

kakao

Q2 2026 Earnings Results

2026. 8. 6 | Kakao Investor Relations



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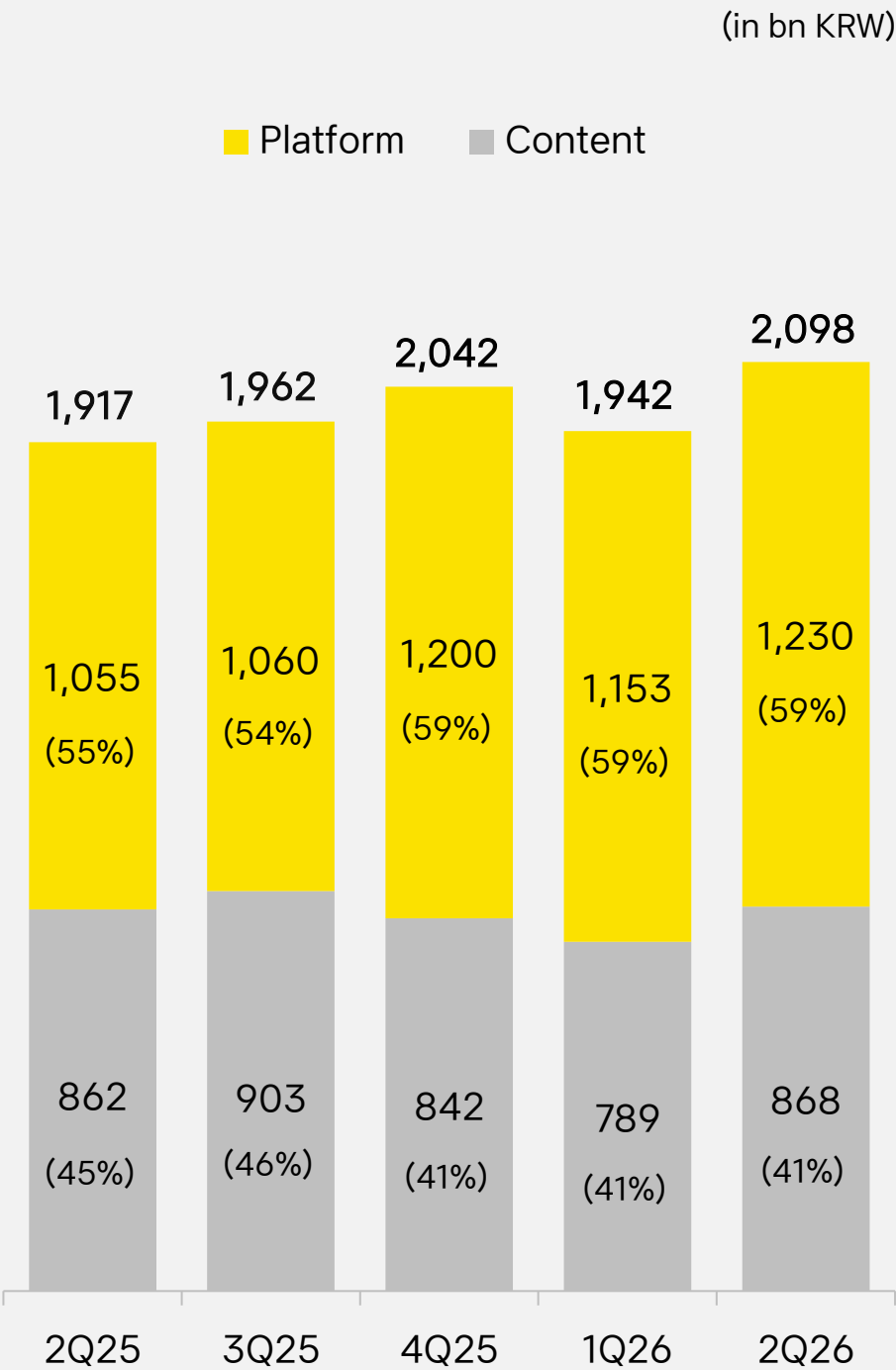
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Revenue

Revenue **+9% YoY / +8% QoQ**
Q2 MIX : Platform 59%, Content 41%



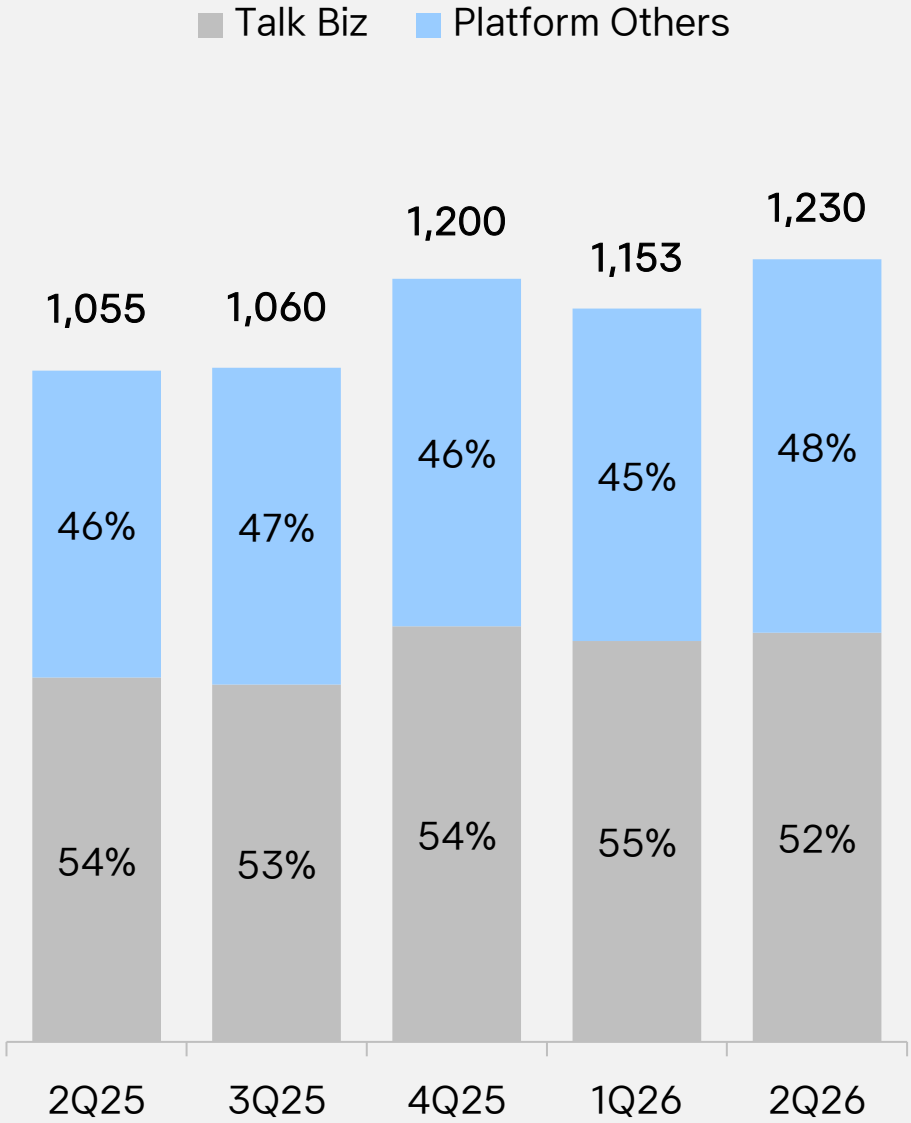
Revenue		
Platform	Talk Biz	Advertising and Subscription : Talk DA (Bizboard / Non-Bizboard), Business Messaging, Network Ads Subscription and Others
		Commerce : Talk Gift, Talk Store, Kakao Friends Online
	Platform Others	Mobility Pay Enterprise Other Consolidated Subsidiaries
Content	Story	Piccoma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

Revenue

Platform

2Q26 +17% YoY, +7% QoQ

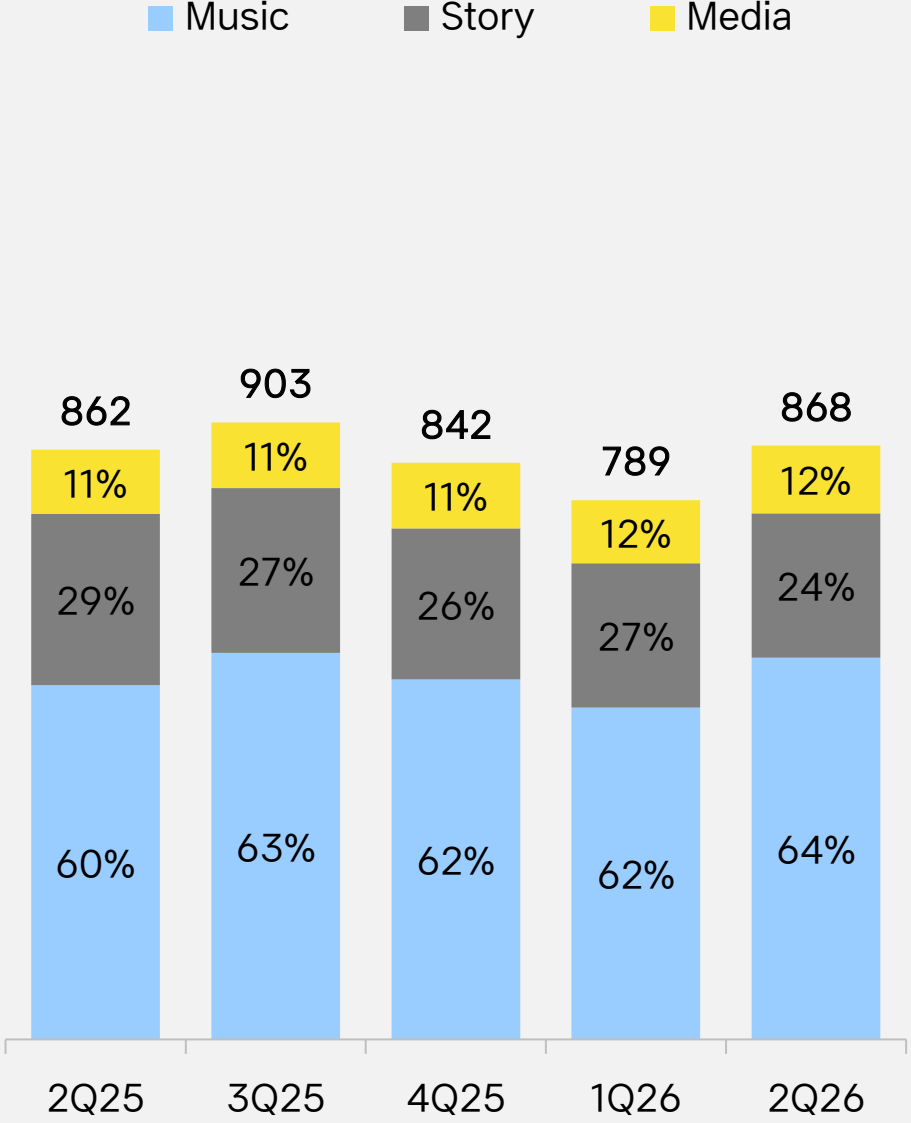
(in bn KRW)



Content

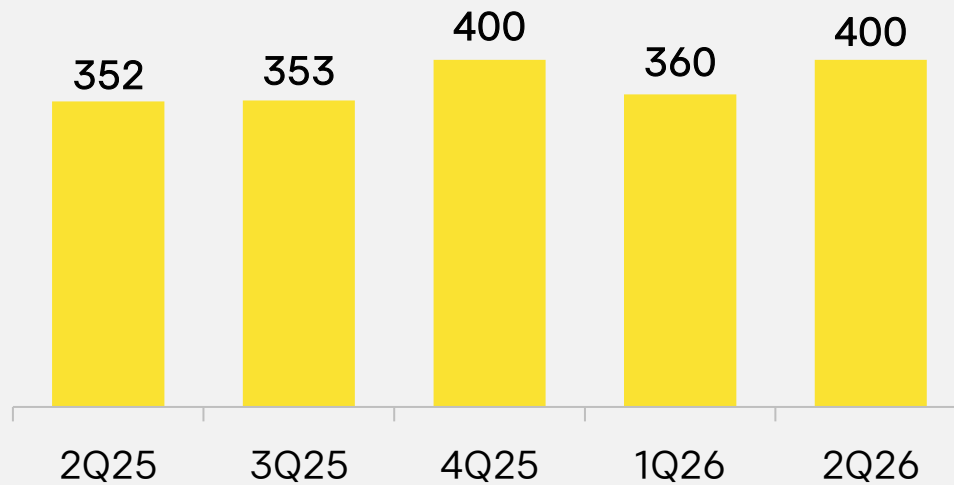
2Q26 +1% YoY, +10% QoQ

(in bn KRW)



Advertising & Subscription

(in bn KRW)

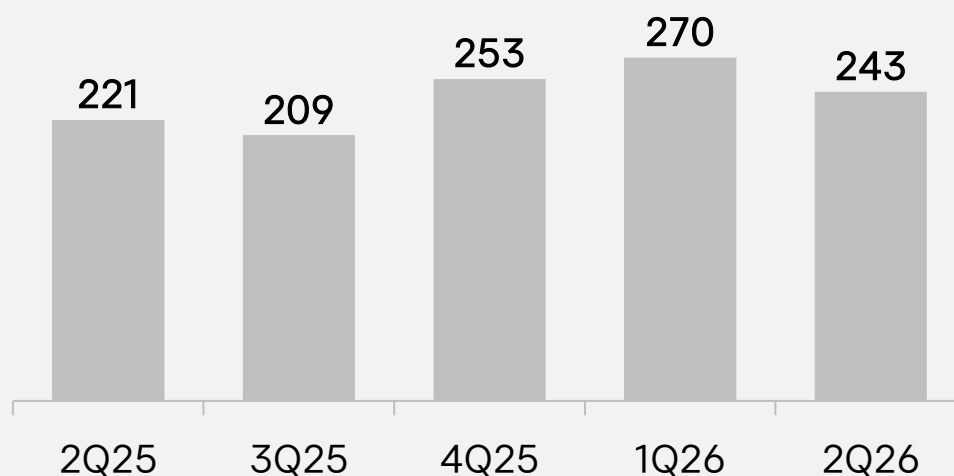


2Q26 +14% YoY, +11% QoQ

- **(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

(in bn KRW)

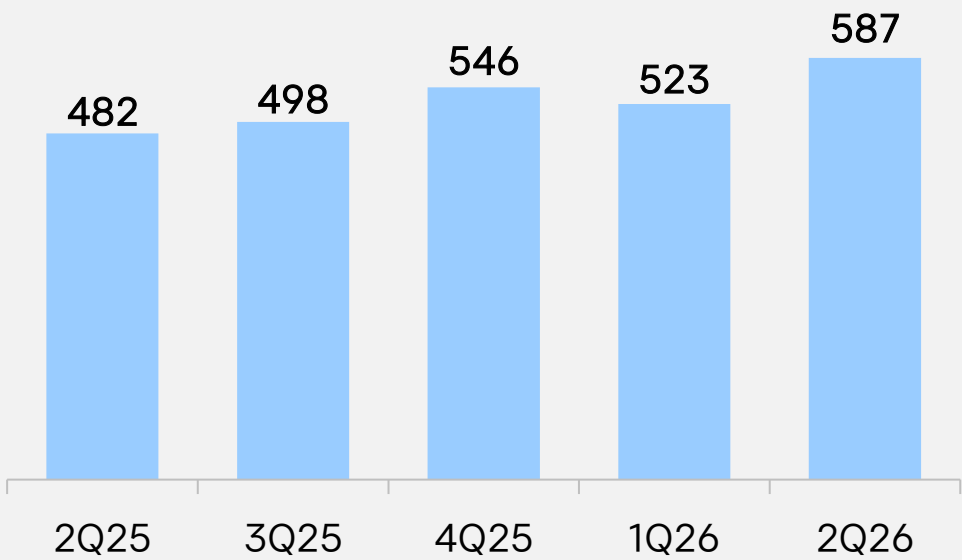


2Q26 +10% YoY, -10% QoQ

- **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 Others

(in bn KRW)

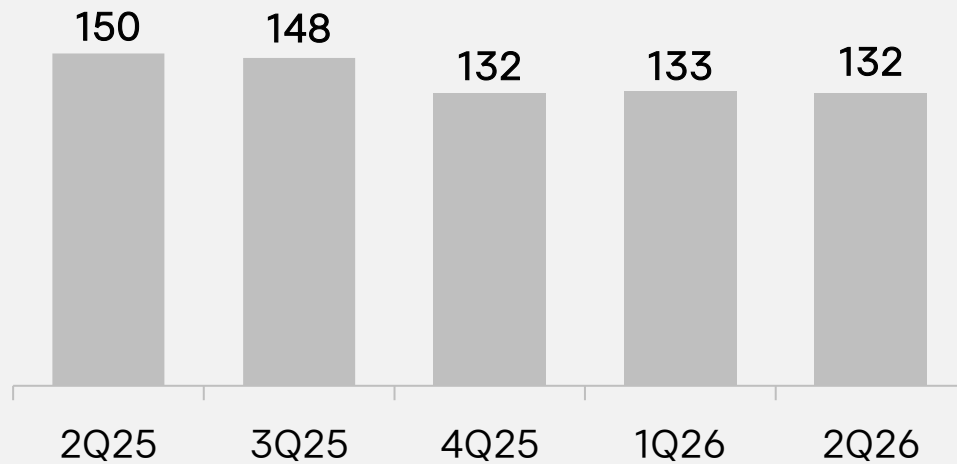


2Q26 +22% YoY, +12% QoQ

- **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

Piccoma

(in bn KRW)

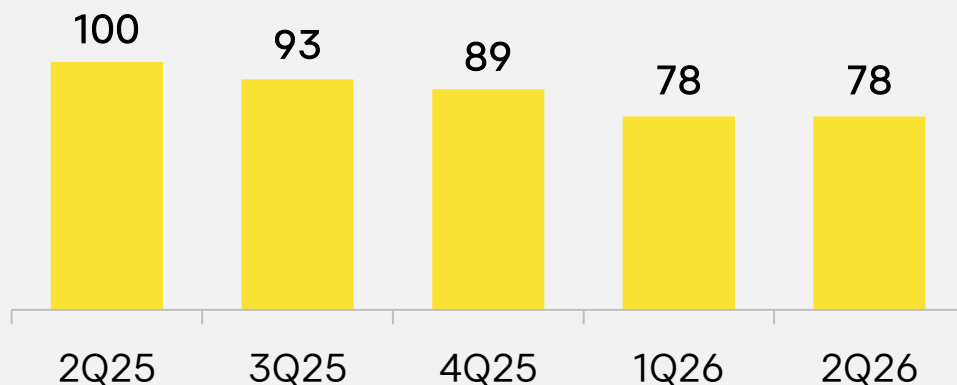


2Q26 -12% YoY, Flat QoQ

- (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

(in bn KRW)

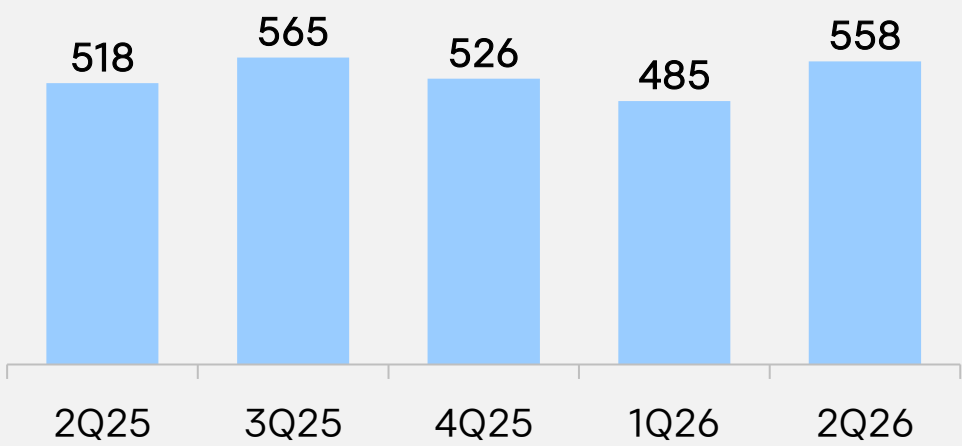


2Q26 -22% YoY, Flat QoQ

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

Music

(in bn KRW)

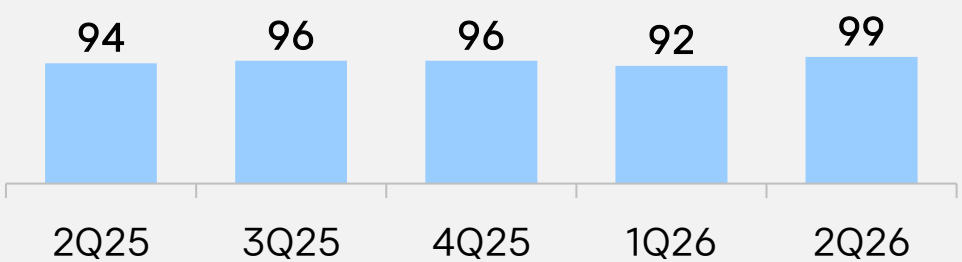


2Q26 +8% YoY, +15% QoQ

- (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%
<i>Operating Profit Margin</i>	<i>10.6%</i>	<i>10.9%</i>	<i>13.2%</i>	<i>+2.6%pt</i>	<i>+2.3%pt</i>
Net Profit	172	227	18	-90%	-92%
Controlling Interests	161	172	16	-90%	-91%
Non-controlling Interests	11	55	2	-84%	-97%
<i>Net Profit Margin</i>	<i>9.0%</i>	<i>11.7%</i>	<i>0.9%</i>	<i>-8.1%pt</i>	<i>-10.8%pt</i>

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%

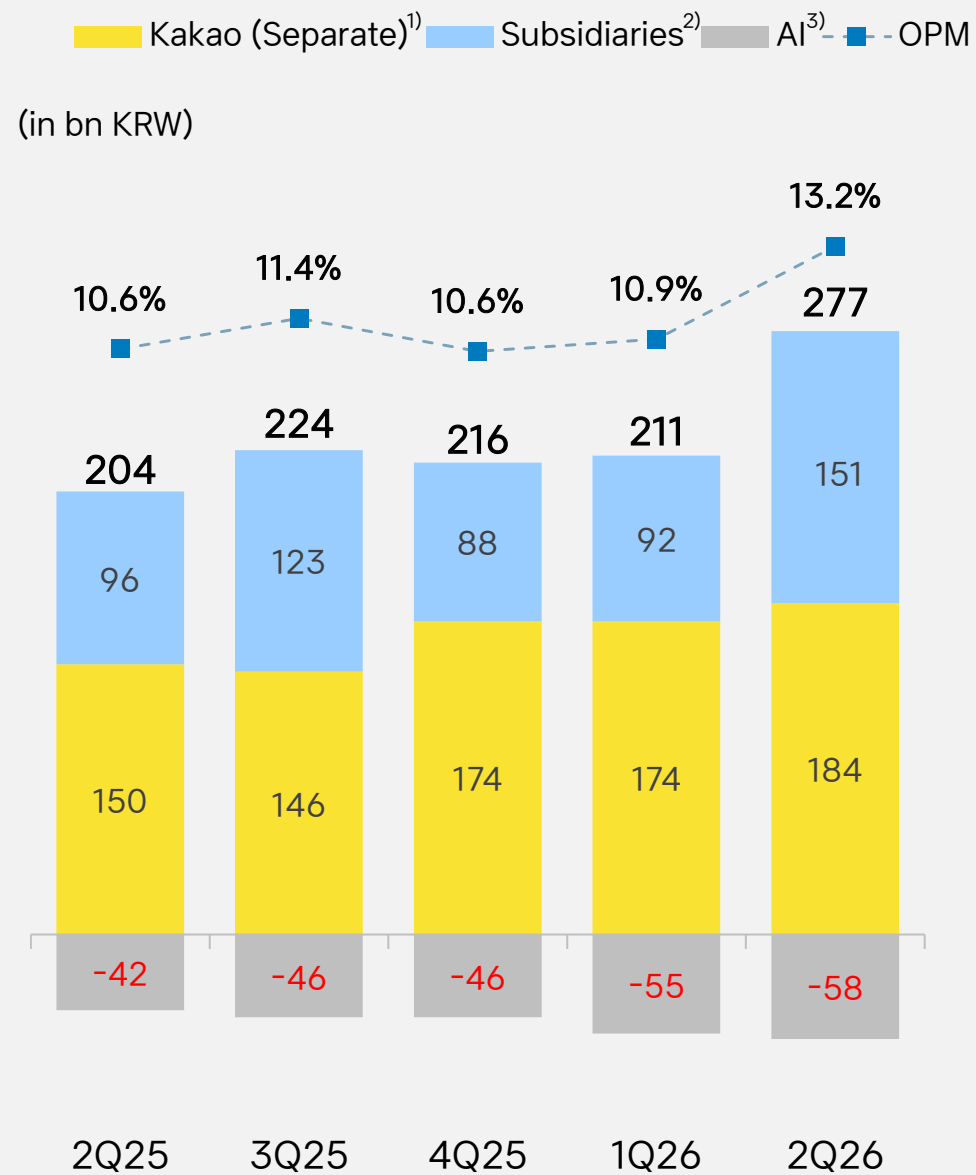
2Q Analysis

- 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)

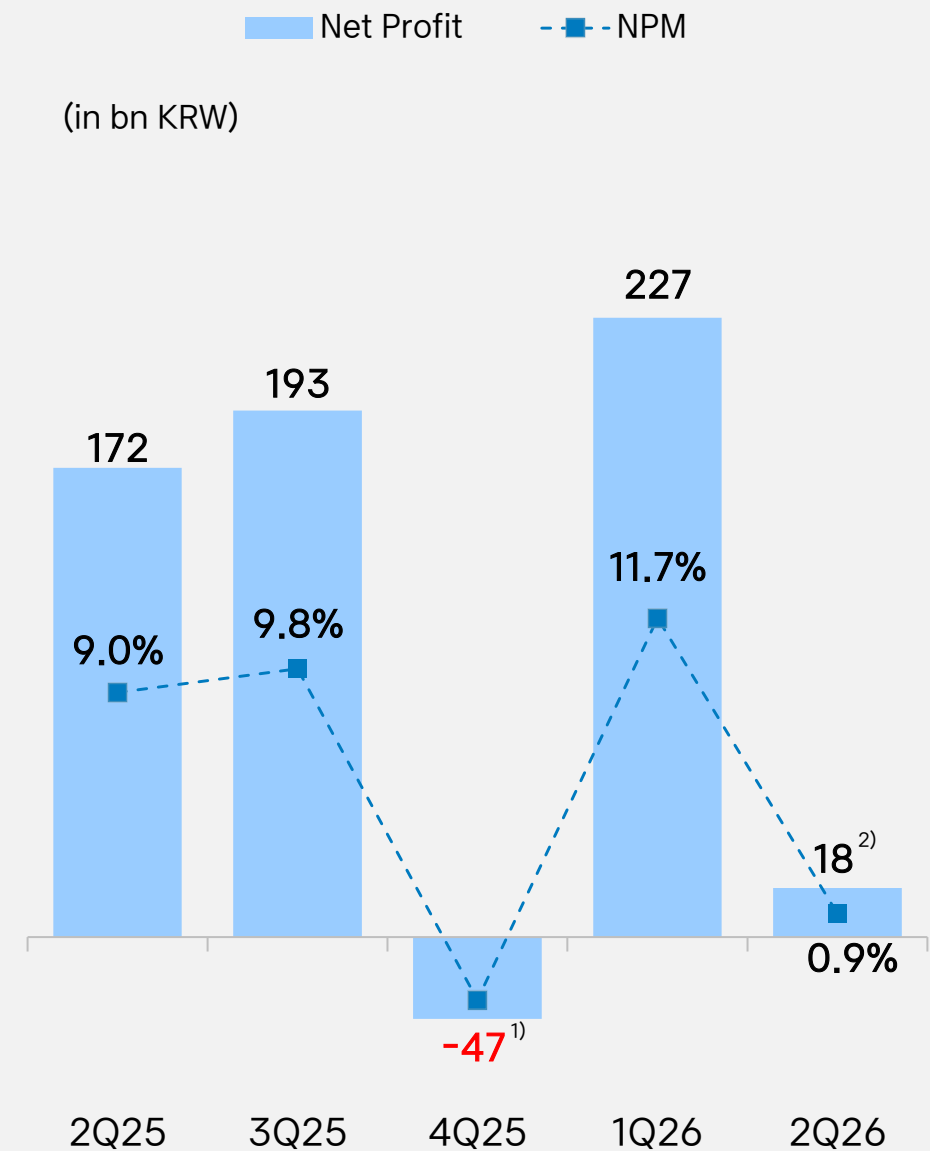
2Q26 +36% YoY, +31% QoQ



- 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

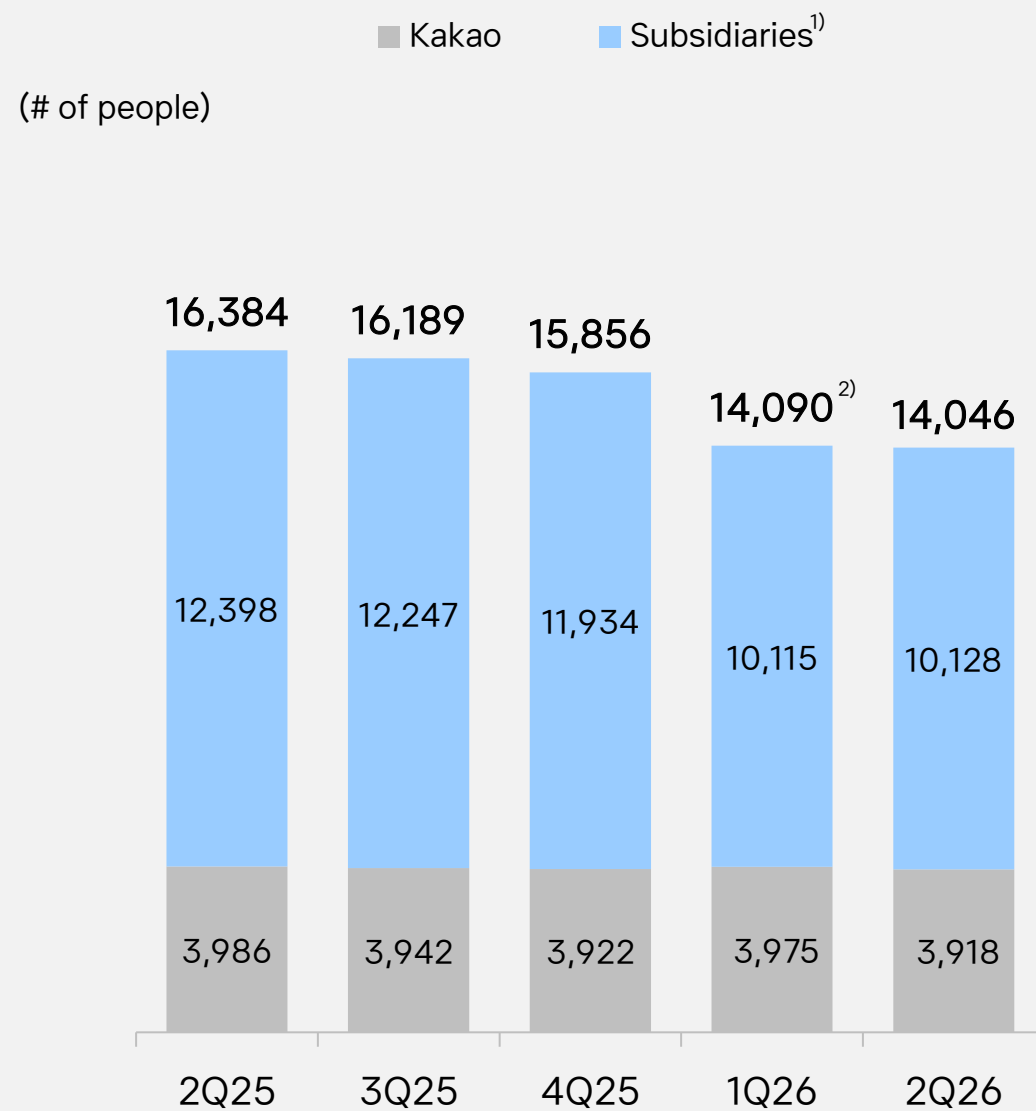


- 1) 4Q25: Impairment losses of goodwill (128.3bn) and intangible asset (104.9bn)
 2) 2Q26: Loss from discontinued operations (181bn) and income tax expense (165bn) due to deconsolidation and subsidiary stake disposals

Employees / CapEx

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

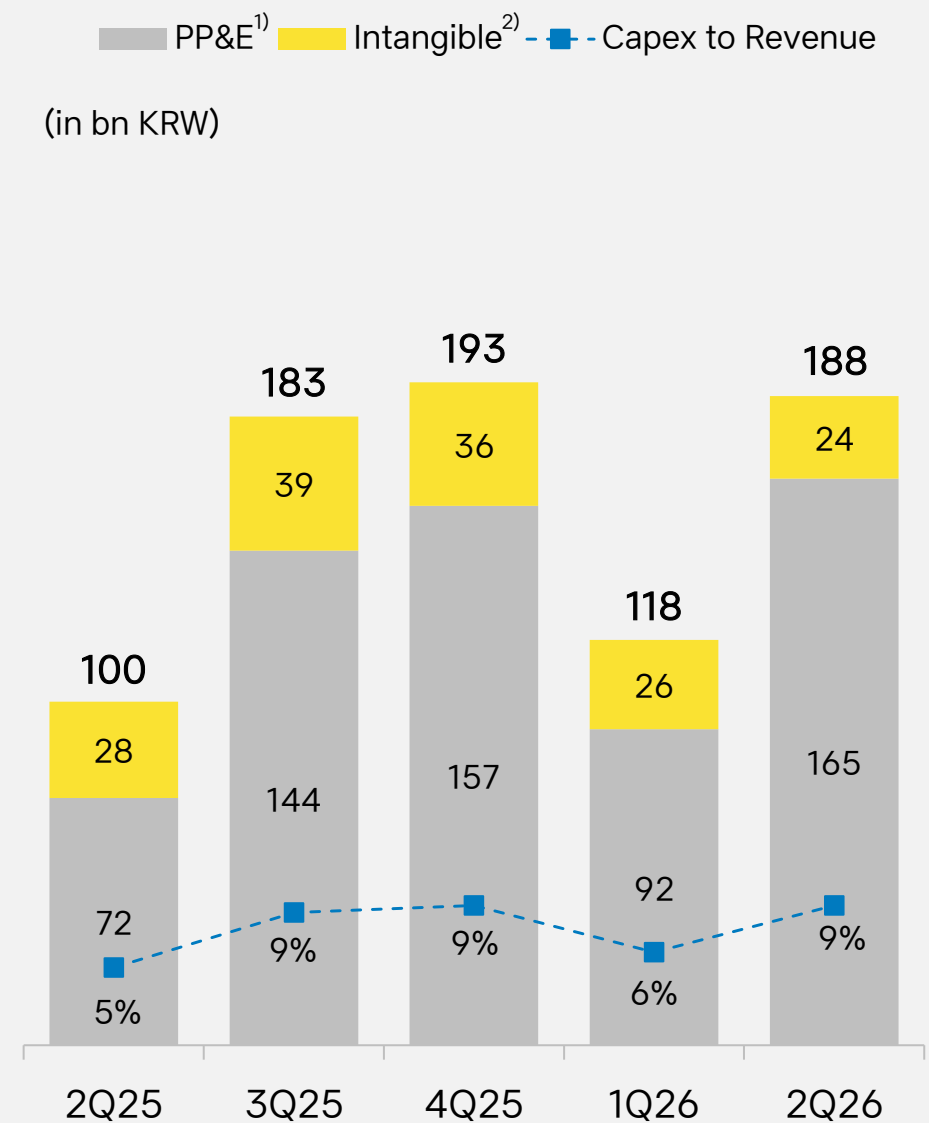
Workforce optimization and corporate restructuring



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

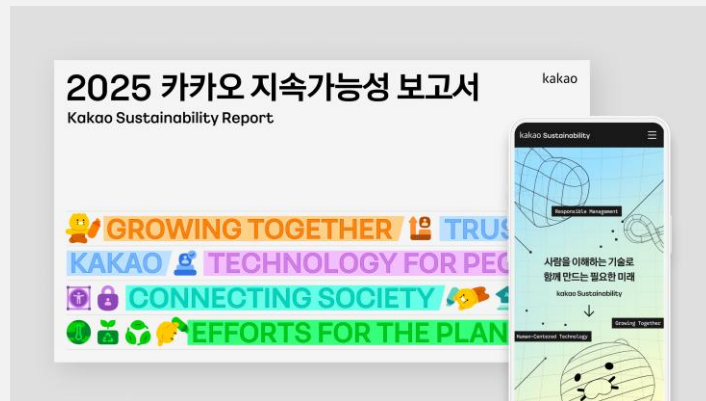
CapEx 2Q26 +89bn YoY, +70bn QoQ

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.

ESG Activities



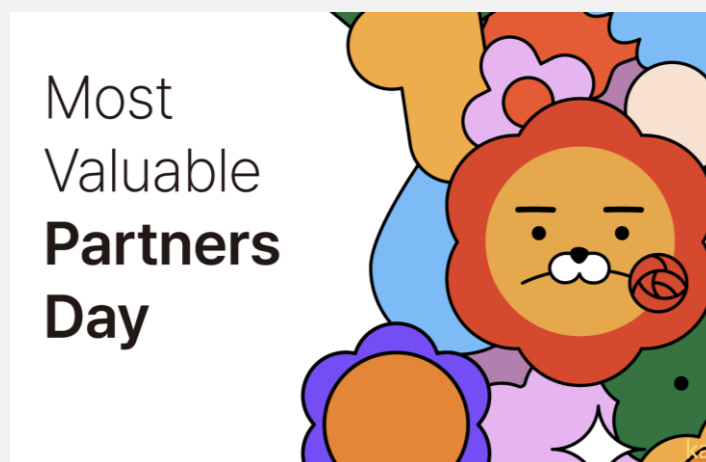
Kakao 2025 Sustainability Report Released

- 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



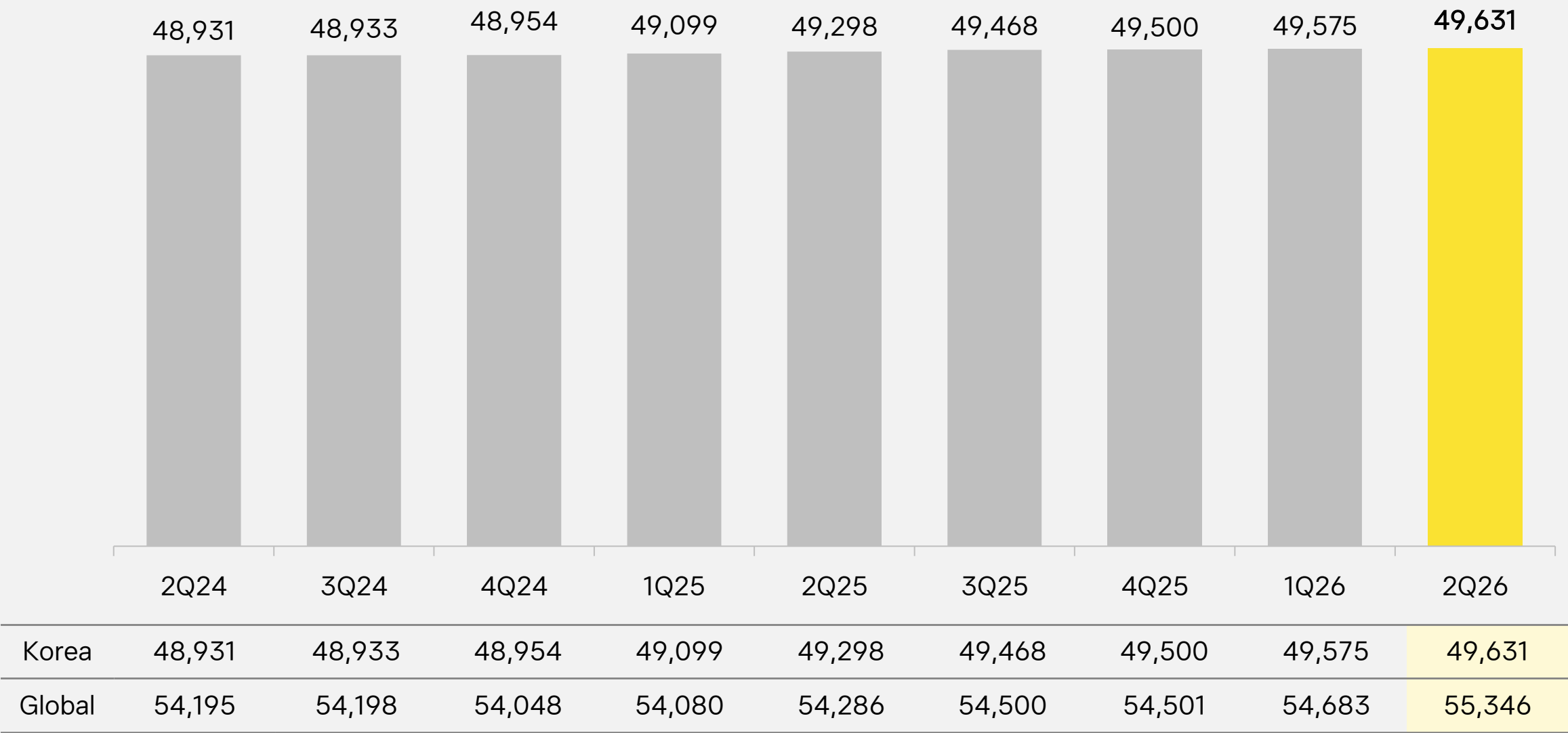
Hosted 2026 Partner's Day for Mutual Growth

- 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)



Average of monthly MAUs. Global includes domestic MAUs.

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 Kakao Story / Style / Page Other subsidiaries' ads
	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

- 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 Other consolidated subsidiaries
Content	Story	Piccoma
		Entertainment
	Music	SM Entertainment Melon Digital Music Distribution 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

