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# Q2 2026 Earnings Results

2026. 8. 6 | Kakao Investor Relations

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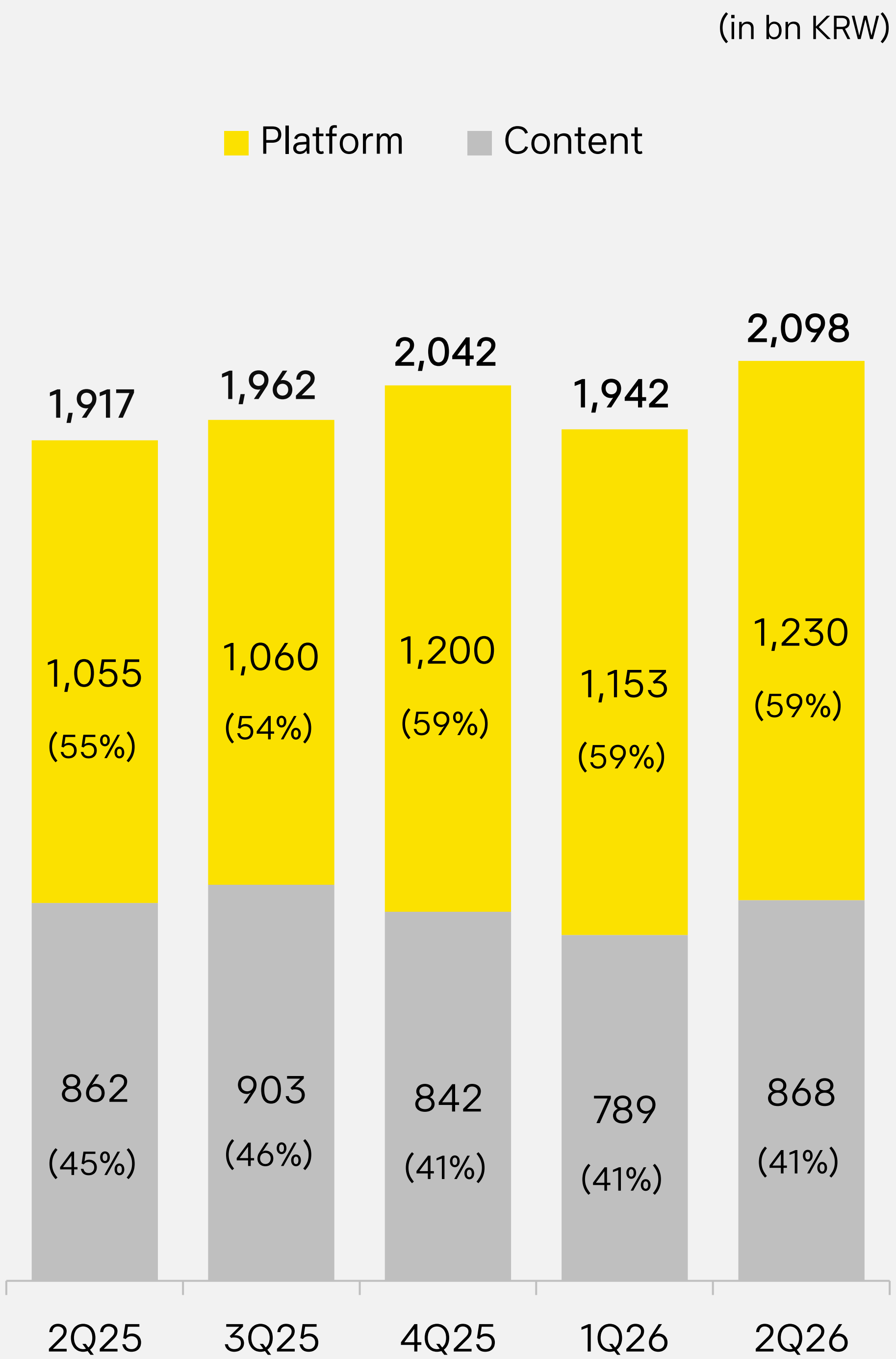
# Revenue

## Revenue +9% YoY / +8% QoQ

Q2 MIX : Platform 59%, Content 41%




| Revenue | | |
|---|---|---|
| Platform | Talk Biz | Advertising and Subscription :<br>Talk DA (Bizboard / Non-Bizboard),<br>Business Messaging, Network Ads<br>Subscription and Others |
| | | Commerce :<br>Talk Gift, Talk Store, Kakao Friends Online |
| | Platform Others | Mobility Pay Enterprise<br>Other Consolidated Subsidiaries |
| Content | Story | Piccoma |
| | | Entertainment |
| | Music | SM Entertainment Melon<br>Digital Music / Album Distribution<br>Music Production |
| | Media | Video Production Talent Agency |



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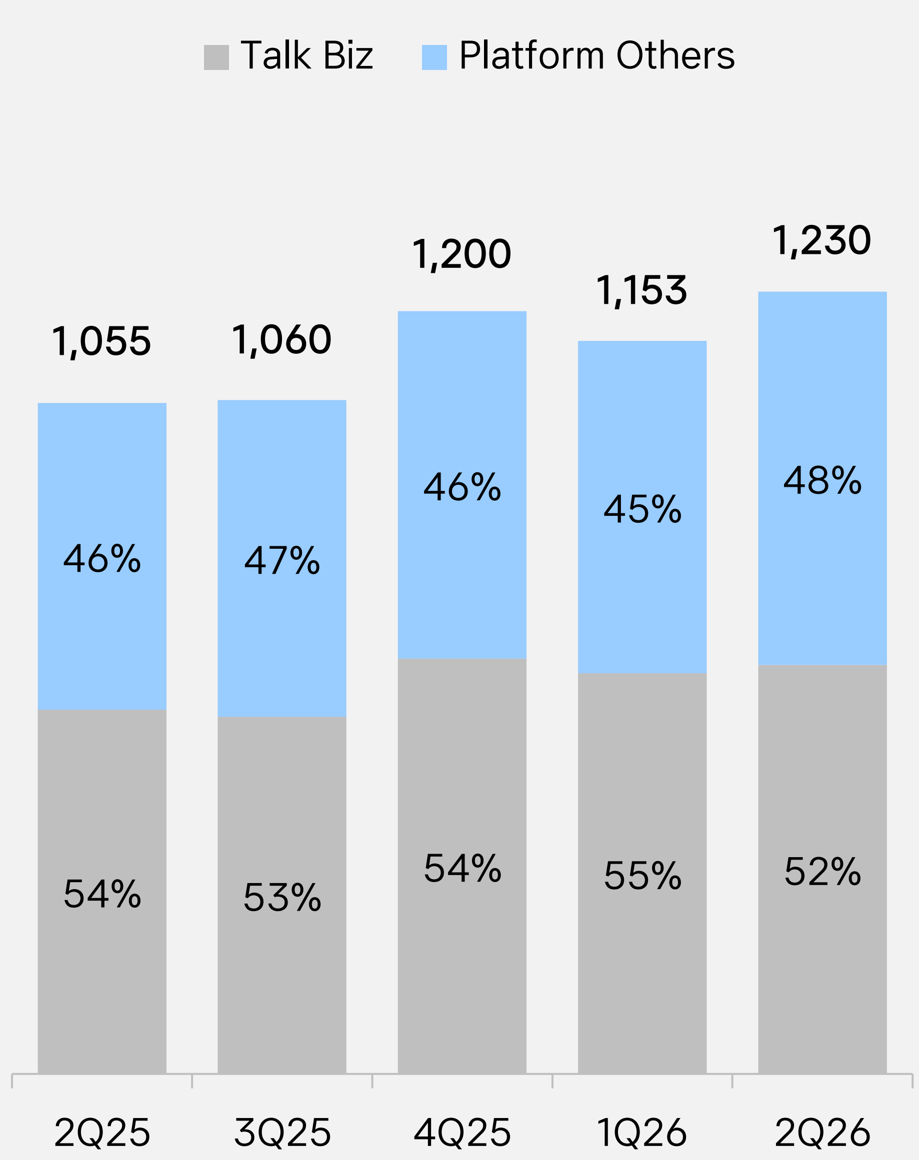
# Revenue

## Platform

2Q26 +17% YoY, +7% QoQ

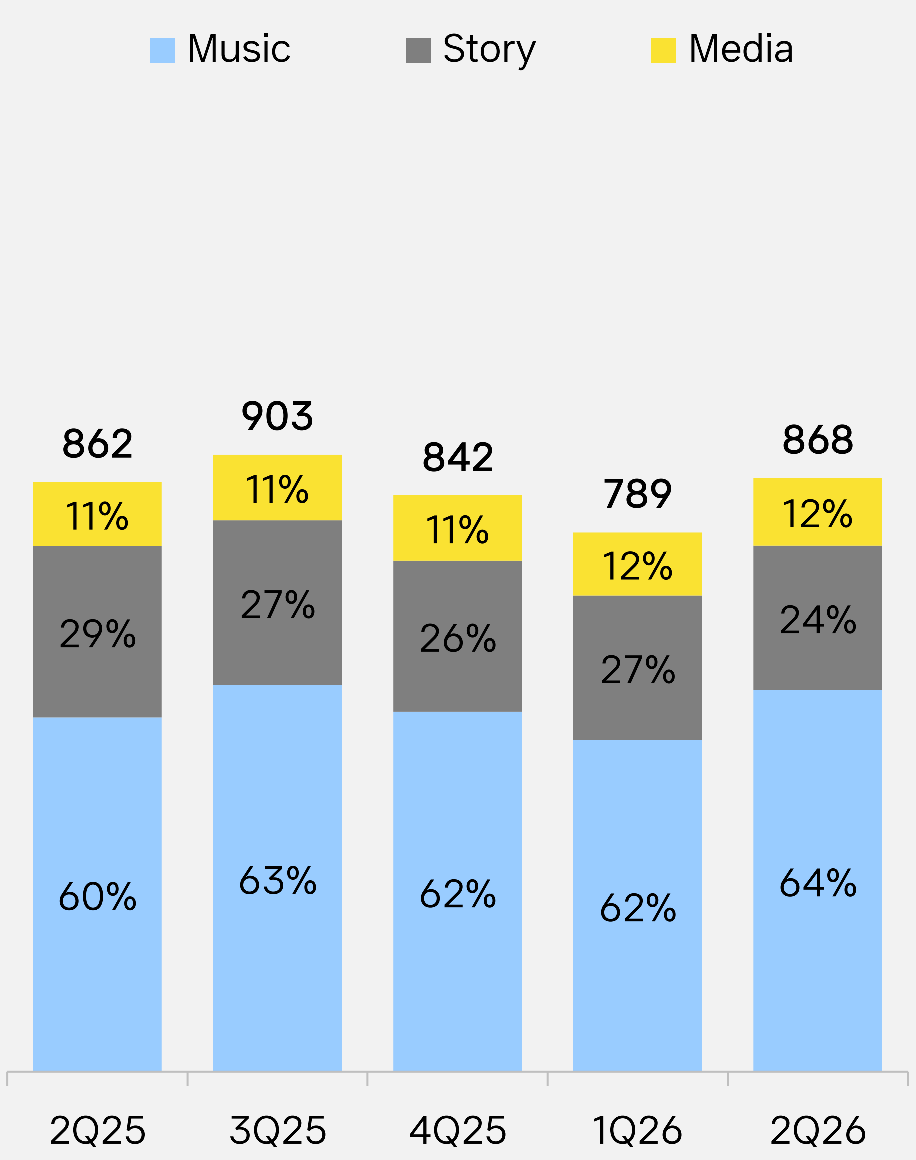
(in bn KRW)




## Content

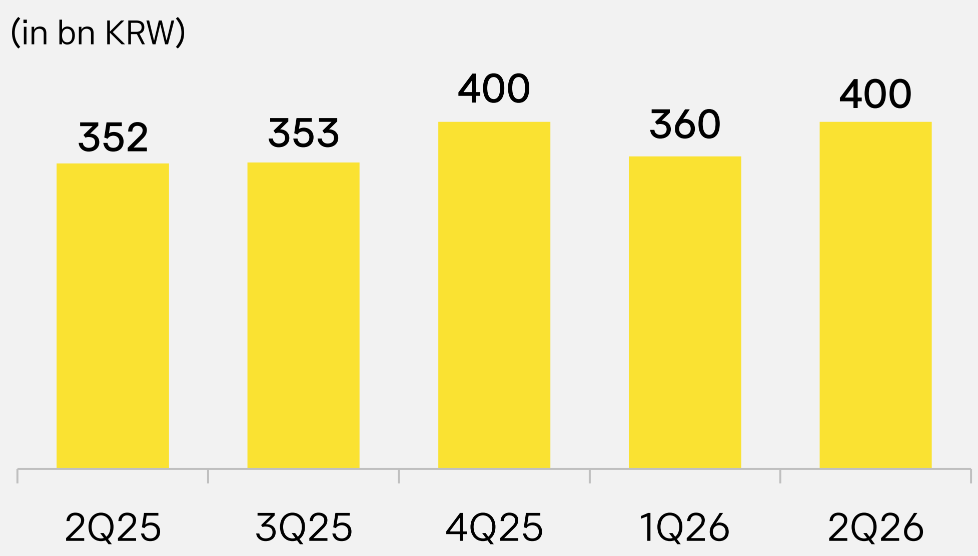
2Q26 +1% YoY, +10% QoQ

(in bn KRW)



# Platform | Talk Biz

## Advertising & Subscription

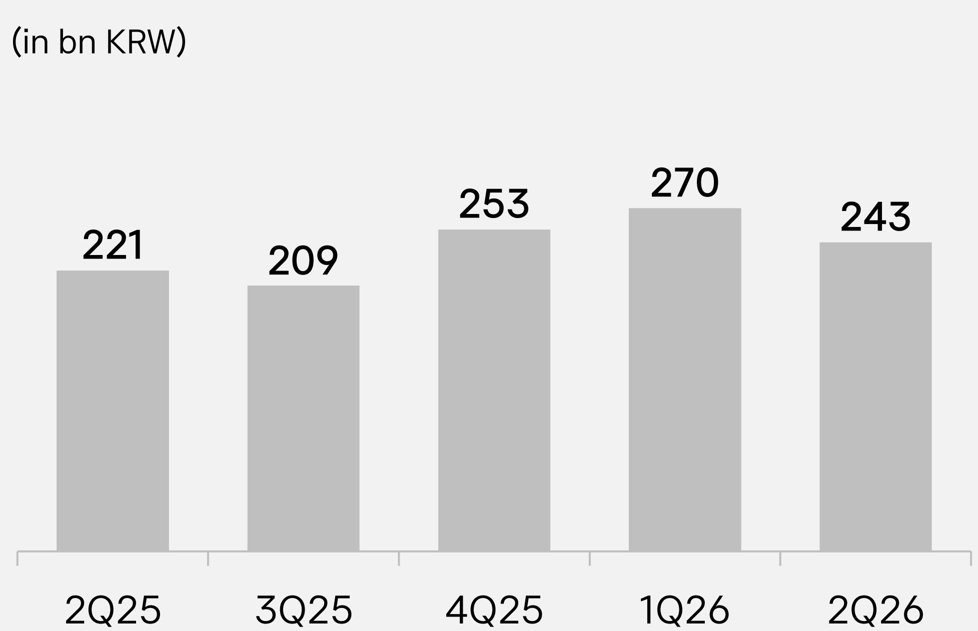



**2Q26 +14% YoY, +11% QoQ**

- **(YoY/QoQ)** ① Business Messaging +20% YoY, +12% QoQ, Robust demand from financial advertisers, driving increased biz-messaging adoption

  ② Talk DA +28% YoY, +21% QoQ, Introduction of feed-based ad products driving new advertiser acquisition and higher ad spending from existing advertisers

## Commerce



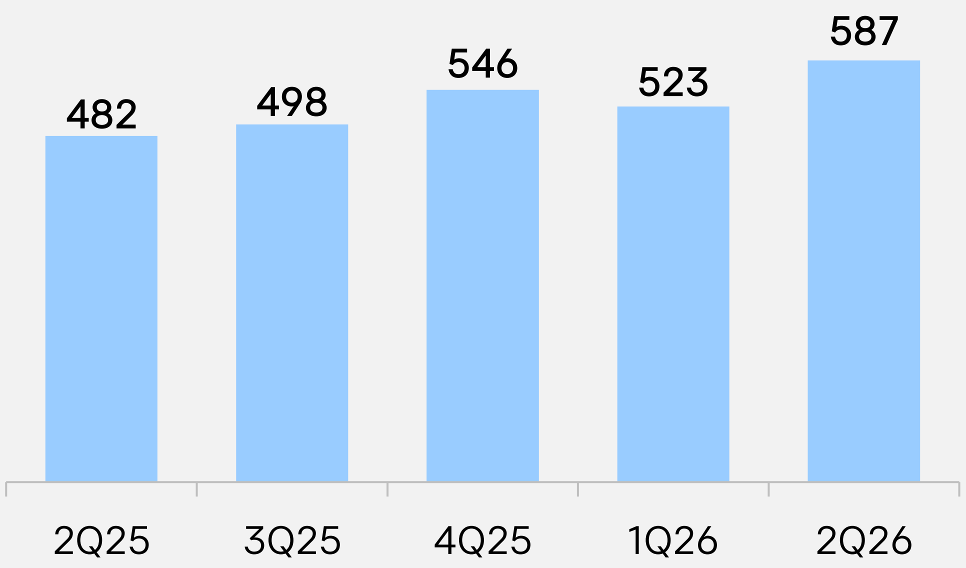

**2Q26 +10% YoY, -10% QoQ**

- **Total Commerce GMV :** KRW 2.7tn, +9% YoY, -5% QoQ
- **Talk Gift GMV :** +9% YoY, -10% QoQ
- **Talk Store GMV :** +7% YoY, -8% QoQ
- **(YoY)** Solid growth driven by broader product offerings and targeted promotions for seasonal events, posting record-high Talk Gift monthly GMV in May
- **(QoQ)** High base effect from Lunar New Year demand

**Platform | Platform Others**

# Platform Others

(in bn KRW)

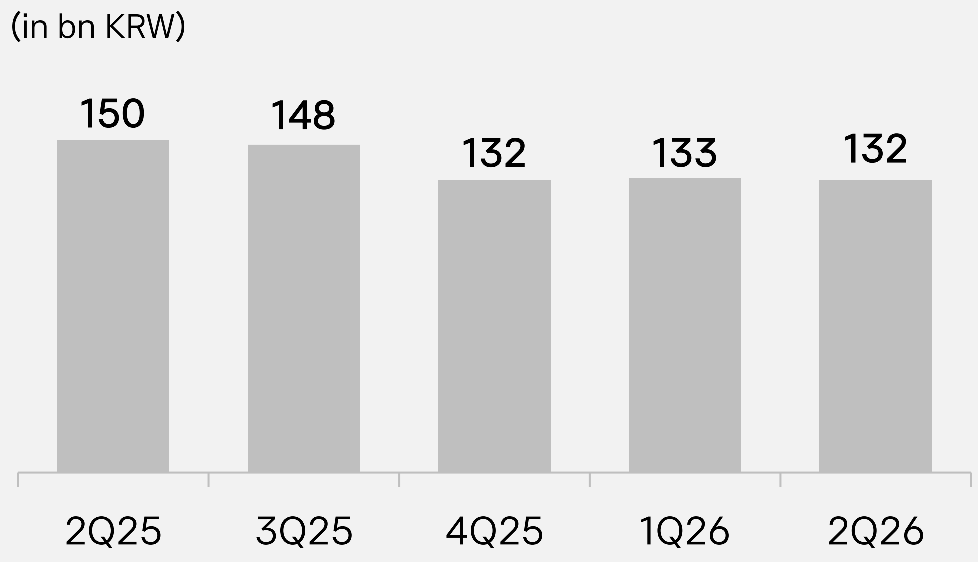



**2Q26 +22% YoY, +12% QoQ**

- **Mobility :** Solid growth in last-mile logistics, anchored by stable core business performance
- **Pay :** Record-high quarterly revenue and operating profit, propelled by strong financial services growth

# Content | Story

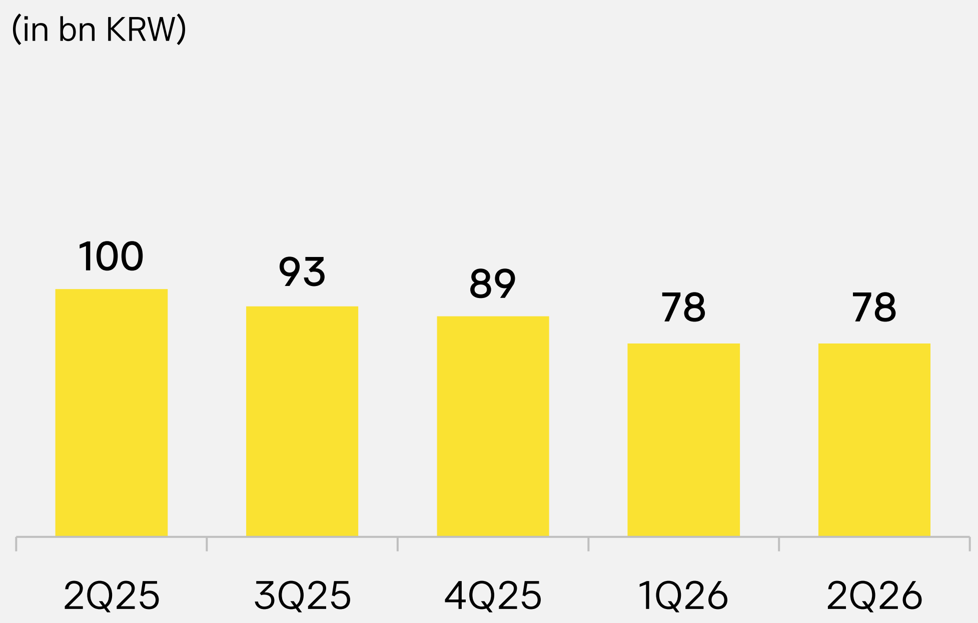
## Piccoma




### 2Q26 -12% YoY, Flat QoQ

- **(in JPY)** GMV -1% YoY, Flat QoQ
- **(in JPY)** Revenue -9% YoY, -3% QoQ
- Solidified market leadership as Japan's No.1 app in gross revenue

## Entertainment



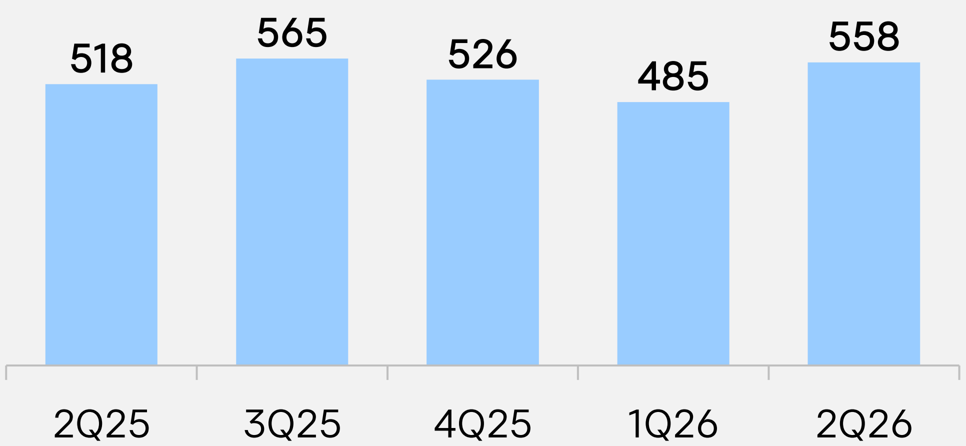

### 2Q26 -22% YoY, Flat QoQ

- **(YoY)** GMV decline driven by softer user traffic
- **(QoQ)** Stable GMV supported by webtoon adaptations of popular web-novel IPs

# Content | Music, Media

## Music

(in bn KRW)

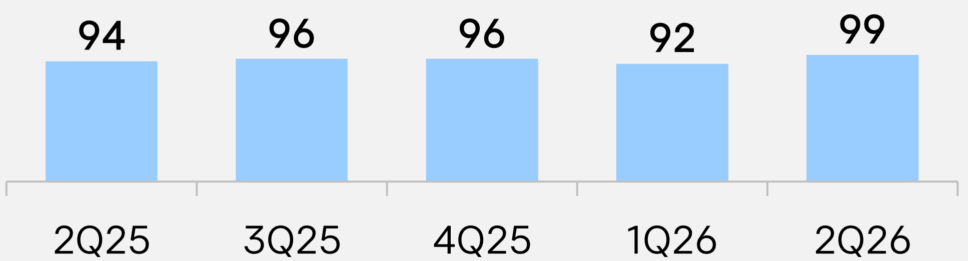



**2Q26 +8% YoY, +15% QoQ**

- **(YoY)** Increased anchor IP performances with higher MD and licensing revenue
- **(QoQ)** Album and MD sales driven by major artist comeback releases

## Media

(in bn KRW)




**2Q26 +5% YoY, +7% QoQ**

- **(YoY)** Expanded number of revenue-recognized titles and accelerated production progress

# Earnings Summary

| (in bn KRW) | 2Q25 | 1Q26 | 2Q26 | YoY | QoQ |
|---|---|---|---|---|---|
| **Revenue** | **1,917** | **1,942** | **2,098** | ***9%*** | ***8%*** |
| **Platform** | **1,055** | **1,153** | **1,230** | *17%* | *7%* |
| Talk Biz | 573 | 630 | 643 | *12%* | *2%* |
| Platform Others | 482 | 523 | 587 | *22%* | *12%* |
| **Content** | **862** | **789** | **868** | ***1%*** | ***10%*** |
| Story | 250 | 211 | 211 | *-16%* | *-0.2%* |
| Music | 518 | 485 | 558 | *8%* | *15%* |
| Media | 94 | 92 | 99 | *5%* | *7%* |
| **Operating Expenses** | **1,714** | **1,731** | **1,821** | ***6%*** | ***5%*** |
| **Operating Profit** | **204** | **211** | **277** | ***36%*** | ***31%*** |
| *Operating Profit Margin* | *10.6%* | *10.9%* | *13.2%* | *+2.6%pt* | *+2.3%pt* |
| **Net Profit** | **172** | **227** | **18** | ***-90%*** | ***-92%*** |
| Controlling Interests | 161 | 172 | 16 | *-90%* | *-91%* |
| Non-controlling Interests | 11 | 55 | 2 | *-84%* | *-97%* |
| *Net Profit Margin* | *9.0%* | *11.7%* | *0.9%* | *-8.1%pt* | *-10.8%pt* |

# Operating Expenses

| (in bn KRW) | 2Q25 | 1Q26 | 2Q26 | YoY | QoQ |
|---|---|---|---|---|---|
| Operating Expenses | 1,714 | 1,731 | 1,821 | *6%* | *5%* |
| Labor | 439 | 445 | 448 | *2%* | *1%* |
| Cost of Revenue | 679 | 701 | 746 | *10%* | *6%* |
| Outsourcing / Infrastructure | 218 | 208 | 223 | *2%* | *7%* |
| Marketing | 79 | 73 | 97 | *22%* | *33%* |
| Depreciation & Amortization | 209 | 197 | 192 | *-8%* | *-3%* |
| Misc. | 90 | 107 | 116 | *29%* | *9%* |

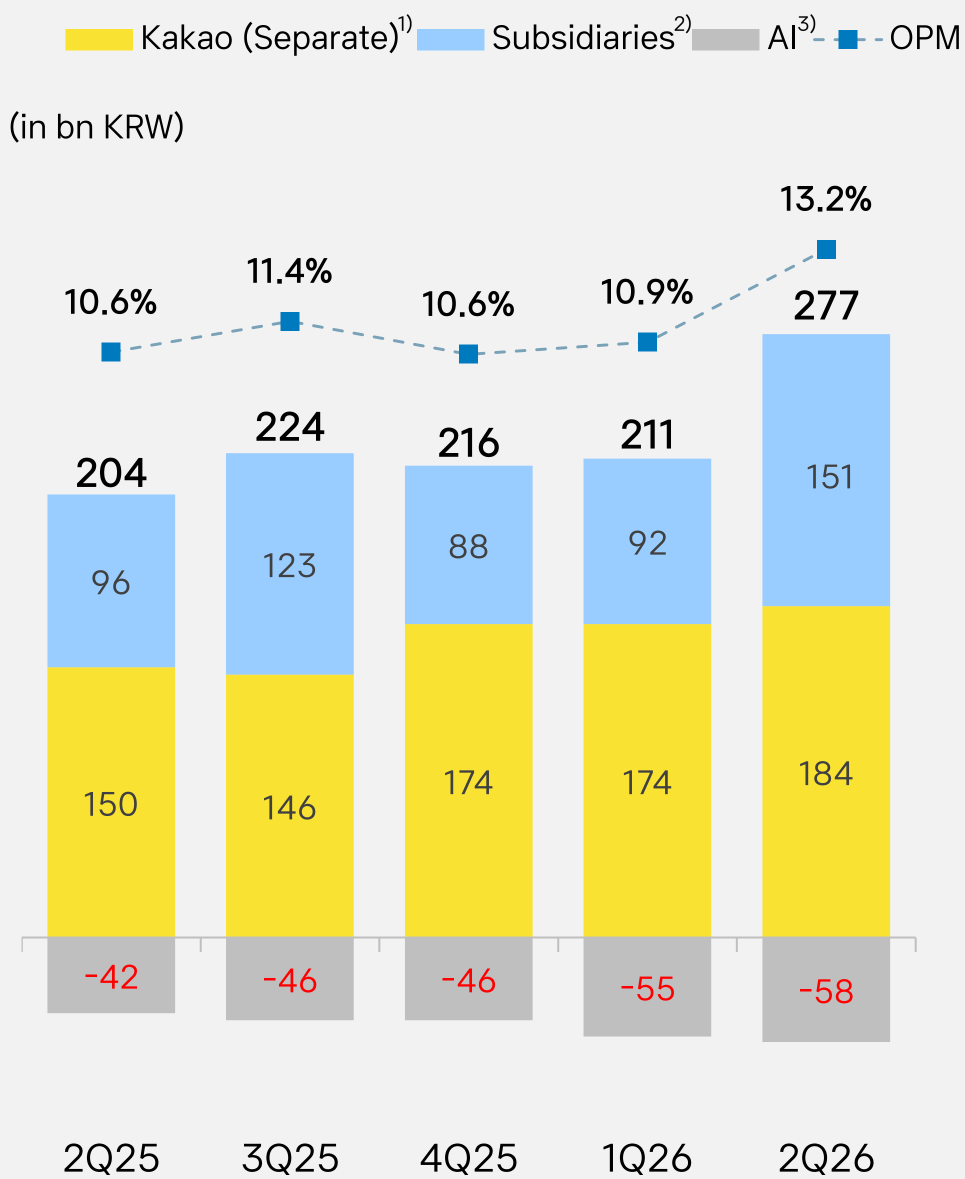
## 2Q Analysis

- Labor — (YoY/QoQ) Maintained conservative hiring
- Cost of Revenue — (YoY/QoQ) Higher settlement costs and album/MD production costs driven by expanded music IP activities
- Outsourcing / Infrastructure — (YoY/QoQ) Higher Infrastructure demand, while cost growth remained limited through efficient operations
- Marketing — (YoY/QoQ) Expanded marketing activities from Piccoma and Pay
- Depreciation & Amortization — (YoY) Base effect from absence of one-off bad debt expenses at a content subsidiary
  (QoQ) Base effect from content rights amortization

# Profits

## Operating Profit(M)

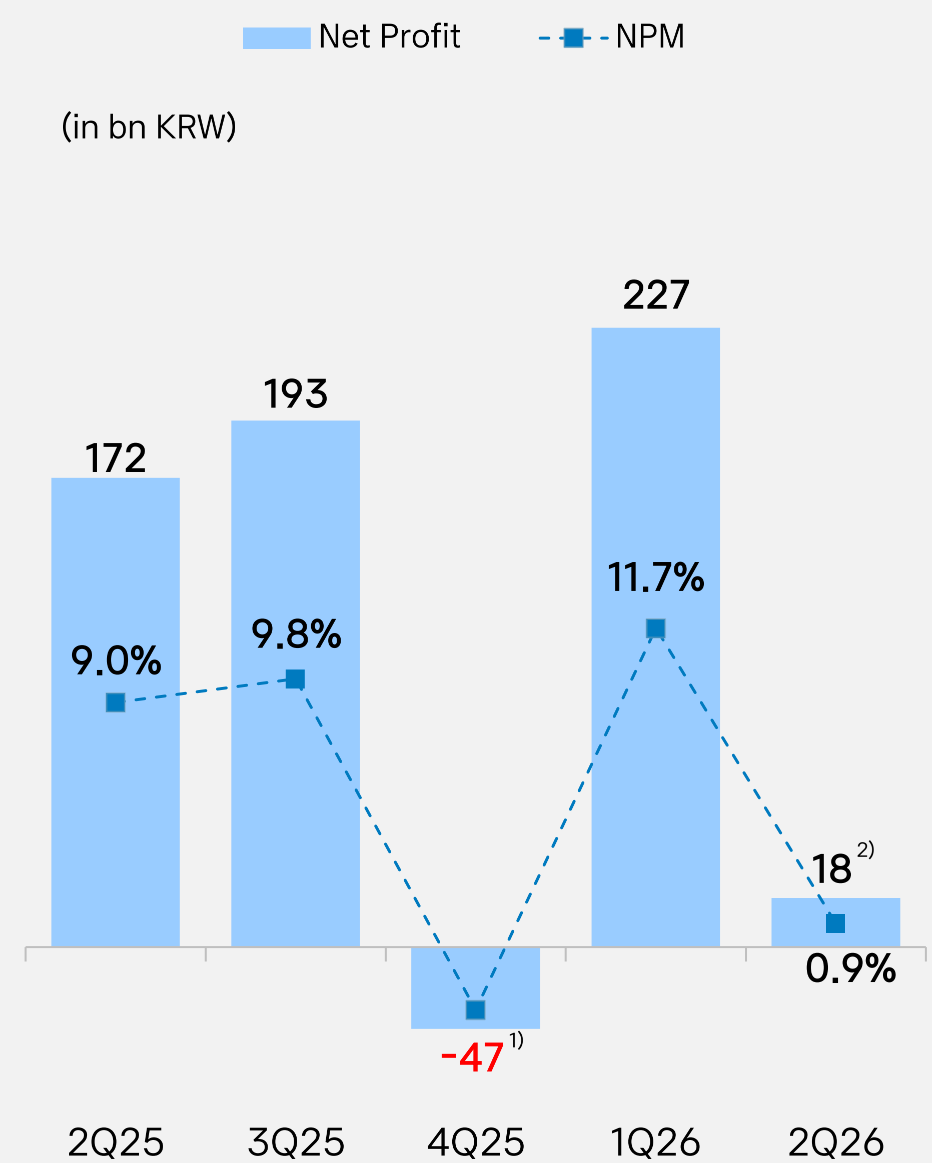
2Q26 +36% YoY, +31% QoQ




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)

2Q26 -90% YoY, -92% QoQ




1) 4Q25: Impairment losses of goodwill (128.3bn) and intangible asset (10.5bn)
2) 2Q26: Loss from discontinued operations (181bn) and income tax expense (165bn) due to deconsolidation and subsidiary stake disposals



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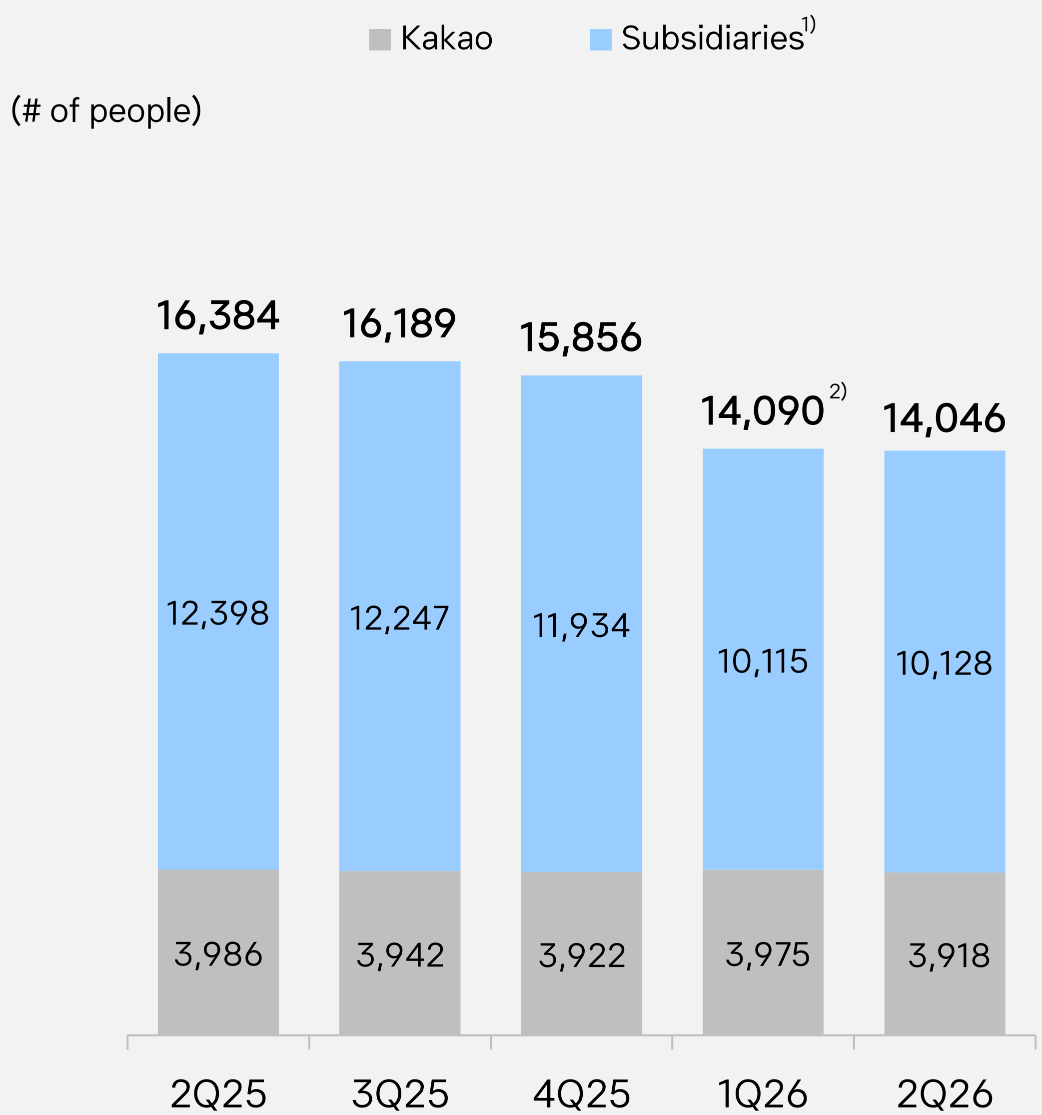
# Employees / CapEx

## Employees 2Q26 -2,338 YoY, -44 QoQ

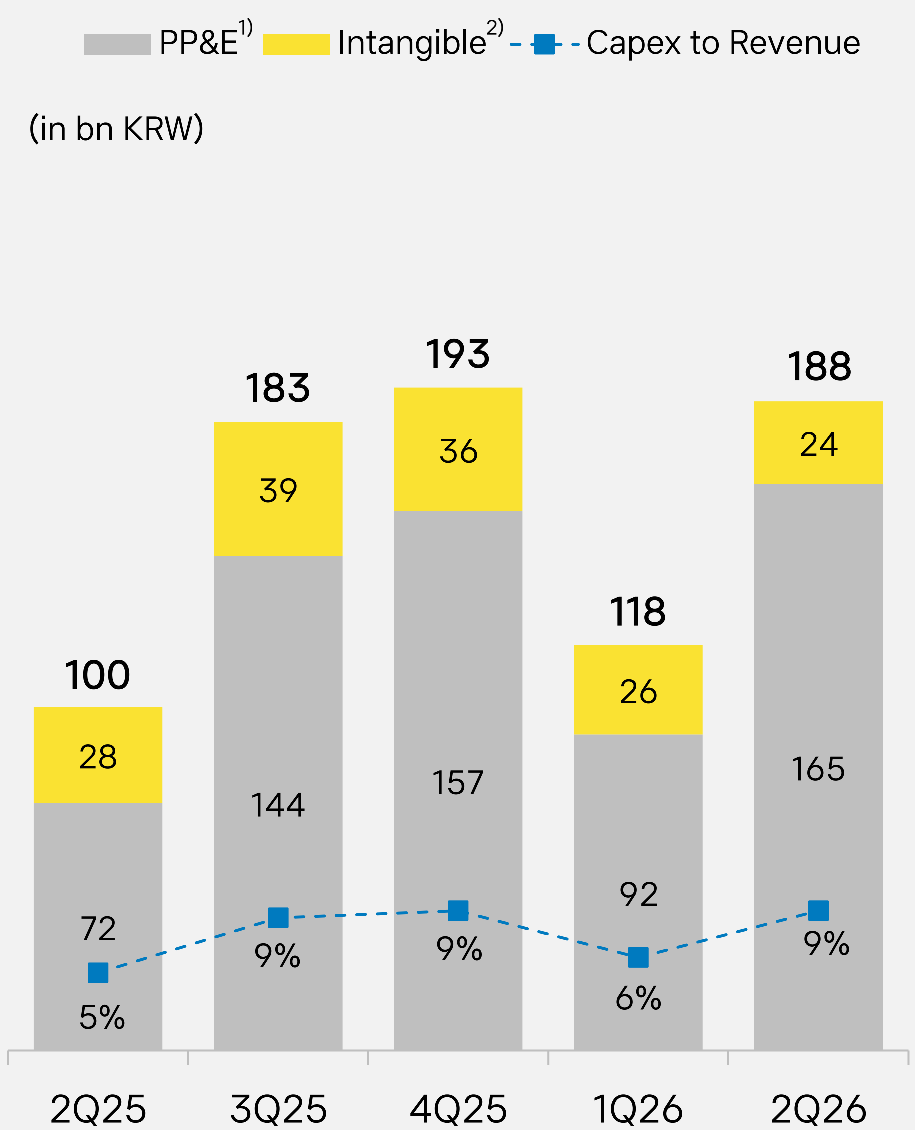
Workforce optimization and corporate restructuring




1) Headcount based on key consolidated subsidiaries
2) Kakao Games deconsolidated

## CapEx 2Q26 +89bn YoY, +70bn QoQ

Concentrated server purchases in 2Q




1) PP&E : data center construction in progress, servers, network equipment, etc.
2) Intangible assets such as good will, video production, distribution rights, etc.



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# ESG Activities


## Kakao 2025 Sustainability Report Released

- Released Kakao's 2025 Sustainability Report aligned with global sustainability disclosure standards.
- Disclosed major ESG achievements, such as launch of Kanana Safeguard, Korea's first open-source AI guardrail


## Advanced AI Content Transparency with Google DeepMind

- Signed a partnership with Google DeepMind in order to enhance transparency in AI-generated content
- Applied SynthID digital watermarking and detection technology to Kanana AI model, building a foundation for safe AI services

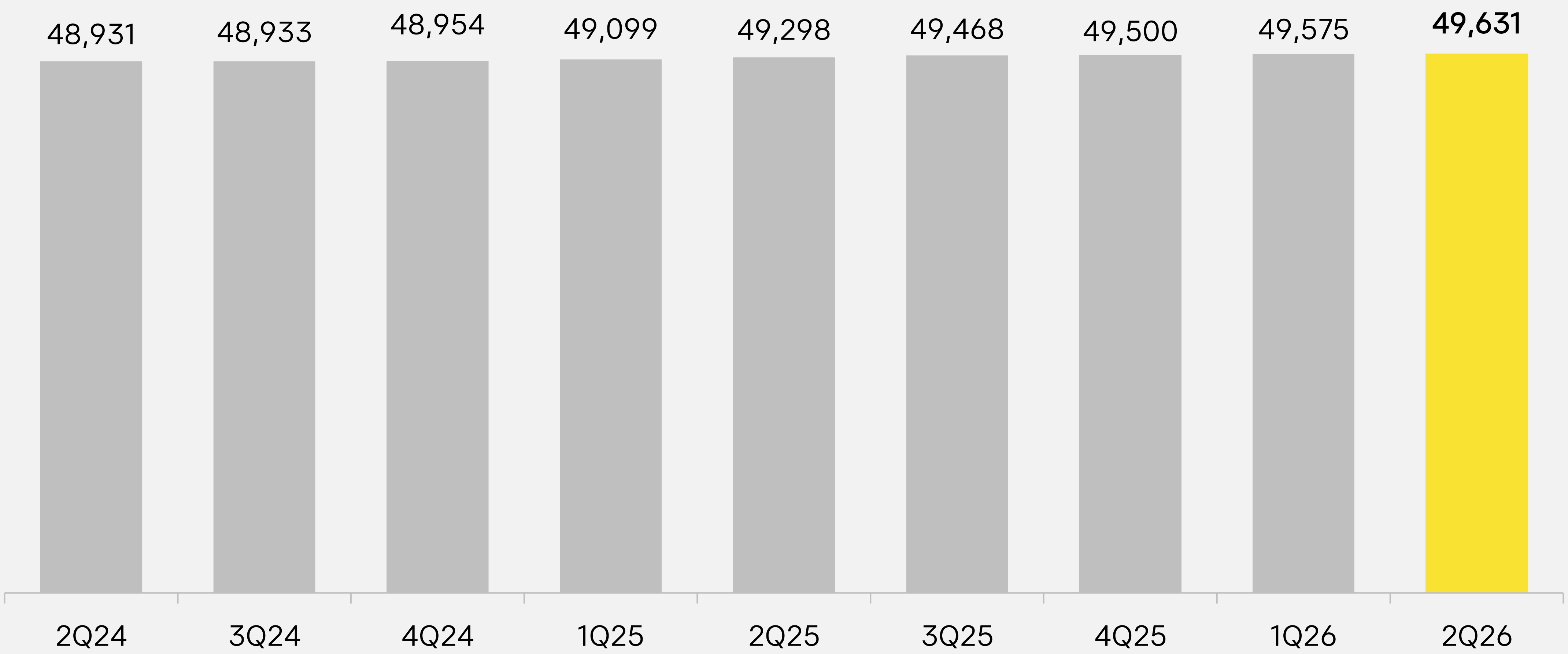

## Hosted 2026 Partner's Day for Mutual Growth

- Hosted 66 network, security and commerce partners, providing training on mutual growth, ESG management, procurement policy and financial support.
- Continued the partner mutual-growth program for the 18th time, promoting a healthy partnership ecosystem

# KakaoTalk MAU

## Maintaining stable domestic MAU approaching 50 million

(in thousands)




| | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26 |
|---|---|---|---|---|---|---|---|---|---|
| Korea | 48,931 | 48,933 | 48,954 | 49,099 | 49,298 | 49,468 | 49,500 | 49,575 | 49,631 |
| Global | 54,195 | 54,198 | 54,048 | 54,080 | 54,286 | 54,500 | 54,501 | 54,683 | 55,346 |

Average of monthly MAUs. Global includes domestic MAUs.



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# Appendix Revenue Reclassification

## Network Ads newly added under Talk Biz advertising & subscription
## Portal Biz revenue reclassified into each relevant business and discontinued

**Before**

| | | |
|---|---|---|
| Platform | Talk Biz | Advertising and Subscription : Talk DA (Bizboard / DA Others), Network Ads, Business Messaging, Subscription and Others |
| | | Commerce : Talk Gift, Talk Store, Kakao Friends Online |
| | Portal Biz [1] | Daum PC / Mobile<br>Kakao Story / Style / Page<br>Other subsidiaries' ads |
| | Platform Others | Mobility Pay Enterprise<br>Other Subsidiaries |
| Content | Story | Piccoma |
| | | Entertainment |
| | Music | SM Entertainment Melon<br>Digital Music Distribution<br>Album Distribution Music Production |
| | Media | Video Production Talent Agency |

1) Daum PC / Mobile ad revenue reclassified under Platform Others; recognized through 2Q26 following deconsolidation;
Kakao Story/Style ad revenue: reclassified to Talk Biz 〉 Advertising;
KakaoPage under Story 〉 Entertainment.
Other subsidiary ad revenue: reclassified under Platform Others (Mobility), Story (Piccoma) and Music (Melon).

**After**

| | | |
|---|---|---|
| Platform | Talk Biz | Advertising and Subscription : Talk DA (Bizboard / Non-Bizboard[1]), Network Ads [2] , Business Messaging, Subscription and Others |
| | | Commerce : Talk Gift, Talk Store, Kakao Friends Online |
| | Platform Others | Mobility Pay Enterprise<br>Other consolidated subsidiaries |
| Content | Story | Piccoma |
| | | Entertainment |
| | Music | SM Entertainment Melon<br>Digital Music Distribution<br>Album Distribution Music Production |
| | Media | Video Production Talent Agency |

1) Non-Bizboard: KakaoTalk display ads excluding Bizboard
2) Network Ads: Display ads on external platform inventory

# Thank You