

kakao

Company Presentation

November 2025 | Kakao Investor Relations



Financial information contained in this document is based on consolidated K-IFRS that have not been reviewed by an independent auditor.

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Company Overview



Korea's mobile communication leader with the undisputed dominant messenger app **Kakao Talk**
49 mm domestic MAU vs. 52 mm population in Korea (94% penetration)

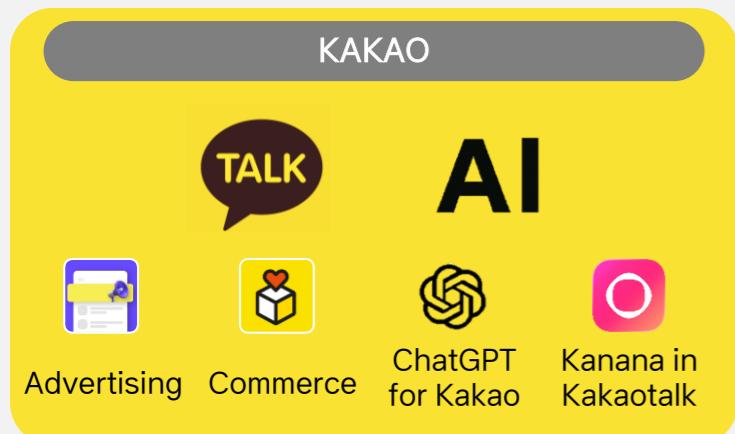


Multiple revenue streams across platform and content business, capturing the full range of **everyday mobile activities**
Communication, e-commerce, payment & banking, ride-hailing, music streaming, webtoon, etc.



Total package portfolio across corporate growth cycle
Early-stage growth (AI, healthcare, cloud and VC Investments) to self-sustaining growth (mobility, entertainment, and game)
and profitable growth (Kakao Talk's advertising and commerce)

Platform Businesses



CONNECTED SERVICES

- 57.2%⁽¹⁾
kakao mobility
taxi-hailing & other mobility
- 46.1%⁽¹⁾
kakaopay
payments & tech-fin
- 27.2%⁽¹⁾ (Associate)
kakaobank
internet banking

Content Businesses

GLOBAL GROWTH DRIVERS

- 66.0%⁽¹⁾
kakao
ENTERTAINMENT
music / K-pop, media, and webtoon / web novel
- 91.1%⁽¹⁾
kakao piccoma
webtoon (Japan)
- 41.5%⁽¹⁾
SM
ENTERTAINMENT
GROUP
K-pop
- 40.7%⁽¹⁾
kakao games
mobile / PC games

Note: (1) Subsidiary ownership ratio refers to the simple sum of equity stakes held by consolidated subsidiaries. (Kakao's direct ownership: Kakao Piccoma 73%, SM Entertainment 21.6%)
(2) All entities are consolidated subsidiaries but for Kakaobank (equity method accounting).

Investment Highlights

3Q 2025 Results Summary

- Achieved record-high quarterly revenue for two consecutive quarters, driven by solid Talk Biz growth and continued earnings momentum across Pay, Mobility, and Music
- Group-wide operational efficiency and accelerating consolidated revenue growth drove operating profit to exceed KRW 200bn for the first time, with operating margin reaching 10%
- Platform (+12% YoY, +0.4% QoQ) : Biz Message (+22% YoY) and Platform-Others (+24% YoY) led revenue growth
Pay delivered record-high quarterly OP backed by solid growth in financial and platform services
- Content(+5% YoY, +6% QoQ) : Music grew +20% YoY on strong album sales and concert revenue from key artists
Piccoma maintained No.1 position in Japan app market, doubling operating profit YoY through efficient marketing

Core Growth Engines: KakaoTalk revamp and B2C AI services performance

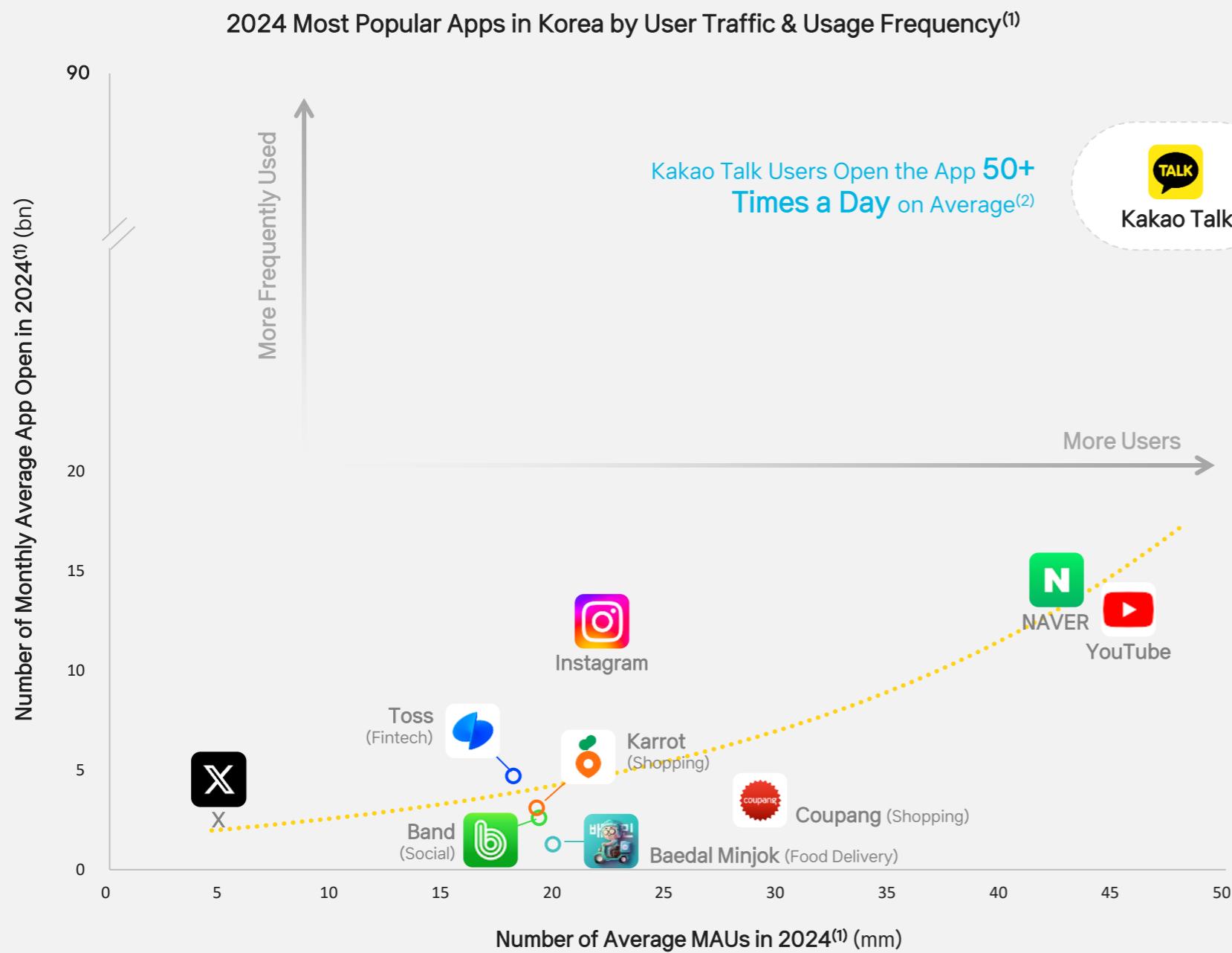
- Talk revamp: Average daily time spent increased from the 24-minute range to nearly 26 minutes, while user time spent on the Friends/Now tab rose by over 10% following the revamp
- AI: Launched *ChatGPT for Kakao* and *on-device AI Kanana* (CBT) in October, creating an agentic environment across Kakao services via in-house *Kakao Tools* framework.
- Talk revamp and new AI services are expected to further lift user time spent and engagement on KakaoTalk

Key Guidance and Strategy Highlight

- Talk Biz ads are expected to grow over 10% YoY in 4Q. Targeting a 20%+ increase in total user time spent on KakaoTalk following the revamp
- Supported by a strong financial foundation, accelerating revenue growth in core businesses is expected to translate into improved profitability
- Pursuing growth rates befitting a growth company, while driving structural profitability through governance and portfolio optimization

Undisputed Market Leader in Korea's Mobile Space

Kakao Talk: No. 1 Mobile App in Korea



No. 1 Messenger in Korea
94% Population Penetration⁽³⁾



No. 1 Mobility Platform in Korea
Taxi-Hailing, Designated Driver, Parking



No. 1 Digital Bank in Korea
by Deposit & Loan Balance



No. 1 Webtoon Platform in Korea
by In-App Revenue in 2024



Global No. 1 Webtoon Platform
by In-App Purchase Revenue in 2024



Top 1% Sustainability Distinction
by S&P Global's Corporate Sustainability Assessment in 2024

Making Every Korean's Daily Lives Better

A Life that Cannot Be Imagined without kakao



 Shopping
Fashion Items

 Monitor
My Health

 Ask Merchant
for Service

 Advertise
My Products

 Book
Flight Ticket

 Find Best Route to
Destination

...

Solid Growth and Profitability Built on Unique, Differentiated Competitive Moat

Advertising



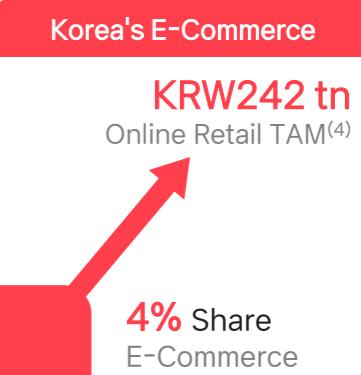
Advertising Inventory backed
by Unique Traffic Base
of No. 1 Messenger App



E-Commerce

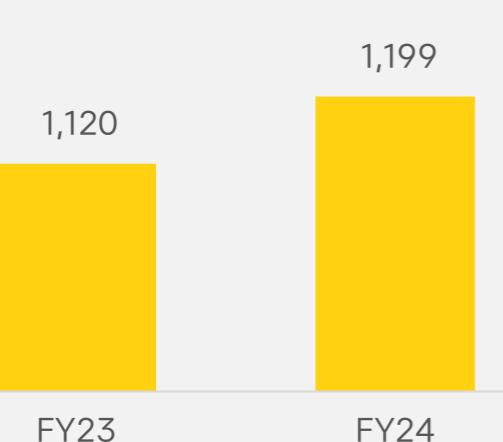


E-Commerce Platform
with Unique Business
Model of Gifting



KakaoTalk's Advertising Revenue Growth
(KRW bn)

+7% CAGR



Key Growth Initiatives

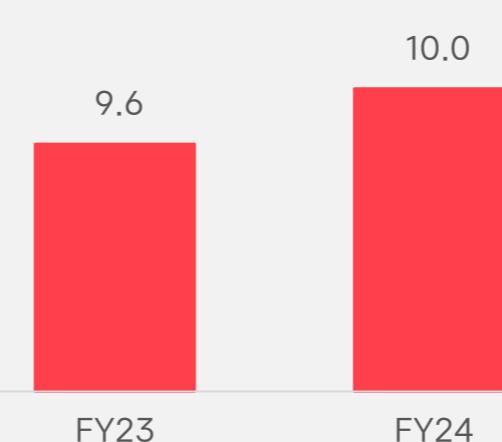
Focus on Enhancement of
KakaoTalk Engagement

Maintained Growth
Momentum with Unique
Products & High ROAS

Discover New Revenue
Stream incl. AI, beyond
advertising and commerce

Kakao's E-Commerce GMV Growth
(KRW tn)

+4% YoY



Key Growth Initiatives

Expansion of Selections to
Luxury / High-end Brands

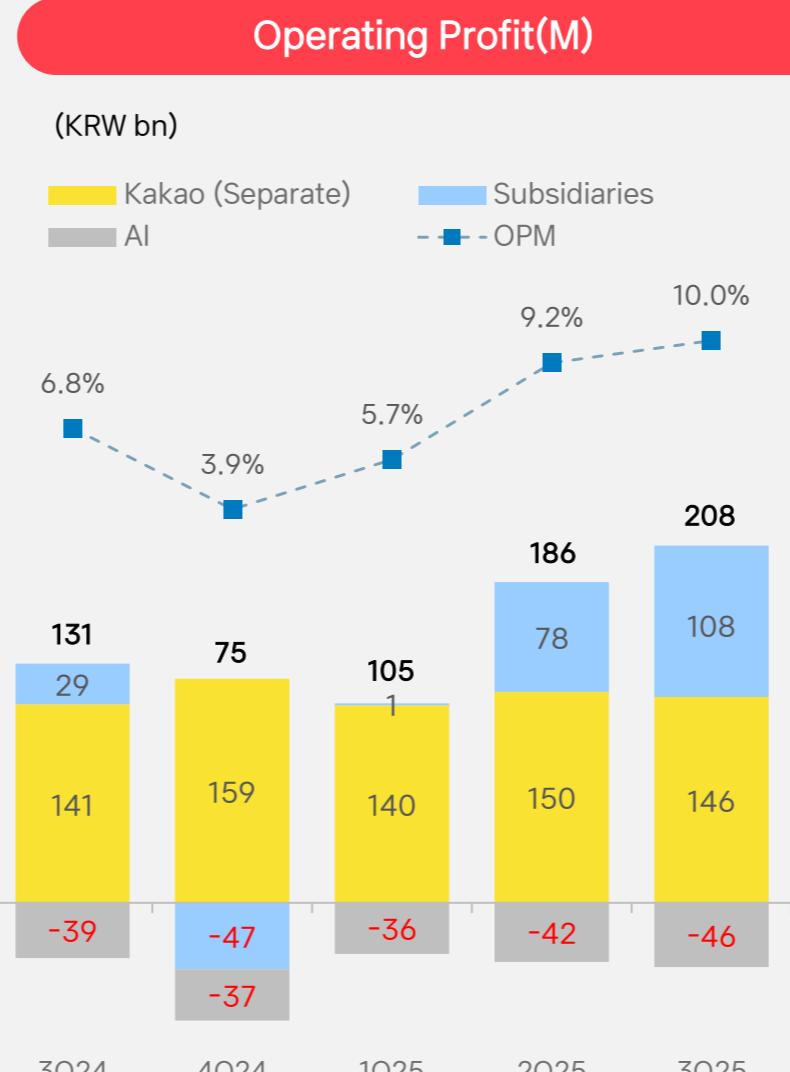
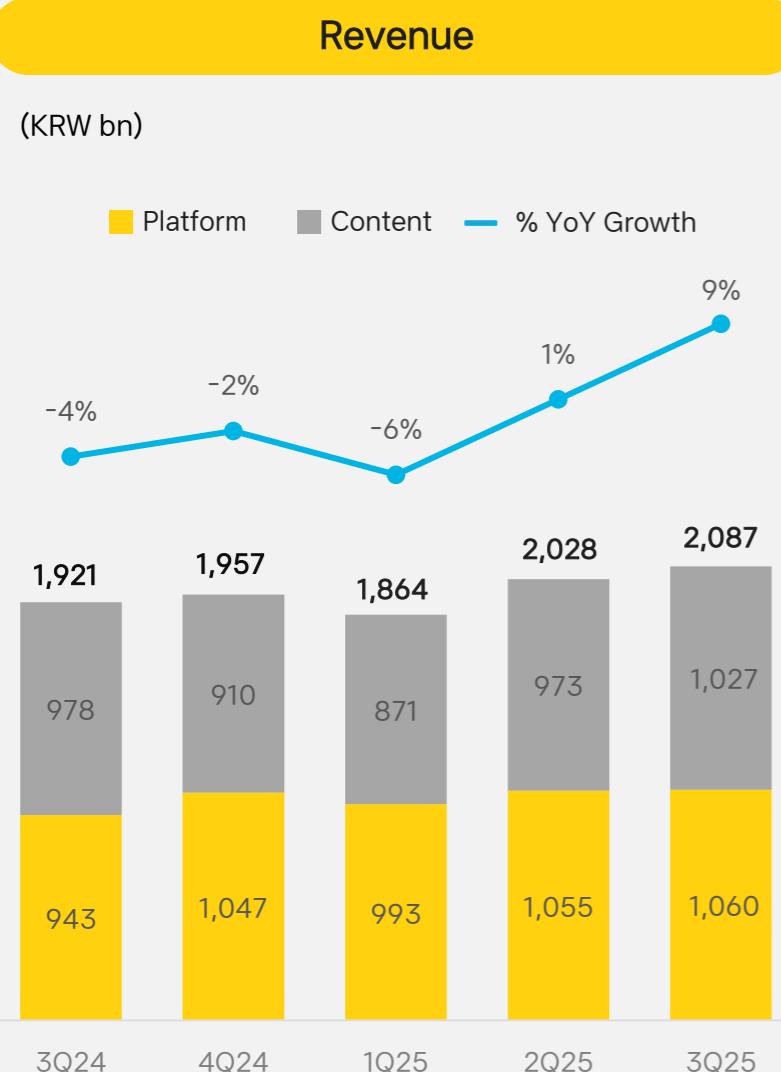
Use Case Expansion from
Gifting to Self-Purchases

Expansion of Discovery
Commerce via advanced
Personalized Product Curation

Leadership Across Key Verticals With Continued Business Model Innovation



Achieved record-high quarterly revenue and operating profit, driven by strong platform performance, cost efficiencies, and improved profitability across key affiliates



- Record-high platform revenue, driven by double-digit Talk Biz ads and strong growth in Mobility and Pay
- Targeting double-digit YoY growth in 4Q Talk Biz ads, with core businesses expected to drive a stronger ramp-up in revenue

- Profitability improved to a 10% OPM in 3Q, driven by sales growth and cost structure optimization
- Profit improvement expected, supported by high-margin core-business growth and cost efficiencies

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)

3Q25 Highlights



TalkBiz Ads

(3Q25 +11% YoY, +1% QoQ)

Sustained high growth led by Message ad (+22% YoY)
DA growth turned positive after five quarters.



TalkBiz Commerce

(3Q25 -0.1% YoY, -6% QoQ)

Strong growth in Self-gifting (+40% YoY)
Expanded commerce touchpoints in KakaoTalk



Record-high quarterly revenue & OP

(3Q25 Consolidated OPM 10%)

Solid Talk Biz growth and improved affiliate performance drove record-high quarterly results.

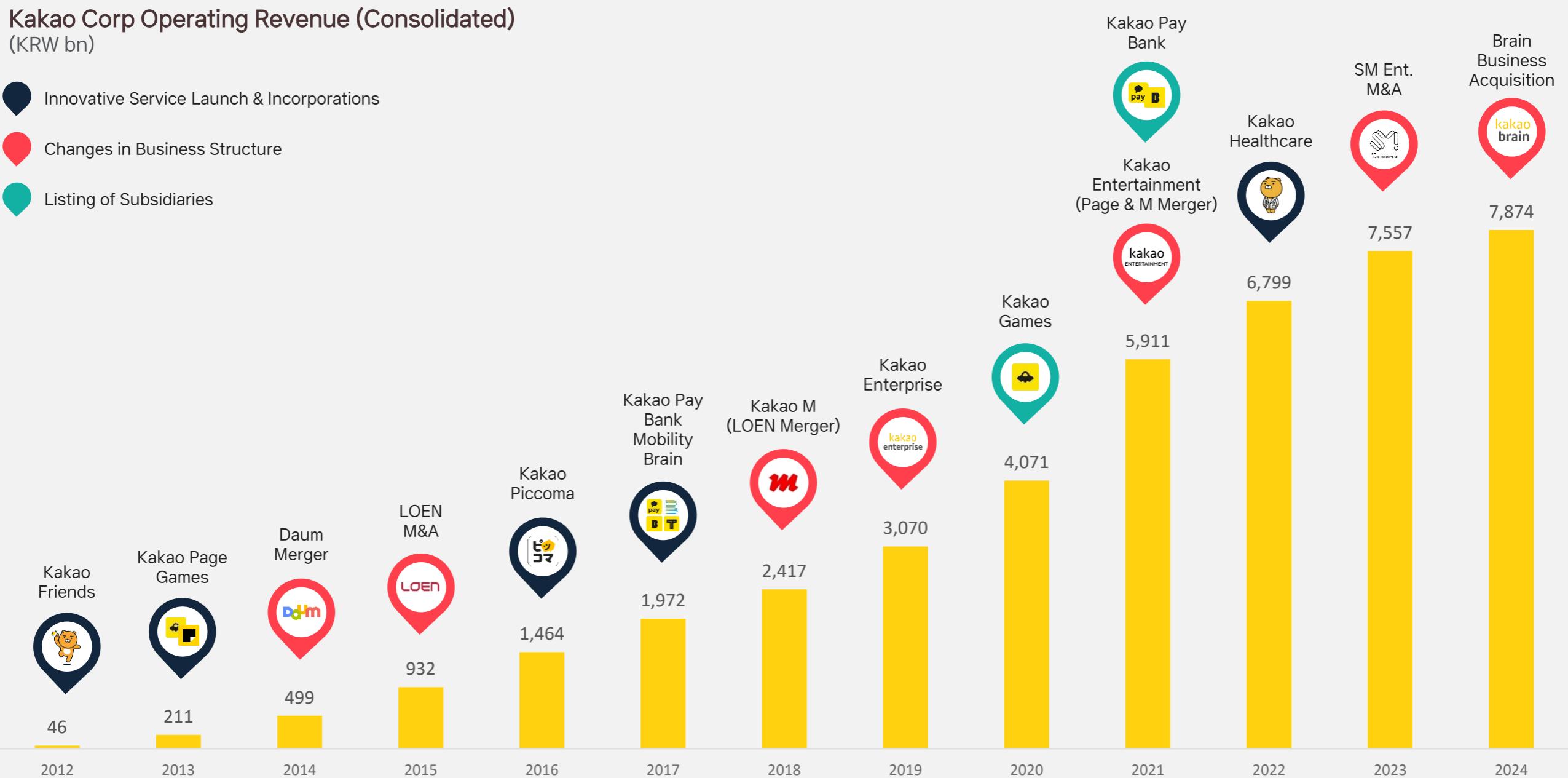
Appendix

Phenomenal Growth Trajectory Along With Growing Ecosystem

Key Milestones

Kakao Corp Operating Revenue (Consolidated) (KRW bn)

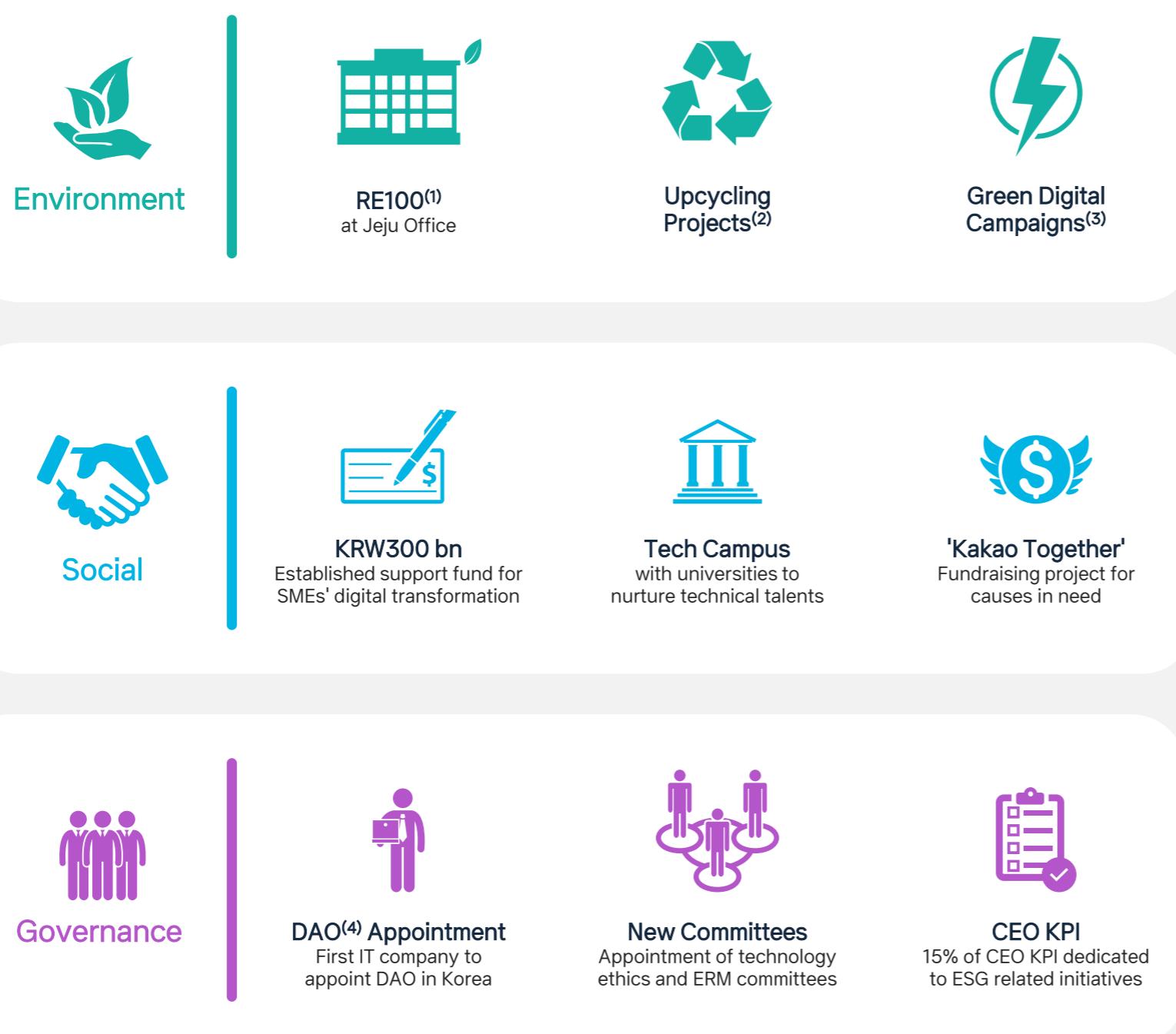
- Innovative Service Launch & Incorporations
- Changes in Business Structure
- Listing of Subsidiaries



Note: 2022 / 2023 operating revenue figures are based on those after restatement as per the change in accounting policy.

Kakao's Continued Focus on ESG Initiatives

Key ESG Initiatives



ESG Ratings
 Rated A (2024) From MSCI ESG ratings
 Grade A (2024) From KCGS ESG ratings
 Top 1% (2024) From S&P Global for sustainability distinction
 Member (2024) Member of DJSI World, Asia Pacific, and Korea

Note: (1) RE100: An international agreement to replace 100% of electricity used by businesses with renewable energy by 2050. (2) Upcycling used T-shirts and sweaters to socks and cardigans.
 (3) Dark-mode of Kakao Talk, mobile e-bills, etc.

Q3 2025 Earnings Results

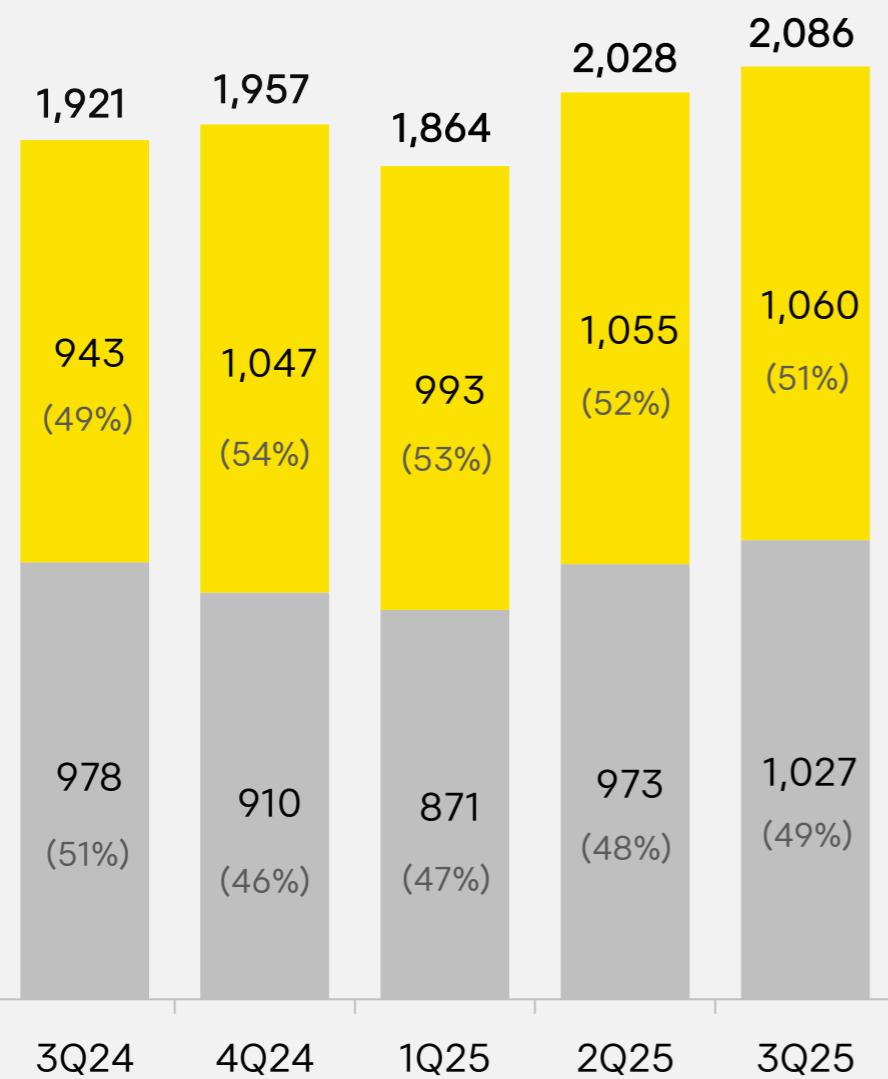
Revenue

Q3 Revenue +9% YoY / +3% QoQ

Q3 MIX : Platform 51%, Content 49%

(in bn KRW)

■ Platform ■ Content



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

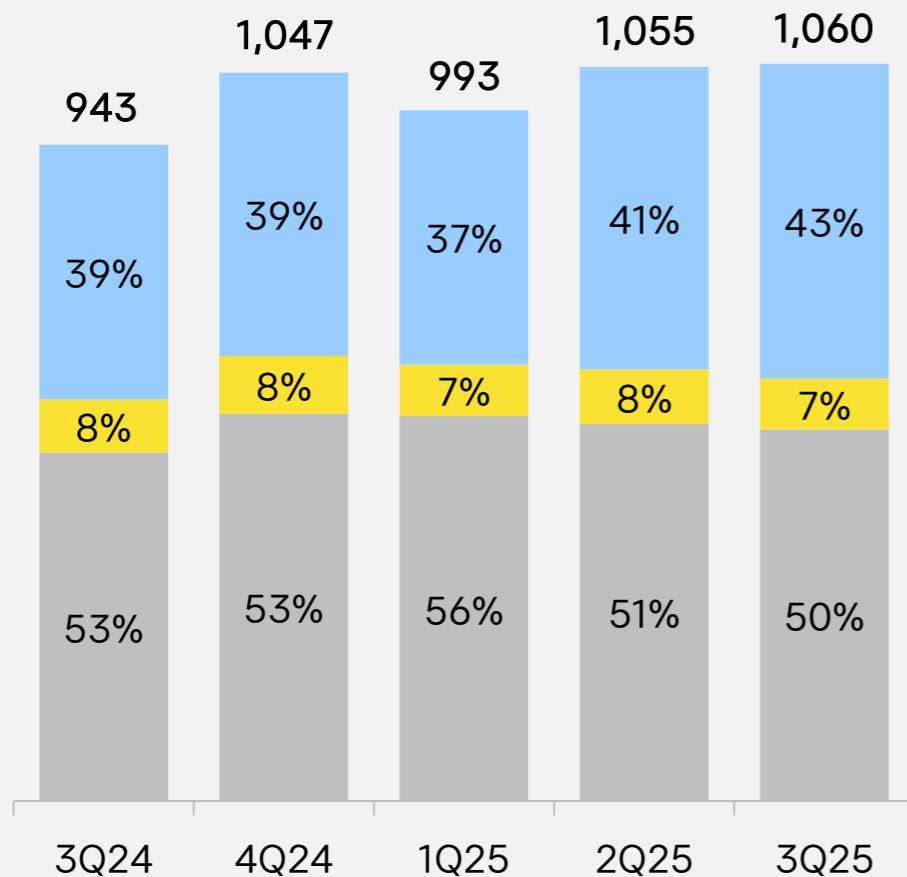
Revenue

Platform

3Q25 +12% YoY, +0.4% QoQ

(in bn KRW)

■ Talk Biz ■ Portal Biz ■ Platform-Others

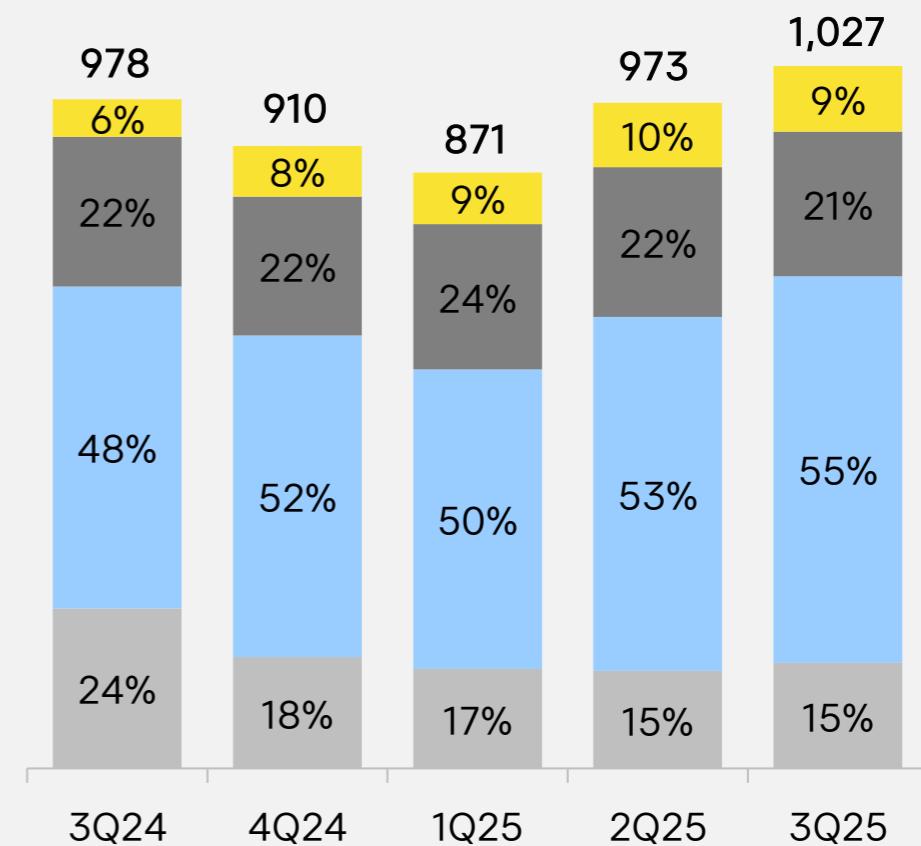


Content

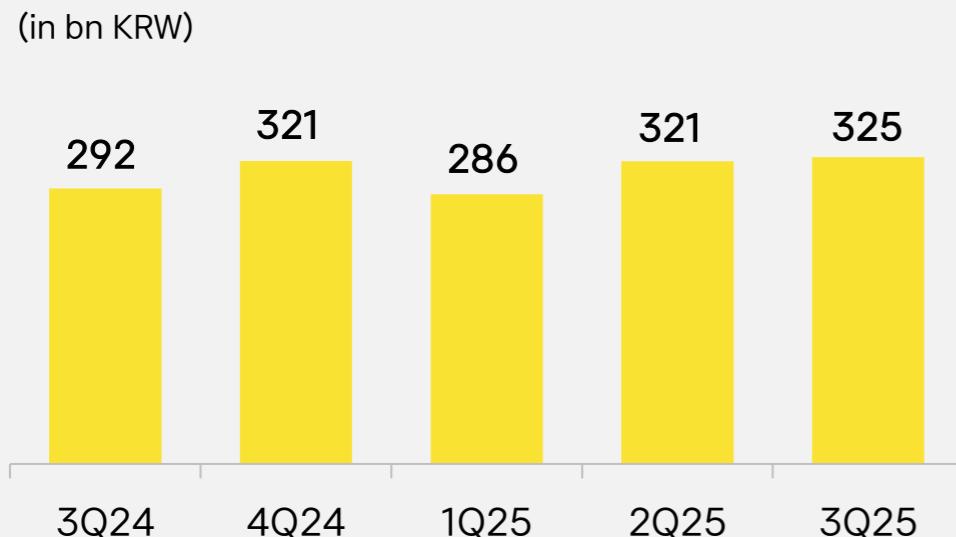
3Q25 +5% YoY, +6% QoQ

(in bn KRW)

■ Game ■ Music ■ Story ■ Media



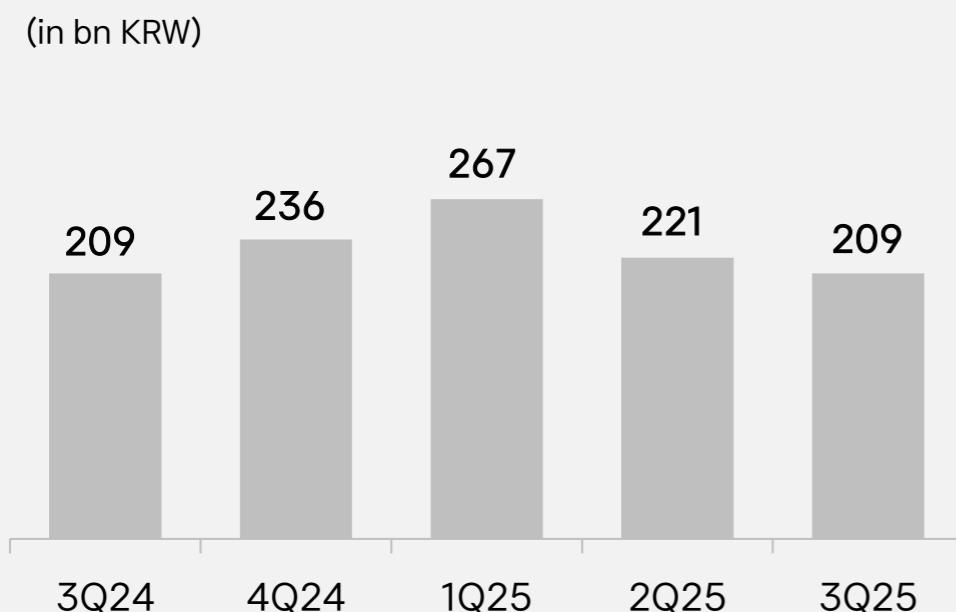
Advertising



3Q25 +11% YoY, +1% QoQ

- (YoY) Continued solid growth in Biz Message(+22% YoY), rebound in DA growth(+0.5% YoY) driven by product enhancement
- (QoQ) A record-high quarterly revenue of Biz Message, DA growth turned positive for the first time in five quarters

Commerce



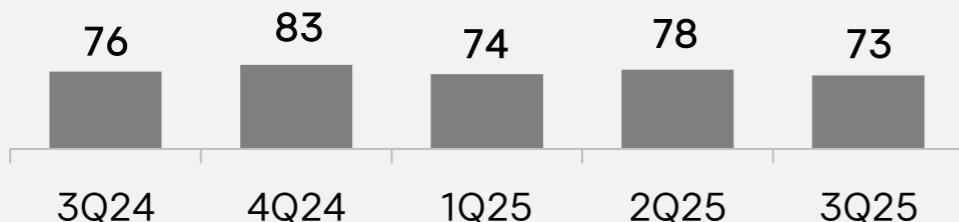
3Q25 -0.1% YoY, -6% QoQ

- Total Commerce GMV: 2.5tn, +4% YoY, +1% QoQ
- Talk Gift GMV: +1% YoY, +3% QoQ
- (YoY) Self-purchase GMV in Talk Gift grew +40% YoY, offsetting the impact of Chuseok seasonality shifted to 4Q
- (QoQ) Temporary decline due to timing difference in revenue recognition, as orders placed before Chuseok holidays were delivered in October

Platform | Portal, Others

Portal Biz

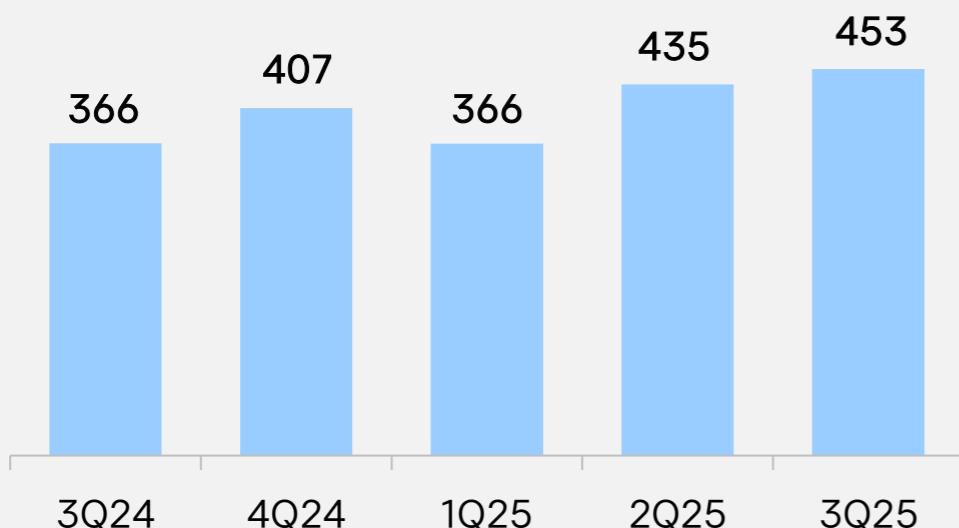
(in bn KRW)

**3Q25 -5% YoY, -7% QoQ**

- (YoY/QoQ) Decline in search queries due to absence of major events and preparation for establishment of AXZ, new entity

Platform-Others

(in bn KRW)

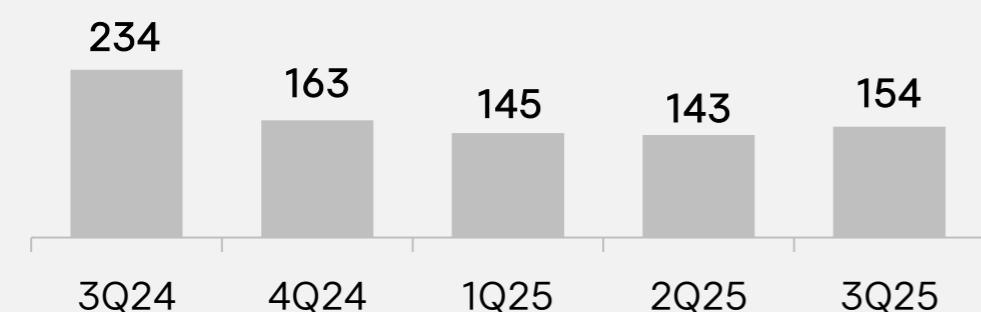
**3Q25 +24% YoY, +4% QoQ**

- **Mobility** : Solid growth across all segments
- **Pay** : A record-high quarterly operating profit driven by accelerated revenue growth in securities, insurance, and platform services

Content | Game, Music

Game

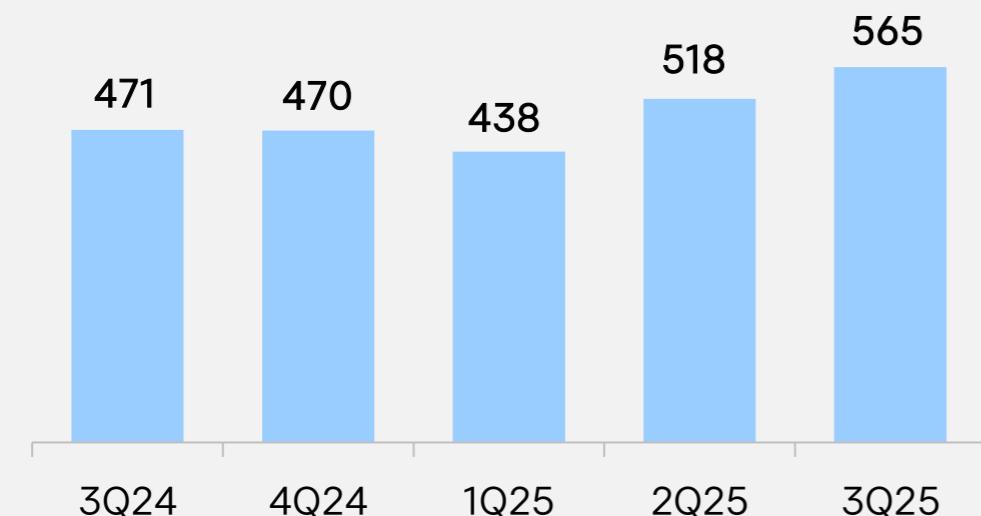
(in bn KRW)

**3Q25 -34% YoY, +8% QoQ**

- (YoY) Prolonged absence of new titles
- (QoQ) Content updates of key titles

Music

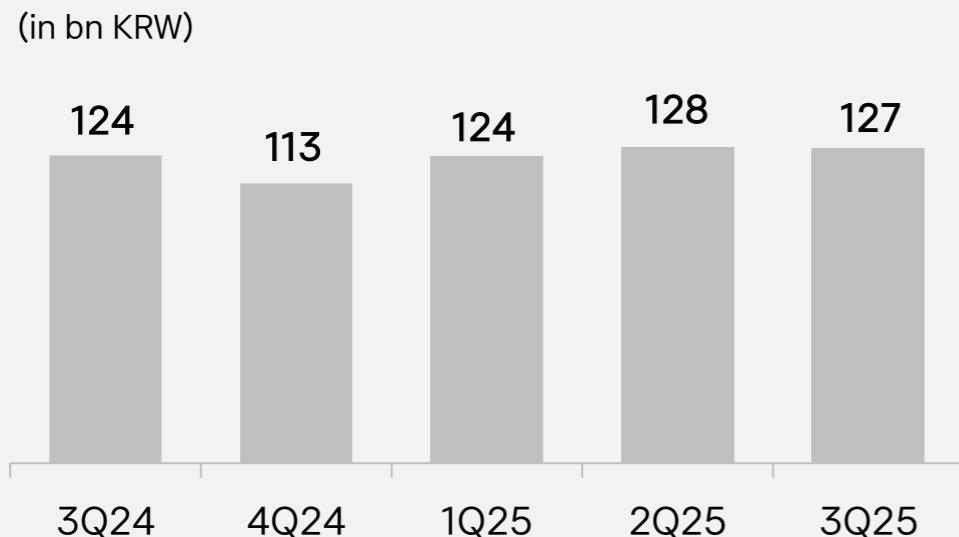
(in bn KRW)

**3Q25 +20% YoY, +9% QoQ**

- (Label) Strong album sales from major artists and increased concert revenue
- (Distribution) Maintained solid No.1 market position

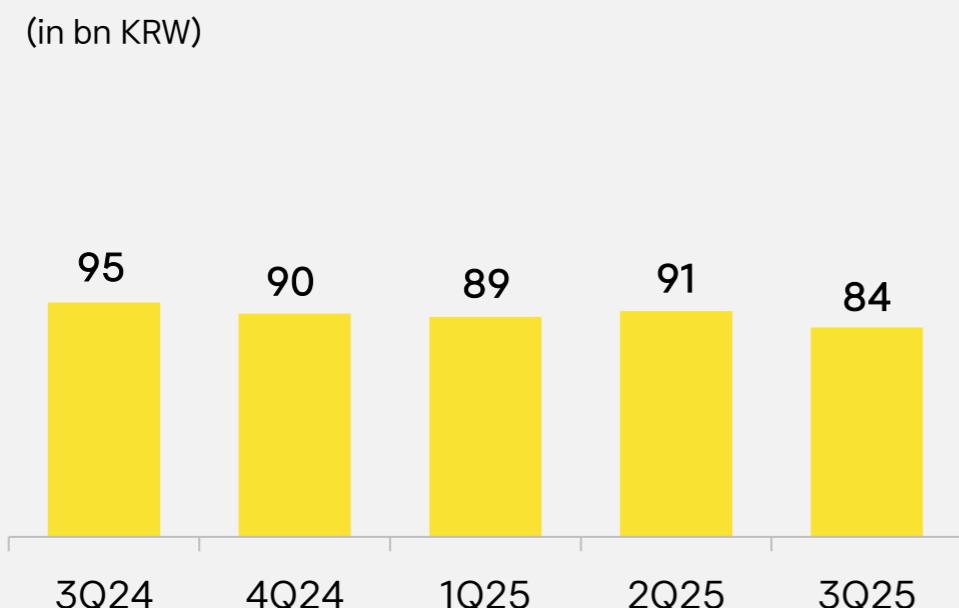
Content | Story

Piccoma

**3Q25 +2% YoY, -0.5% QoQ**

- (in JPY) GMV -4% YoY, +5% QoQ
- (in JPY) Revenue +1% YoY, +5% QoQ
- Maintained No.1 in Japan's app market by cumulative revenue, operating profit doubled YoY

Entertainment

**3Q25 -11% YoY, -7% QoQ**

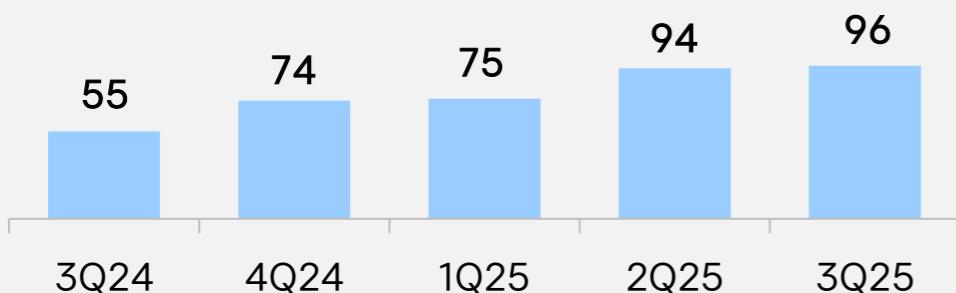
- (YoY/QoQ) New IP releases backlogged into late September ahead of Chuseok holiday
- Continued focus on profitability and operational efficiency

Media

(in bn KRW)

3Q25 +75% YoY, +2% QoQ

- (YoY/QoQ) Increase in number of revenue-recognizing titles and accelerated production progress of ongoing titles



Earnings Summary

(in bn KRW)	3Q24	2Q25	3Q25	YoY	QoQ
Total Revenue	1,921	2,028	2,087	9%	3%
Platform	943	1,055	1,060	12%	0.4%
Talk Biz	501	542	534	7%	-1%
Portal Biz	76	78	73	-5%	-7%
Platform-Others	366	435	453	24%	4%
Content	978	973	1,027	5%	6%
Game	234	143	154	-34%	8%
Music	471	518	565	20%	9%
Story	219	219	211	-3%	-3%
Media	55	94	96	75%	2%
OPEX	1,791	1,842	1,879	5%	2%
Operating Profit	131	186	208	59%	12%
<i>Operating Profit Margin</i>	6.8%	9.2%	10.0%	+3.2%pt	+0.8%pt
Net Profit	79	172	193	146%	12%
Controlling Interests	106	161	125	18%	-23%
Non-controlling Interests	-27	11	68	TB	543%
<i>Net Profit Margin</i>	4.1%	8.5%	9.2%	+5.2%pt	+0.8%pt

Operating Expenses

(in bn KRW)	3Q24	2Q25	3Q25	YoY	QoQ
Operating Expenses	1,791	1,842	1,879	5%	2%
Labor	459	489	477	4%	-2%
Cost of Revenue	748	717	748	0%	4%
Outsourcing / Infrastructure	194	233	261	34%	12%
Marketing	105	88	102	-3%	16%
Depreciation & Amortization	211	222	208	-1%	-6%
Misc.	74	93	83	12%	-11%

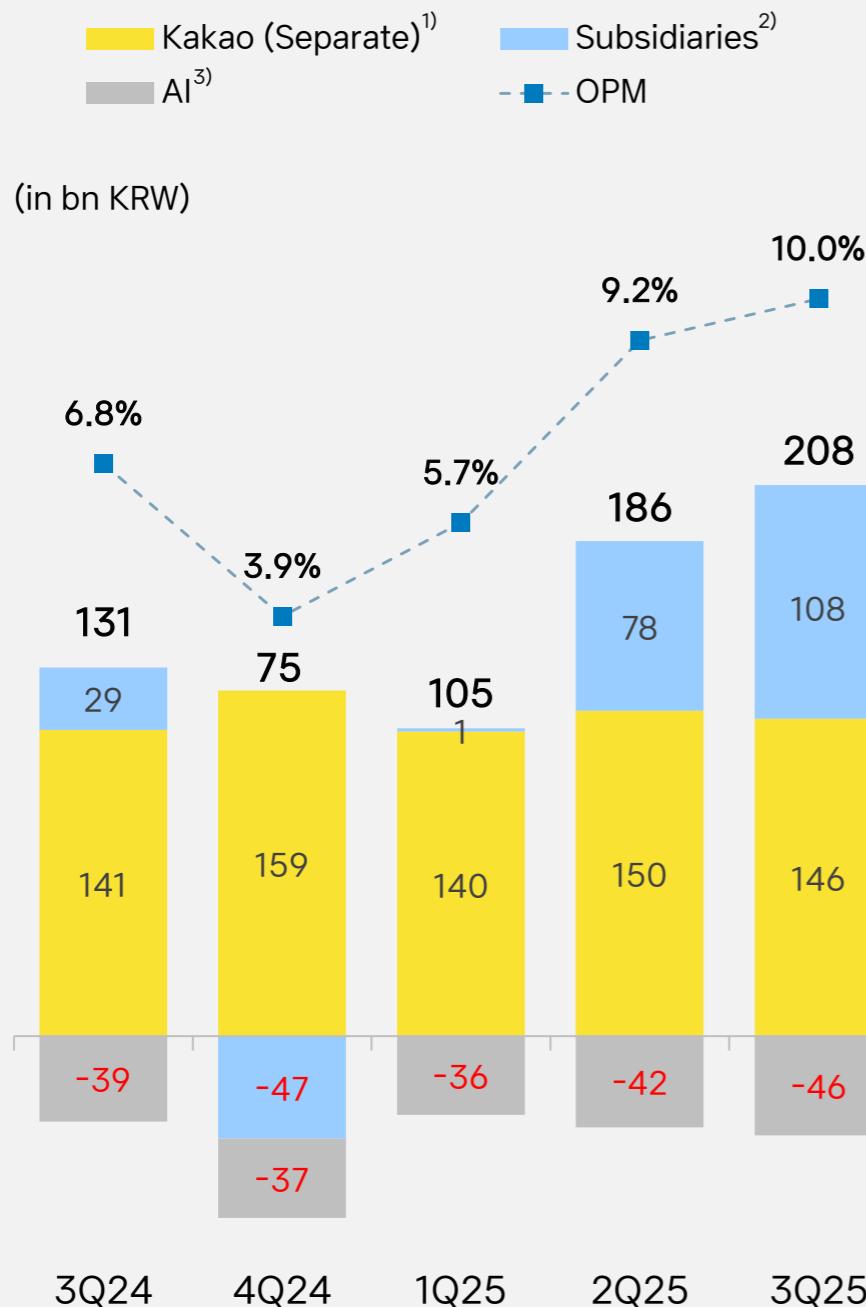
3Q Analysis

- Labor (YoY) Increase in incentive payouts reflecting subsidiaries' 1H results and other expenses
(QoQ) Maintained conservative hiring
- Cost of Revenue (YoY) Increase in media production costs offset impact from SM Ent. accounting reclassification
(Cost of Revenue → Outsourcing/Infrastructure)
(QoQ) Increase in content-related payments in line with content revenue growth
- Outsourcing / Infrastructure (YoY/QoQ) Effect from SM Ent. accounting reclassification and higher infrastructure costs related to AI
- Marketing (YoY) Maintained efficient marketing spend
(QoQ) Expanded strategic marketing by Piccoma
- Depreciation & Amortization (QoQ/YoY) Base effect from Kakao Ent. intangible amortization and reversal of bad debt expenses

Profits

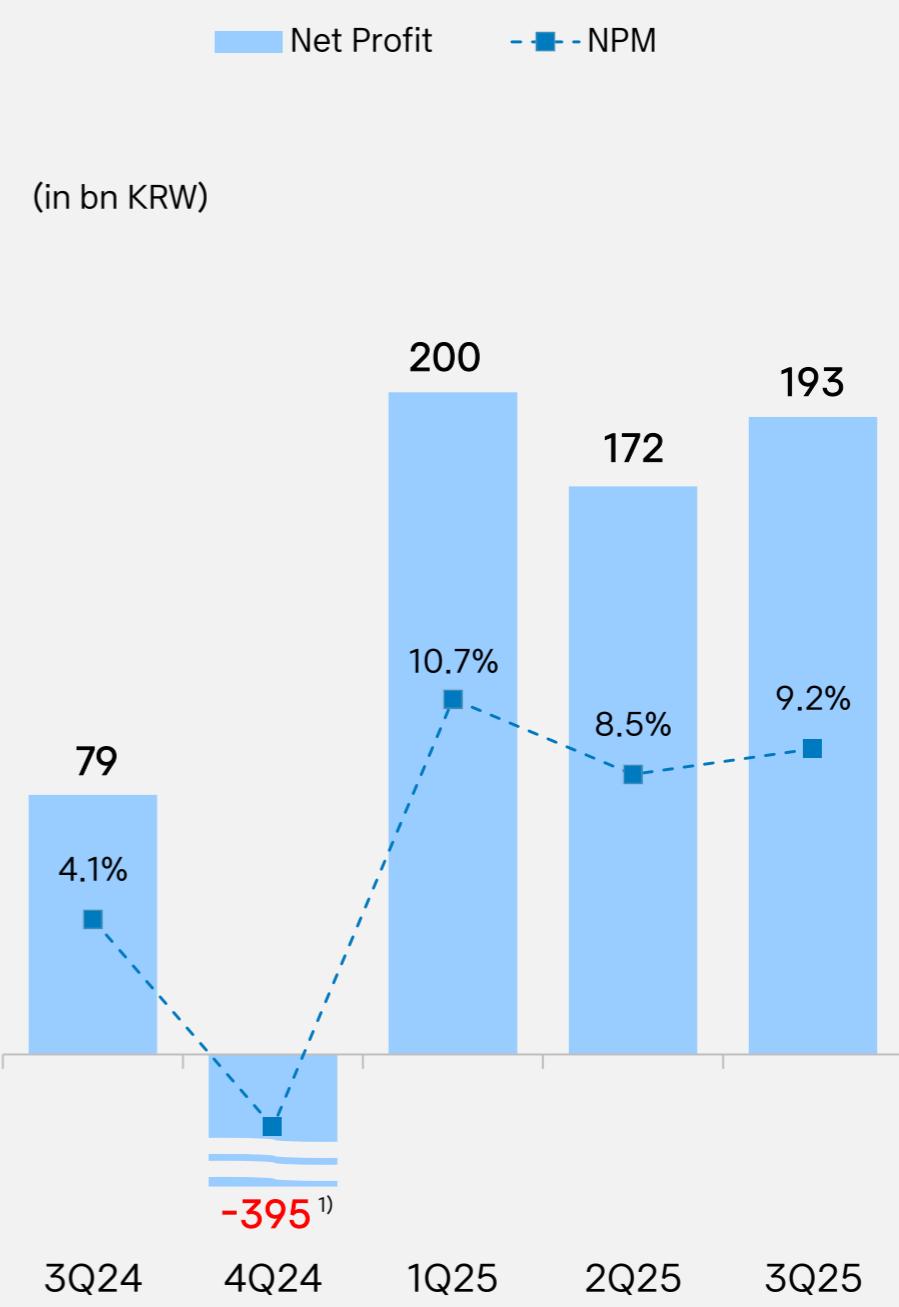
Operating Profit(M)

3Q25 +59% YoY, +12% QoQ



Net Profit(M)

3Q25 +146% YoY, +12% QoQ



1) Kakao (Separate): OP on a separate basis ex. AI Services

2) Subsidiaries: All businesses ex. Kakao (Separate) and AI; incl. internal adj.

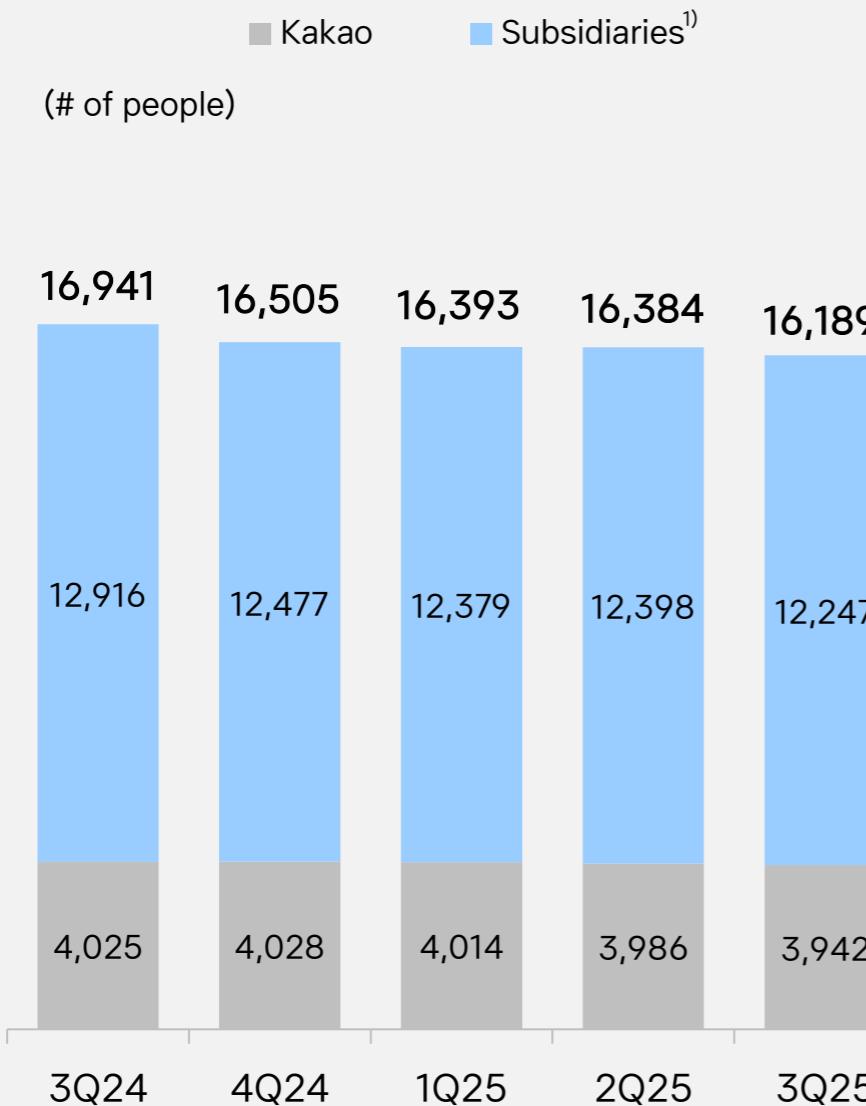
3) AI: AI Services within Kakao (Separate)

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

Employees / CapEx

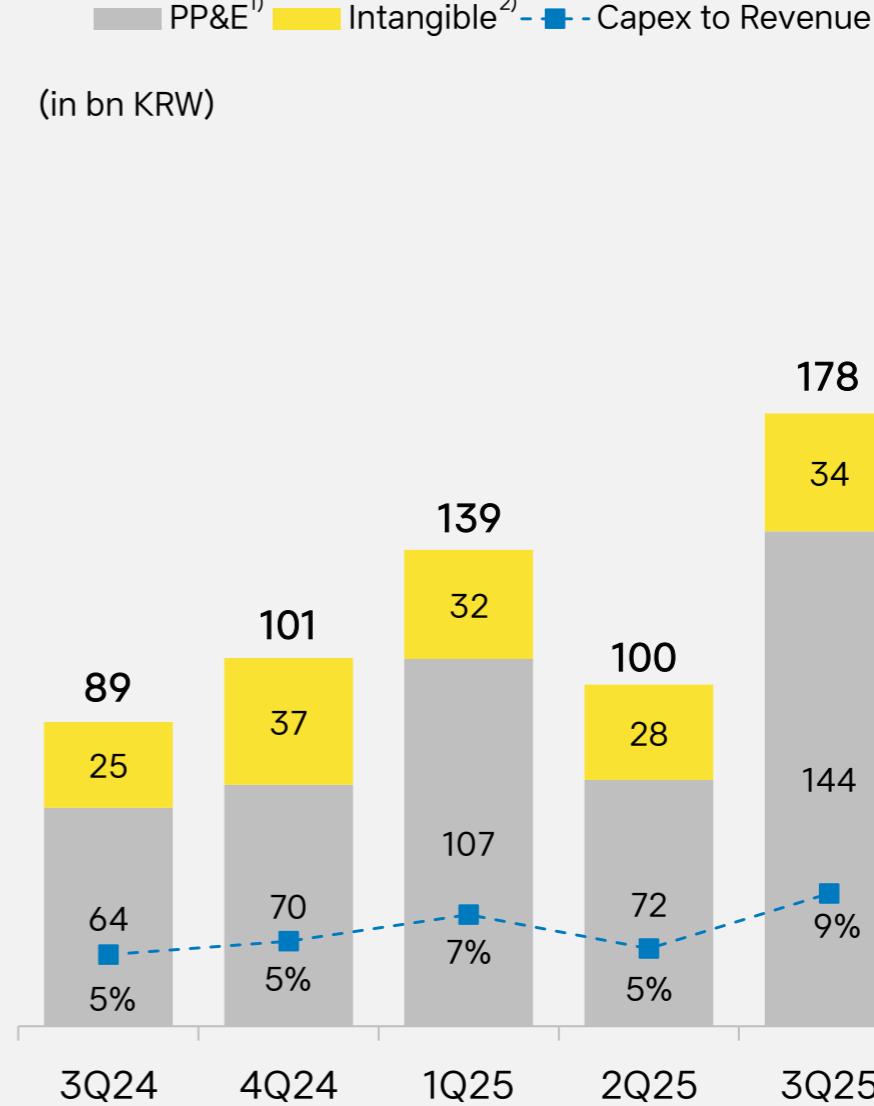
Employees 3Q25 -752 YoY, -195 QoQ

YoY, QoQ Decline due to subsidiary divestments and conservative hiring



CapEx 3Q25 +898 YoY, +789 QoQ

YoY, QoQ Increase in server investments and new asset purchases by subsidiaries

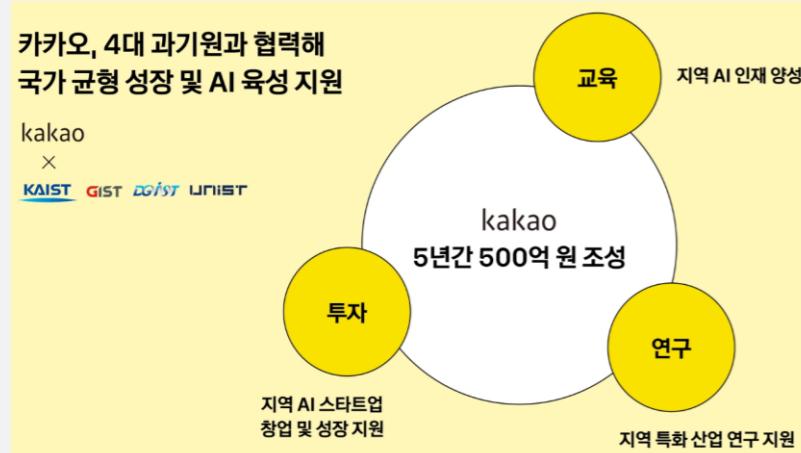


1) Headcount based on 13 key consolidated subsidiaries

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 Updates



Regional AI Hubs for Balanced National Growth

- Funding KRW 50bn over five years to build regional AI hubs in collaboration with four leading science & technology institutions
- Fostering local AI ecosystems through talent development, research collaboration, and startup investment support

Publication of Business Impact Report 2025

- Highlighting Kakao's diverse business impacts, including KakaoTalk based use cases, services for SMEs, and AI-powered solutions
- Presenting a clear map that visualizes how partners collaborate and grow within Kakao Group's digital ecosystem

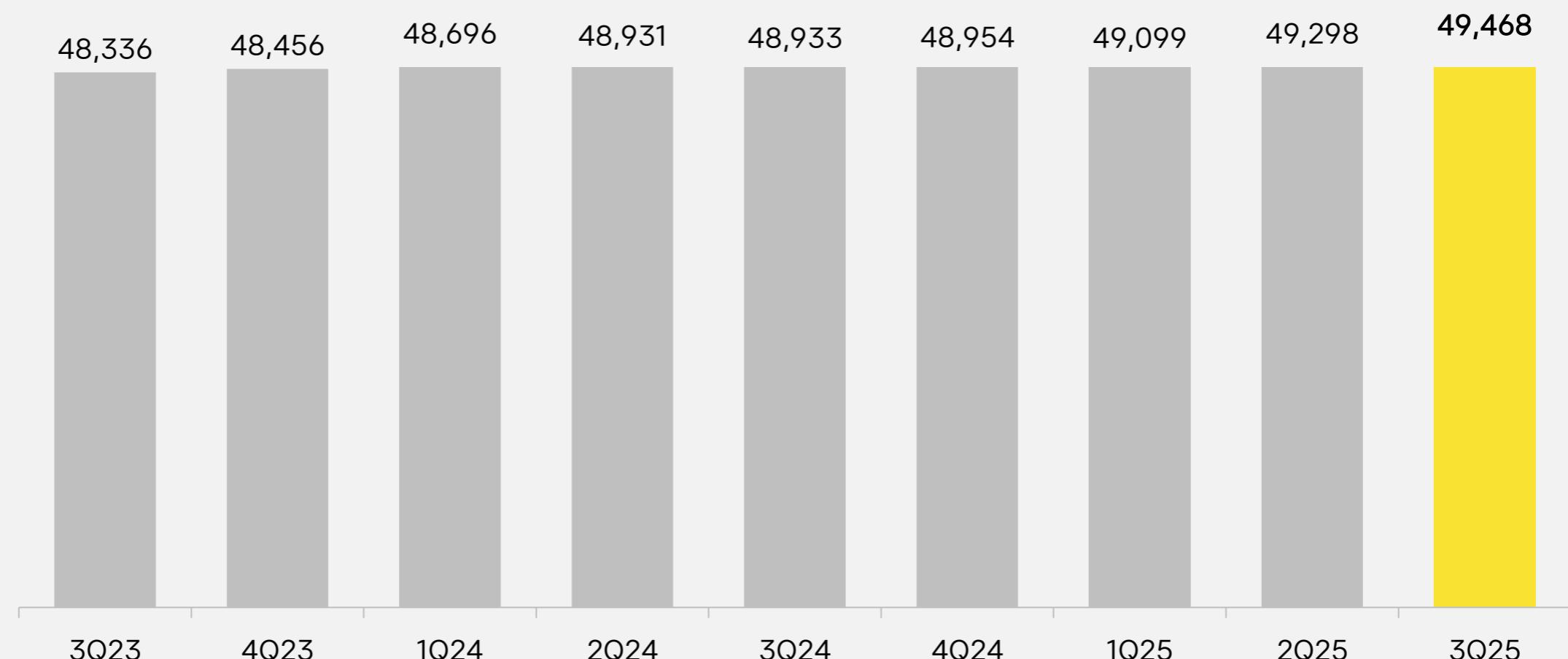
Project Dangol – Campaign to Revitalize Local Businesses

- Expanding SME support to city, county, and district levels nationwide in collaboration with Kakao Group affiliates
- Operating programs such as Dangol Bus (free shuttle service linking local festivals), alongside integrated SME support for digital transformation, finance, and marketing

KakaoTalk MAU

Maintaining a stable 49 million domestic MAU

(in thousands)



Average of monthly MAUs. Global includes domestic MAUs.

Thank You

