

Consolidated Statements of Income (K-IFRS)

(Unit: KRW Million)

	2021	1Q22	2Q22	3Q22	4Q22	2022	1Q23	2Q23	2023	QoQ	QoQ(%)	YoY	YoY(%)
Total Revenue	6,136,669	1,651,703	1,822,315	1,858,697	1,774,122	7,106,837	1,740,337	2,042,476	3,782,813	+302,138	+17%	+220,161	+12%
Platform	3,240,778	885,985	930,655	986,935	966,779	3,770,354	964,705	988,717	1,953,421	+24,012	+2%	+58,062	+6%
Talk Biz	1,643,922	460,972	453,217	467,400	520,068	1,901,657	515,562	502,978	1,018,539	-12,584	-2%	+49,760	+11%
Portal Biz	492,503	114,036	102,378	109,779	97,907	424,099	83,551	89,479	173,030	+5,927	+7%	-12,899	-13%
Platform-Others	1,104,353	310,978	375,059	409,756	348,804	1,444,597	365,591	396,261	761,852	+30,669	+8%	+21,201	+6%
Content	2,895,891	765,718	891,660	871,762	807,343	3,336,483	775,633	1,053,759	1,829,392	+278,126	+36%	+162,099	+18%
Music	772,516	204,420	209,251	250,217	230,209	894,096	231,977	480,712	712,688	+248,735	+107%	+271,461	+130%
Story	791,702	240,486	227,588	231,271	221,572	920,917	228,586	230,990	459,576	+2,404	+1%	+3,402	+1%
Game	998,759	245,819	336,782	296,128	230,782	1,109,512	247,326	268,560	515,886	+21,234	+9%	-68,222	-20%
Media	332,915	74,993	118,039	94,146	124,780	411,958	67,744	73,497	141,241	+5,753	+8%	-44,542	-38%
Operating Expenses	5,541,752	1,493,047	1,651,293	1,708,365	1,673,815	6,526,521	1,669,209	1,929,006	3,598,215	+259,796	+16%	+277,713	+17%
Labor Cost	1,416,910	419,971	426,195	433,284	410,563	1,690,014	445,826	471,814	917,640	+25,988	+6%	+45,619	+11%
Cost of Revenue	2,477,275	584,402	654,814	711,351	703,801	2,654,367	666,798	810,377	1,477,175	+143,579	+22%	+155,563	+24%
Outsourcing / Infrastructu	740,981	204,649	235,783	238,398	245,259	924,088	242,044	282,334	524,378	+40,290	+17%	+46,551	+20%
Marketing Expenses	435,233	114,605	150,297	111,970	108,450	485,323	114,646	119,975	234,621	+5,330	+5%	-30,322	-20%
Depreciation and Amortiz	366,800	130,768	135,591	153,009	160,991	580,359	150,300	184,953	335,253	+34,652	+23%	+49,362	+36%
Miscellaneous	9,134	1,436	3,995	10,507	-3,897	12,041	4,833	6,824	11,657	+1,992	+41%	+2,829	+71%
	95,419	37,217	44,618	49,845	48,649	180,329	44,763	52,729	97,492	+7,966	+18%	+8,111	+18%
Operating Profit	594,917	158,656	171,022	150,332	100,307	580,316	71,128	113,470	184,598	+42,342	+60%	-57,552	-34%
<i>Operating Profit Margin</i>	<i>9.7%</i>	<i>9.6%</i>	<i>9.4%</i>	<i>8.1%</i>	<i>5.7%</i>	<i>8.2%</i>	<i>4.1%</i>	<i>5.6%</i>	<i>4.9%</i>	<i>+1.5%p</i>		<i>-3.8%p</i>	
Other Non-Operating Income	1,733,429	1,665,287	138,613	133,594	76,034	2,013,527	16,964	16,511	33,475	-454	-3%	-122,102	-88%
Other Non-Operating Expenses	407,247	48,351	34,449	35,677	992,984	1,111,461	42,037	28,430	70,467	-13,607	-32%	-6,019	-17%
Financial Income	177,819	68,476	69,767	63,373	141,154	342,770	79,222	61,649	140,871	-17,573	-22%	-8,118	-12%
Financial Expenses	315,317	94,687	73,280	67,080	228,113	463,160	46,408	50,524	96,933	+4,116	+9%	-22,756	-31%
Equity-method Income	510,093	10,214	-35,158	-7,831	-24,855	-57,629	-5,522	-623	-6,146	+4,899	+89%	+34,535	+98%
Profits of associates and joint v	596,401	45,425	9,961	23,682	21,225	100,294	34,087	28,367	62,453	-5,720	-17%	+18,405	+185%
Losses of associates and joint v	86,308	35,211	45,119	31,513	46,080	157,923	39,609	28,990	68,599	-10,619	-27%	-16,129	-36%
Profit before Income Tax	2,293,694	1,759,595	236,514	236,711	-928,457	1,304,363	73,346	112,052	185,398	+38,706	+53%	-124,462	-53%
Income Tax	647,540	437,461	135,312	99,550	-430,537	241,786	9,518	55,787	65,306	+46,269	+486%	-79,524	-59%
Net Profit from Continued Op	1,646,153	1,322,134	101,203	137,161	-497,920	1,062,578	63,828	56,265	120,092	-7,563	-12%	-44,938	-44%
Net Profit	1,646,153	1,322,134	101,203	137,161	-497,920	1,062,578	63,828	56,265	120,092	-7,563	-12%	-44,938	-44%
Controlling Interests	1,392,152	1,303,137	67,613	106,335	-124,149	1,352,936	77,520	55,360	132,880	-22,159	-29%	-12,252	-18%
Non-controlling Interests	254,001	18,997	33,590	30,826	-373,771	-290,358	-13,692	904	-12,787	+14,596	+107%	-32,686	-97%
EBITDAR	958,160	288,475	306,075	301,757	253,573	1,149,880	221,529	298,491	520,021	+76,962	+35%	-7,584	-2%
Adjusted EBITDAR	1,106,180	331,970	345,470	335,243	295,762	1,308,445	250,647	324,944	575,591	+74,297	+30%	-20,526	-6%

1) EBITDAR: Rental expenses included in lease amortization from 1Q 2019 (EBITDA till FY2018)

2) Adjusted EBITDAR: EBITDA + stock-based compensation

Consolidated Statements of Financial Position (K-IFRS)

(Unit: KRW Million)

Accounts	2021.12.31	2022.03.31	2022.06.30	2022.09.30	2022.12.31	2023.03.31	2023.06.30
Assets							
Current Assets	8,102,194	8,204,176	7,929,367	8,286,538	7,755,733	8,109,598	8,092,546
Cash and Cash Equivalents	5,231,504	4,768,675	4,279,894	4,555,255	4,780,244	5,062,799	4,899,455
Short-term Financial Instruments	1,573,559	1,451,732	1,450,446	1,154,413	1,210,213	1,353,956	1,399,216
Fair value through profit or loss	305,060	834,049	922,535	1,378,018	565,644	254,963	287,007
Derivatives Instruments Assets	352	135	135	135	351	351	351
Account Receivable	398,117	355,291	461,252	420,692	440,899	560,468	599,433
Other Current Financial Assets	319,120	408,925	302,786	297,833	361,873	403,139	401,666
Inventory Assets	91,808	104,519	129,789	153,540	160,328	164,600	151,727
Other Current Assets	182,674	280,849	379,246	326,652	236,180	309,322	353,690
Assets held for sale	-	-	3,284	-	-	-	-
Non-Current Assets	13,711,985	15,452,418	16,027,968	16,385,212	14,450,931	16,495,206	16,857,737
Long-term Available for Sales	10,139	10,141	10,155	10,157	10,132	10,160	10,163
Fair value through profit or loss	302,249	326,962	382,330	438,063	502,078	553,419	562,165
Fair value through other comprehensive income	1,219,163	3,182,170	2,979,326	2,900,809	1,449,567	1,568,005	1,456,237
Derivatives Instruments Assets	-	1,831	4,753	4,753	6,211	8,273	8,270
Investments in Associates and Joint Ventures	3,215,802	2,697,644	2,662,505	2,743,743	2,651,898	3,115,774	3,191,833
Other Non-current Financial Assets	144,002	244,391	264,612	263,050	269,788	310,088	292,690
Tangible Assets	554,916	590,170	697,665	786,951	885,397	969,847	1,127,704
Intangible Assets	6,347,795	6,443,985	6,938,144	7,168,822	6,022,352	7,108,357	7,280,970
Investment Properties	101,296	100,051	98,805	97,560	20,878	42,879	25,551
Right-of-use Assets	1,399,234	1,470,123	1,625,693	1,613,016	1,715,592	1,810,983	1,864,946
Invested asset for postemployment benefit	6,297	-	-	-	69,448	56,399	44,721
Other Non-current Assets	339,172	318,630	300,018	293,145	353,770	440,928	440,708
Deferred Income Tax Assets	71,920	66,321	63,960	65,143	493,820	500,096	551,778
Finance Assets	965,379	787,198	819,617	773,469	756,828	981,573	1,102,142
Cash and Deposit	341,952	193,249	169,834	161,180	122,176	173,443	113,382
Fair value through profit or loss	495,952	470,107	475,146	430,653	496,616	478,799	605,130
Fair value through other comprehensive income	-	-	-	-	-	-	-
Current investments in equity instruments design	-	-	1	7,465	16,175	35,370	59,882
Tangible Assets	11,782	12,031	14,199	14,710	15,037	14,571	14,114
Intangible Assets	33,228	60,440	59,222	57,744	70,561	75,586	72,343
Right-of-use Assets	11,200	3,924	2,222	3,527	3,093	2,706	2,406
Invested asset for postemployment benefit	-	-	-	-	289	380	790
Reinsurance assets	-	-	-	-	108	80	49
Other Finance Assets	30,498	29,911	75,850	68,949	15,590	187,152	219,534
Other Assets	40,767	17,536	23,143	29,242	17,181	13,485	14,512
Total Assets	22,779,559	24,443,792	24,776,951	25,445,219	22,963,492	25,586,378	26,052,425
Liabilities							
Current Liabilities	5,630,274	5,649,849	5,186,967	5,273,827	5,148,327	6,040,727	6,138,082
Account Payable and Other Payable	1,230,985	1,321,713	1,295,181	1,347,315	1,373,954	1,504,279	1,484,900
Short-term Borrowings	1,258,828	1,286,866	1,460,716	1,351,245	1,096,884	1,601,804	1,740,419
Withholdings	384,150	404,653	434,066	447,010	442,303	458,189	481,556
Other Non-current Financial Assets	653,737	606,669	35,929	49,519	38,623	107,767	67,434
Income Tax Payable	188,902	198,726	103,528	118,188	157,670	150,706	98,545
Provisions	11,243	5,717	6,685	7,545	20,574	20,774	20,470
Derivatives Instruments Liabilities	11,912	11,912	11,912	12,119	9,573	14,413	13,610
Current Finance Lease Obligations	169,531	191,869	235,564	250,981	244,391	268,626	277,666
Other Current Liabilities	1,720,987	1,621,723	1,603,386	1,689,905	1,764,354	1,914,167	1,953,482
Non-Current Liabilities	2,885,094	3,381,638	4,200,475	4,353,205	3,843,929	3,555,883	3,634,731
Non-Current Account Payable and Other Payable	63,708	52,279	50,070	50,249	110,592	109,323	101,630
Long-term Borrowings	553,054	526,161	1,131,825	1,256,567	1,176,181	792,584	793,729
Non-Current Provisions	51,934	57,671	60,109	63,811	70,152	76,411	76,498
Non-Current Finance Lease Obligations	1,318,155	1,492,079	1,626,467	1,605,126	1,643,416	1,733,227	1,773,643
Defined Benefit Liabilities	-	9,273	17,807	33,996	18,514	20,588	25,337
Other Long-term Employee Benefits Liabilities	67,927	71,382	66,020	83,005	73,168	80,539	83,175
Non-Current Derivatives Instruments Liabilities	-	1,831	1,831	9,328	3,540	1,071	1,071
Deferred Income Tax Liabilities	756,812	1,077,100	1,142,396	1,148,558	652,641	643,700	679,802
Other Non-Current Financial Liabilities	43,010	27,394	29,899	25,240	25,620	26,710	26,624
Other Non-Current Liabilities	30,494	66,467	74,051	77,324	70,105	71,731	73,224
Financial Liabilities	674,218	516,538	568,357	541,374	439,373	687,500	832,561
Deposit due to customers	598,311	458,191	459,208	437,036	394,287	468,768	585,873
Defined Benefit Liabilities	338	403	608	738	-	149	44
Other Employee Benefits	1,020	1,224	1,451	1,708	2,342	2,696	3,044
Provisions	1,151	1,158	1,261	1,266	1,124	1,127	1,131
Insurance Contract Liabilities	-	-	-	-	190	117	1,529
Finance Lease Obligations	10,266	3,067	1,244	2,583	2,327	1,973	-
Other Financial Liabilities	49,080	47,124	98,849	91,009	33,213	207,870	234,937
Other Liabilities	14,052	5,370	5,736	7,036	5,890	4,801	4,301
Total Liabilities	9,189,586	9,548,025	9,955,799	10,168,406	9,431,629	10,284,110	10,605,374
Equity							
Paid-in Capital	44,641	44,677	44,545	44,582	44,592	44,616	44,476
Capital Surplus	7,781,245	7,853,941	7,885,288	7,915,097	8,115,902	8,645,921	8,736,298
Other Accumulated Earnings	77,070	101,704	19,696	31,237	41,031	42,041	3,843
Accumulated Other Comprehensive Income	371,825	287,416	208,968	300,086	-1,250,708	-1,146,566	-1,300,874
Retained Earnings	1,709,599	2,989,764	3,063,240	3,169,383	3,046,458	3,075,752	3,131,024
Minority Interest	3,605,593	3,618,264	3,599,416	3,816,427	3,534,587	4,640,504	4,832,283
Total Equity	13,589,972	14,895,767	14,821,153	15,276,813	13,531,862	15,302,267	15,447,050
Total Liabilities & Equity	22,779,559	24,443,792	24,776,951	25,445,219	22,963,492	25,586,378	26,052,425

Separate Statements of Income(K-IFRS)

(Unit: KRW Million)

	2021	1Q22	2Q22	3Q22	4Q22	2022	1Q23	2Q23	2023	QoQ	QoQ(%)	YoY	YoY(%)
Total Revenue	2,132,916	596,230	596,389	613,433	650,540	2,456,591	640,661	634,560	1,275,221	-6,100	-1%	+38,171	+6%
Operating Expenses	1,730,891	473,134	459,359	492,669	480,315	1,905,477	511,272	517,356	1,028,628	+6,084	+1%	+57,996	+13%
Labor Cost	443,768	143,508	129,005	128,627	97,359	498,499	132,741	141,258	273,999	+8,517	+6%	+12,253	+9%
Cost of Revenue	834,919	197,550	190,180	209,861	237,531	835,122	233,979	217,527	451,506	-16,452	-7%	+27,347	+14%
Outsourcing / Infrastructure	259,883	64,179	64,528	67,546	73,758	270,012	69,945	77,912	147,857	+7,968	+11%	+13,384	+21%
Marketing Expenses	19,745	4,188	5,418	7,594	9,717	26,917	3,435	4,897	8,333	+1,462	+43%	-520	-10%
Depreciation and Amortization Cost	144,454	50,920	53,747	61,794	60,228	226,689	59,552	63,945	123,497	+4,394	+7%	+10,199	+19%
Miscellaneous	28,122	12,789	16,482	17,246	1,722	48,238	11,620	11,815	23,435	+195	+2%	-4,666	-28%
Operating Profit	402,025	123,096	137,030	120,764	170,224	551,114	129,389	117,204	246,593	-12,184	-9%	-19,825	-14%
<i>Operating Profit Margin</i>	<i>18.8%</i>	<i>20.6%</i>	<i>23.0%</i>	<i>19.7%</i>	<i>26.2%</i>	<i>22.4%</i>	<i>20.2%</i>	<i>18.5%</i>	<i>19.3%</i>	<i>-1.7%p</i>		<i>-4.5%p</i>	
Other Non-Operating Income	60,791	1,405,807	6,678	4,200	18,489	1,435,174	3,044	4,435	7,479	+1,391	+46%	-2,242	-34%
Other Non-Operating Expenses	70,400	25,502	2,424	10,361	91,038	129,326	1,878	6,123	8,001	+4,246	+226%	+3,699	+153%
Financial Income	228,542	45,532	43,044	39,415	35,419	163,410	34,252	13,807	48,058	-20,445	-60%	-29,237	-68%
Financial Expenses	46,266	21,743	47,853	43,819	27,704	141,119	14,111	15,462	29,573	+1,351	+10%	-32,392	-68%
Profit Before Income Tax	574,692	1,527,190	136,474	110,199	105,390	1,879,253	150,695	113,861	264,557	-36,834	-24%	-22,612	-17%
Income Tax	68,071	382,761	30,250	33,292	-184,382	261,921	27,419	20,964	48,383	-6,455	-24%	-9,286	-31%
Net Profit	506,621	1,144,429	106,224	76,907	289,772	1,617,332	123,276	92,897	216,174	-30,379	-25%	-13,327	-13%
EBITDAR	546,255	173,672	129,338	181,177	230,289	714,476	188,915	182,458	371,373	-6,457	-3%	+53,120	+41%
Adjusted EBITDAR	634,286	199,948	213,160	198,298	247,846	859,252	203,500	194,450	397,950	-9,050	-4%	-18,710	-9%

1) EBITDAR: Rental expenses included in lease amortization from 1Q 2019 (EBITDA till FY2018)

2) Adjusted EBITDAR: EBITDA + stock-based compensation

Separated Statements of Financial Position (K-IFRS)

(Unit: KRW Million)

	2021.12.31	2022.03.31	2022.06.30	2022.09.30	2022.12.31	2023.03.31	2023.06.30
Assets							
Current Assets	2,417,993	2,441,129	2,178,243	2,420,461	2,334,856	1,767,894	1,810,313
Cash and Cash Equivalents	1,478,676	1,129,676	823,933	725,073	1,248,788	934,120	1,123,413
Short-term Financial Instruments	255,435	220,557	181,057	61,000	211,000	241,000	141,500
Fair Value through Profit or Loss	267,800	680,740	757,432	1,196,860	393,800	134,599	49,953
Account Receivable	152,199	138,055	125,064	127,327	139,265	118,830	128,012
Short-term Finance Lease Receivable	9,774	16,004	22,506	23,378	23,285	24,679	24,584
Other Current Financial Assets	190,569	197,203	206,697	209,589	255,019	260,363	287,139
Inventory Assets	20,845	15,205	15,557	24,842	30,208	22,935	21,978
Derivatives Instruments Assets	0	0	0	0	0	0	0
Other Current Assets	42,695	43,689	45,996	52,393	33,490	31,369	33,733
Non-Current Assets	7,606,659	9,300,467	9,602,739	9,601,244	8,456,640	9,206,467	9,475,169
Long-term Available for Sales	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Fair Value through Profit or Loss	86,640	92,842	95,852	101,914	85,381	90,272	87,171
Fair Value through Other Comprehensive Income	789,170	2,286,287	2,159,957	2,097,232	21,895	25,695	21,432
Derivative financial instruments	0	0	2,922	2,922	3,156	3,156	3,156
Investment Securities in Associates and Subsidiaries	3,547,758	3,577,058	3,848,386	3,852,912	4,751,726	5,517,899	5,614,039
Other Non-current Financial Assets	55,199	65,310	69,849	68,703	68,905	68,233	67,086
Tangible Assets	312,555	334,839	383,351	451,509	500,459	495,968	631,470
Right-of-use Assets	836,401	904,066	953,432	942,085	830,735	818,567	883,087
Long-term finance lease receivable	38,839	106,542	158,382	157,692	153,271	156,484	150,130
Intangible Assets	1,573,635	1,603,141	1,609,277	1,614,199	1,608,568	1,607,588	1,605,127
Investment Properties	306,536	302,767	298,998	295,229	380,840	375,854	370,778
Retirement Pension Management Assets	20,496	15,309	9,959	4,740	39,855	34,644	29,426
Other Non-current Assets	29,431	2,306	2,372	2,107	1,849	2,106	2,266
Total Assets	10,024,652	11,741,596	11,780,982	12,021,705	10,791,496	10,974,361	11,285,481
Liabilities							
Current Liabilities	2,299,149	2,351,185	2,215,015	2,406,759	2,183,525	2,260,994	2,403,431
Accounts Payables and Other Payables	493,501	551,598	466,172	545,590	546,776	477,599	466,526
Short-term Borrowings	342,179	350,014	374,322	416,050	28,710	119,582	300,000
Current Finance Lease Obligations	101,724	117,238	138,660	141,516	141,734	143,113	150,235
Other Current Financial Liabilities	58,224	28,052	6,188	6,372	6,560	32,869	7,143
Income Tax Payable	55,518	86,227	46,763	43,493	74,175	85,752	35,137
Other Current Liabilities	1,248,003	1,218,056	1,182,909	1,253,738	1,385,569	1,402,079	1,444,389
Non-Current Liabilities	1,171,299	1,664,157	1,809,267	1,796,165	1,516,709	1,512,121	1,578,096
Non-Current Trade Payables and Other Payables	16,683	23,376	31,583	36,091	36,947	35,116	34,951
Long-term Borrowings	0	0	0	0	0	0	0
Non-Current Finance Lease Obligations	1,076,109	1,242,171	1,340,376	1,331,363	1,306,442	1,297,010	1,353,765
Non-Current Provisions	40,681	40,925	41,171	41,418	38,412	38,469	38,764
Defined Benefit Liabilities	0	0	0	0	0	0	0
Other Long-term Employee Benefits Liabilities	35,656	41,717	43,804	45,931	37,083	39,780	42,409
Deferred Income Tax Liabilities	0	314,179	351,480	340,342	97,097	100,388	107,105
Other Non-Current Liabilities	0	60	40	398	0	0	0
Other Non-Current Financial Liabilities	2,170	1,730	813	621	727	1,358	1,102
Total Liabilities	3,470,448	4,015,343	4,024,282	4,202,923	3,700,233	3,773,115	3,981,526
Equity							
Paid-in Capital	44,641	44,677	44,545	44,582	44,592	44,616	44,476
Capital Surplus	5,489,187	5,529,200	5,630,338	5,630,360	5,636,721	5,662,384	5,713,830
Other Accumulated Earnings	77,070	101,704	19,696	31,237	41,031	42,041	3,843
Accumulated Other Comprehensive Income	240,487	226,413	132,320	105,213	11,278	14,229	11,059
Retained Earnings	702,820	1,824,259	1,929,802	2,007,390	1,357,640	1,437,976	1,530,746
Total Equity	6,554,205	7,726,253	7,756,700	7,818,782	7,091,263	7,201,246	7,303,955
Total Liabilities & Equity	10,024,652	11,741,596	11,780,982	12,021,705	10,791,496	10,974,361	11,285,481

Number of Employees (Kakao)

	2Q22	3Q22	4Q22	1Q23	2Q23	QoQ	YoY
Kakao	3,391	3,500	3,901	3,931	3,917	▽14	▲526
Kakao Subsidiaries	11,918	12,424	12,578	12,505	13,983	▲1,478	▲2,065
Total	15,309	15,924	16,479	16,436	17,900	▲1,464	▲2,591

* Above number includes interns, assistants, short-term employees. but not part-time employees and the member of the board.

Ownership Stake in Key Subsidiaries and Affiliates (Kakao)

(Reference date: 30th June 2023)

Company	Subsidiaries							Affiliates
	Kakao Pay	Kakao Games	Kakao Mobility	Kakao Entertainment	Kakao Piccoma	Kakao Enterprise	SM Entertainment	Kakao Bank
Stake	46.5%	40.9%	57.3%	67.6%	91.1%	85.1%	39.9%	27.2%

* Above equity ratio is the number of stocks held to the total number of issued stocks, and was calculated by simply adding the percentage of equity held by the consolidated subsidiaries.

* Kakao as a separate entity owns a 72.9% stake in Kakao Piccoma and a 20.8% stake in SM Entertainment.