

kakao

Company Presentation

May 2026 | Kakao Investor Relations



Disclaimer

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

Therefore, the information and financial data of Kakao and its subsidiaries (the "Company", or "Kakao") contained in this document are subject to change upon an independent auditor's audit.

The Company does not make any representation or accept liability, as to the accuracy or completeness of the information contained in this material.

The format and contents of this document are subject to change for future filings and reports. Kakao is not liable for providing future updates on all figures included in this document.

Therefore, this presentation contained herein should not be utilized for any legal purposes in regards to investors' investment results. The Company hereby expressly disclaims any and all liability for any loss or damage resulting from the investors' reliance on the information contained herein.

Company Overview



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

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



Diverse Revenue Streams across Platform and Content Business

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



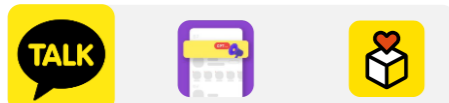
Evolving into an AI Company Powered by Agentic AI

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

Platform Business

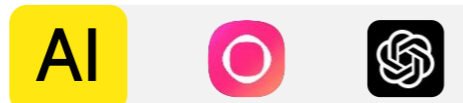
Kakao Talk

Talk Biz



Advertising Commerce

AI



Kanana in Kakaotalk ChatGPT for Kakao

Connected Services

(Kakao Ownership*)

kakaomobility

taxi-hailing & other mobility

(57.2%)

kakaopay

Payment & tech-fin

(46.1%)

kakaobank

Internet Banking

(27.2%)

Content Business

Establishing a Content Ecosystem with a Virtuous Cycle

Music

kakao ENTERTAINMENT

(66.0%)



(41.5%)

Story

kakao ENTERTAINMENT

(66.0%)

kakaopiccoma

(91.1%)

Media

kakao ENTERTAINMENT

(66.0%)

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

1Q26 Results Summary

- Record-high 1Q Revenue (+11% YoY) and OP of KRW 211bn (+66% YoY, 11% OPM), driven by high-margin platform growth
- Platform (+16% YoY, -4% QoQ): Biz Message (+27% YoY) and Talk DA(+10% YoY) led Talk Biz Ad(+16% YoY) revenue growth
Pay surpassed 300bn in quarterly revenue for the first time, supported by solid growth across all services
- Content (+5% YoY, -7% QoQ) : Music grew +11% YoY, supported by strong artist album sales and global tour expansion
Piccoma maintained No.1 in gross revenue in the Japan app market, with OP margin above 20%

Core Growth Engines: KakaoTalk and B2C AI services

- KakaoTalk: Accelerating engagement, driven by expanded short-form video and feed services, plus new AI features
- Kanana in KakaoTalk: Launched on both iOS and Android in March following the CBT, showing steady improvements in engagement metrics including response rates and actions per user
- ChatGPT for Kakao: Registered user surpasses 11M; aiming to boost retention and engagement by introducing ChatGPT GO Plan and broader access points within Talk
- Kanana Search (Beta): Introduced context-based AI search, positive early results with higher engagement compared to existing Sharp Search

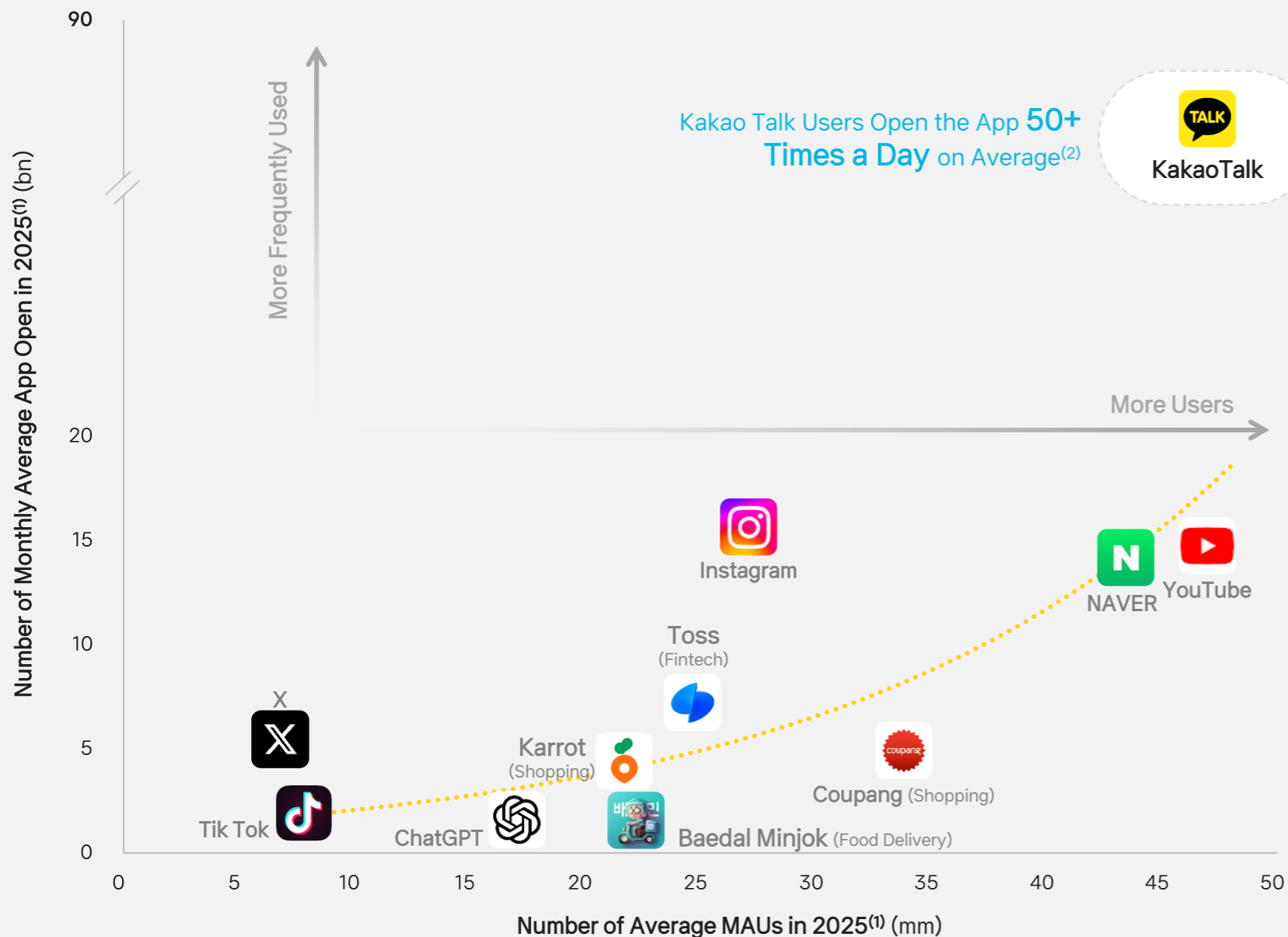
Key Guidance and Strategy Highlights

- Targeting 10%+ YoY growth in 2026 consolidated revenue and a 10% OP margin, with Talk Biz Ad expected to maintain double-digit growth
- Aiming to deliver Agentic AI experience via Kanana in KakaoTalk, enabling a seamless flow within chat
- Accelerating core growth and securing future momentum by mainstreaming Agentic AI, spearheaded by integrations with external vertical platforms

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





Shopping
Fashion Items


Ask Merchant
for Service


Advertise
My Products


Book a
Flight Ticket


Find Best Route to
Destination



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

E-Commerce



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

Korea's E-Commerce

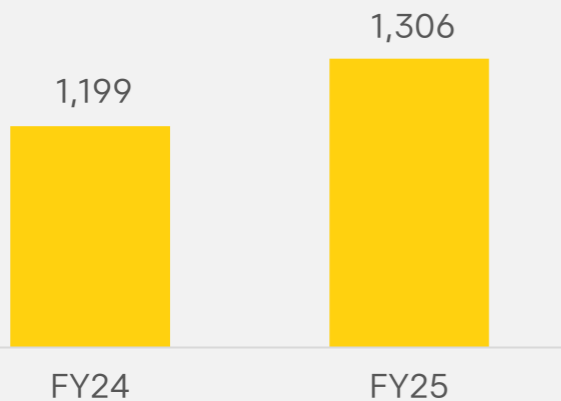
KRW272 tn
Online Retail TAM⁽⁴⁾

4% Share
E-Commerce



Kakao Talk's Advertising Revenue Growth
(KRW bn)

+9% YoY



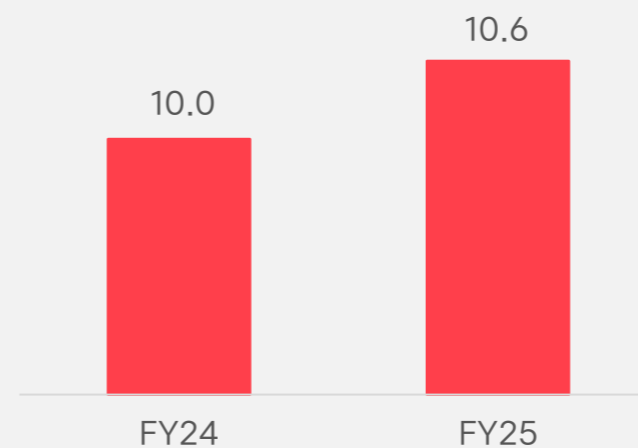
Key Growth Initiatives

- 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)

+6% YoY



Key Growth Initiatives

- Expansion of Selections to **Luxury / High-end Brands**
- Use Case Expansion from Gifting to **Self-Purchases**
- Enhancing **Everyday Store** by expanding into Grocery & Fresh Food categories

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

Leadership Across Key Verticals With Continued Business Model Innovation

Mobility

kakaomobility

Market Leadership

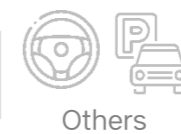
No. 1 Mobility Platform in Korea



Growth Strategy



Expand network of affiliated taxis



Evolve into parking & last-mile logistics platform

Tech-Fin

kakaobank
kakaopay

Leading Financial Platform in Korea

KRW 186 tn
FY2025
Total Payment Volume



Deepen penetration across all age demographics & increase low-cost deposit mix



Data & AI driven financial services & improve profitability in insurance and securities

Music

kakao ENTERTAINMENT
SM ENTERTAINMENT GROUP

Top 2 Entertainment Group in Korea

30%+ Music Digital Retail Market Share in Korea



Strengthening IP portfolio



Accelerate global expansion in North America & Japan

Story

kakao ENTERTAINMENT
kakaopiccoma

No. 1

FY 2023 – FY 2025, Webtoon Platform by In-App Purchase Rev

¥ 105 bn
FY 2025 Piccoma GMV



Enhance monetization & diversify IP library



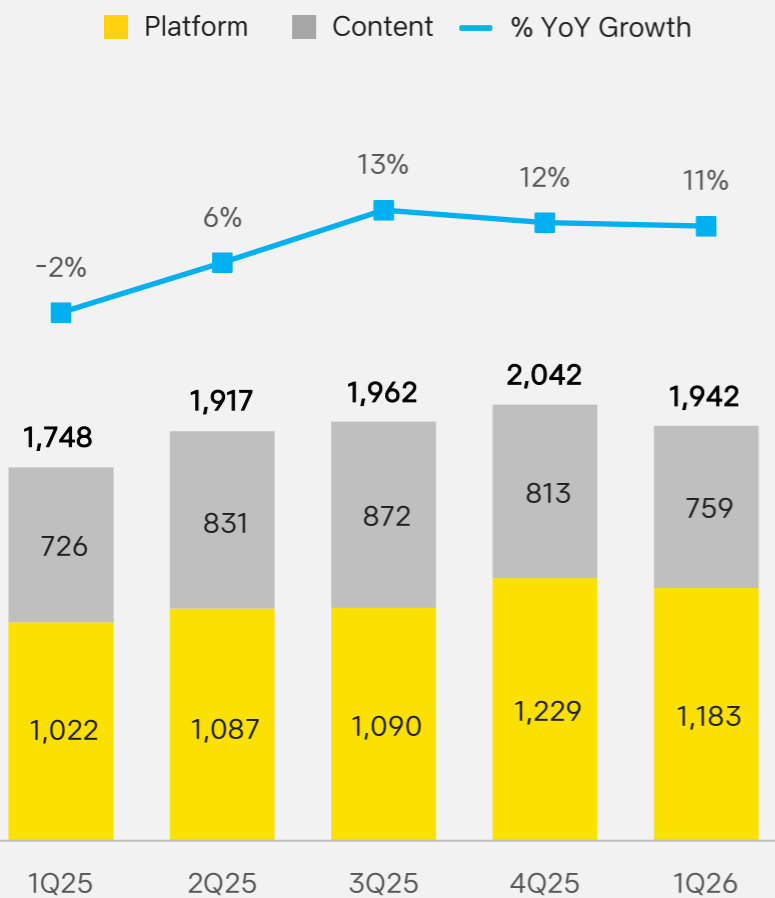
Strengthen original IPs & expand secondary IP businesses

Key Financial Performance

Record-high first quarter earnings driven by platform-led growth

Revenue

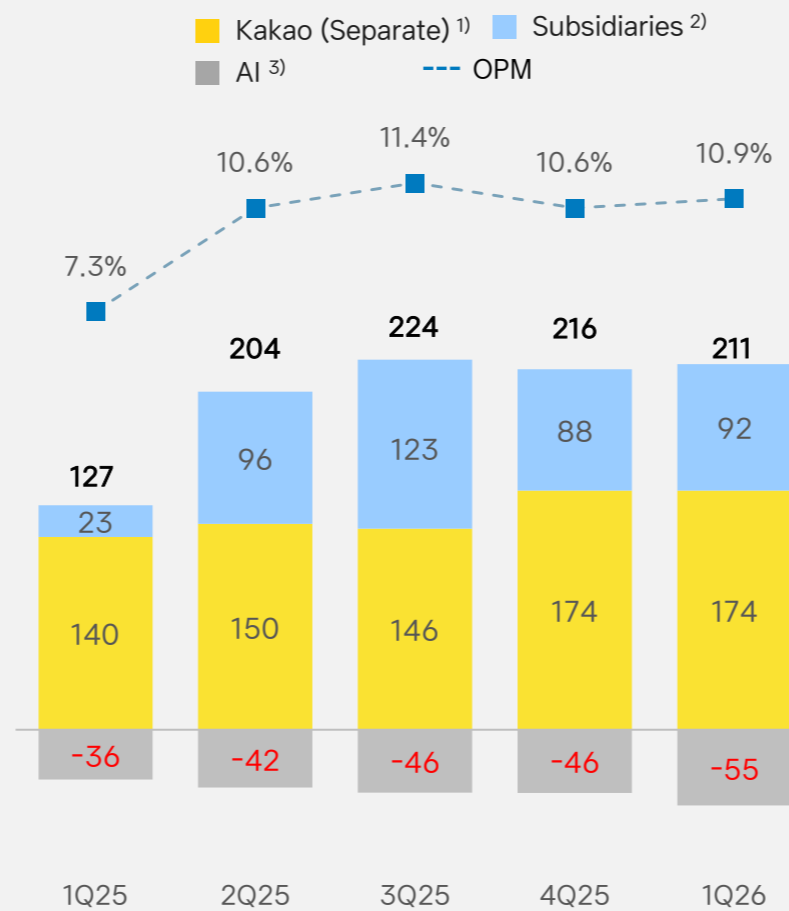
(KRW bn)



- Record-high quarterly revenue driven by solid growth across the platform business, including Talk Biz advertising and commerce
- Entering a new phase of **platform-driven growth** beyond past inorganic expansion

Operating Profit (Margin)

(KRW bn)



- Record high first quarter operating profit, with OPM reaching 11%, driven by topline growth and operational efficiency gains
- Aiming for **structural profit improvement**, driven by operating leverage across high-margin platform business

1Q26 Highlights



TalkBiz Ads

(1Q26 +16% YoY, -10% QoQ)

Sustained high growth in Biz Messaging (+27% YoY)
Display Ad growth by expanded ad inventory (+10% YoY)



TalkBiz Commerce

(1Q26 +1% YoY, +7% QoQ)

Commerce GMV +10% YoY, Gift +9% YoY,
driven by Lunar New Year demand and Kakao
Shopping-Festa promotions



On track to achieve full-year guidance

Sustaining solid growth in core businesses, targeting
over 10% annual revenue growth and 10%p OPM

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

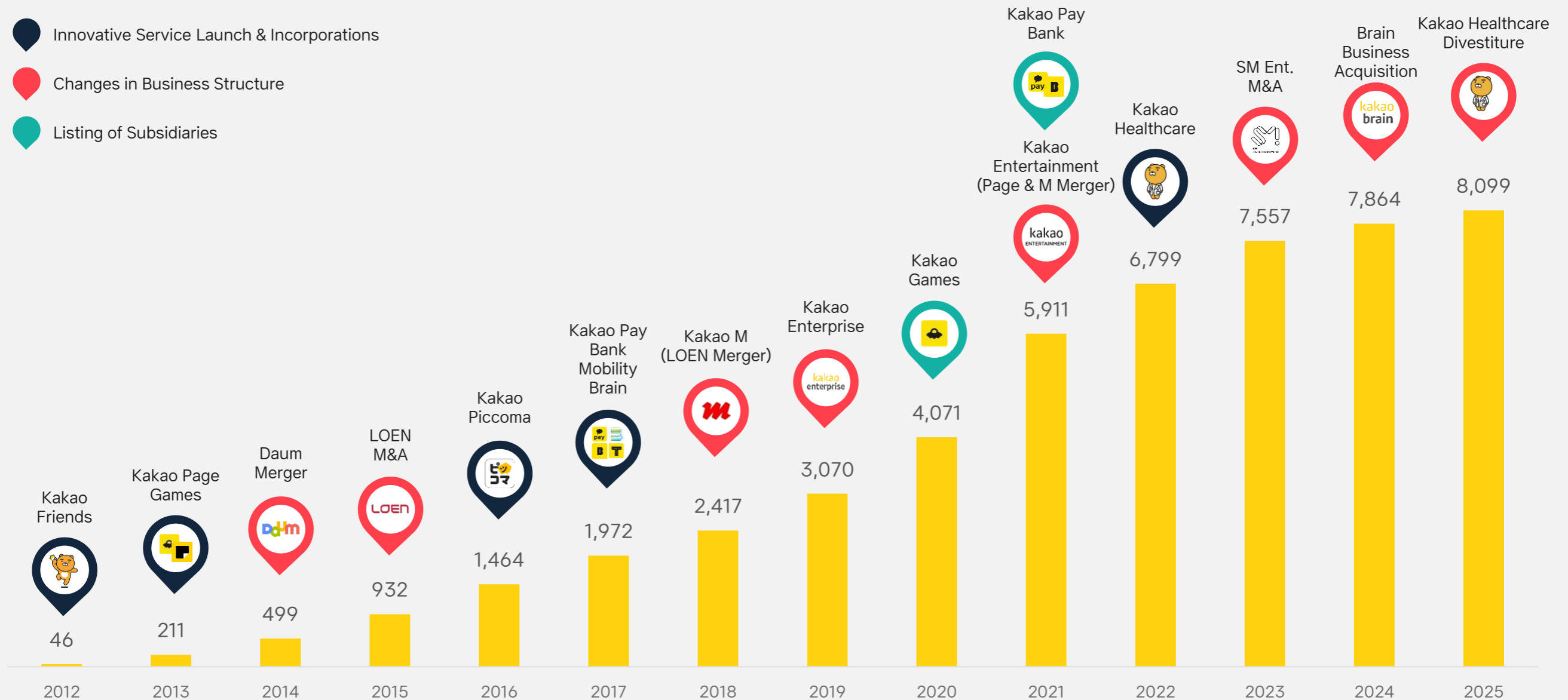
Appendix 1. Corporate History

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

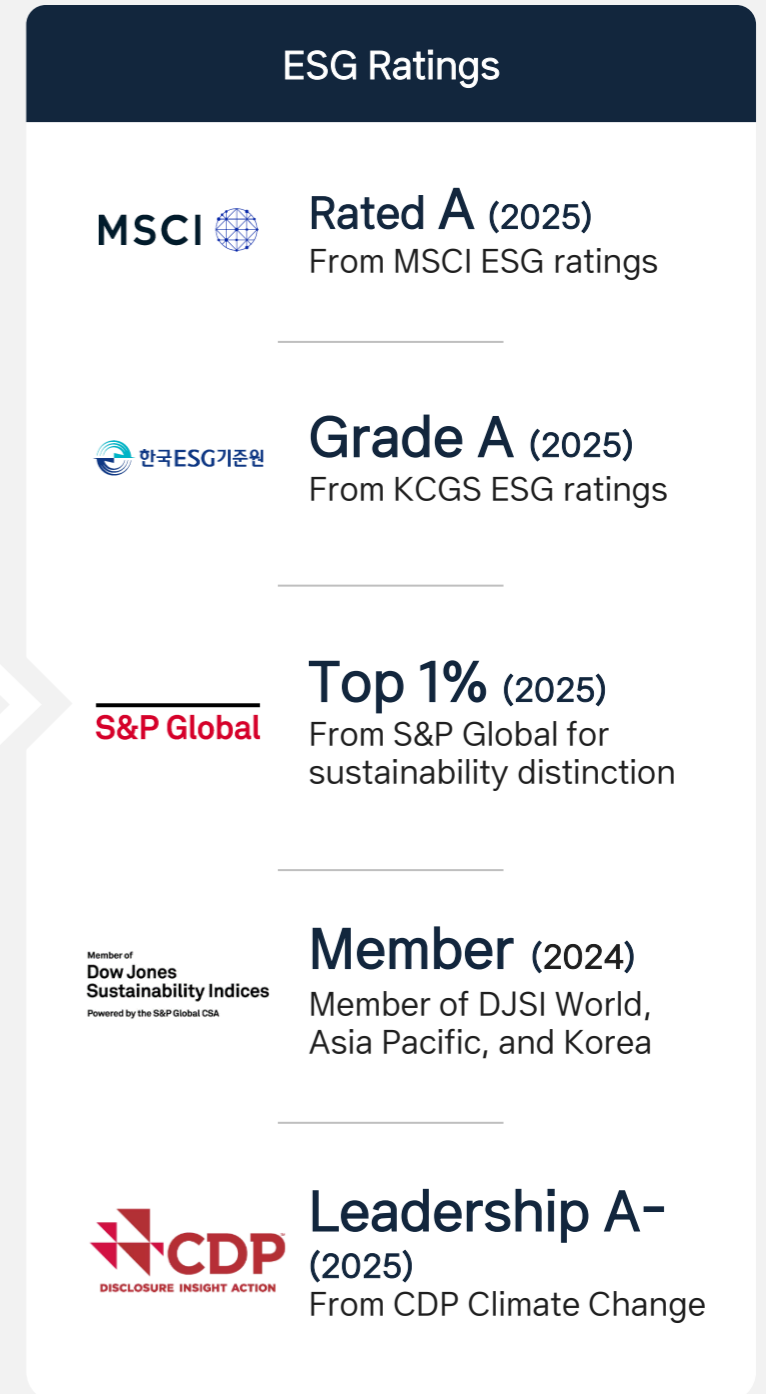


Note: Operating revenue figures are based on those after restatement as per the change in accounting policy.

Q1 2026 Earnings Results

Kakao's Continued Focus on ESG Initiatives

Key ESG Initiatives



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.

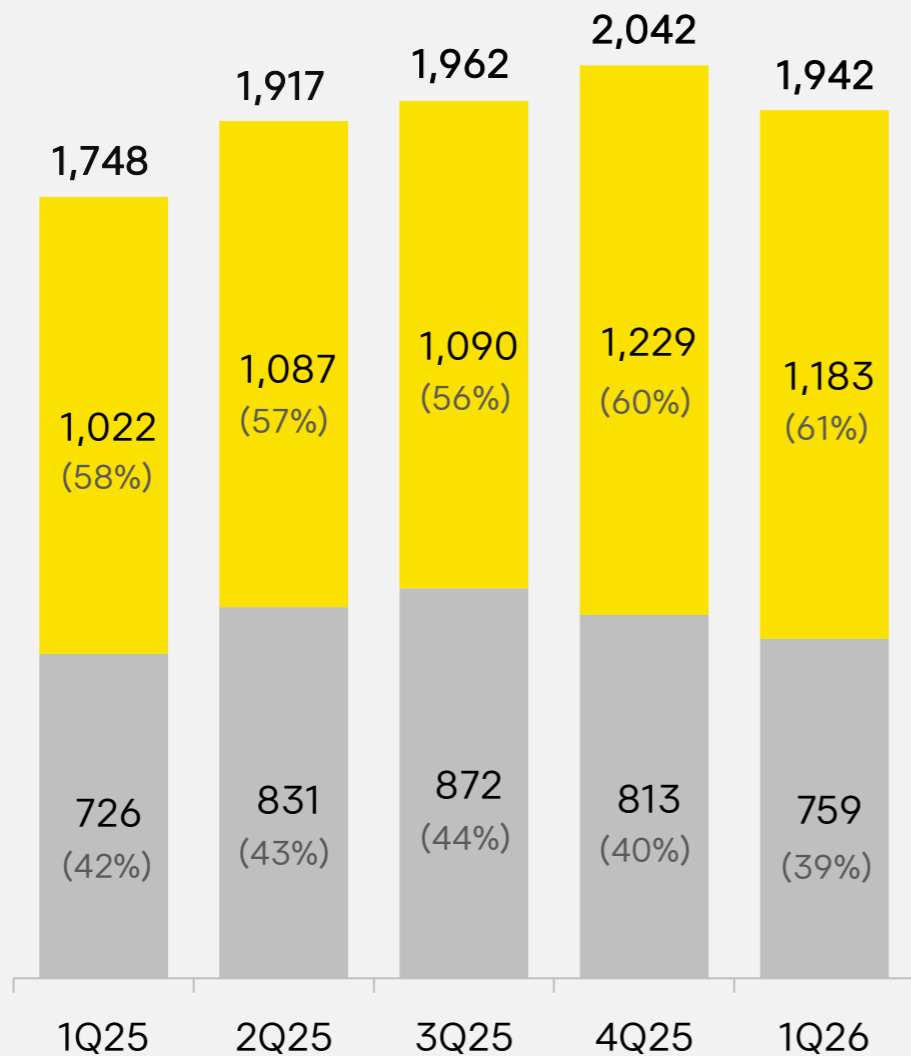
Revenue | 1Q26

Q1 Revenue +11% YoY / -5% QoQ

Q1 MIX : Platform 61%, Content 39%

(in bn KRW)

■ Platform ■ Content



Revenue Breakdown		
Platform	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 Other Subsidiaries' Ad
	Platform- Others	Mobility Pay Enterprise Other Subsidiaries
Content	Story	Piccoma Entertainment
	Music	SM Entertainment Melon Digital Music Distribution Album Distribution Music Production
	Media	Video Production Talent Agency

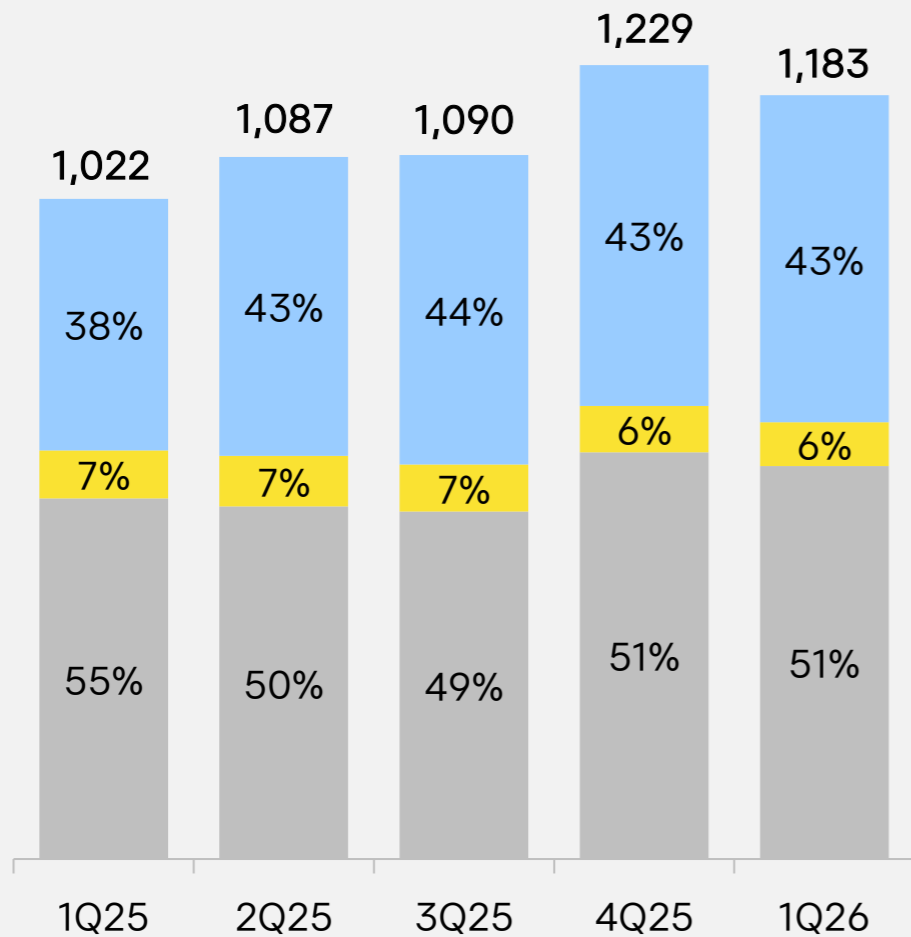
Revenue

Platform

1Q26 +16% YoY, -4% QoQ

(in bn KRW)

■ Talk Biz ■ Portal Biz ■ Platform Others

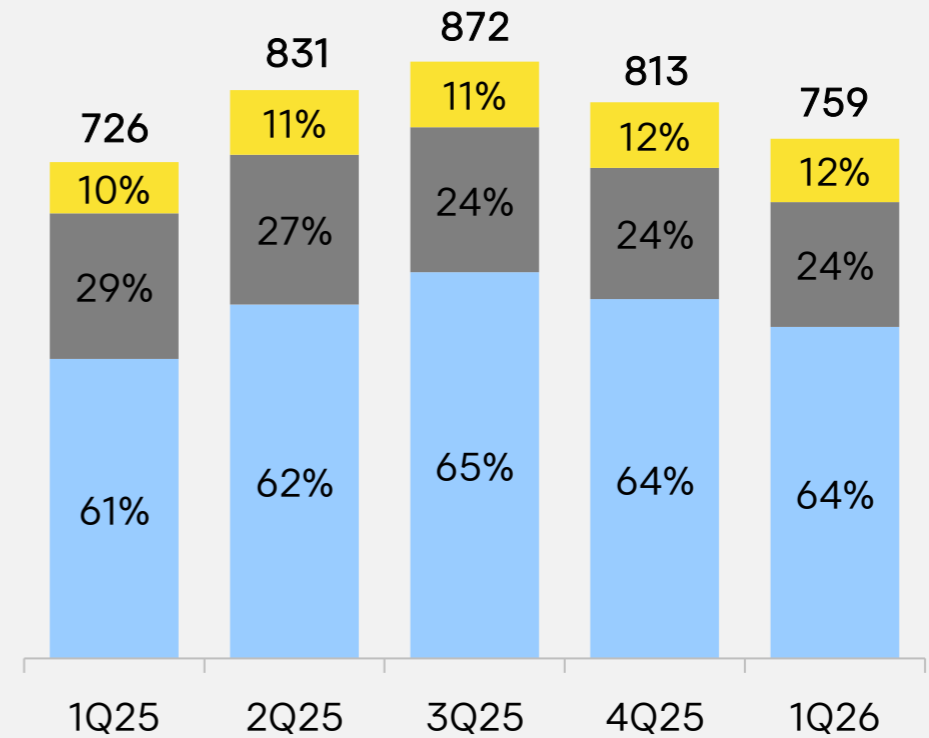


Content

1Q26 +5% YoY, -7% QoQ

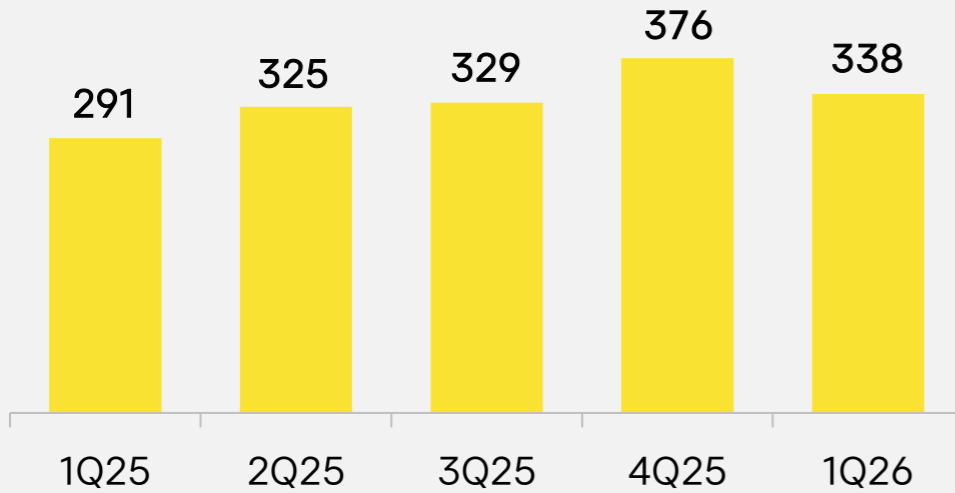
(in bn KRW)

■ Music ■ Story ■ Media



Advertising

(in bn KRW)

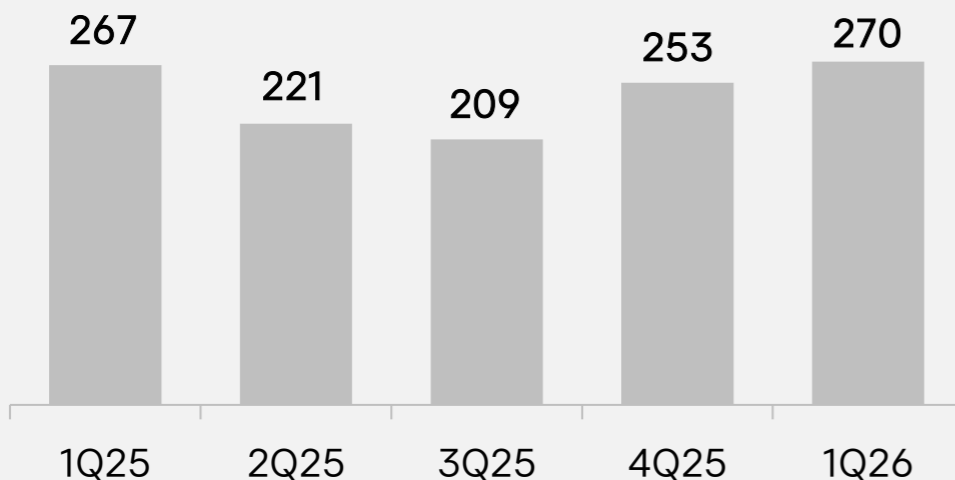


1Q26 +16% YoY, -10% QoQ

- (YoY) ① Business Messaging +27%, higher volume from financial advertisers and broader use cases from diversified products
- (YoY) ② Talk DA +10%, higher SME advertiser demand from expanded inventory and improved efficiency via enhanced ad-tech solutions
- (QoQ) Low seasonality

Commerce

(in bn KRW)



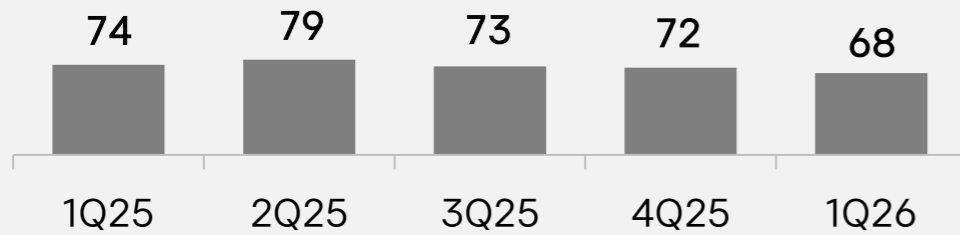
1Q26 +1% YoY, +7% QoQ

- Total Commerce GMV : 2.9tn, +10% YoY, -3% QoQ
- Gift GMV: +9% YoY, Flat QoQ
- Store GMV: +18% YoY, +10% QoQ
- (YoY) Solid GMV growth from seasonal products and promotions, with revenue growth limited by partial deferral and intensified promotions
- (QoQ) Increase in 1P on validated demand categories

Platform | Portal, Others

Portal Biz

(in bn KRW)

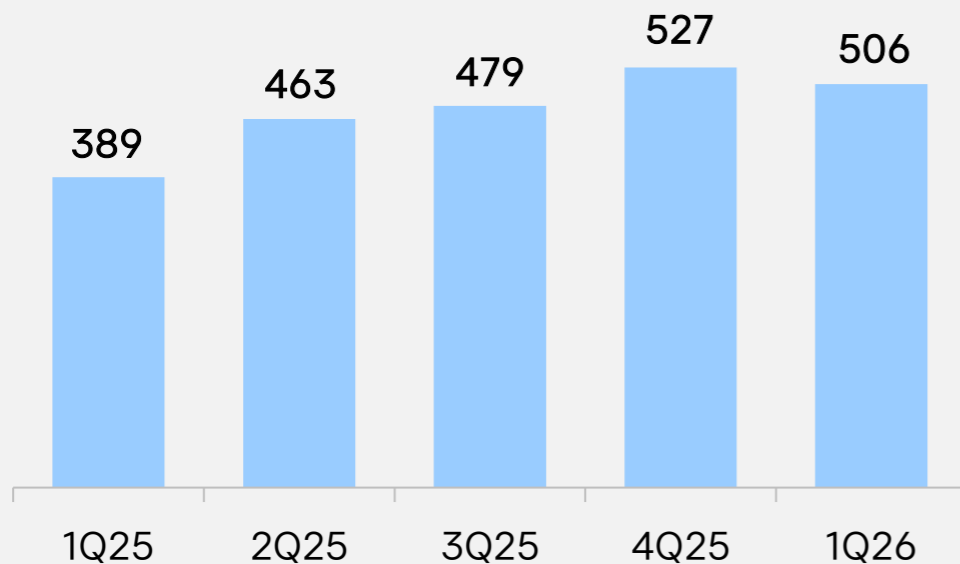


1Q26 **-9%** YoY, **-6%** QoQ

- (YoY/QoQ) Decrease in user activity

Platform-Others

(in bn KRW)

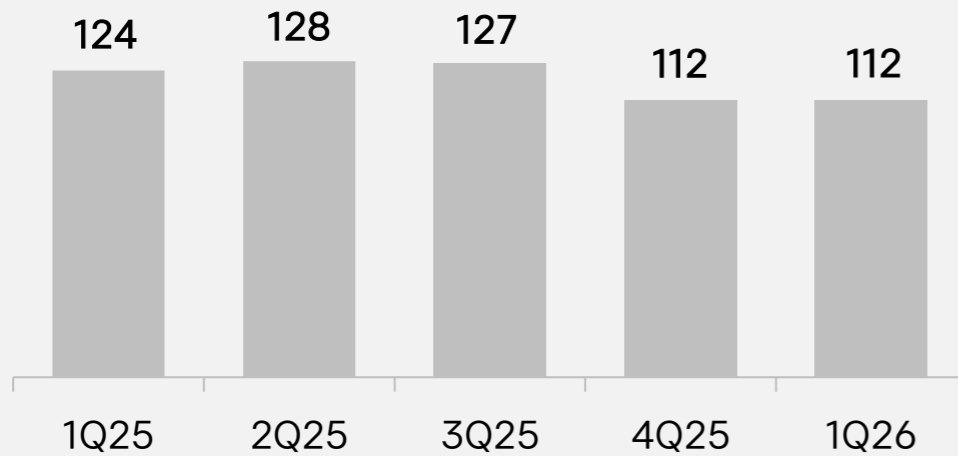


1Q26 **+30%** YoY, **-4%** QoQ

- **Mobility** : Solid growth led by taxi, parking, and last mile delivery
- **Pay** : Record high quarterly revenue and operating profit, driven by double-digit revenue growth across all segments

Piccoma

(in bn KRW)

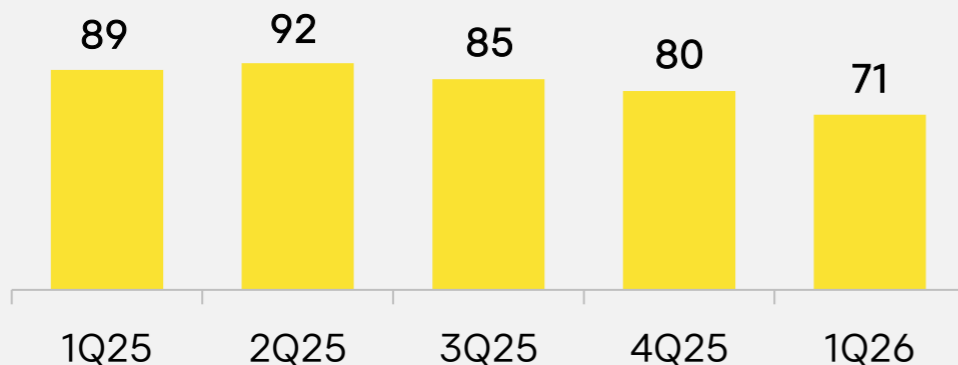


1Q26 -10% YoY, Flat QoQ

- (in Yen) GMV -1% YoY, +2% QoQ
- (in Yen) Revenue -9% YoY, Flat QoQ
- (YoY/ QoQ) Slowdown in Japanese manga market due to lack of major blockbuster titles
- Maintained No.1 in cumulative gross revenue in Japan's app market, recorded OPM above 20%

Entertainment

(in bn KRW)



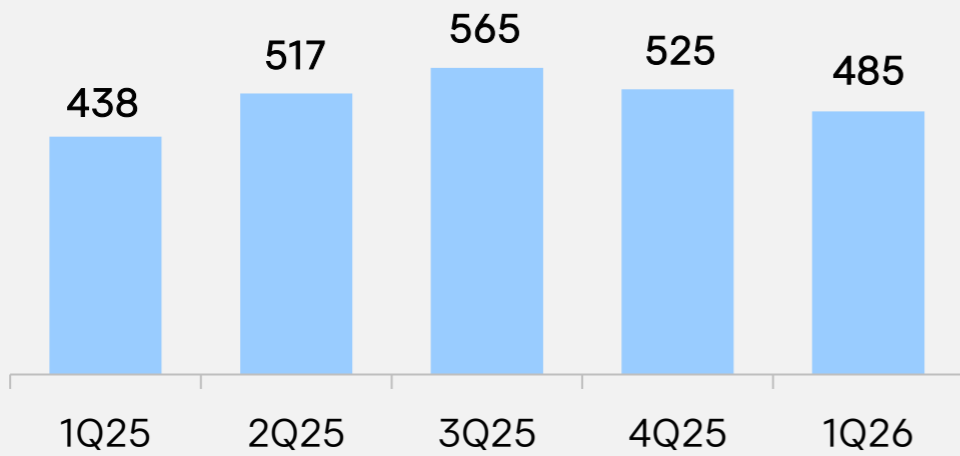
1Q26 -20% YoY, -12% QoQ

- (YoY/QoQ) Decrease in GMV across platform and IP distribution

Content | Music, Media

Music

(in bn KRW)

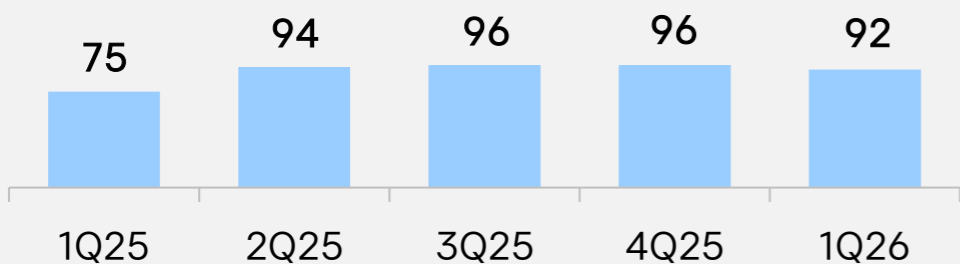


1Q26 +11% YoY, -8% QoQ

- (YoY) Strong album sales from anchor IP and expansion of global concert scale
- (QoQ) Impact from high base effect from MD and licensing revenue in 4Q25

Media

(in bn KRW)



1Q26 +23% YoY, -3% QoQ

- (YoY) Increase in number of revenue-recognizing titles and production progress

Earnings Summary

(in bn KRW)	1Q25	4Q25	1Q26	YoY	QoQ
Total Revenue	1,748	2,042	1,942	11%	-5%
Platform	1,022	1,229	1,183	16%	-4%
Talk Biz	559	630	609	9%	-3%
Portal Biz	74	72	68	-9%	-6%
Platform-Others	389	527	506	30%	-4%
Content	726	813	759	5%	-7%
Music	213	192	182	-14%	-5%
Story	438	525	485	11%	-8%
Media	75	96	92	23%	-3%
OPEX	1,621	1,826	1,731	7%	-5%
Operating Profit	127	216	211	66%	-2%
<i>Operating Profit Margin</i>	7.3%	10.6%	10.9%	+3.6%pt	+0.3%pt
Net Profit	200	-47	227	13%	TB
Controlling Interests	172	33	172	Flat	413%
Non-controlling Interests	28	-81	55	94%	TB
<i>Net Profit Margin</i>	11.5%	-	11.7%	+0.2%pt	TB

Operating Expenses

(in bn KRW)	1Q25	4Q25	1Q26	YoY	QoQ
Operating Expenses	1,621	1,826	1,731	7%	-5%
Labor	426	455	445	5%	-2%
Cost of Revenue	659	740	701	6%	-5%
Outsourcing / Infrastructure	190	238	208	9%	-12%
Marketing	75	109	73	-3%	-34%
Depreciation & Amortization	193	192	197	2%	2%
Misc.	78	92	107	38%	17%

Q1 Analysis

- Labor** (YoY) Increase reflecting salary adjustments at subsidiaries
 (QoQ) Base effect from year-end incentive payouts
- Cost of Revenue** (YoY) Increase in music IP activities and media production costs
 (QoQ) Base effect from subsidiary outsourcing costs
- Outsourcing / Infrastructure** (YoY) Increase driven by higher infrastructure demand in platform business
 (QoQ) Decrease in content production and base effect from one-off costs related to AXZ spin-off
- Marketing** (YoY) Maintained efficient marketing spend
 (QoQ) Base effect from expanded strategic marketing by Piccoma
- Depreciation & Amortization** (YoY/QoQ) Increase reflecting one-off bad debt expense at subsidiaries and amortization of intangible assets at DearU

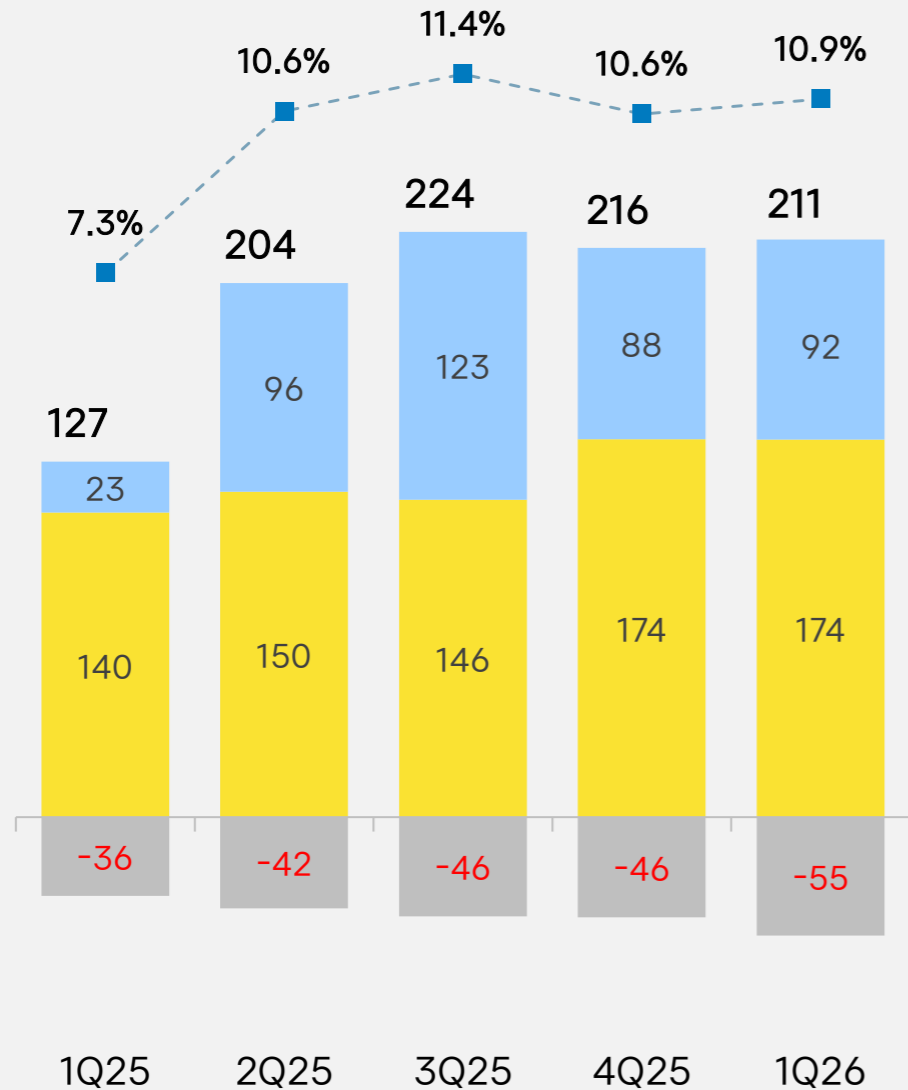
Profits

Operating Profit(M)

1Q26 +49% YoY, +3% QoQ

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

(in bn KRW)

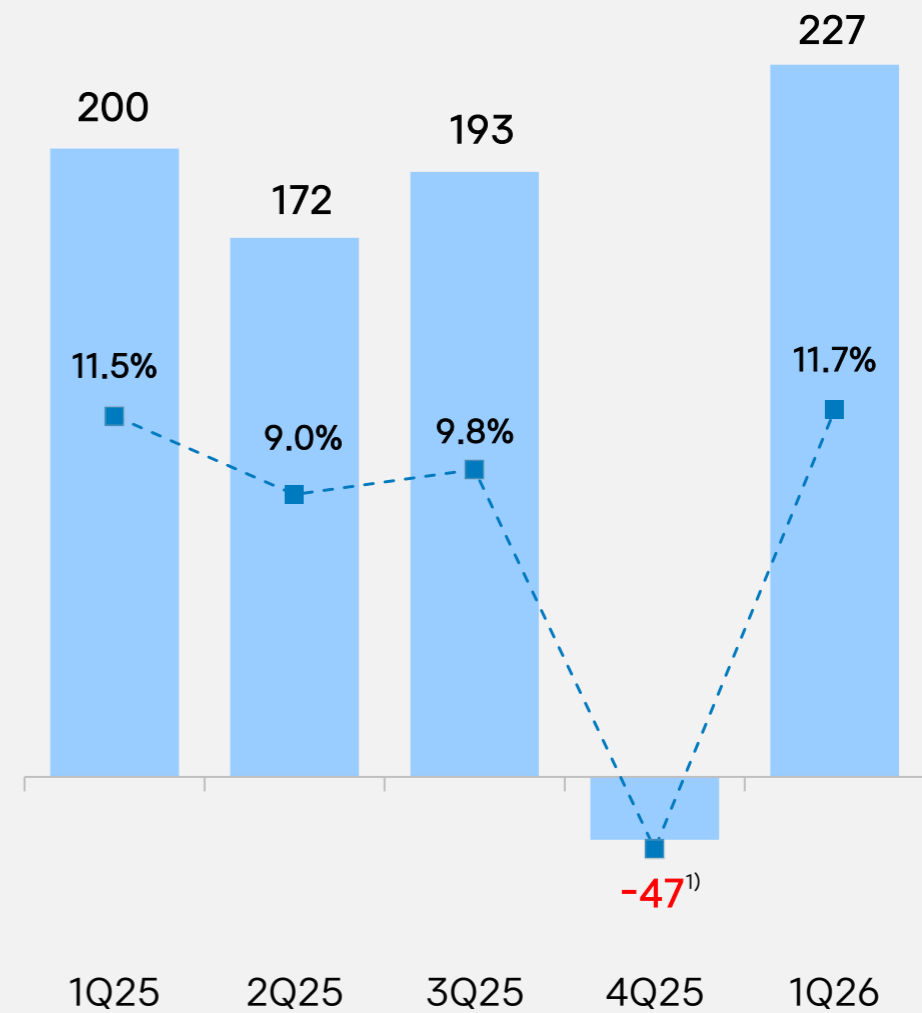


Net Profit(M)

1Q26 +13% YoY, TB QoQ

■ Net Profit
 -■- NPM

(in bn KRW)

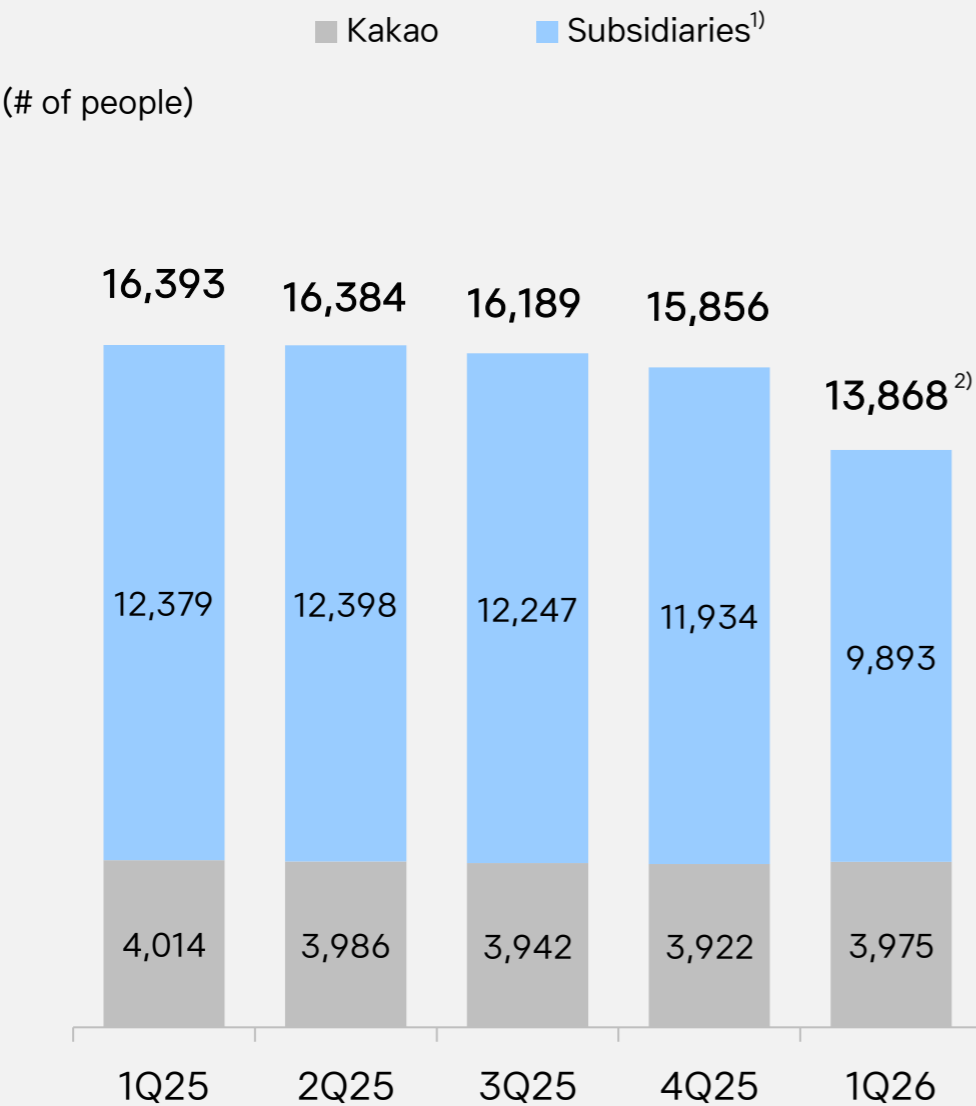


1) Kakao (Separate): OP on a separate basis ex. AI Services
 2) Subsidiaries: All businesses ex. Kakao (Separate) and AI; incl. internal adj.
 3) AI: AI Services within Kakao (Separate)

1) 4Q25: Impairment losses of goodwill (128.3bn) and intangible asset (10.5bn)

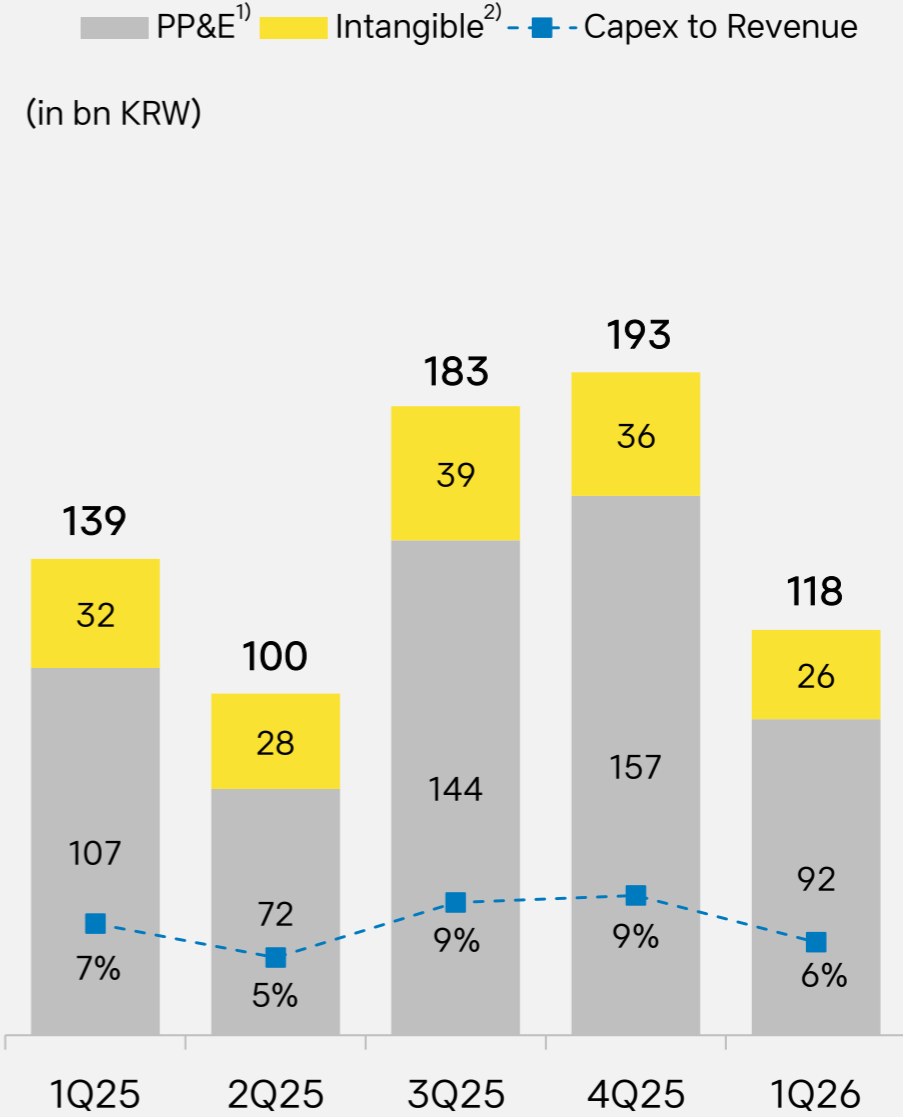
Employees / CapEx

Employees 1Q26 -2,525 YoY, -1,988 QoQ
 YoY, QoQ Decline due to Kakao Games divestment and conservative hiring



1) Headcount based on key consolidated subsidiaries
 2) Kakao Games excluded from consolidation starting 1Q26; included in 1Q25-4Q25

CapEx 1Q26 -21bn YoY, -75bn QoQ
 (YoY) High base from prior-year GPU purchases
 (QoQ) Base effect from subsidiary PPE acquisition



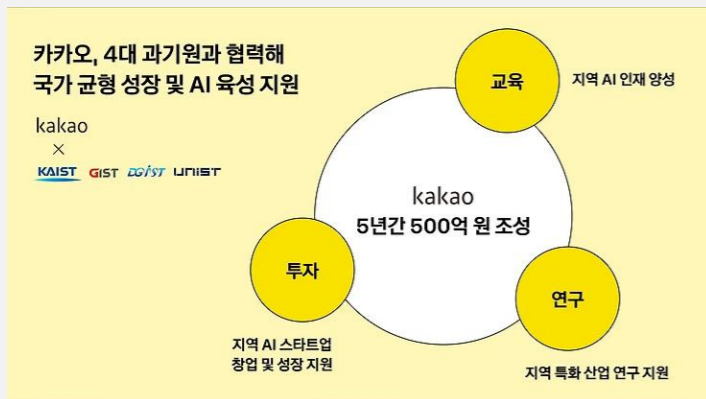
1) PP&E : Construction in progress related to data centers, machinery and equipment
 2) Intangible : Industrial property rights, membership rights, and other intangible assets

ESG Activities



Achieved Top-Tier Global ESG Ratings

- Named 'Industry Leader' in ISS ESG Corporate Rating and achieved a 'Low Risk' rating from Morningstar Sustainalytics
- Ranked Top 5% in S&P Global's CSA and listed in the World Index for 5 consecutive years



Launched 'Kakao AI Sail' to Foster Regional AI Talent

- Launched 'Kakao AI Sail', a dedicated body to foster regional AI talent and enterprises, supported by a KRW 50bn AI growth fund
- Committed to advance AI talent and startups while accelerating industry-academic AX centered on four major tech institutes



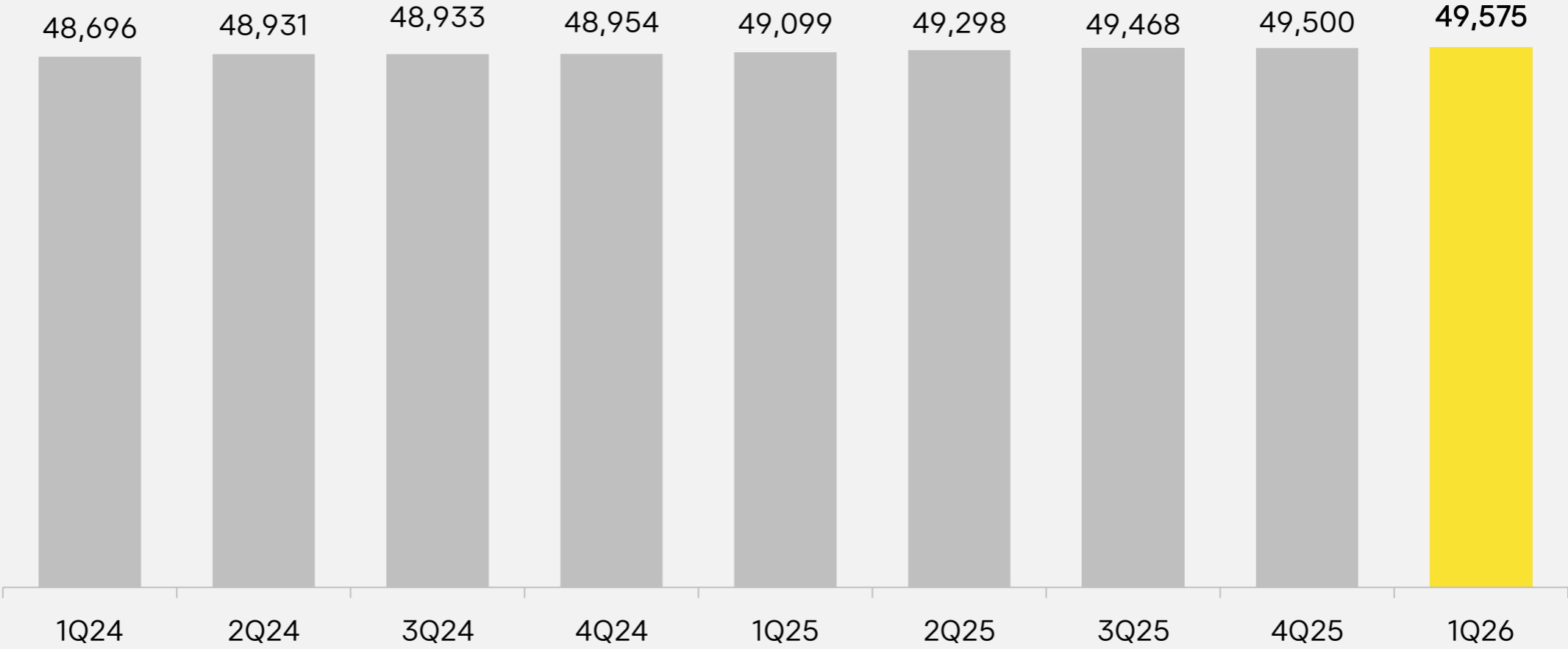
Presidential Commendation for Advancing Mutual Growth

- Received Presidential Commendation for mutual growth initiatives—including capping mobile gift card commissions—and sustained Fair Trade Compliance Program (CP) efforts
- Committed to further advance corporate compliance by internalizing a prevention-first risk management culture

KakaoTalk MAU

Maintaining a stable 49 million domestic MAU

(in thousands)



Korea	48,696	48,931	48,933	48,954	49,099	49,298	49,468	49,500	49,575
Global	53,760	54,195	54,198	54,048	54,080	54,286	54,500	54,501	54,683

Average of monthly MAUs. Global includes domestic MAUs.

Thank You

