kakao

Company Presentation

February 2026 | Kakao Investor Relations

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Company Overview

Absolute Dominance of KakaoTalk as Korea's No. 1 Messenger

49 mm domestic MAU vs. 52 mm population in Korea (94% penetration)

Diverse Revenue Streams across Platform and Content Business

Advertising, e-commerce, payment & banking, mobility, music streaming, webtoon, etc.

Evolving into an AI Company Powered by Agentic AI

Expanding hyper-personalized AI services within Talk to realize Agentic AI that understands user context and autonomously plans & executes tasks

Platform Business

Kakao

KakaoTalk

Advertising

Commerce

AI

Kanana in Kakaotalk

ChatGPT for Kakao

Connected Services (Kakao Ownership*)

kakaomobility	kakaobank	kakaopay
taxi-hailing & other mobility	Internet Banking	Payment & tech-fin
(57.2%)	(27.2%)	(46.1%)

Content Business

Establishing a Content Ecosystem with a Virtuous Cycle

Music	Story	Media	Game
kakao ENTERTAINMENT (66.0%)	kakao ENTERTAINMENT (66.0%)	kakao ENTERTAINMENT (66.0%)	kakaogames (37.6%)
SM ENTERTAINMENT GROUP (41.5%)	kakaopiccoma (91.1%)		

Note: (1) Ownership interest in subsidiaries: The aggregate ownership percentage held by consolidated subsidiaries, calculated on a simple sum basis. (Kakao directly holds 72.9% Kakao Piccoma and 21.6% of SM Entertainment.)
(2) All subsidiaries, except for KakaoBank, are fully consolidated entities. (KakaoBank is accounted for using the equity method.)

Investment Highlights

4Q25 & 2025 Annual Results Summary

- KakaoTalk-led platform growth coupled with group-wide cost optimization drove record-high annual revenue of KRW 8.1T and operating profit of KRW 732B
- Core businesses refocused around KakaoTalk delivered tangible earnings improvement, driving record-high quarterly 4Q revenue and operating profit above KRW 200bn for two consecutive quarters
- Platform (+17% YoY, +16% QoQ) : Talk Biz Advertising (+16% YoY) and Platform-Others (+30% YoY) led revenue growth

  Pay delivered record-high quarterly OP, supported by solid growth across payments, financial and platform services
- Content (Flat YoY, -11% QoQ) : Music grew +12% YoY, driven by expansion of secondary IP business incl. MD and licensing

  Piccoma maintained No.1 in gross revenue in the Japan app market, with annual OP surpassing JPY 10bn for the first time

Core Growth Engines: KakaoTalk revamp and B2C AI services performance

- KakaoTalk: Continued service revamp and feature enhancement toward becoming a super app, with improved traffic quality driving daily average time spent on KakaoTalk to around 25 minutes
- On-device AI: 'Kanana in KakaoTalk (CBT)' recorded service retention of 70%; official Android and iOS launch in 1Q
- ChatGPT for Kakao: User base expanded to 8M, creating new search and discovery-led traffic within KakaoTalk
- At least three additional players expected to join within 1H as key contributors in building the Agentic AI ecosystem
- Targeting a 20% increase in user time spent through stronger engagement driven by Talk revamp and new AI services

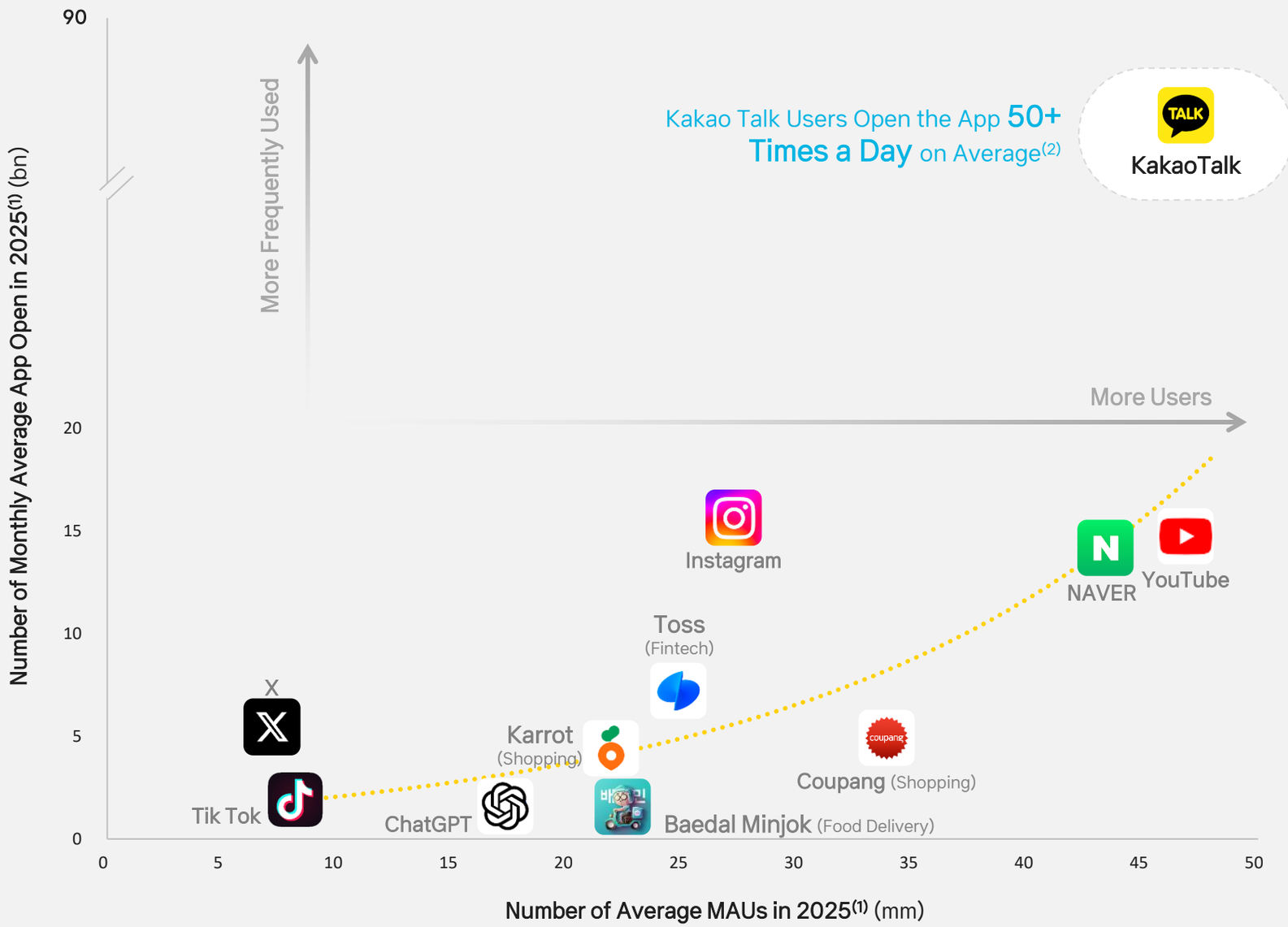
Key Guidance and Strategy Highlights

- Targeting 10%+ YoY growth in 2026 consolidated revenue and a 10% OPM, with Talk Biz Advertising expected to deliver double-digit growth
- Strong financial foundation supporting profit improvement from accelerating core business growth
- Shift strategic gear toward 'growth', while continuing to pursue structural earnings improvement through governance efficiency and portfolio optimization

Undisputed Market Leader in Korea's Mobile Space

Kakao Talk: No. 1 Mobile App in Korea

2025 Most Popular Apps in Korea by User Traffic & Usage Frequency[1]



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

Global No. 1 Webtoon Platform
by In-App Purchase Revenue in 2025

Source: Company Information, Wiseapp Retail Goods, Data.ai, Sensor Tower
Note: (1) Based on Wiseapp Retail Goods. (2) Calculated as [avg. monthly app launch by MAUs] / [avg. number of MAUs] / 30 days based on the data from Wiseapp Retail Goods.
(3) Based on MAU as of Q4 2025 and the total population of Korea.

Making Every Korean's Daily Lives Better

A Life that Cannot Be Imagined without kakao

Core Business Centered on KakaoTalk

Solid Growth and Profitability Built on Unique, Differentiated Competitive Moat

Advertising

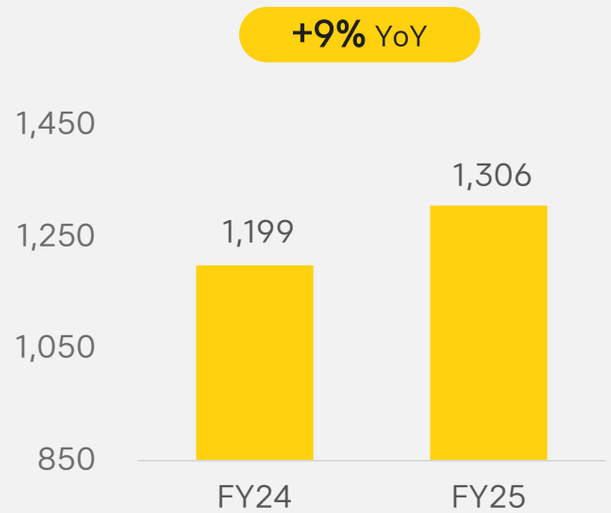
Advertising Inventory backed by **Unique Traffic Base of No. 1 Messenger App**

Korea's Digital Advertising

KRW11 tn
Online Ads TAM[1]

12% Share
Digital Ads

Kakao Talk's Advertising Revenue Growth
(KRW bn)



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

E-Commerce

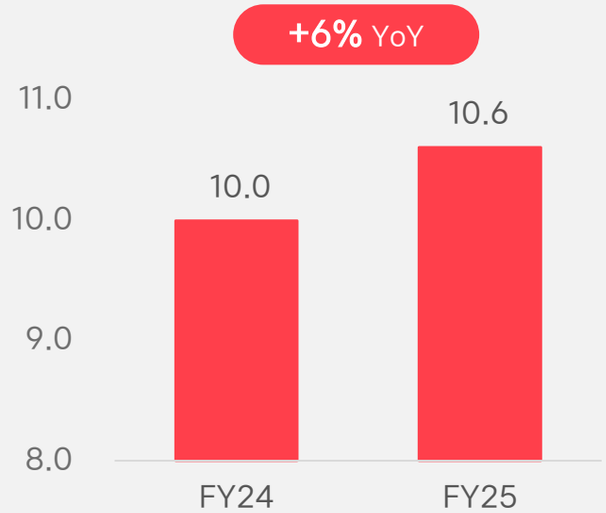
E-Commerce Platform with **Unique Business Model of Gifting**

Korea's E-Commerce

KRW272 tn
Online Retail TAM[4]

4% Share
E-Commerce

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



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

Source: Korea Broadcast Advertising Corporation (KOBACO), Korea Statistical Information Service (KOSIS), Company Filings.
Note: (1) Korea's online advertisement market as of FY2025
(2) Korea's online shopping GMV as of FY2025

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The Kakao Group's Business Ecosystem

Leadership Across Key Verticals With Continued Business Model Innovation

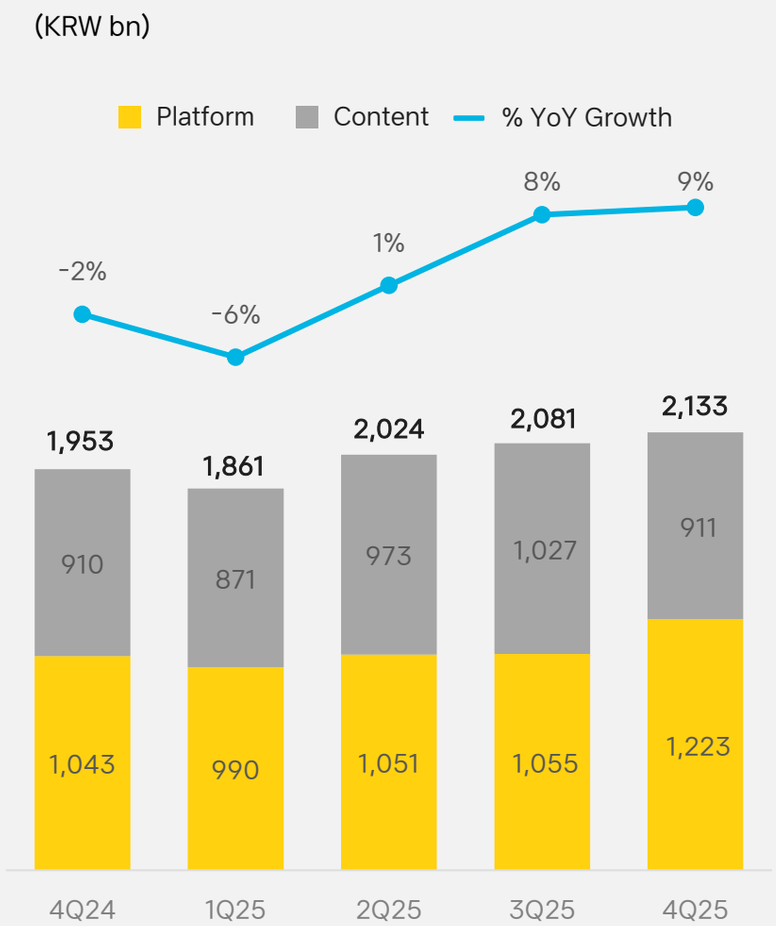
		Market Leadership	Growth Strategy
Mobility	kakaomobility	No. 1 Mobility Platform in Korea	Taxi: Expand network of affiliated taxis Develop advanced ads products Others: Evolve into gig & car owner platform
Story	kakao ENTERTAINMENT kakaopiccoma	No. 1 — FY 2023 – FY 2025, Webtoon Platform by In-App Purchase Rev ¥105 bn — FY 2025 Piccoma GMV	Ent.: Enhance monetization & diversify IP library piccoma: Strengthen original IPs & expand ads biz. model
Music	kakao ENTERTAINMENT SM ENTERTAINMENT GROUP	Top 2 — Entertainment Group in Korea 30%+ — Music Digital Retail Market Share in Korea	Music: Develop localized IPs in global markets SM: Accelerate global expansion in North America & Japan
Game	kakaogames	Top 5 — Game Publisher PC/Console — Game IP Expansion	Publish: Secure game IPs with global potential Develop: Expand to console games & secure global hubs
Tech-Fin	kakaobank kakaopay	No. 1 — Internet Bank KRW 186 tn — FY2025 Total Payment Volume	Bank: Deepen penetration across all age demographics & increase revenue mix of low-cost deposits Pay: Maximize cross-selling & improve profitability in insurance and securities

Source: Company Information, Korea's Fair Trade Commission, Sensor Tower.

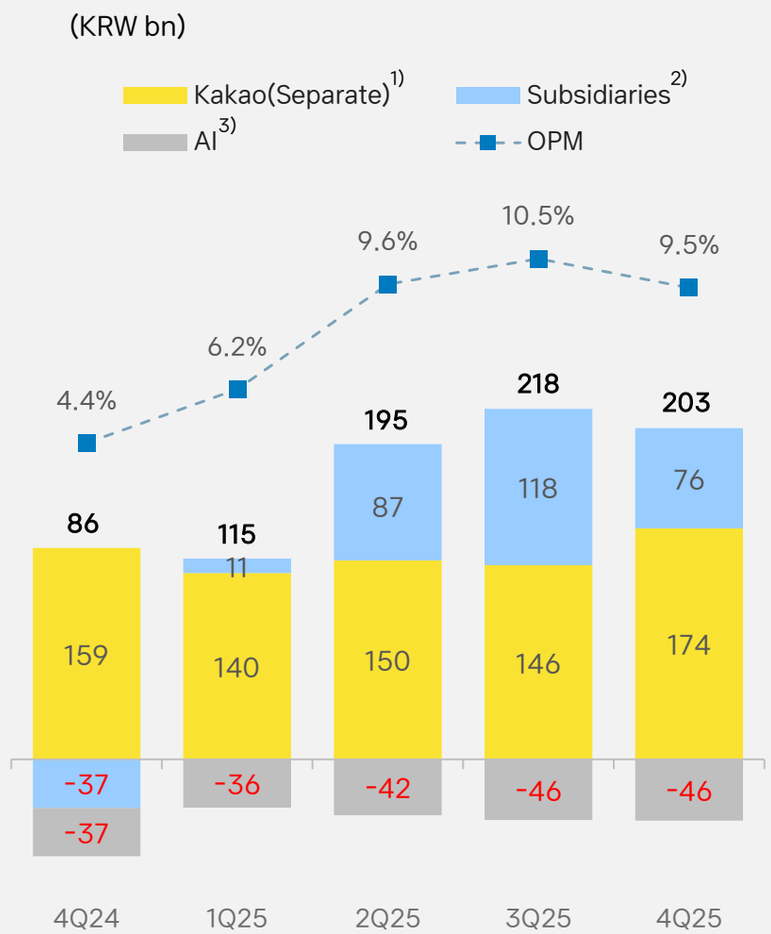
Key Financial Performance

Record-high quarterly revenue driven by accelerating Talk Biz Ad growth and solid growth across platform business

Revenue



Operating Profit (Margin)



- **Record-high quarterly revenue** driven by solid growth across the platform business, including Talk Biz
- **Targeting 10%+ YoY annual revenue growth**, supported by structural growth in Talk Biz Ads and continued growth in Mobility and Pay

- **Operating profit exceeded KRW 200bn for two consecutive quarters,** with OPM reaching 10%, driven by topline growth and operational efficiency gains
- **Targeting 10% OPM**, supported by growth in high-margin core business and cost efficiencies

4Q25 Highlights

TalkBiz Ads

(4Q25 +16% YoY, +15% QoQ)

Sustained high growth in Biz Messaging (+19% YoY)

Display Ad growth driven by Talk revamp (+18% YoY)

TalkBiz Commerce

(4Q25 +8% YoY, +21% QoQ)

Talk Gift GMV driven by year-end promotion in addition to Chuseok in Q4 (+14% YoY)

Record-high annual revenue & OP

(FY2025 revenue KRW 8.1tn, OPM 9%)

Achieved record-high earnings, supported by solid platform growth and cost efficiency

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)

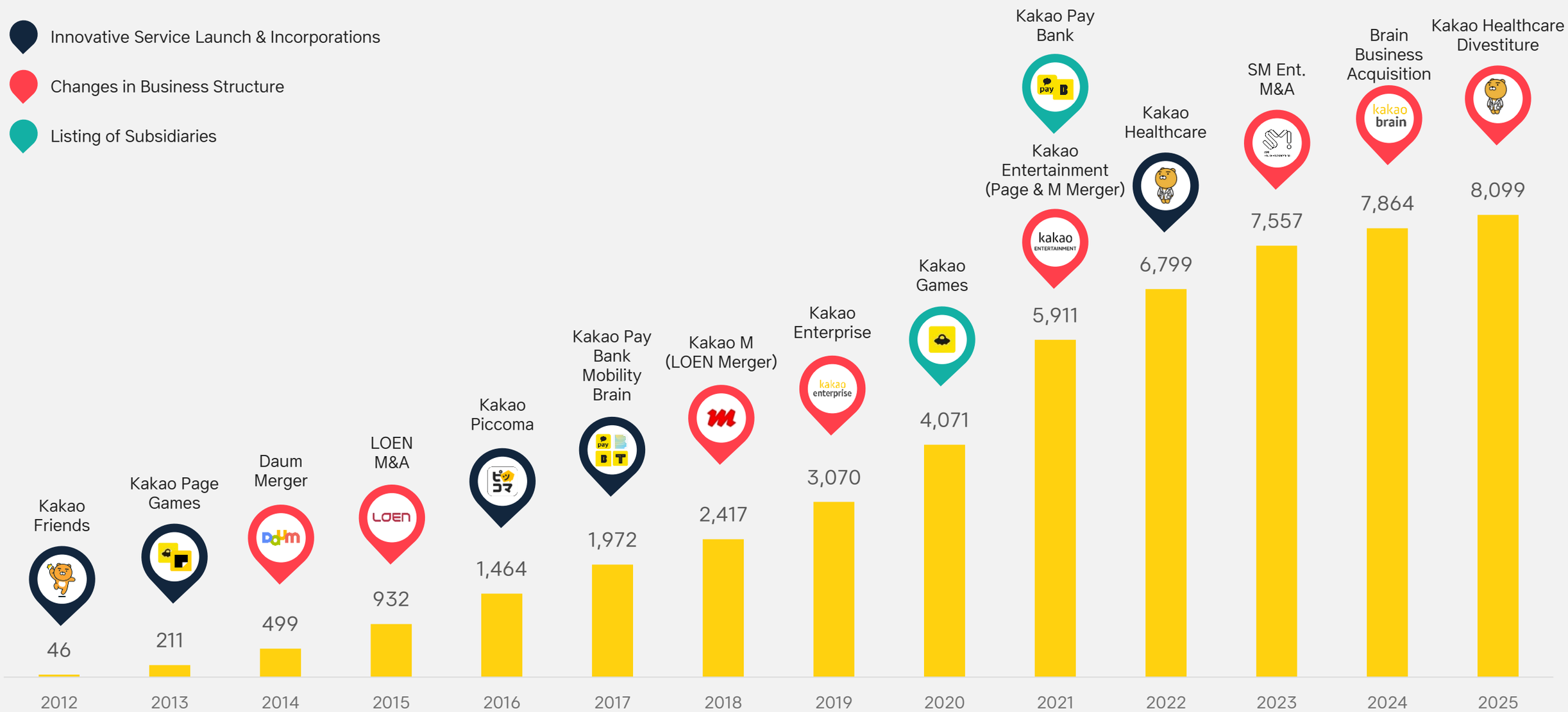
Appendix

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: Operating revenue figures are based on those after restatement as per the change in accounting policy.

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Kakao's Continued Focus on ESG Initiatives

Key ESG Initiatives

Environment

- RE100[1] at Jeju Office
- Upcycling Projects[2]
- Green Digital Campaigns[3]

Social

- **KRW300 bn** Established support fund for SMEs' digital transformation
- **Tech Campus** with universities to nurture technical talents
- **'Kakao Together'** Fundraising project for causes in need

Governance

- **DAO Appointment** First IT company to appoint DAO in Korea
- **New Committees** Appointment of technology ethics and ERM committees
- **CEO KPI** 15% of CEO KPI dedicated to ESG related initiatives

ESG Ratings

MSCI	**Rated A** (2025) From MSCI ESG ratings
한국ESG기준원	**Grade A** (2025) From KCGS ESG ratings
S&P Global	**Top 1%** (2025) From S&P Global for sustainability distinction
Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA	**Member** (2024) Member of DJSI World, Asia Pacific, and Korea
CDP DISCLOSURE INSIGHT ACTION	**Leadership A-** (2025) From CDP Climate Change

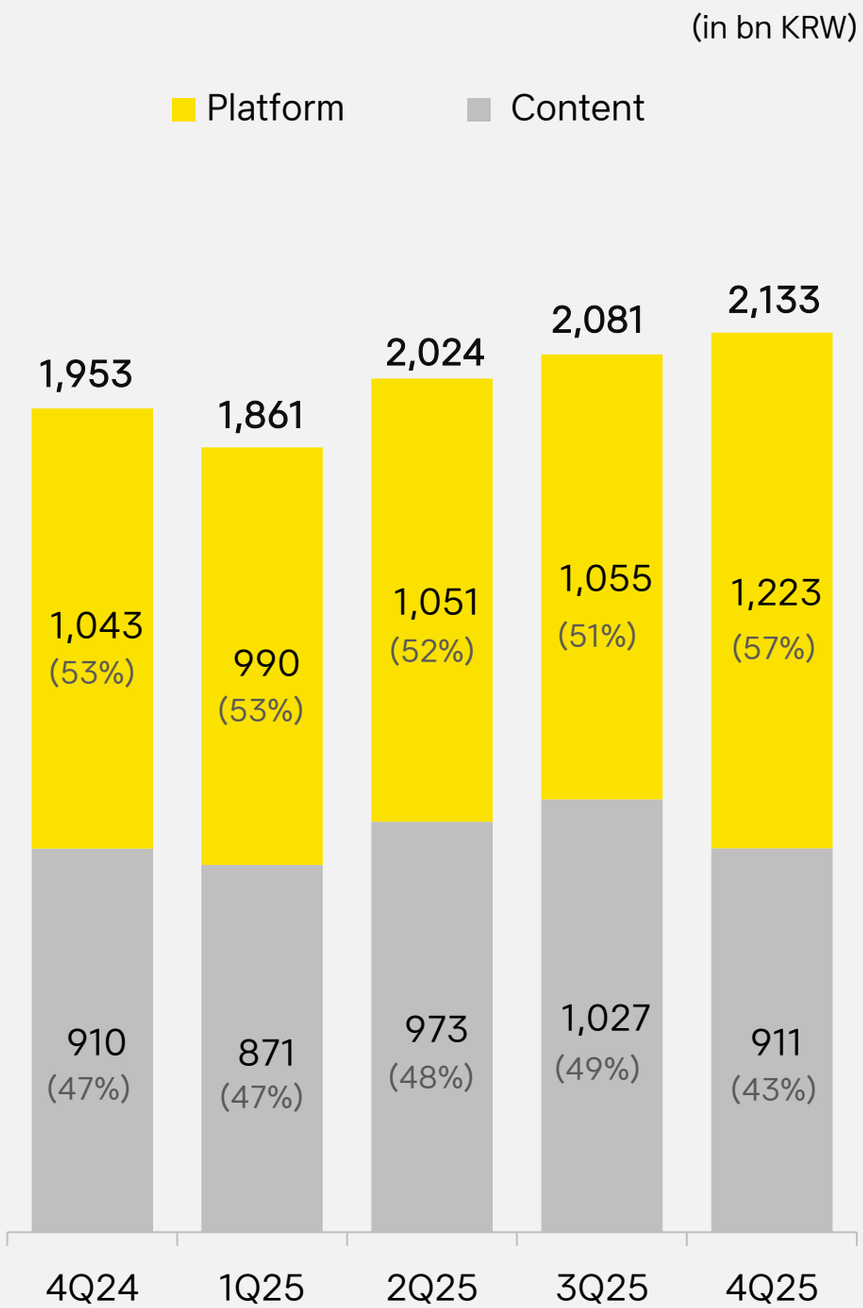
Note: (1) RE100: An international agreement to replace 100% of electricity used by businesses with renewable energy by 2050. (2) Upcycling used T-shirts and sweaters to socks and cardigans. (3) Dark-mode of Kakao Talk, mobile e-bills, etc.

Q4 2025 Earnings Results

Revenue | 4Q25

Q4 Revenue +9% YoY / +3% QoQ

Q4 MIX : Platform 57%, Content 43%

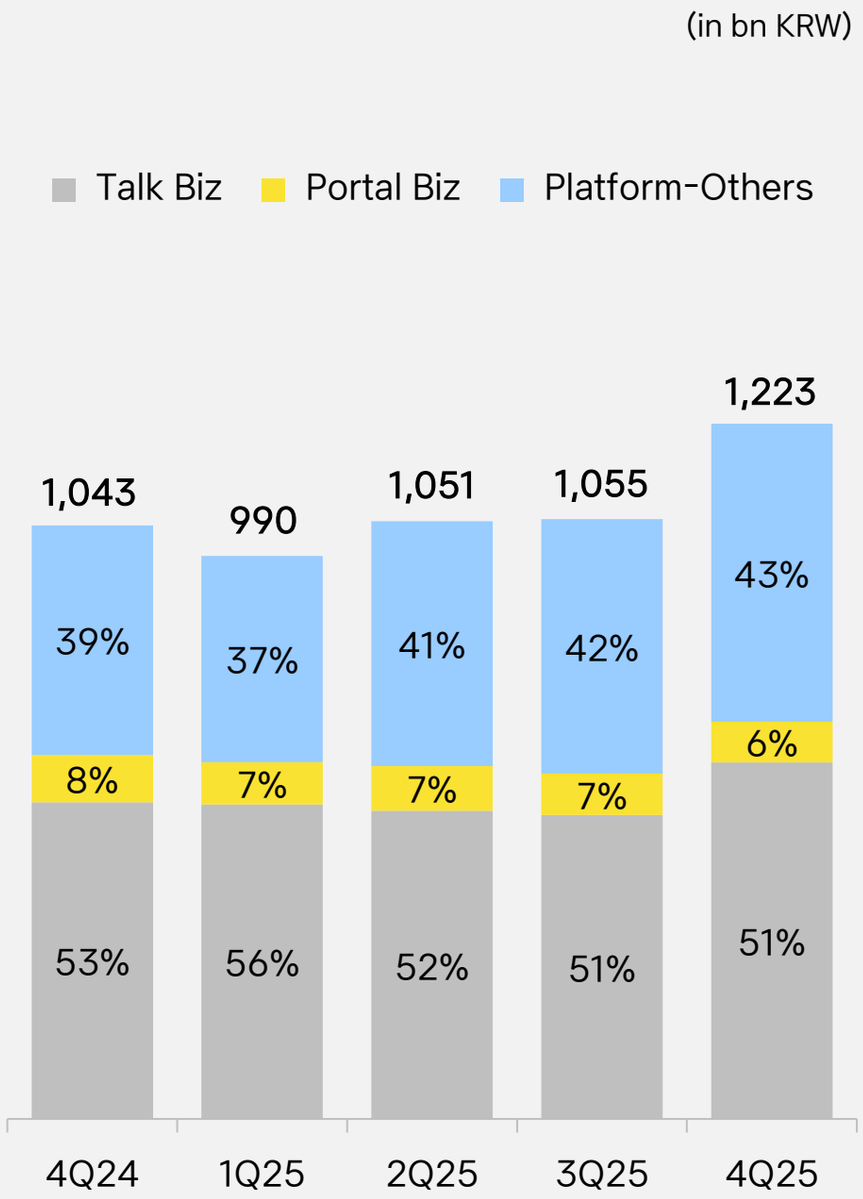


Revenue Breakdown		
Platform	Talk Biz	Advertising : Bizboard, Talk Channel, Emoticon
		Commerce : Gift, Store, Kakao Friends Online
	Portal Biz	Daum PC / Mobile Kakao Story / Style / Page Other Subsidiaries' Ad
	Platform-Others	Mobility Pay Enterprise Other Subsidiaries
Content	Game	Mobile PC
	Music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

Revenue | 4Q25

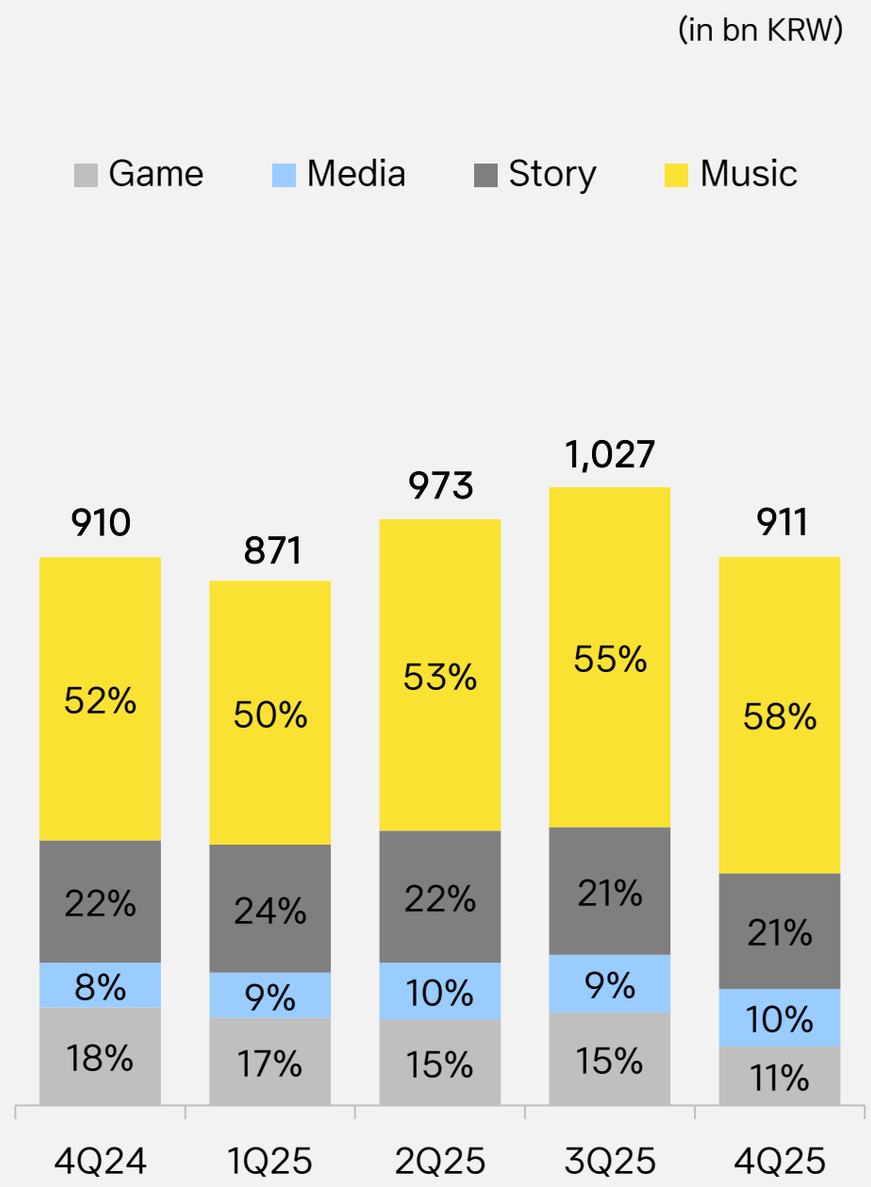
Platform

4Q25 +17% YoY, +16% QoQ



Content

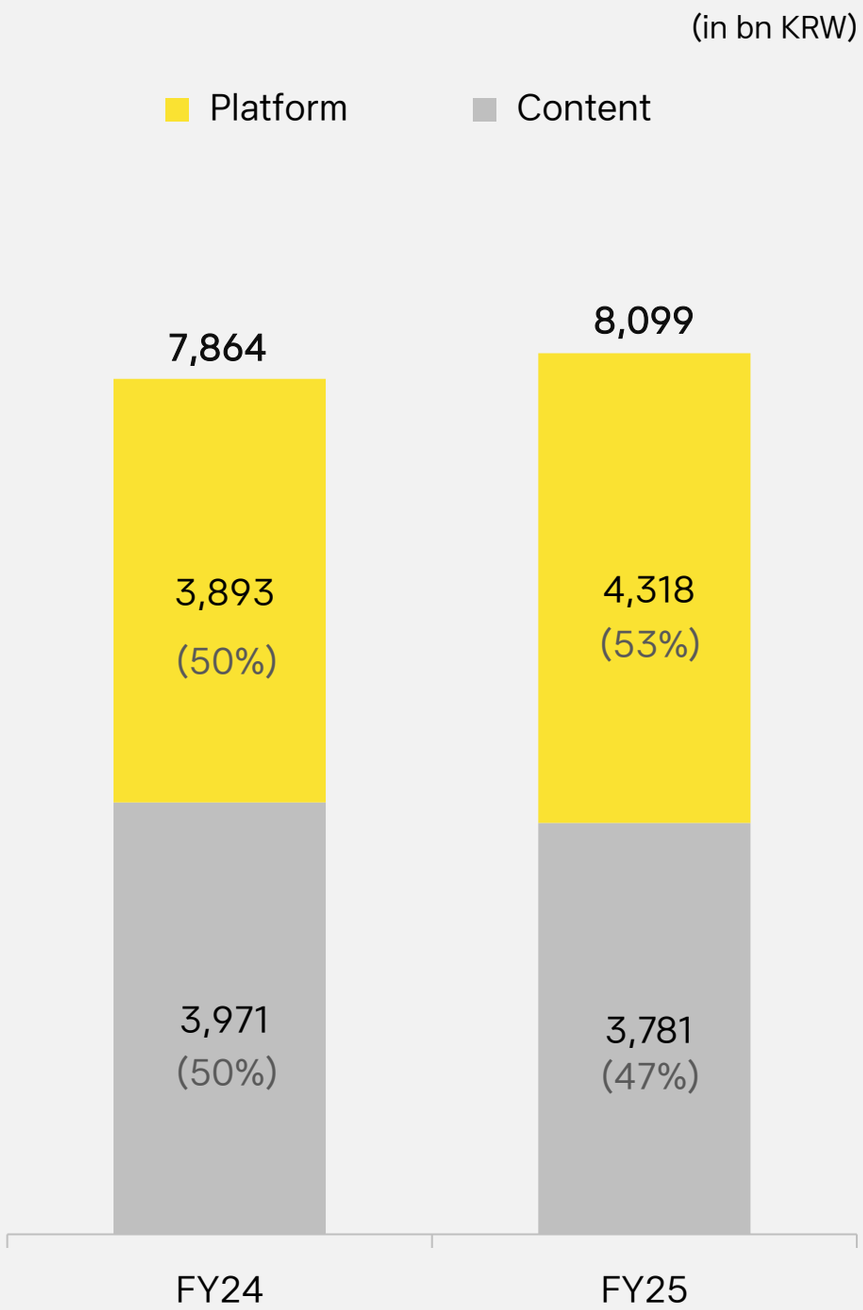
4Q25 Flat YoY, -11% QoQ



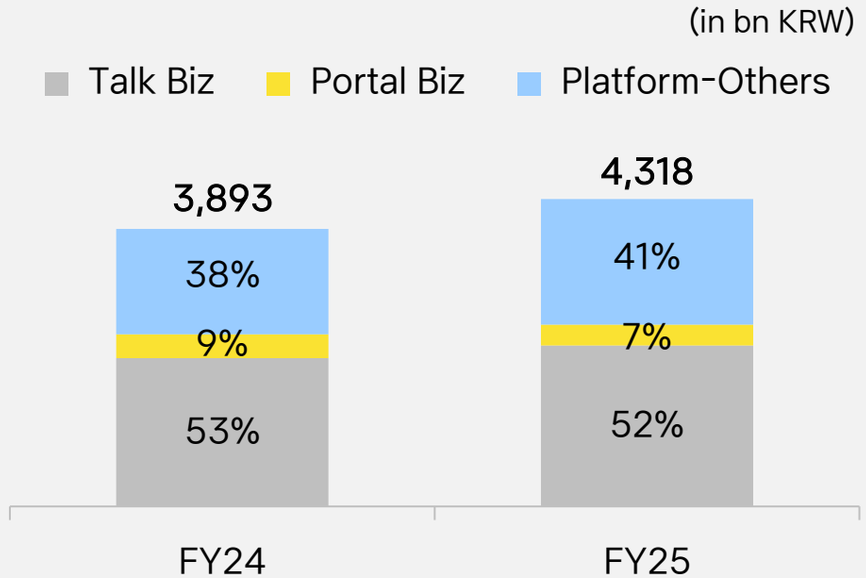
Revenue | FY2025

Revenue +3% YoY

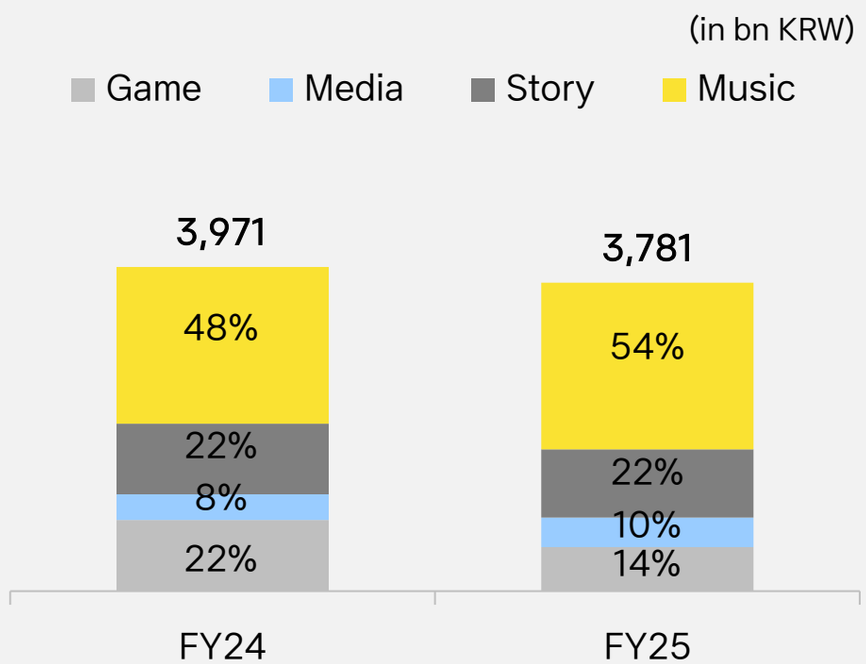
FY25 MIX : Platform 53%, Content 47%



Platform +11% YoY

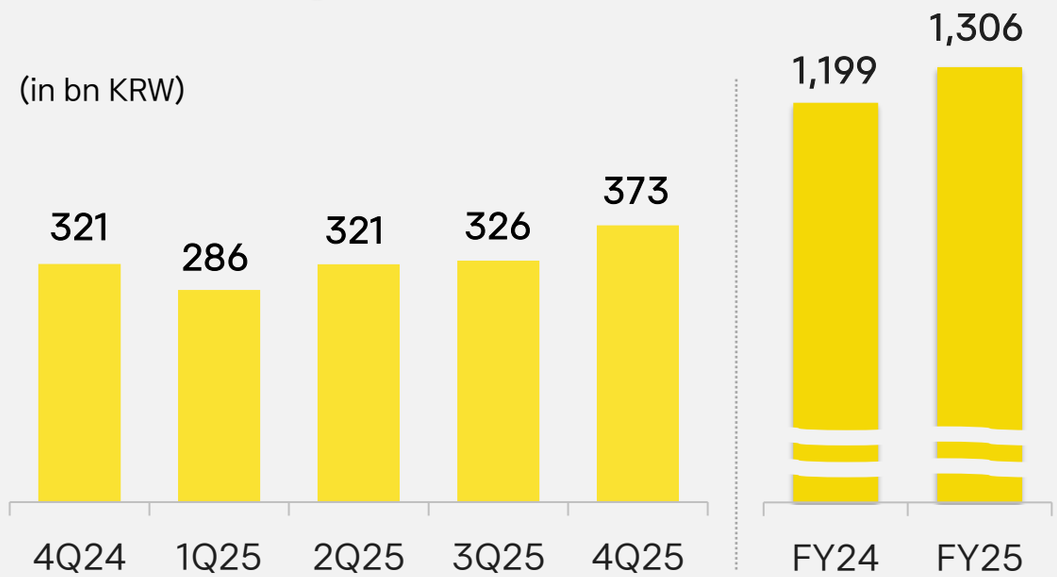


Content -5% YoY



Platform | Talk Biz

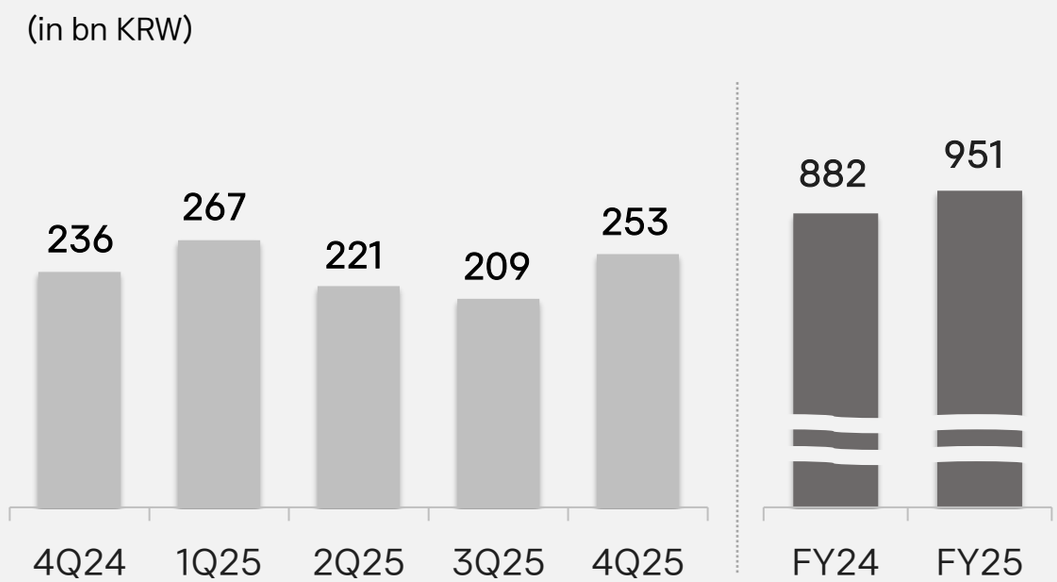
Advertising



4Q25 +16% YoY, +15% QoQ | FY25 +9% YoY

- **(YoY)** ① Business Messaging +19%, Inflow of new advertisers and rise in message volume from financial sector after the launch of Brand Message
  ② Total DA +18%, Strong advertiser demand driven by inventory expansion and improved efficiency
- **(QoQ)** Uplift from KakaoTalk revamp and high seasonality

Commerce

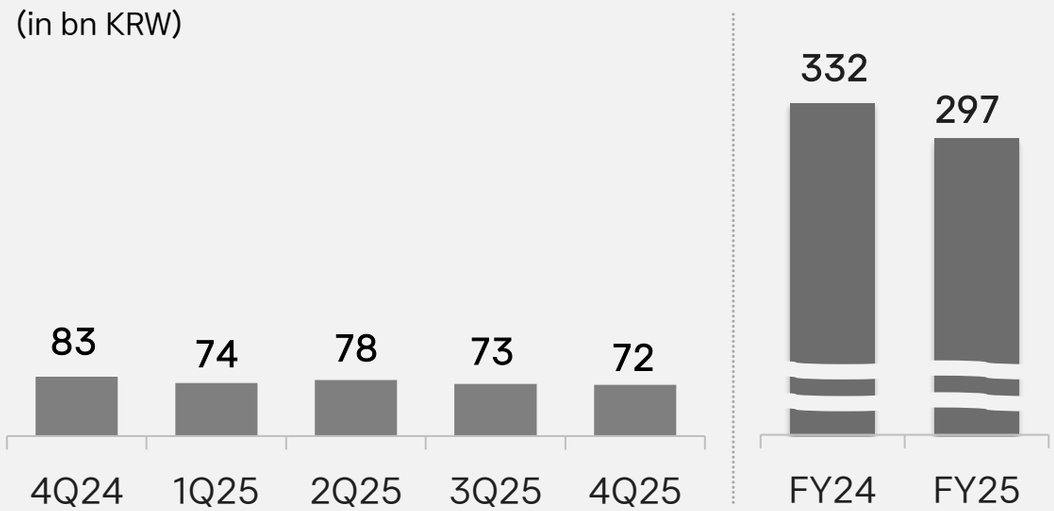


4Q25 +8% YoY, +21% QoQ | FY25 +8% YoY

- **Total Commerce GMV: 4Q25 3.0 tn (+12% YoY), FY25 10.6 tn (+6% YoY)**
- **(YoY)** Self-purchase GMV within Talk Gift GMV +47% driven by enhanced user promotions
- **(QoQ)** Chuseok Holiday in Q4 in addition to year-end seasonality

Platform | Portal, Others

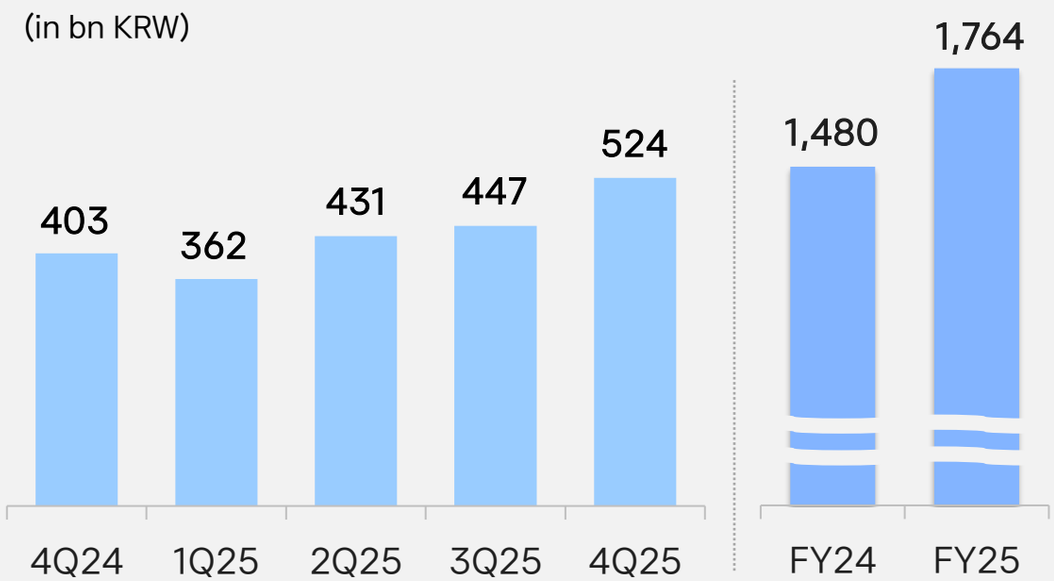
Portal Biz



4Q25 -14% YoY, -1% QoQ | FY25 -11% YoY

- **(YoY/QoQ)** Decrease in user activity

Platform-Others

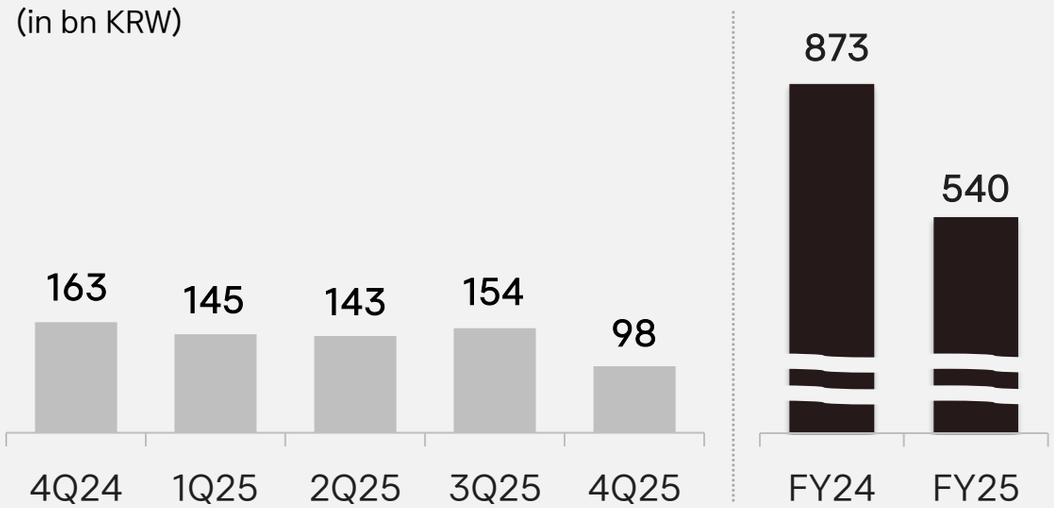


4Q25 +30% YoY, +17% QoQ | FY25 +19% YoY

- **Mobility :** Solid growth across taxi, parking, and parcel delivery
- **Pay :** A record-high quarterly operating profit driven by accelerated revenue growth in payment, finance, and platform services

Content | Game, Music

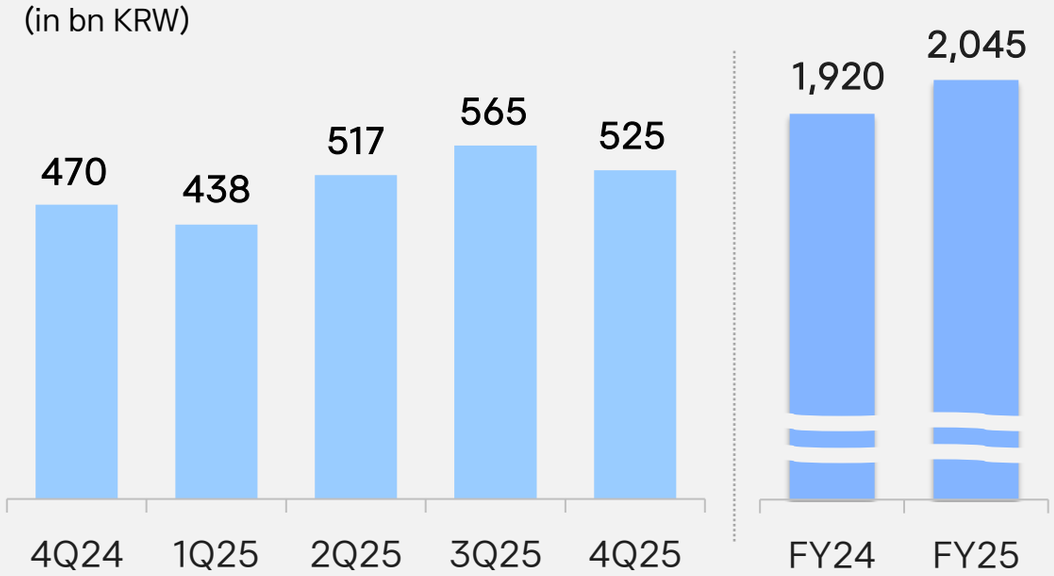
Game



4Q25 -40% YoY, -37% QoQ | FY25 -38% YoY

- **(YoY/QoQ)** Continued cost efficiency efforts amid absence of new titles
- Continued efforts to build a stronger IP lineup for FY26

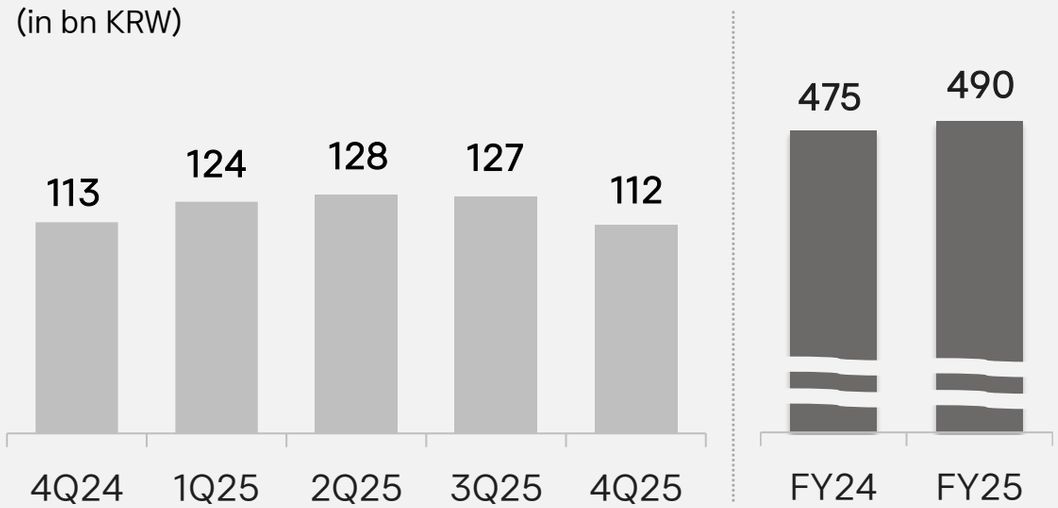
Music



4Q25 +12% YoY, -7% QoQ | FY25 +6% YoY

- **(YoY)** Expansion of secondary IP business, including MD and licensing
- **(QoQ)** Low seasonality in album sales with major artist releases concentrated in 3Q

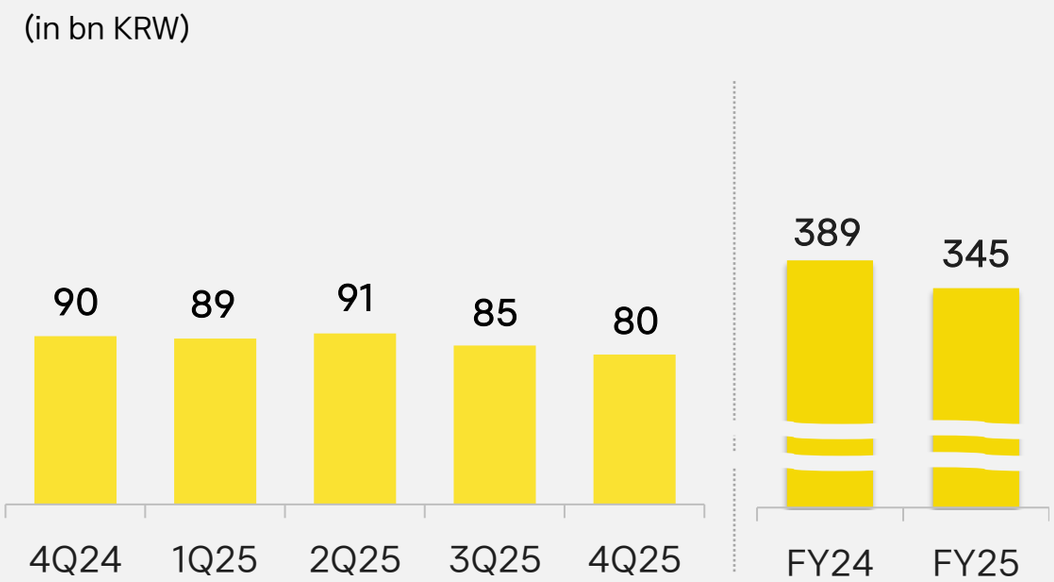
Piccoma



4Q25 -1% YoY, -12% QoQ | FY25 +3% YoY

- **(in Yen)** GMV -4% YoY, -8% QoQ,
  Revenue -6% YoY, -11% QoQ
- **(YoY/QoQ)** Challenging market conditions due to absence of new blockbuster titles
- No.1 in cumulative gross revenue in Japan's app market, annual OP exceeded JPY 10bn for the first time

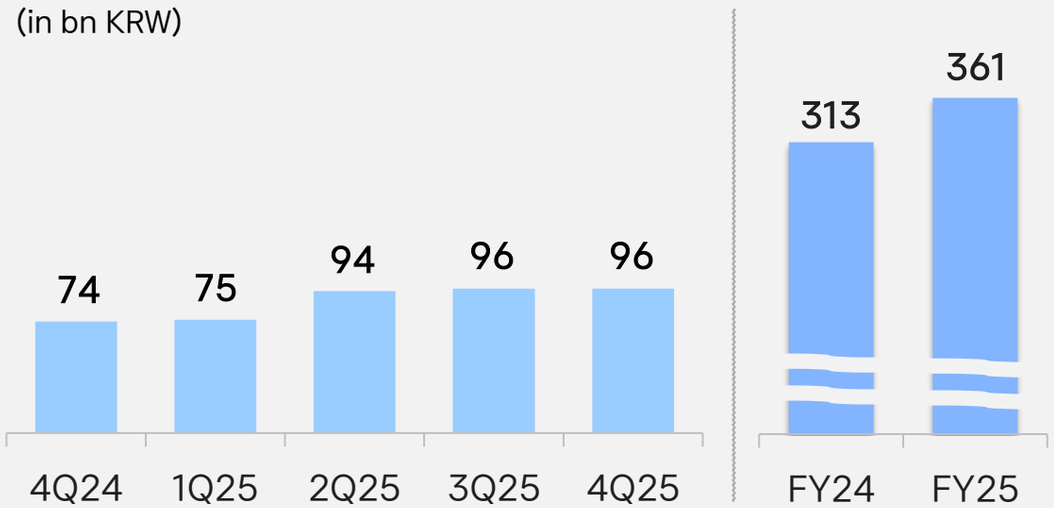
Entertainment



4Q25 -11% YoY, -6% QoQ | FY25 -11% YoY

- **(YoY/QoQ)** Impact of decelerating market growth
- Continued focus on profitability and operational efficiency

Media



4Q25 +30% YoY, Flat QoQ | FY25 +15% YoY

- **(YoY)** Increase in number of revenue-recognizing titles

Earnings Summary

(in bn KRW)	4Q24	3Q25	4Q25	YoY	QoQ	2024	2025	YoY
Total Revenue	**1,953**	**2,081**	**2,133**	***9%***	***3%***	**7,864**	**8,099**	***3%***
Platform	**1,043**	**1,055**	**1,223**	***17%***	***16%***	**3,893**	**4,318**	***11%***
Talk Biz	557	534	627	*13%*	*17%*	2,082	2,257	*8%*
Portal Biz	83	73	72	*-14%*	*-1%*	332	297	*-11%*
Platform-Others	403	447	524	*30%*	*17%*	1,480	1,764	*19%*
Content	**910**	**1,027**	**911**	***0.1%***	***-11%***	**3,971**	**3,781**	***-5%***
Game	163	154	98	*-40%*	*-37%*	873	540	*-38%*
Music	470	565	525	*12%*	*-7%*	1,920	2,045	*6%*
Story	203	212	192	*-5%*	*-9%*	864	835	*-3%*
Media	74	96	96	*30%*	*-0.1%*	313	361	*15%*
Operating Expenses	**1,867**	**1,863**	**1,930**	***3%***	***4%***	**7,369**	**7,367**	***-0.02%***
Operating Profit	**86**	**218**	**203**	***136%***	***-7%***	**495**	**732**	***48%***
OPM	*4.4%*	*10.5%*	*9.5%*	*+5.1%pt*	*-1.0%pt*	*6.3%*	*9.0%*	*+2.7%pt*
Net Profit	**-395**	**193**	**-39**	***CR***	***TR***	**-162**	**526**	***TB***
Controlling Interests	-226	125	43	*TB*	*-66%*	55	501	*806%*
Non-controlling Interests	-170	68	-82	*CR*	*TR*	-217	25	*TB*
Net Profit Margin	*-*	*9%*	*-*	*-*	*-*	*-*	*6%*	*-*

Operating Expenses

(in bn KRW)	4Q24	3Q25	4Q25	YoY	QoQ	2024	2025	YoY
Operating Expenses	1,867	1,863	1,930	*3%*	*4%*	7,369	7,367	*-0.02%*
Labor	490	471	497	*1%*	*6%*	1,892	1,923	*2%*
Cost of Revenue	650	742	768	*18%*	*4%*	3,011	2,920	*-3%*
Outsourcing / Infrastructure	286	259	250	*-13%*	*-4%*	875	946	*8%*
Marketing	103	101	116	*13%*	*16%*	404	391	*-3%*
Depreciation & Amortization	245	208	204	*-17%*	*-2%*	859	838	*-2%*
Misc.	92	82	94	*2%*	*14%*	327	348	*6%*

4Q Analysis

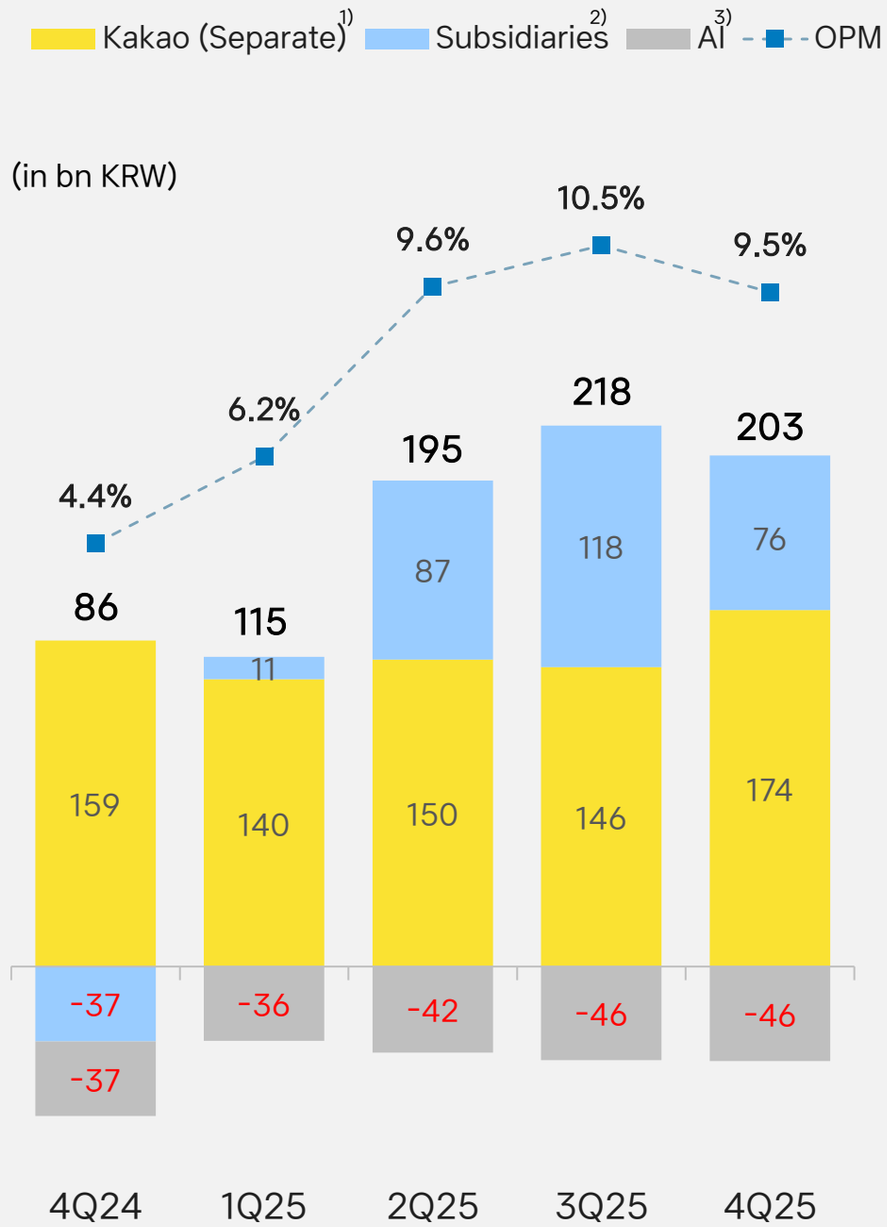
- Labor
  (YoY) Maintained conservative hiring
  (QoQ) Increase in incentive payouts reflecting subsidiaries' results and other expenses
- Cost of revenue
  (YoY) Increase in media production costs offset impact from SM Ent. accounting reclassification[1)]
  (QoQ) Increase due to change in Music revenue mix
- Outsourcing / Infrastructure
  (YoY) Decrease in media production costs offset impact from SM Ent. accounting reclassification[1)]
  (QoQ) Decrease in album sales
- Marketing
  (YoY/QoQ) Increase in marketing by Piccoma and Kakao Pay
- Depreciation & Amortization
  (YoY) Base effect from one-off bad debt expense recognized at Kakao Pay in 4Q24
  (QoQ) Decrease in amortization of intangible assets at subsidiaries

1) Reclassified SM commission fees within the cost of revenue to outsourcing costs, with the full-year impact reflected in 4Q24

Profits

Operating Profit(M)

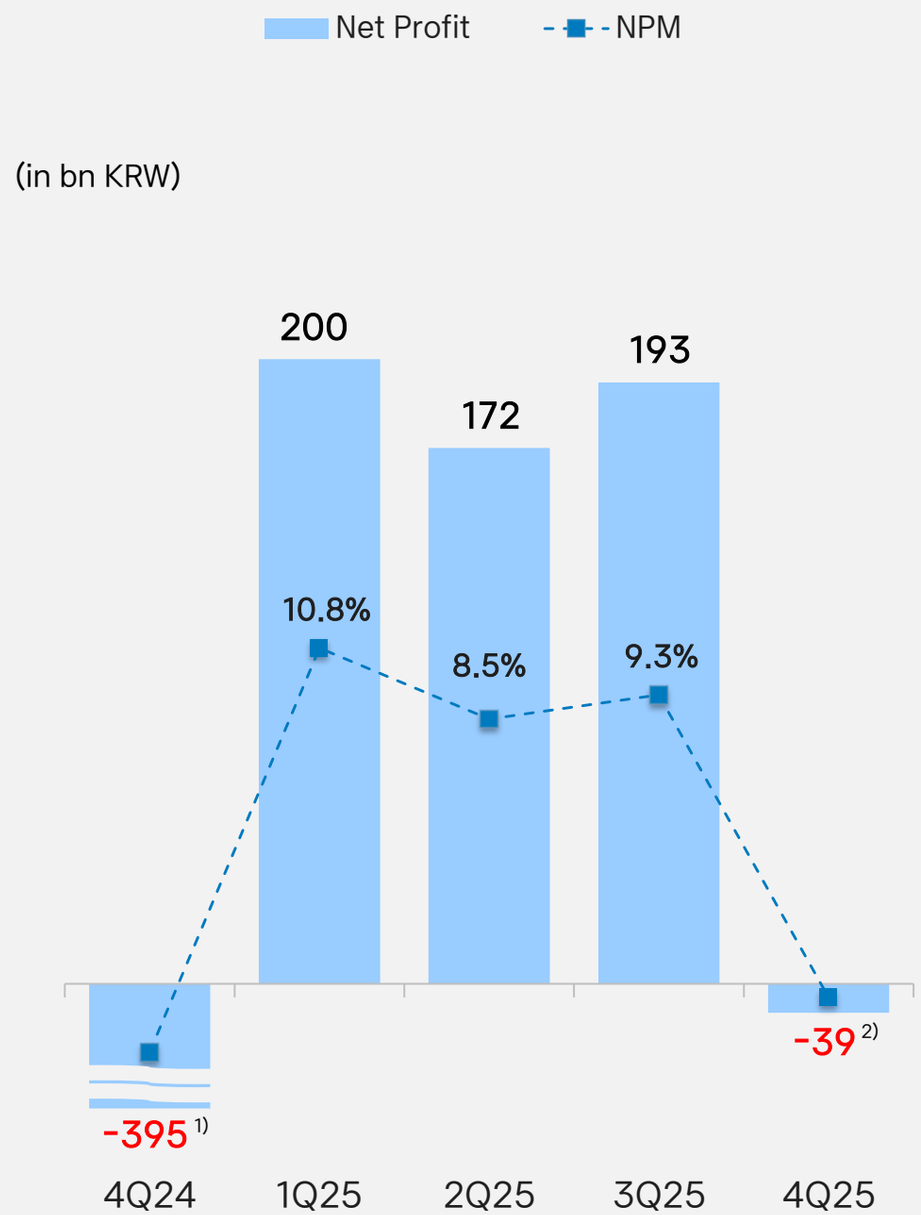
4Q25 +136% YoY, -7% QoQ



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)

Net Profit(M)

4Q25 CR YoY, TR QoQ



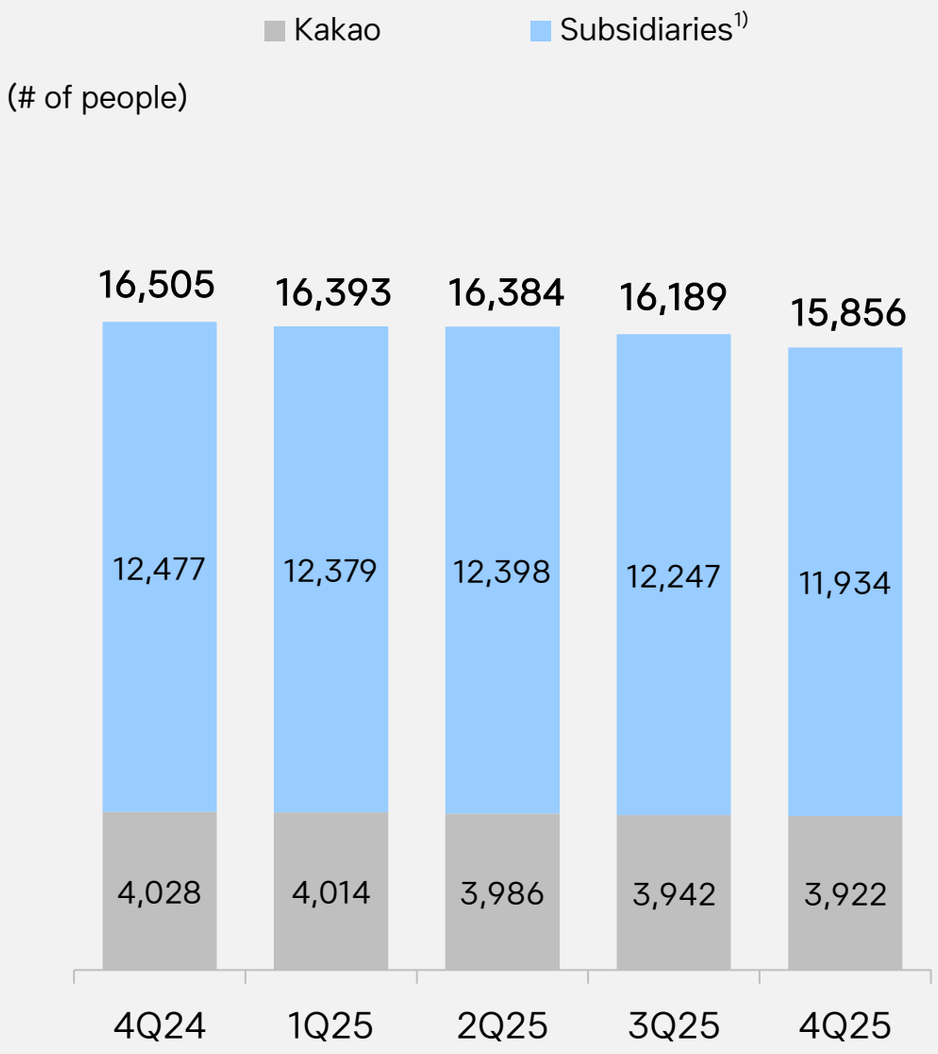
1) 4Q24 : Impairment losses of goodwill (317.7bn) and equity-method investments (96.4bn)
2) 4Q25: Impairment losses of goodwill (128.3bn) and intangible asset (10.5bn)

kakao

Employees / CapEx

Employees 4Q25 -649 YoY, -333 QoQ

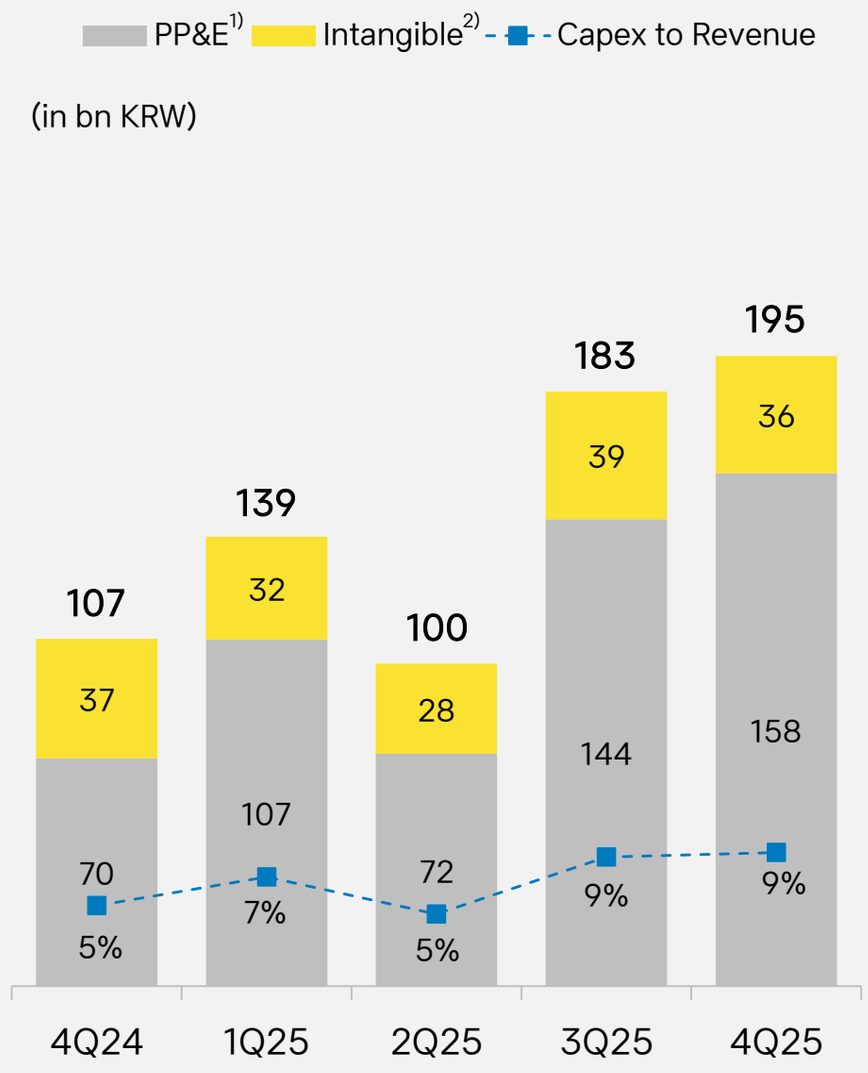
YoY, QoQ Decline due to subsidiary divestments and conservative hiring



1) Headcount based on key consolidated subsidiaries

CapEx 4Q25 +87bn YoY, +11bn QoQ

YoY, QoQ Increase in new asset purchases by subsidiaries



1) PP&E : Construction in progress related to data centers, machinery and equipment
2) Intangible : Industrial property rights, membership rights, and other intangible assets

ESG Activities

Published 2025 Kakao Group Tech Ethics Report

- Strengthened AI safety by intensifying efforts to prevent and remove harmful content and by introducing a "Digital Child & Youth Protection Checklist."
- Expanded company-wide technology ethics training to further embed responsible AI practices across the organization.

Launched the AI TOP 100 Competition for the First Time

- Hosted the AI TOP 100 competition with the Ministry of Science and ICT, bringing together around 3,000 participants across age groups and professions to explore AI-driven solutions, identify emerging talent, and support the growth of Korea's AI ecosystem.

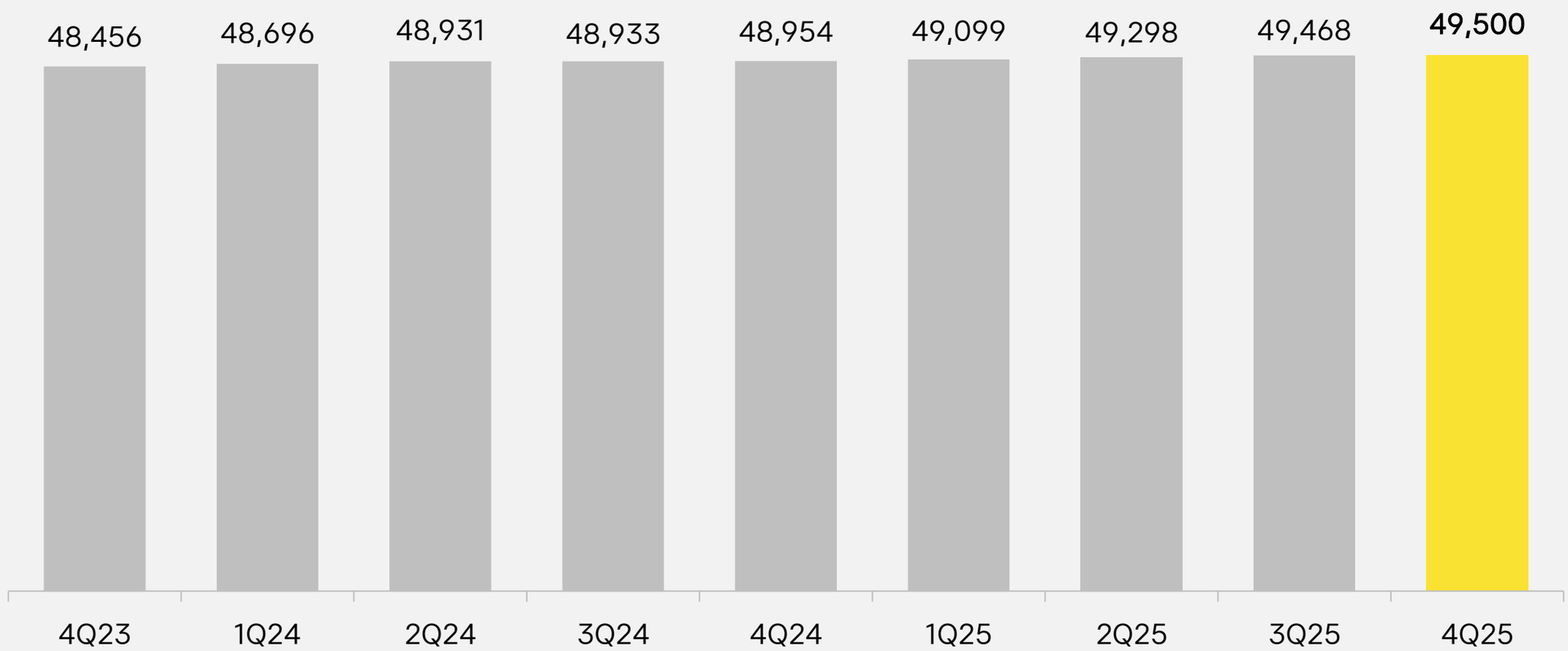
Awarded for AI and Digital Transformation Support for SMEs

- Awarded at the 2025 Korea Small Business Conference for contributions to SME development
- Provided digital and AI training to 4,112 merchants across 286 districts through "Project Dangol" in 2025.

KakaoTalk MAU

Maintaining a stable 49 million domestic MAU

(in thousands)



	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
Korea	48,456	48,696	48,931	48,933	48,954	49,099	49,298	49,468	49,500
Global	53,571	53,760	54,195	54,198	54,048	54,080	54,286	54,500	54,501

Average of monthly MAUs. Global includes domestic MAUs.

Thank You

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