

kakao

Q2 2025 Earnings Results

2025. 8. 7 | Kakao Investor Relations



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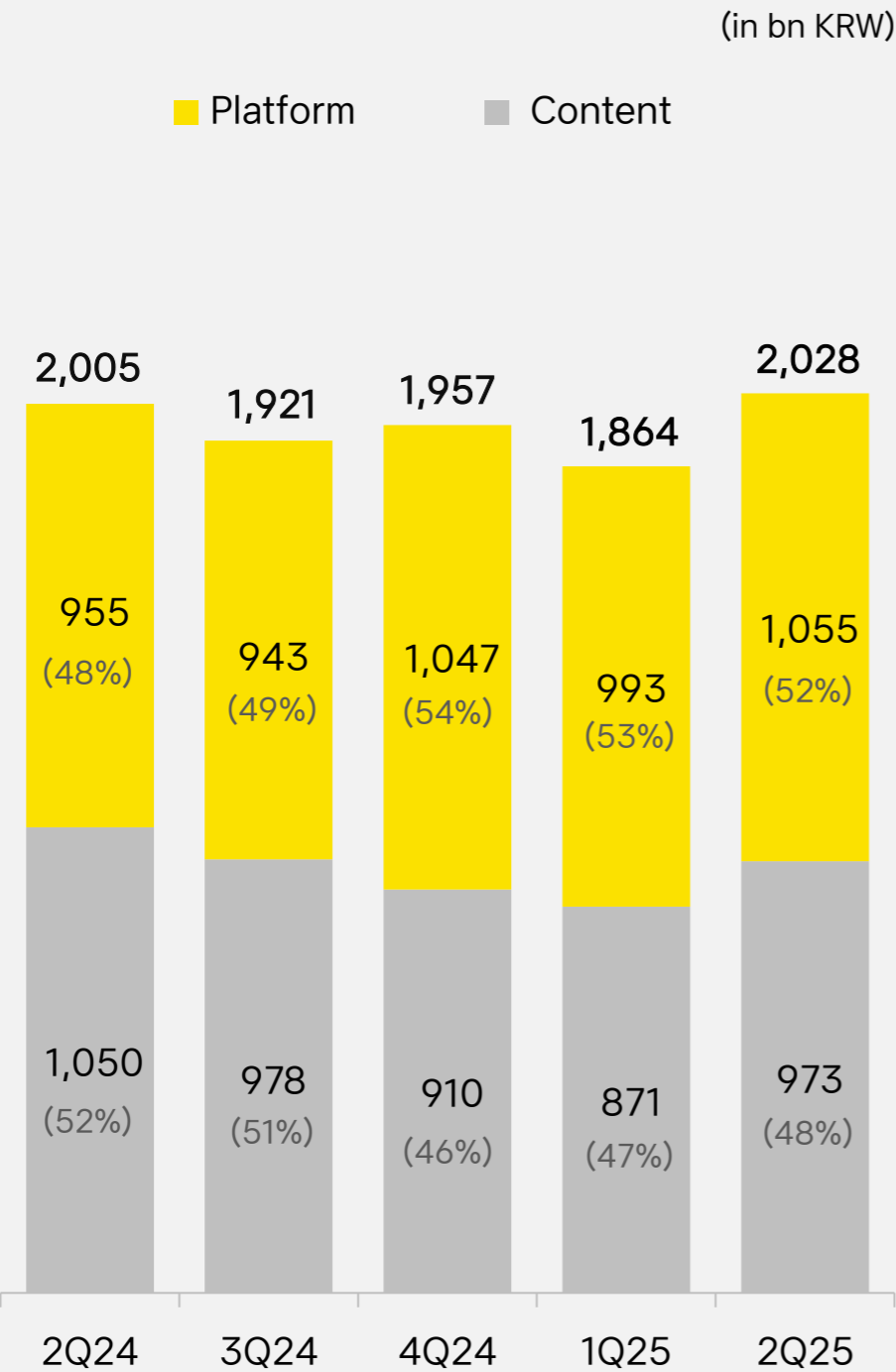
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Revenue

Q2 Revenue **+1%** YoY / **+9%** QoQ

Q2 MIX : Platform 52%, Content 48%



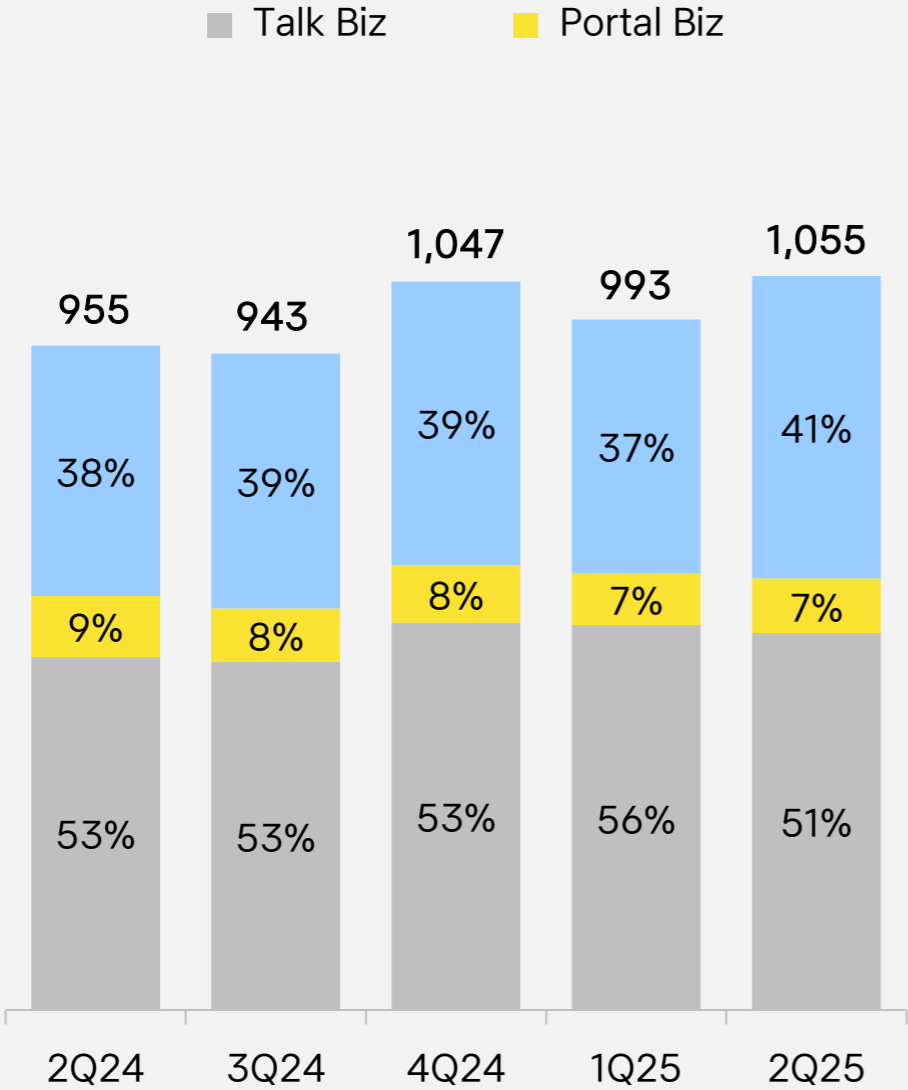
Revenue Breakdown		
Platform	Talk Biz	Advertising : Bizboard, Talk Channel, Emoticon
		Commerce : Gift, Store, Kakao Friends Online
	Portal Biz	Daum PC / Mobile Kakao Story / Style / Page Other Subsidiaries' Ad
	Platform- Others	Mobility Pay Enterprise Makers Healthcare Other Subsidiaries
	Game	Mobile PC Other
	Music	SM Entertainment Melon Digital Music Distribution Album Distribution Music Production
Content	Story	Entertainment
		Piccoma
	Media	Video Production Talent Agency

Revenue

Platform

2Q25 +10% YoY, +6% QoQ

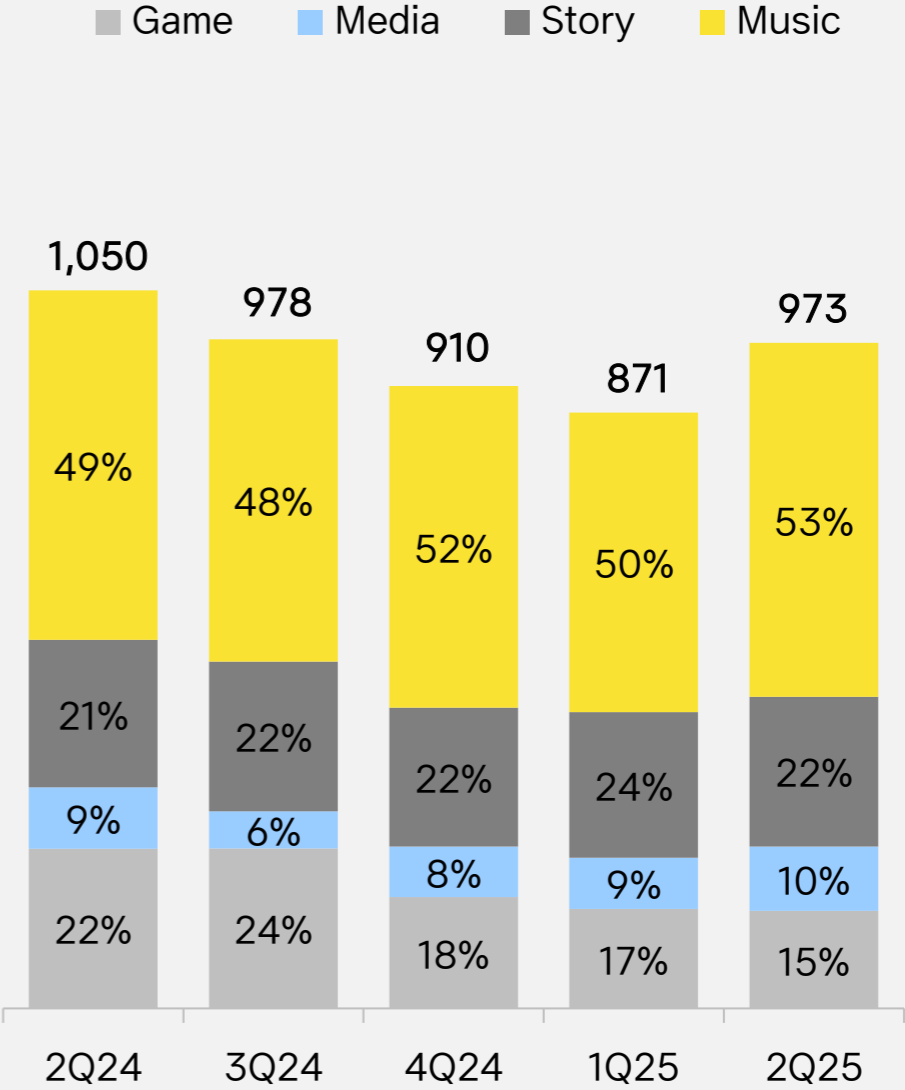
(in bn KRW)



Content

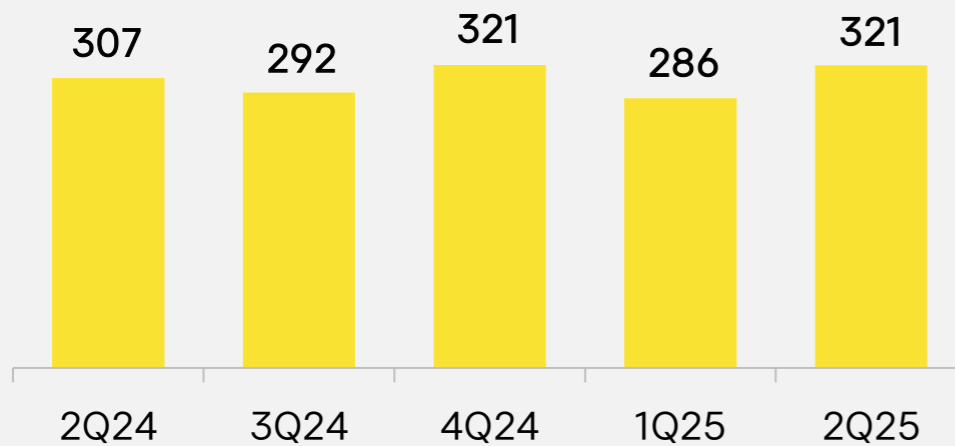
2Q25 -7% YoY, +12% QoQ

(in bn KRW)



Advertising

(in bn KRW)

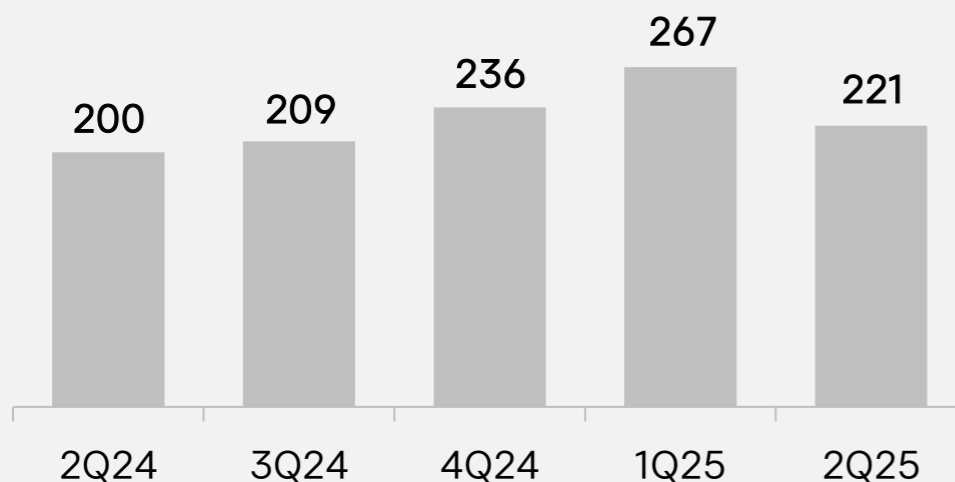


2Q25 +4% YoY, +12% QoQ

- (YoY) Biz Message maintained solid growth, offsetting high base from strong ad spend by Chinese e-commerce advertisers
- (QoQ) High seasonality

Commerce

(in bn KRW)

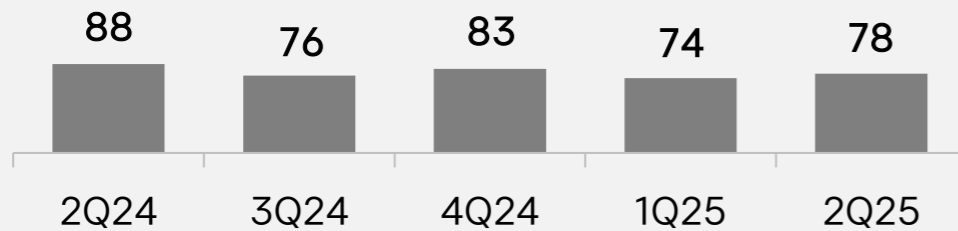


2Q25 +10% YoY, -17% QoQ

- Total Commerce GMV: 2.5tn, +6% YoY, -4% QoQ
- Talk Gift GMV: +8% YoY, -9% QoQ
- (YoY) Self purchase GMV in Talk Gift grew +43% YoY, driving overall growth
- (QoQ) High base from increased 1P during Lunar Holidays

Portal Biz

(in bn KRW)

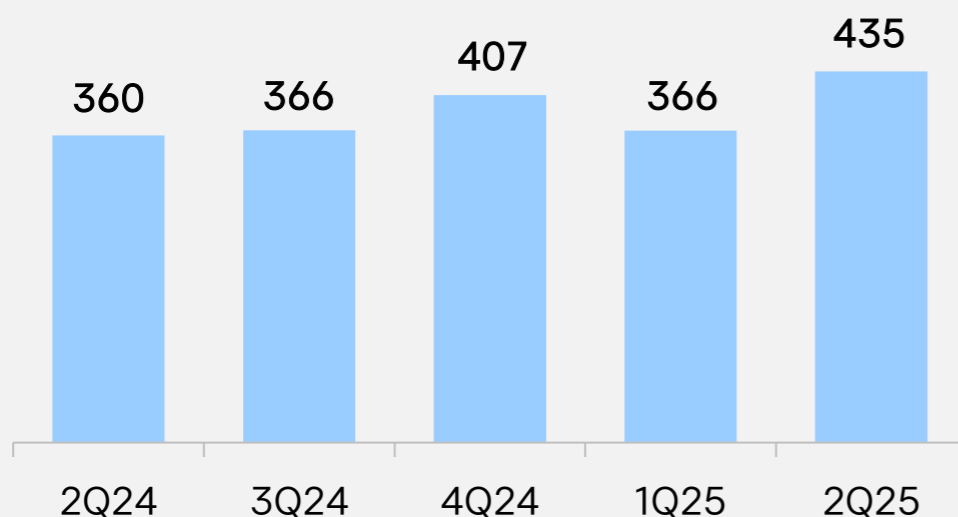


2Q25 -11% YoY, +6% QoQ

- (YoY) Impact from decline in search queries and preparations for establishment of AXZ, new entity
- (QoQ) High seasonality

Platform-Others

(in bn KRW)

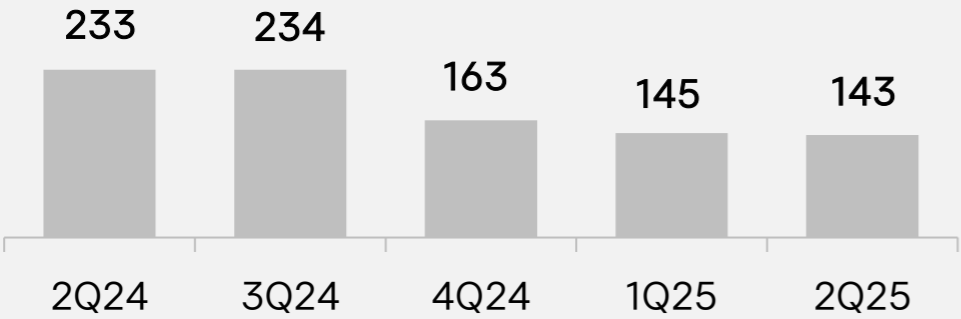


2Q25 +21% YoY, +19% QoQ

- **Mobility** : Solid growth led by parking and quick delivery
- **Pay** : Double-digit revenue growth driven by strong finance and platform services; OP turned positive for two consecutive quarters on cost efficiency

Game

(in bn KRW)

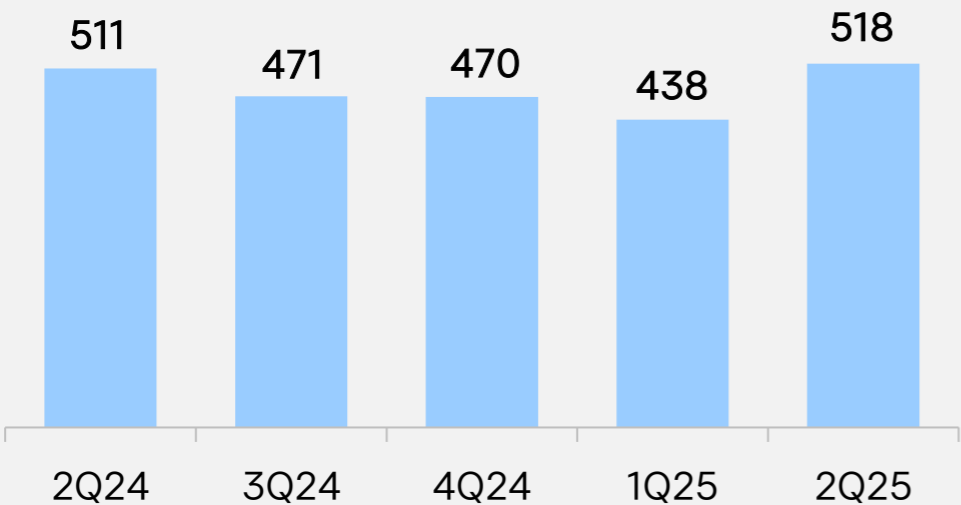


2Q25 -39% YoY, -2% QoQ

- (YoY/QoQ) Prolonged absence of new titles

Music

(in bn KRW)

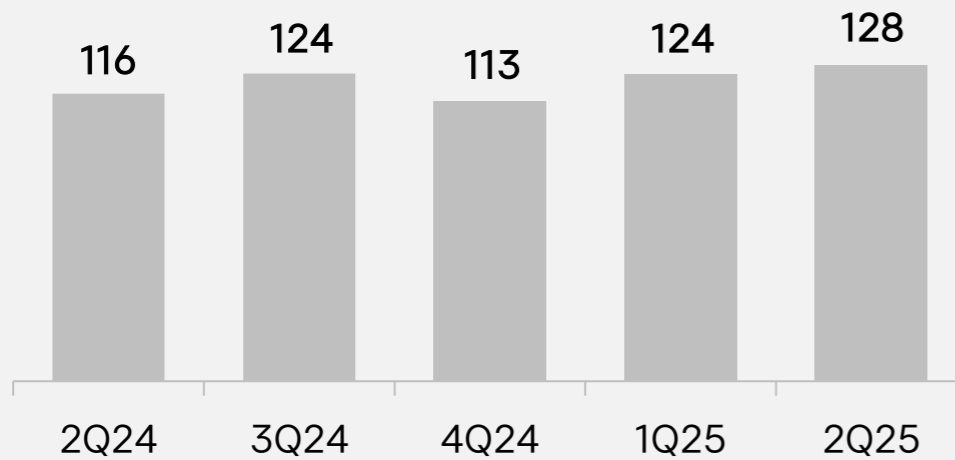


2Q25 +1% YoY, +18% QoQ

- (Label) Strong album and MD sales
- (Distribution) Maintained solid No.1 market position
- (Melon) Continuous focus on profitability

Piccoma

(in bn KRW)

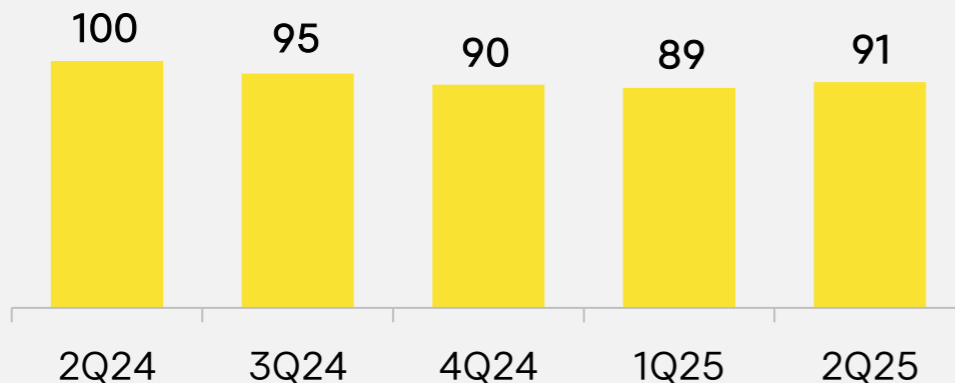


2Q25 +10% YoY, +3% QoQ

- (in JPY) GMV -5% YoY, -0.2% QoQ
Revenue -3% YoY, -3% QoQ
- Achieved record-high quarterly OP driven by continued marketing efficiency

Entertainment

(in bn KRW)

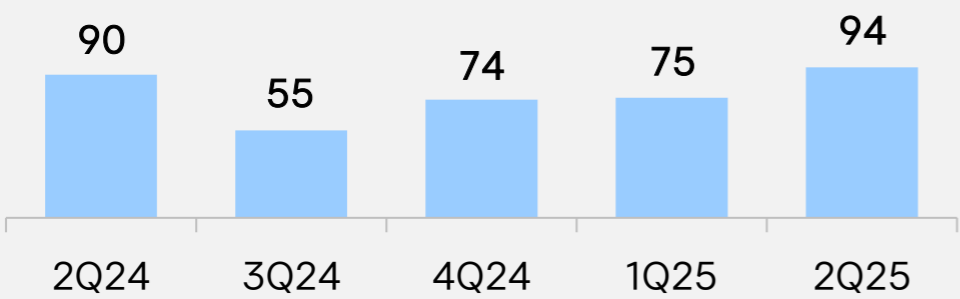


2Q25 -9% YoY, +3% QoQ

- (YoY) Maintained efficient marketing execution
- (QoQ) Increase in secondary IP monetization
- Ongoing efforts to strengthen IP competitiveness and enhance global operational efficiency

Media

(in bn KRW)



2Q25 +5% YoY, +25% QoQ

- (YoY/QoQ) Increase in number of revenue-recognizing titles; progress of ongoing titles front-loaded in 1H

Earnings Summary

(in bn KRW)	2Q24	1Q25	2Q25	YoY	QoQ
Total Revenue	2,005	1,864	2,028	1%	9%
Platform	955	993	1,055	10%	6%
Talk Biz	508	553	542	7%	-2%
Portal Biz	88	74	78	-11%	6%
Platform-Others	360	366	435	21%	19%
Content	1,050	871	973	-7%	12%
Game	233	145	143	-39%	-2%
Music	511	438	518	1%	18%
Story	216	213	219	1%	3%
Media	90	75	94	5%	25%
OPEX	1,871	1,758	1,842	-2%	5%
Operating Profit	134	105	186	39%	76%
<i>Operating Profit Margin</i>	<i>6.7%</i>	<i>5.7%</i>	<i>9.2%</i>	<i>2.5%pt</i>	<i>3.5%pt</i>
Net Profit	87	200	172	97%	-14%
Controlling Interests	101	172	161	59%	-6%
Non-controlling Interests	-14	28	11	TB	-63%
<i>Net Profit Margin</i>	<i>4.3%</i>	<i>10.7%</i>	<i>8.5%</i>	<i>4.1%pt</i>	<i>-2.3%pt</i>

Operating Expenses

(in bn KRW)	2Q24	1Q25	2Q25	YoY	QoQ
Operating Expenses	1,871	1,758	1,842	-2%	5%
Labor	481	479	489	2%	2%
Cost of Revenue	797	701	717	-10%	2%
Outsourcing / Infrastructure	196	206	233	19%	13%
Marketing	108	87	88	-19%	1%
Depreciation & Amortization	207	206	222	7%	8%
Misc.	82	80	93	13%	16%

2Q Analysis

- Labor (YoY/QoQ) Maintained conservative hiring
- Cost of revenue (YoY) Effect from SM Entertainment accounting reclassification
(Cost of Revenue → Outsourcing/Infrastructure)
(QoQ) Increase in Content revenue
- Outsourcing / Infrastructure (YoY) Effect from SM Entertainment accounting reclassification
(QoQ) Increase in production cost driven by higher album sales
- Marketing (YoY) Strategic marketing cut by Piccoma
(QoQ) Maintained efficient marketing spend
- Depreciation & Amortization (QoQ/YoY) Increase driven by investment in data center machinery and consolidation of DearU

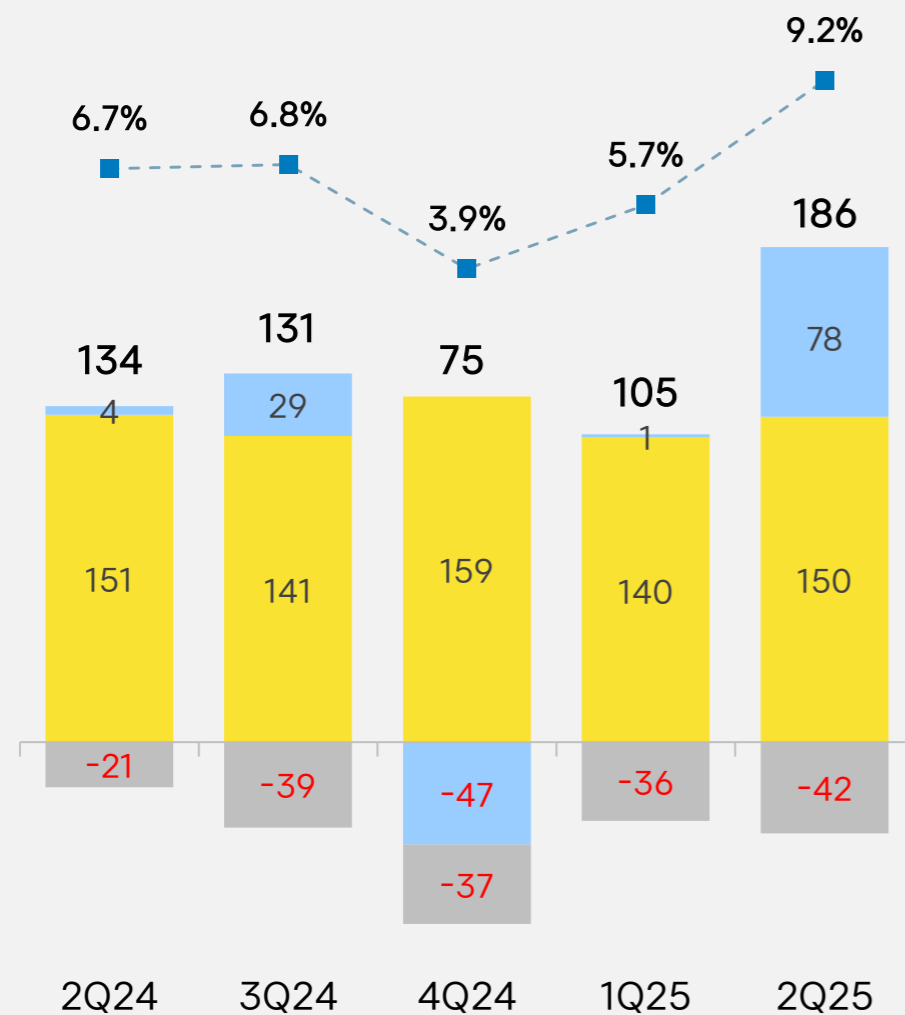
Profits

Operating Profit(M)

2Q25 +39% YoY, +76% QoQ

■ Kakao (Separate)¹⁾
■ Subsidiaries²⁾
■ AI³⁾
-■- OPM

(in bn KRW)



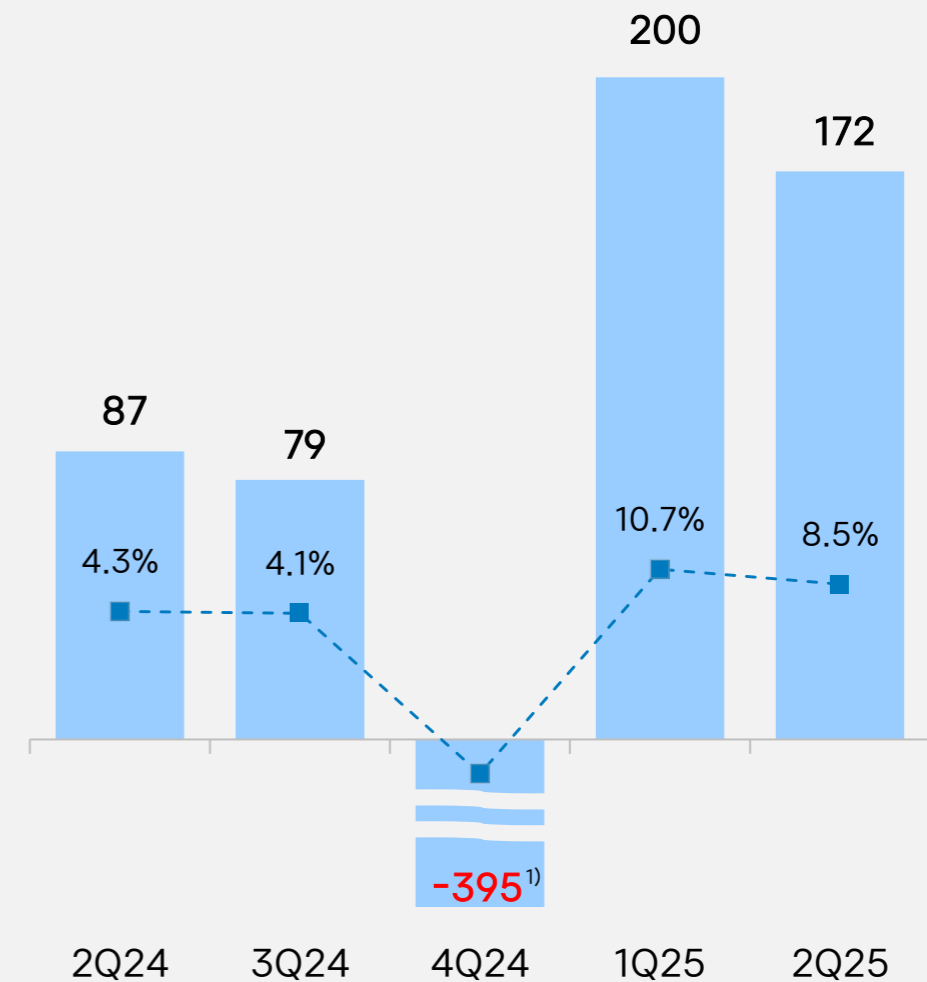
- 1) Kakao (Separate): OP on a separate basis ex. AI Services
 2) Subsidiaries: All businesses ex. Kakao (Separate) and AI; incl. internal adj.
 3) AI: AI Services within Kakao (Separate)

Net Profit(M)

2Q25 +97% YoY, -14% QoQ

■ Net Profit
 -■- NPM

(in bn KRW)

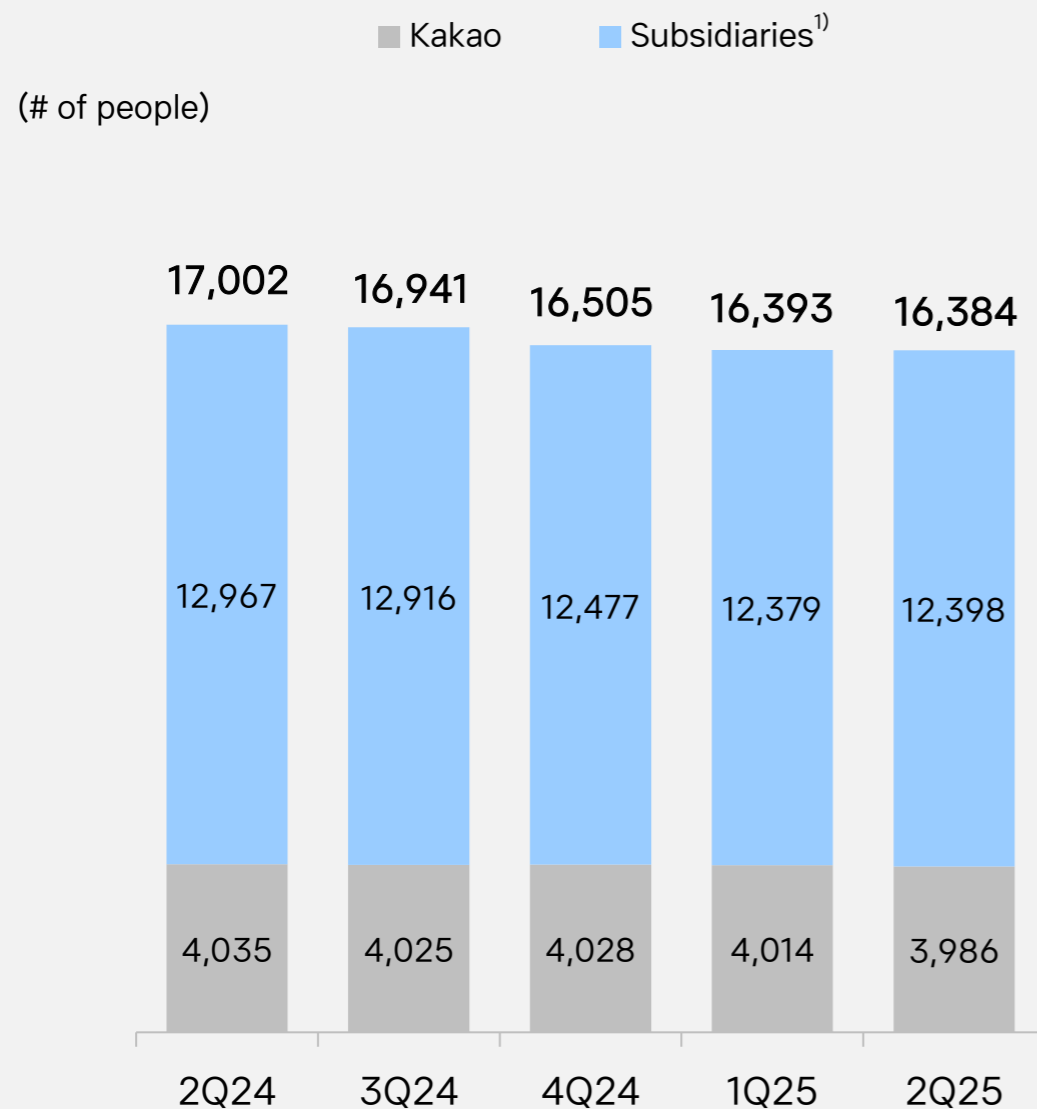


- 1) 4Q24 : Impairment of goodwill (317.7bn) and equity-method stock impairment losses (98.1bn)

Employees / CapEx

Employees 2Q25 -618 YoY, -9 QoQ

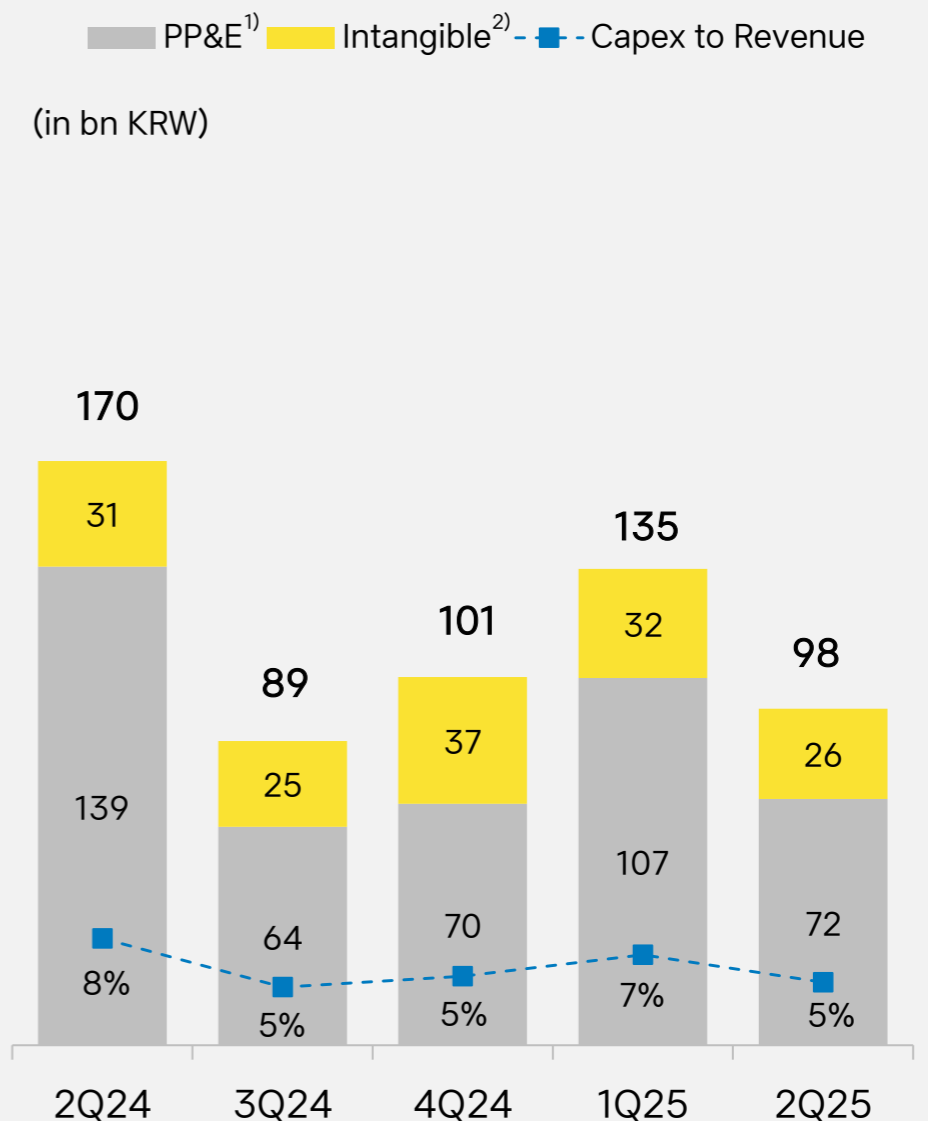
YoY Decline due to subsidiary divestments
QoQ Flat due to conservative hiring



1) Headcount based on 13 key consolidated subsidiaries

CapEx 2Q25 -72.1bn YoY, -40.7bn QoQ

YoY Decline due to AI Campus completion and GPU purchase base effect
QoQ Decline due to GPU purchase base effect



- 1) PP&E : Assets under construction related to data centers and machinery such as server networks
2) Intangible : Goodwill and other intangible assets including video production and distribution rights of story content

ESG Activities



카카오 AI 가드레일 모델 Kanana Safeguard

국내 기업 최초 오픈소스 공개

Kanana Safeguard

Kanana Safeguard-Siren

Kanana Safeguard-Prompt



Kakao Group's Economic Contribution and Socioeconomic Value

- Generated KRW 51.4tn in production inducement, 24.5tn in value-added inducement, and 145k+ jobs over the past three years
- Contributed across ten areas, such as enhancing daily convenience, strengthening the social safety net, and advancing environmental initiatives

Release of 'Kanana Safeguard' Guardrail Models for AI Safety

- Released 'Kanana Safeguard' — 'Safeguard,' 'Safeguard-Siren,' 'Safeguard-Prompt' — the first AI guardrail model in Korea to be open-sourced for commercial use, built on Kakao's self-developed 'Kanana' to foster a safer AI ecosystem

Publication of 2024 ESG Report

- Strengthened disclosure on key ESG areas, including climate action, AI safety and ethics, user data privacy and cybersecurity

KakaoTalk MAU

Maintaining a stable 49 million domestic MAU

(in thousands)



Average of monthly MAUs. Global includes domestic MAUs.

Thank You

