



Kakao Corp.
(Incorporated in the Republic of Korea with limited liability)
(the “Company”)

**PROPOSED CASH REPURCHASE OF U.S.\$212.2 MILLION
2.625 PER CENT. CONVERTIBLE BONDS DUE 2029 ISSUED BY THE
COMPANY (ISIN: XS2802119821) (THE “BONDS”)**

Sole Dealer Manager



References are made to the announcement made on 29 April 2024 relating to the listing of the Bonds on the Singapore Exchange Securities Trading Limited and the announcement of the Company dated 25 February 2025 in relation to the proposed repurchase of its Existing Bonds (the “**Announcements**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

After the end of the tender period on 26 February 2025, the Company has, through the Sole Dealer Manager, received commitments from Bondholders to sell to the Company a principal amount of Existing Bonds of approximately U.S.\$203.7 million, which represent approximately 96 per cent. of the initial principal amount of the Bonds. The remaining outstanding Existing Bonds not tendered for repurchase amount to approximately U.S.\$8.5 million. The Company may continue to purchase the remaining Existing Bonds from time to time in the open market or otherwise pursuant to the Conditions.

Bondholders whose tender of their Existing Bonds pursuant to the Cash Repurchase has been accepted by the Company will be eligible for consideration per U.S.\$100,000 in principal amount of outstanding Existing Bonds repurchased, calculated as follows (the “**Repurchase Price**”):

$$CB \text{ Ask Price (\%)} + \text{Repurchase Premium (\%)} + \text{Effective Delta Adjustment Amount (\%)}$$

Where:

- “**CB Ask Price**” = the ask price of the Existing Bonds of 102.875% on the day of the launch, being 25 February 2025 (“**Launch Date**”) of the Cash Repurchase (as at the close of the Korean Stock Exchange as of Launch Date)
- “**Repurchase Premium**” = 2.25%
- “**Effective Delta Adjustment Amount**” = the greater of (i) zero and (ii) Delta Adjustment Amount
- “**Delta Adjustment Amount**” = (USD VWAP Futures Price – Futures USD Reference Price) x Conversion Ratio / Denomination x Reference Delta
 - “**USD VWAP Futures Price**” is calculated by arithmetic average of the Daily USD VWAP of 1-Month Kakao Futures (“**Futures**”) during the VWAP Period
 - “**Daily USD VWAP**” = the VWAP of Futures divided by the Closing FX on

each Trading Day

- “**VWAP of Futures**” = price presented on Bloomberg <03572=H5 KS Equity> <VWAP> function on each Trading Day
- “**Closing FX**” = Bloomberg <SMBS> “KRW Basic Rates Fixing KRW/USD” closing rate at 3:30 PM Seoul time
- “**Futures USD Reference Price**” = closing price of 1-Month Futures (Bloomberg ticker: <03572=H5 KS Equity>) on Launch Date / Closing FX on Launch Date
- “**Conversion Ratio**” = 2,167.3469 per U.S.\$100,000 notional of bonds
- “**Denomination**” = U.S.\$100,000
- “**Reference Delta**” = 35%
- “**VWAP Period**” = each of the 2 consecutive trading days (each a “**Trading Day**”, together the “**Total Trading Days**”) commencing on (and including) 26 February 2025 and ending on (and including) 27 February 2025

The Company will make a further announcement as soon as practicable after determination of the Repurchase Price.

In addition to the Repurchase Price, the Company will pay, in respect of Existing Bonds accepted pursuant to the Cash Repurchase (the “**Accepted Bonds**”), a cash amount representing interest accrued (the “**Accrued Interest**”) but unpaid on such Existing Bonds from (and including) 29 October 2024, being the immediately preceding interest payment date prior to the Cash Repurchase to (but excluding) 12 March 2025 (the “**Settlement Date**”). Such Accrued Interest is expected to be U.S.\$969.79 per U.S.\$100,000 in principal amount calculated based on the currently contemplated Settlement Date of the Cash Repurchase.

As per the Conditions, the Company has an option to exercise the clean-up call right on the Existing Bonds if less than 10% the principal amount of the Bonds originally issued are left outstanding after conversion, redemption or purchase and cancellation.

Completion of the Cash Repurchase is subject to, among other things, the conditions set forth in the Dealer Manager Agreement, market conditions and investors’ demand. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Cash Repurchase will be made by the Company as and when appropriate in accordance with the listing manual of the Singapore Exchange Securities Trading Limited.

Kakao Corp.
26 February 2025