,524.6	9,749.0	9,809.5	9,858.5	9,904.3	9,992.8	10,116.9	10,299.6	10,518.5	54,480.0	56,095.7	56,097.2	54,530.2	210,103.6	233,569.3
		Rate	77.9%	78.9%	79.2%	79.0%	78.1%	77.4%	77.2%	77.2%	77.7%	77.9%	79.2%	81.3%	83.8%	85.2%	89.0%	81.7%
Indirect -Par	Dividend insurance of death	Expected insurance	379.2	390.8	370.3	357.5	345.8	336.9	323.9	319.3	329.6	340.2	1,923.1	2,206.3	2,287.3	2,077.1	4,388.4	8,086.6
		Risk insurance premium	408.5	425.8	407.6	394.6	381.5	372.3	359.6	358.3	363.5	361.7	1,923.3	2,176.8	2,107.8	1,764.0	3,782.9	8,010.3
		Rate	92.8%	91.8%	90.9%	90.6%	90.6%	90.5%	90.1%	89.1%	90.7%	94.1%	100.0%	101.4%	108.5%	117.7%	116.0%	1450.0%
	Dividend insurance of annuity/saving	Expected insurance	2.2	2.2	2.1	2.1	2.0	1.9	1.8	1.7	1.6	1.5	5.9	3.7	3.2	0.6	-	23.3
		Risk insurance premium	8.7	8.9	8.2	7.7	7.2	6.7	6.3	5.9	5.4	5.0	19.3	13.2	7.1	3.7	6.0	84.8
		Rate	25.1%	25.1%	26.1%	26.9%	27.4%	27.8%	28.2%	28.2%	29.1%	29.5%	30.8%	27.6%	45.7%	16.6%	0.1%	27.5%

(In 100 million of Korean won)

	Non-dividend insurance of annuity/saving	Expected insurance	38.8	34.8	28.6	24.5	16.4	8.9	2.1	(2.2)	(3.1)	(5.6)	(15.1)	26.2	28.1	13.0	17.3	161.5
		Risk insurance premium	120.1	125.9	113.6	108.9	103.5	99.4	94.3	89.7	86.9	83.6	401.7	388.9	382.0	368.3	1,299.1	1,904.2
		Rate	32.3%	27.6%	25.2%	22.5%	15.8%	8.9%	2.2%	-2.0%	-4.0%	-7.0%	-4.0%	6.7%	7.4%	3.5%	1.3%	8.5%
	Asset linked of annuity/saving	Expected insurance	(27.4)	(32.0)	(33.3)	(34.2)	(35.1)	(35.7)	(36.0)	(35.3)	(33.9)	(31.6)	(122.0)	(70.8)	(41.5)	(26.3)	(33.6)	(429.0)
		Risk insurance premium	1.4	1.4	1.2	1.0	0.9	0.7	0.6	0.5	0.4	0.3	0.8	0.4	0.3	0.2	0.5	8.5
		Rate	-1934.0%	-2337.0%	-2773.0%	-3314.0%	-3927.0%	-4791.0%	-6083.0%	-7362.0%	-9296.0%	10247.0%	14358.0%	19500.0%	15579.0%	12775.0%	-6289.0%	-5065.0%

	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
	Variable insurance of death	Expected insurance	1,676.1	1,898.4	1,962.1	1,980.8	1,989.8	2,024.5	2,066.9	2,107.7	2,163.8	2,222.9	12,009.2	13,689.4	15,607.6	16,976.1	70,949.2	59,348.3
		Risk insurance premium	2,432.9	2,718.7	2,796.6	2,856.2	2,942.6	3,046.5	3,128.5	3,198.0	3,280.9	3,369.4	18,390.0	21,412.9	24,919.1	27,448.0	110,529.2	92,081.1
Direct -Par		Rate	68.9%	69.8%	70.2%	69.4%	67.6%	66.5%	66.1%	65.9%	66.0%	66.0%	65.3%	63.9%	62.6%	61.8%	64.2%	64.5%
	Variable insurance of annuity/saving	Expected insurance	42.8	41.4	36.1	31.4	27.5	24.9	22.8	21.5	21.2	22.1	116.6	117.3	105.8	83.0	37.8	488.8
		Risk insurance premium	86.7	78.5	64.0	52.5	43.2	37.5	33.3	31.2	31.1	34.2	190.6	204.2	198.7	164.2	88.6	858.1
		Rate	49.4%	52.8%	56.3%	59.9%	63.6%	66.4%	68.5%	69.0%	68.1%	64.6%	61.2%	57.4%	53.2%	50.6%	42.7%	57.0%
	Total	Expected insurance	17,728.1	19,630.6	19,606.7	19,321.7	18,927.7	18,697.0	18,650.3	18,561.7	18,412.9	18,312.3	91,606.2	91,782.0	89,494.2	84,040.1	306,334.2	396,345.8
		Risk insurance premium	23,146.6	25,497.4	25,655.7	25,591.9	25,666.8	25,741.7	25,533.1	25,465.4	25,376.2	25,442.4	132,788.5	130,132.8	126,901.7	117,099.4	399,284.7	546,723.1
		Rate	76.6%	77.0%	76.4%	75.5%	73.7%	72.6%	73.0%	72.9%	72.6%	72.0%	69.0%	70.5%	70.5%	71.8%	76.7%	72.5%

(*) 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
	Dividend insurance of death	Expected	8,279.1	6,676.9	5,878.6	5,543.9	5,204.0	4,738.9	4,419.5	4,191.3	3,992.0	3,749.6	16,801.5	14,372.7	11,923.2	9,695.9	26,278.8	78,054.8
		Appointed	11,593.9	11,511.8	10,583.0	9,766.9	8,826.4	7,494.6	6,611.8	6,075.2	5,676.9	5,146.7	22,493.3	19,704.2	16,746.8	14,386.7	48,382.0	119,388.5
		Rate	71.4%	58.0%	55.5%	56.8%	59.0%	63.2%	66.8%	69.0%	70.3%	72.9%	74.7%	72.9%	71.2%	67.4%	54.3%	65.4%
Non-Par	Non-dividend insurance of death	Expected	0.3	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	1.3	1.2	0.9	0.6	0.8	4.8
		Appointed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Rate	15377.6%	16116.8%	14081.0%	14204.0%	14625.4%	15221.6%	16078.1%	17089.5%	18165.7%	18940.4%	20915.6%	23042.2%	24197.9%	23447.1%	23077.2%	18307.7%
		Expected	3,117.4	1,569.4	1,441.2	1,401.9	1,325.7	1,087.6	971.0	922.7	884.6	800.6	3,718.6	3,452.7	2,921.4	2,469.8	6,713.9	19,642.8
		Appointed	4,267.4	4,181.0	3,832.3	3,584.7	3,208.0	2,341.3	1,871.6	1,662.3	1,527.6	1,234.8	5,006.7	4,282.2	3,151.0	2,535.1	6,873.2	33,494.3

(In 100 million of Korean won)

Dividend insurance of health	Rate	73.1%	37.5%	37.6%	39.1%	41.3%	46.5%	51.9%	55.5%	57.9%	64.8%	74.3%	80.6%	92.7%	97.4%	97.7%	58.6%
Non-dividend insurance of health	Expected	15.0	15.0	12.4	11.3	10.5	9.7	8.9	8.1	7.5	6.8	25.8	14.6	7.5	3.3	1.2	119.8
	Appointed	1.1	1.1	1.1	1.0	0.9	0.8	0.7	0.6	0.6	0.5	1.9	1.0	0.6	0.3	0.1	9.4
	Rate	1320.9%	1301.8%	1178.4%	1181.3%	1199.2%	1219.7%	1244.5%	1271.3%	1299.0%	1324.6%	1378.9%	1411.2%	1361.3%	1295.3%	1228.3%	1279.3%
Dividend insurance of annuity/saving	Expected	987.6	863.7	762.0	702.8	650.6	612.4	581.6	544.8	495.7	451.6	1,933.7	1,686.1	1,320.7	896.5	1,661.6	9,128.0
	Appointed	1,355.2	1,325.6	1,215.8	1,115.0	1,019.9	956.2	909.2	846.1	754.7	674.1	2,975.3	3,130.9	2,626.9	1,831.9	3,856.1	14,964.1
	Rate	72.9%	65.2%	62.7%	63.0%	63.8%	64.1%	64.0%	64.4%	65.7%	67.0%	65.0%	53.9%	50.3%	48.9%	43.1%	61.0%
Non-dividend insurance of annuity/saving	Expected	268.5	296.1	247.5	242.8	242.0	240.6	238.7	236.2	233.2	229.7	1,074.6	911.0	716.9	520.5	725.7	3,937.7
	Appointed	88.9	95.8	94.5	93.2	91.9	90.6	89.3	88.0	86.6	85.2	403.5	359.3	305.4	243.1	419.3	1,531.5
	Rate	301.9%	309.2%	261.9%	260.4%	263.2%	265.5%	267.2%	268.4%	269.2%	269.4%	266.3%	253.5%	234.7%	214.1%	173.1%	257.1%

	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	1,937.0	1,965.7	1,796.6	1,702.1	1,598.7	1,502.9	1,411.3	1,347.4	1,310.8	1,272.5	5,910.1	5,230.8	4,617.6	4,047.9	13,191.3	26,299.7
		Appointed	3,323.6	3,398.5	3,243.0	3,036.7	2,795.9	2,578.7	2,359.0	2,224.9	2,159.5	2,098.7	9,667.6	8,454.1	7,678.5	7,205.1	29,103.9	45,742.6
		Rate	58.3%	57.8%	55.4%	56.1%	57.2%	58.3%	59.8%	60.6%	60.7%	60.6%	61.1%	61.9%	60.1%	56.2%	45.3%	57.5%
	Non-dividend insurance of health	Expected	165.1	167.5	152.8	143.1	133.1	125.4	118.4	113.2	109.7	103.3	440.2	275.7	207.9	146.3	298.0	1,774.1
		Appointed	365.9	359.9	327.1	298.0	270.2	248.7	230.0	215.6	204.2	189.8	780.7	414.4	281.4	187.0	480.6	3,341.3
		Rate	45.1%	46.5%	46.7%	48.0%	49.3%	50.4%	51.5%	52.5%	53.7%	54.4%	56.4%	66.5%	73.9%	78.3%	62.0%	840.0%
	Dividend insurance of annuity/saving	Expected	2.4	2.4	1.9	1.7	1.6	1.5	1.4	1.3	1.2	1.1	4.3	2.9	2.0	1.3	1.5	20.2
		Appointed	0.4	0.3	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.2	0.1	-	-	-	1.6
		Rate	682.0%	954.9%	888.3%	954.0%	1035.9%	1139.7%	1226.6%	1369.8%	1471.9%	1755.0%	2483.3%	5542.9%	10167.5%	11761.3%	14735.8%	1261.3%
	Non-dividend insurance of annuity/saving	Expected	274.8	265.8	202.1	178.8	159.7	142.3	128.3	114.1	103.4	93.4	365.4	248.7	170.8	119.3	255.7	1,989.6
		Appointed	206.7	181.0	146.9	121.4	94.9	74.0	60.3	47.8	40.1	33.2	114.0	69.6	44.6	30.0	60.5	1,052.8
		Rate	133.0%	146.9%	137.6%	147.3%	168.3%	192.4%	212.7%	238.8%	258.0%	281.0%	320.4%	357.6%	382.9%	397.4%	422.7%	189.0%
	Asset linked of annuity/saving	Expected	154.3	156.1	124.2	114.0	106.9	100.3	93.9	87.7	81.5	75.4	298.3	197.7	129.2	84.7	138.0	1,357.3
		Appointed	104.9	95.1	79.7	67.3	57.1	48.5	41.2	34.8	29.5	25.1	78.7	34.0	13.2	4.7	2.2	591.0
		Rate	147.1%	164.1%	155.8%	169.4%	187.1%	206.5%	228.0%	252.3%	276.7%	301.0%	378.8%	581.5%	980.0%	1801.3%	6335.6%	229.7%

	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
Direct -Par	Variable insurance of death	Expected	616.1	647.9	616.8	581.5	549.1	520.9	496.0	473.9	455.2	437.5	1,995.3	1,719.6	1,444.3	1,173.1	2,943.6	8,482.4
		Appointed	1,352.8	1,394.6	1,297.1	1,169.8	1,049.4	947.9	863.1	794.1	742.1	701.1	3,143.1	2,773.6	2,536.0	2,284.5	7,478.2	15,903.6
		Rate	45.5%	46.5%	47.5%	49.7%	52.3%	55.0%	57.5%	59.7%	61.3%	62.4%	63.5%	62.0%	57.0%	51.3%	39.4%	53.3%

(In 100 million of Korean won)

Variable insurance of annuity/saving	Expected	338.7	334.2	297.6	269.7	245.7	224.0	204.4	186.4	169.5	153.9	581.6	353.8	206.9	118.1	157.5	2,821.2
	Appointed	223.4	190.6	150.1	123.5	105.0	89.0	76.1	65.6	57.1	49.8	176.0	102.7	61.3	37.2	75.8	1,222.1
	Rate	151.6%	175.4%	198.3%	218.3%	234.0%	251.5%	268.5%	284.0%	296.7%	309.3%	330.4%	344.5%	337.6%	317.7%	207.7%	230.8%
Total	Expected	8,279.1	6,676.9	5,878.6	5,543.9	5,204.0	4,738.9	4,419.5	4,191.3	3,992.0	3,749.6	16,801.5	14,372.7	11,923.2	9,695.9	26,278.8	78,054.8
	Appointed	11,593.9	11,511.8	10,583.0	9,766.9	8,826.4	7,494.6	6,611.8	6,075.2	5,676.9	5,146.7	22,493.3	19,704.2	16,746.8	14,386.7	48,382.0	119,388.5
	Rate	71.4%	58.0%	55.5%	56.8%	59.0%	63.2%	66.8%	69.0%	70.3%	72.9%	74.7%	72.9%	71.2%	67.4%	54.3%	65.4%

(*) 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
Mortality rate	Up 3.27%			₩ 921	(2,141)	1,124	95
Disability rate (Fixed)	Up 3.40%			6,804	(7,012)	(122)	330
Disability rate (Actual)	Up 2.62%			6,804	(7,012)	(122)	330
Surrender rate (Up)	Up 9.16%	877,724	65,110	8,356	(8,446)	86	3
Surrender rate (Down)	Down 9.16%			(8,927)	9,046	(80)	(40)
Operating expense (Degree)	Up 2.62%			2,411	(2,319)	(180)	88
Operating expense (Inflation)	0.26%p			₩ 2,411	(2,319)	(180)	88

(*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 cause 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, 2025, is as follows:

			Profit or loss (before tax)	Other comprehensive income (before tax)
UP 100bp	Financial asset	₩	-	-
	Insurance contract		-	76,278
	Participating contract		-	23,694
	Non-participating contract		-	52,584
	Reinsurance ceded contract		-	116
Down 100bp	Financial asset		-	-
	Insurance contract		-	(95,540)
	Participating contract		-	(28,473)
	Non-participating contract		-	(67,067)
	Reinsurance ceded contract	₩	-	(122)

Independent auditor's report on review of internal control over financial reporting
(English translation of a report originally issued in Korean)

Kyobo Life Insurance Co., Ltd.
The Shareholders and Board of Directors

We have reviewed the accompanying *Internal Control over Financial Reporting Operating Status Report* of Kyobo Life Insurance Co., Ltd. (the "Company") as of December 31, 2025. The Company's management is responsible for effective design and operations of its ICFR, including the reporting of its operations. Our responsibility is to review the management's ICFR report and issue a report based on our review. The accompanying *Internal Control over Financial Reporting Operating Status Report* of the Company states, "Based on our assessment, we believe that the Company's ICFR is designed and operated effectively as of December 31, 2025, in all material respects, in accordance with the *Conceptual Framework for Design and Operation of ICFR*."

We conducted our review in accordance with the ICFR review standards established by the Korean Institute of Certified Public Accountants. These standards require that we plan and perform our review to obtain assurance less than an audit as to *Internal Control over Financial Reporting Operating Status Report*. A review includes the procedures of obtaining an understanding of the ICFR, inquiring as to *Internal Control over Financial Reporting Operating Status Report* and performing a review of related documentation within limited scope, if necessary.

A company's ICFR is implemented by those charged with governance, management, and other employees and is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS"). A company'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 company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with KIFRS, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements. Because of its inherent limitations, ICFR may not prevent or detect material misstatements of the financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that ICFR 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 of the *Internal Control over Financial Reporting Operating Status Report*, nothing has come to our attention that causes us to believe that *Internal Control over Financial Reporting Operating Status Report* referred to above is not prepared, in all material respects, in accordance with the *Standard for Evaluation and Reporting of ICFR*.

We conducted our review of the ICFR in place as of December 31, 2025, and we did not review the ICFR subsequent to December 31, 2025. This review report has been prepared for regulatory purposes pursuant to the *Act on External Audit of Stock Companies* in the Republic of Korea, and may not be appropriate for other purposes or for other users.

March 6, 2026

This review report is effective as of March 6, 2026, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this report is used. Such events and circumstances could significantly affect the Company's ICFR and may result in modifications to this report.

Internal Control over Financial Reporting Operating Status Report

(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, 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, 2025 .

The design and operation of ICFR are 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 in the prevention and detection of an error or fraud which may cause material misstatements in the preparation and disclosure of reliable financial statements.

We designed and operated ICFR in accordance with 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). And, we conducted an evaluation of ICFR based on Standards for Evaluation and Reporting of Internal Accounting Control System in accordance with Table 6 of the Detailed Enforcement Rules of the Regulation on External Audit and Accounting, etc.

Based on our assessment, we believe that the Company's ICFR is designed and operated effectively as of December 31, 2025 , 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 that 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.

(Appendix)
○ Internal control activities performed by the Company to address fraud-related fraud risks, including embezzlement

March 6, 2026
Chang Jae Chin
Chief Executive Officer
Hang Nam Park
Internal Accounting Manager

(Appendix)

Internal control activities implemented by the company to address risks of fund-related fraud, including embezzlement

Item	Control activities performed by the company	Results of the assessment of Design and Operating Effectiveness (Performing Department, Timing, etc.)
Entity level control	<Operation of Anti-fraud Programs and Controls> Management has established and operates an internal whistleblowing system to prevent embezzlement and other cases of corruption. It is open and accessible to all stakeholders and allows anonymous and confidential reporting. Any ethical violations, irregularities, or reports of corruption identified through fact-finding investigations are addressed and regularly reported to management.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Assessment of Fraud Risks> Management updates the identification and assessment of potential fraud risks, taking into account changes in business processes and other factors, and appropriately reflects these in controls. If there are any historical fraud incidents, these are taken into consideration.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Management of Segregation of Duties> Management designs reporting lines that enable each business unit to exercise authority and responsibility and exchange information. The delegation of authority is established in consideration of appropriate reporting lines, authorities, and responsibilities, and the ICFR Department monitors changes in business processes to ensure that the design of segregation of duties is updated and operating effectively.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Monitoring> Management regularly monitors transactions exceeding a certain amount with specific business partners over a certain period of time, and continuously monitors the progress of remediation and improvements for any deficiencies identified through monitoring. Management establishes a system to regularly monitor and report on compliance with internal regulations and work content within the Company, and verifies facts regarding non-compliance and manages subsequent remediation process through internal audit functions.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)

Item	Control activities performed by the company	Results of the assessment of Design and Operating Effectiveness (Performing Department, Timing, etc.)
Fund management control (Management of deposit and withdrawal accounts, current checks, corporate card payments, etc.)	<Management of fund Receipts and Disbursements Accounts> The Accounting Team Leader reviews and approves the appropriateness of relevant documents and request forms for opening or closing bank accounts in the Company' s name and performs bank reconciliations with registered bank accounts on a regular basis.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Review of fund disbursement> The preparer and the approver of accounting vouchers are segregated based on the nature of the voucher, account name, and transaction amounts and the Accounting Team Leader, etc., reviews and approves fund/account transfer requests for the approved completed vouchers.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Fund disbursement restrictions, firm banking> The Accounting Team Leader reviews and approves that, for designated transfers to general/reserve accounts, the preparer and approver are segregated, and the account information is locked to prevent modification.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Segregation of Duties for BOK-Wire payment authorization> Verified that users and administrators are segregated for BOK-Wire fund transfers, that transfers are only possible through the use of an OTP and that the fund manager verifies the transaction amount in the BOK-Wire against the accounting voucher prior to approval.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Funds transfer management> The Accounting Team Leader grants batch payment processing authorization only to limited personnel and then approves after reviewing whether the authority to approve accounting vouchers and batch processing are separate.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Management of fund Receipts and Disbursements> The Accounting Team Leader reviews the voucher details for daily checking/ordinary/other bank account transactions, and finally verifies and approves the balance of the checking account.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)

Item	Control activities performed by the company	Results of the assessment of Design and Operating Effectiveness (Performing Department, Timing, etc.)
Fund management control (Management of deposit and withdrawal accounts, current checks, corporate card payments, etc.)	<Approval of closing for Sales/Service organization> The head of the sales/service organization approves the balances registered in the accounting system after reconciling the actual fund/deposit balances with the balances registered in the accounting system every day. (Aggregate entry, control owner : Nowon Customer PLAZA and 6 other customers PLAZA PM)	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Control over the use of corporate seals/security cards(OTP)> The Accounting Team Leader restricts physical access to the corporate seals/security card (OTP) and reviews and approves the use log entries based on the intended use of the seal/security card (OTP).	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Corporate card payment management> The Accounting Team Leader performs a monthly reconciliation between the recorded voucher amounts and the corporate card statements and reviews and approves the payment details for individual settlements.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Check account management> The Accounting Team Leader restricts physical access to the checks and issues them only after verifying that they match the supporting documents and approve after reconciling daily balances.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
Other Process-Level Controls (PLC)	<Insurance contract underwriting> The Underwriting Team Leader reviews insurance contract applications according to internal regulations and confirms that the new contract premium has been accurately deposited into the Company's deposit account.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Premium receipt> The Protection Support Team Leader, etc. ensure that premium collections are accurately deposited into the Company's bank accounts through the closing process.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)

Item	Control activities performed by the company	Results of the assessment of Design and Operating Effectiveness (Performing Department, Timing, etc.)
Other Process-Level Controls (PLC)	<Change in insurance contract> The Protection Support Team Leader, etc. verifies the adequacy of supporting documents for policy alterations and ensures that settlement premium inflows and outflows are accurately reflected in the Company's bank accounts through the closing process. (Aggregate entry, control owner : Protection Support Team Leader, Nowon Customer PLAZA and 6 other Customers PLAZA PM)	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Insurance claim payments> The Claims Team Leader, etc. reviews insurance claim applications by examining supporting documents to evaluate the appropriacy of the payment and determine liability coverage or exemptions and confirm that claim payments are disbursed only after obtaining authorized approvals from the Claims Team Leader or the Claims Part Leader, in accordance with internal regulations governing payment eligibility and benefit amounts. (Aggregate entry, control owner : Claims Team Leader, Nowon Customer PLAZA and 6 other customers PLAZA PM)	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Review of creation and modification of the Vendor Master Data> The person in charge of registering business partners in the Accounting Team checks whether the key information (business registration number, address, bank account number, etc.) on the new registration/change request form of the business partner master matches the supporting documents before registering and the Accounting Part Leader in the Accounting Team reviews and approves.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department (use of external experts), July 2025, November 2025, February 2026)
	<Financing/repayment and interest payment> The Treasury Team Leader reviews the appropriateness of the key requirements for issuing capital securities (hybrid securities, subordinated bonds), and reviews/approves the issuance proposal after a resolution by the board of directors and thereafter, the repayment and interest payments are approved after reviewing the approval request documents.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)

Item	Control activities performed by the company	Results of the assessment of Design and Operating Effectiveness (Performing Department, Timing, etc.)
Other Process-Level Controls (PLC)	<Loan underwriting and approval> Loan underwriting and approval processes are managed by separate organizations (or functions) based on the product type and after the review is completed in accordance with the relevant internal regulations, the appropriateness of the supporting documents is reviewed and approved. (Aggregate entry, control owner : Investment Analysis Team Leader, Domestic Alternative Investment Team and 1 other Team Leaders)	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Segregation of duties for loan disbursement> The Investment Operation Team Leader reviews and approves the loan disbursement in accordance with internal regulations for transactions where loan underwriting and approval are completed. (Aggregate entry, control owner : Investment Operation Team Leader, Loan Risk Management Support Part Leader)	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Policy loan> At Customer PLAZA, the accuracy of supporting documentation for policy loans is verified in accordance with internal regulations prior to the loan disbursement and approval. (Aggregate entry, control owner : Nowon Customer PLAZA and 6 other customers PLAZA PM)	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Review of Debt Restructuring > The Loan risk Management Support Team Leader conducts a separate deliberation on debt restructuring, obtains approval from the Financial Supervisory Service, and authorizes the bad debt write-off approval request.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Securities trading approval> When trading securities, the Operation Instruction Department and the Execution Department are separate, and the Execution Department, the Investment Operations Team Leader, compares the supporting documents and transaction details, checks for consistency, and then approves.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Segregation of input and execution authorities for securities transactions> The Investment Operations Team Leader confirms that the authority to enter and execute securities transactions is segregated.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)

Item	Control activities performed by the company	Results of the assessment of Design and Operating Effectiveness (Performing Department, Timing, etc.)
Other Process-Level Controls (PLC)	<Reconciliation of securities balances> The Investment Operations Team Leader regularly reconciles the quantity of securities held and reviews the adequacy before granting final approval.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Derivatives transaction approval> The Overseas Alternative Investment Team Leader, etc., reconciles the derivative transaction entries in the system with the counterparty source documents for hedging purposes and authorize the derivative trading request and submit it to the Hedge Management Team for further review. Hedge Management Team Leader reviews the adequacy of the request and provides final approval on the transaction confirmation documents. (Aggregate entry, control owner : Overseas Alternative Investment Team, VC Operations Department and 2 other Team Leaders)	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)
	<Segregation of duties between the input of derivative transactions and the final trade confirmation authority> The Investment Operations Team Leader confirms that segregation of duties is maintained in accordance with internal regulations between the booking of transactions and the final confirmation of entries for derivative settlements and closing.	No material weaknesses were identified based on the result of testing (Internal Control over Financial Reporting Department, July 2025, November 2025, February 2026)

Business Network

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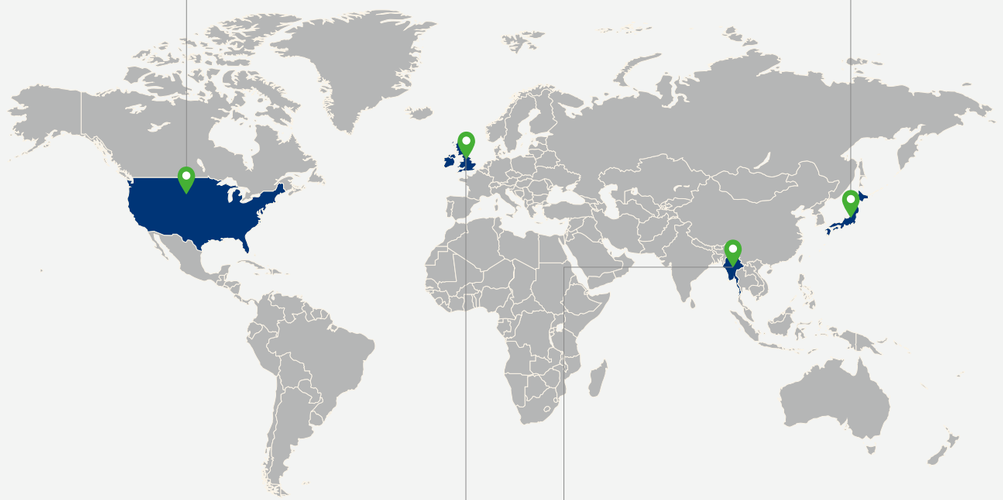

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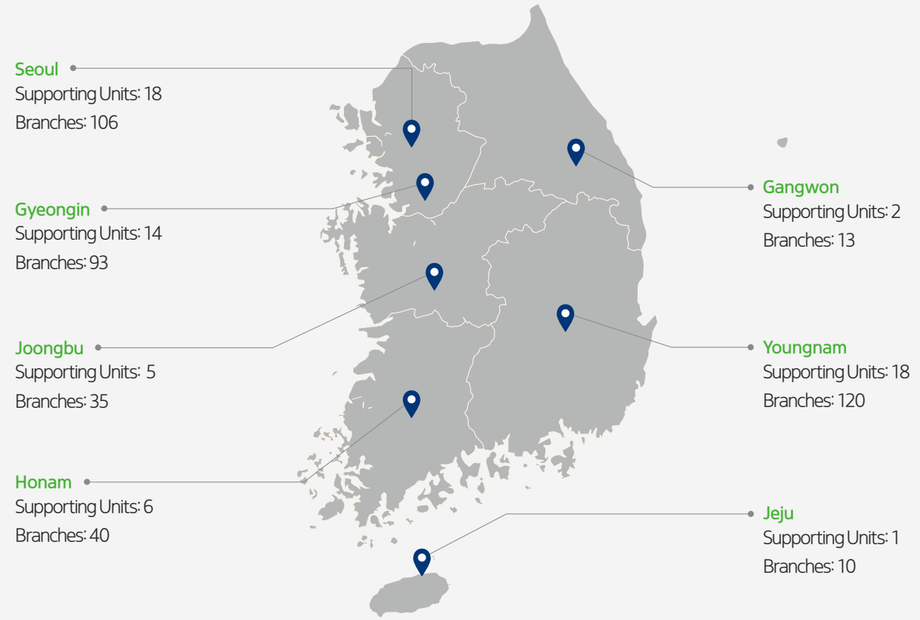
As of February 28, 2026

Domestic Business Organization

As of February 28, 2026

Supporting Units 64	FP 58	GFP 3	Direct 3
Branches 417	FP 379	GFP 20	Direct 18



KYOBO

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