

No longer just in your **thought bubble**

DearU

1Q25 Business Results

MAY 2025

Disclaimer

All financial information contained herein is based on a consolidated basis in accordance with International Financial Reporting Standards ("IFRS").

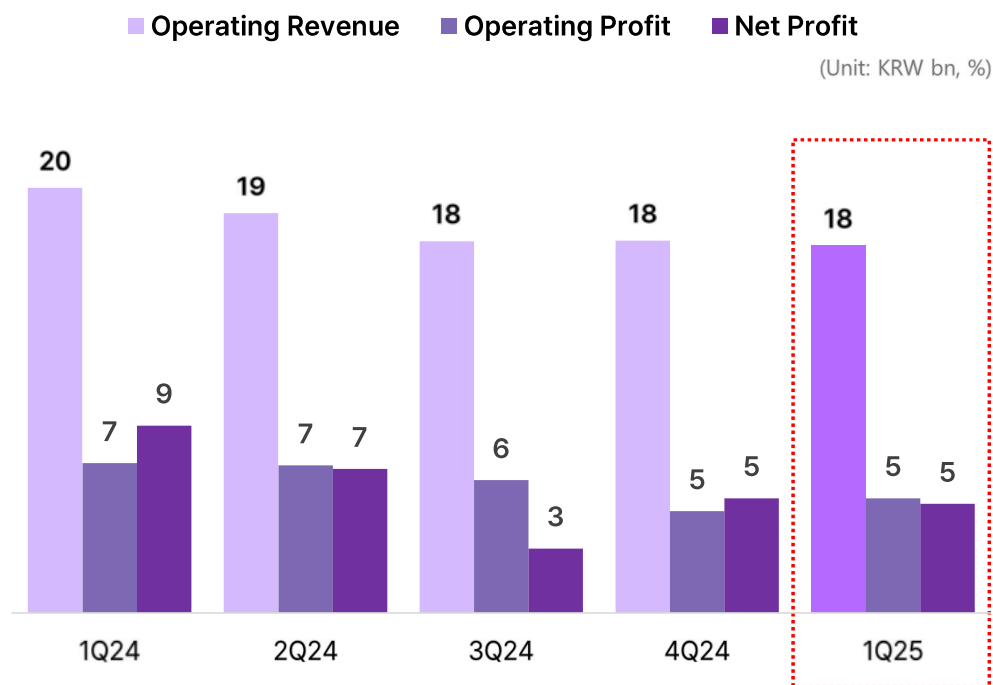
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Ticker: 376300, KOSDAQ

1Q25 Business Results



*based on consolidated financial statements

1Q25 Review

1Q25

Operating Revenue: W 17.5 bn (- 1.3% QoQ, -13.5% YoY)
 Operating Profit: W 5.5 bn (+12.6% QoQ, -23.4% YoY)
 Net Profit: W 5.2 bn (- 4.9% QoQ, -41.7% YoY)

Subscriptions -1% QoQ but revenue decline partially offset by contents sales and Japan royalty revenue

- 4Q24 avg 1.90 million -> 1Q25 avg 1.88 million
- Mainly due to Artist service termination (BLACKPINK JISOO)
- Continued increase in Other Revenue due to launch of AI Pet bubble and Japan JV royalty revenue

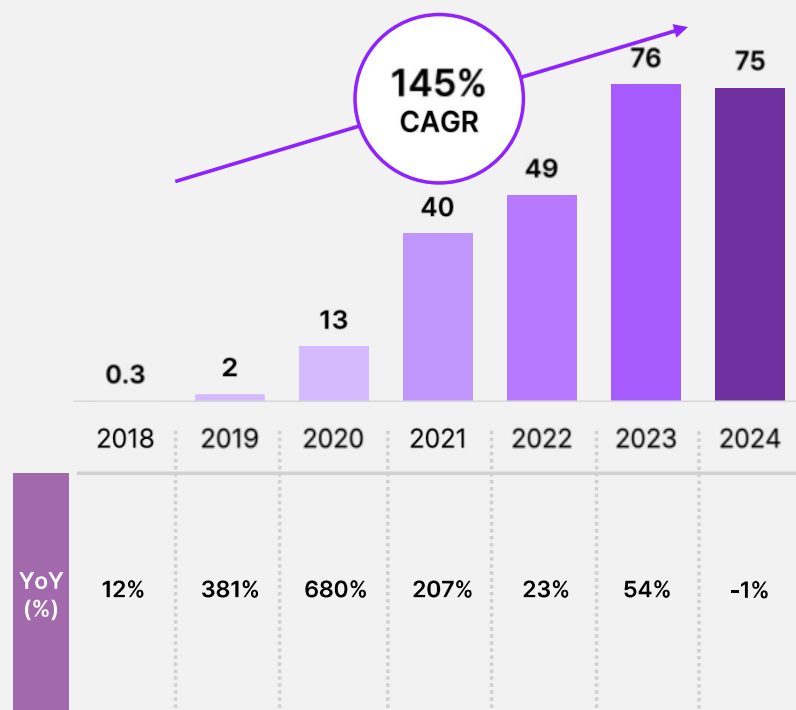
Continued new IP launches

- KiiiKiii (STARSHIP) onboarded on Apr. 1 and RIIZE and NCT WISH (SM) onboarded on Apr. 29.
- Artist comeback: EXO KAI (Feb), MONSTA X (Jan-Feb)
- bubble for Japan: 62,333 subscriptions as of end-1Q25

Financial Highlights(1) - Operating Revenue

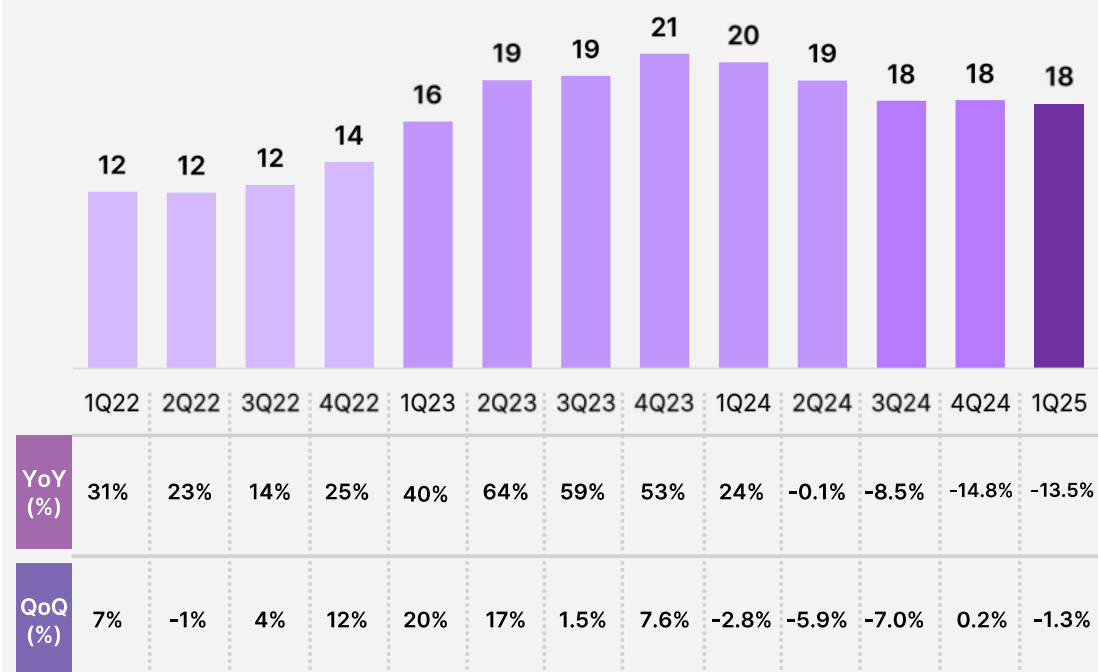
Annual Operating Revenue

(Unit: KRW bn, %)



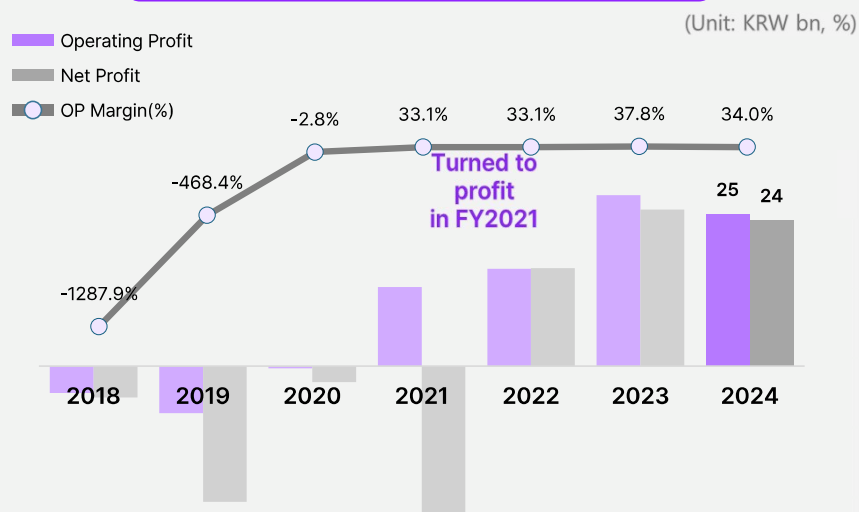
Quarterly Operating Revenue

(Unit: KRW bn, %)



Financial Highlights(2) - Profitability

Annual Profitability



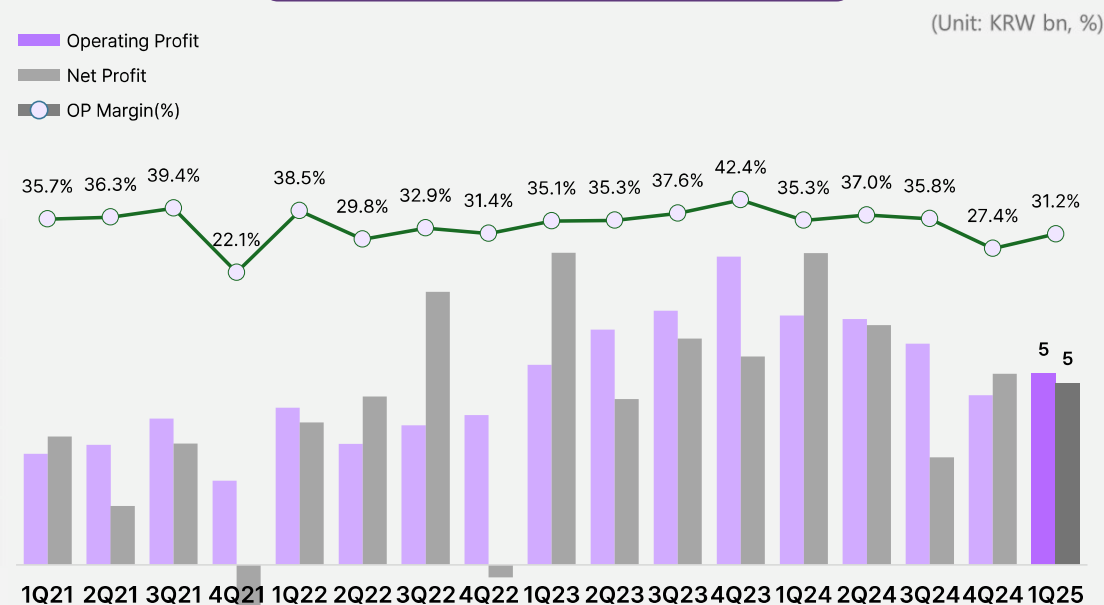
2019

Recognized impairment loss on intangible asset from merger with Brinicle Inc.
- W13.3bn

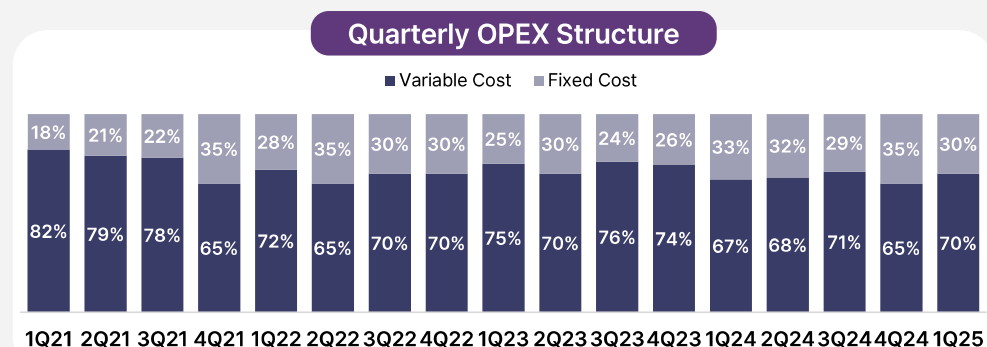
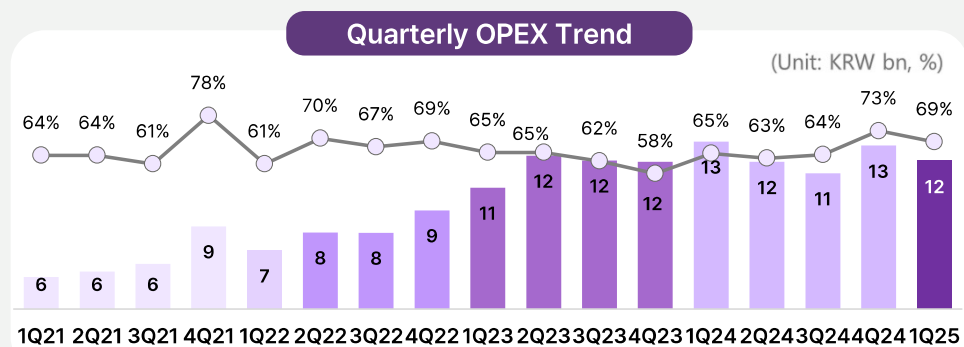
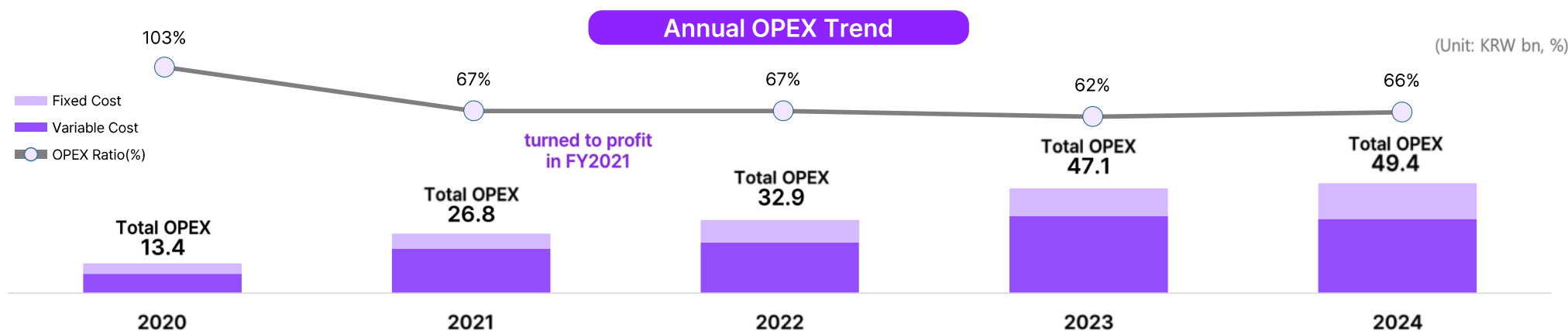
2021

Valuation losses from CB & CPS conversion to common stock
CB: 226K Shares, W4.8bn
CPS: 1.6M Shares, W33.6bn

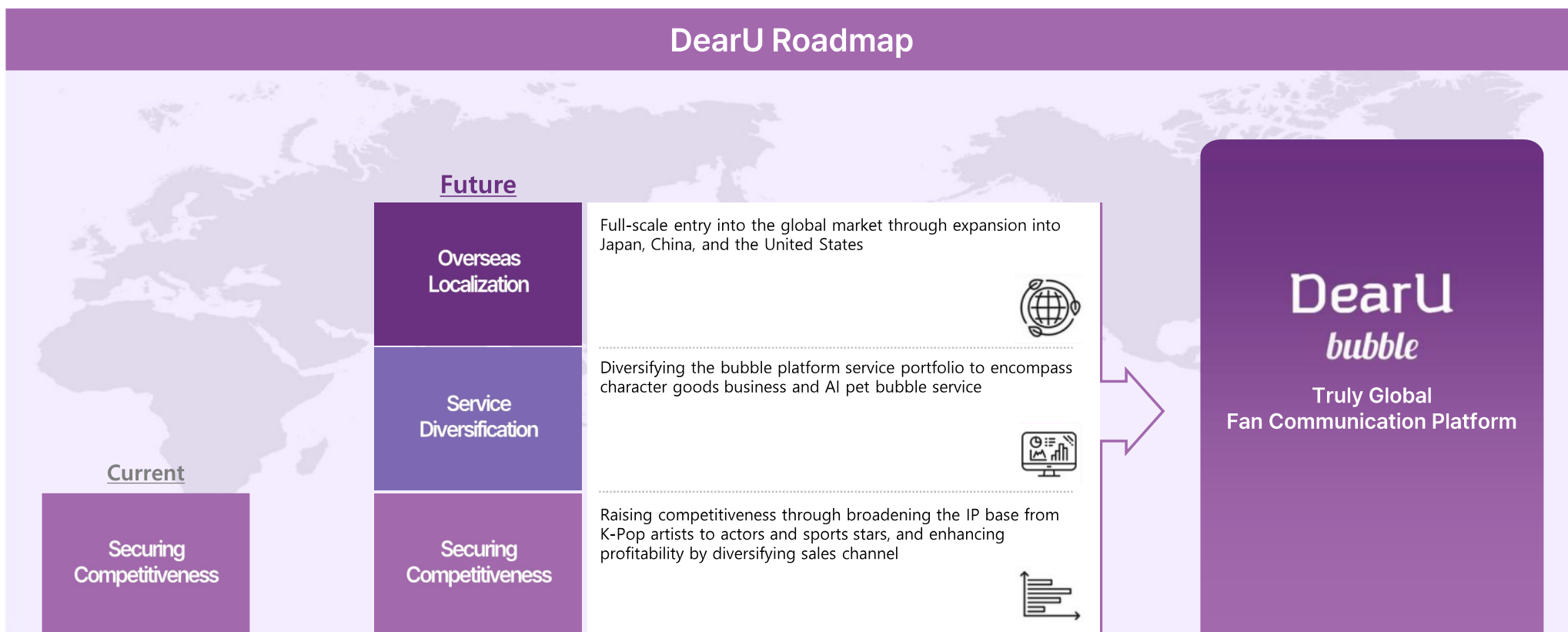
Quarterly Profitability



Financial Highlights(3) - OPEX



DearU Roadmap



Appendix. Non-consolidated Financial Statements

Statement of Income

(Unit: KRW Mil.)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2022	2023	2024
Operating Revenue	11,706	11,647	12,165	13,676	16,353	19,098	19,383	20,858	20,280	19,076	17,736	17,775	17,549	49,194	75,692	74,867
Operating Expenses	7,196	8,174	8,160	9,378	10,612	12,351	12,089	12,014	13,127	12,016	11,162	12,454	11,719	32,908	47,066	48,759
Operating Income	4,510	3,472	4,005	4,299	5,741	6,747	7,294	8,844	7,153	7,060	6,575	5,321	5,830	16,286	28,626	26,108
Non-operating Income	541	1,605	3,893	-2,123	3,280	1,642	2,944	1,390	4,568	3,589	1,084	4,975	2,142	3,916	9,256	14,216
Non-operating Expenses	29	221	59	2,986	60	620	1,126	3,391	213	1,967	3,420	2,358	787	3,294	5,199	7,958
Earnings before income taxes	5,022	4,857	7,839	-810	8,960	7,769	9,113	6,841	11,508	8,682	4,239	7,938	7,184	16,907	32,683	32,366
Income tax expense	930	28		-447		3,011	2,622	832	2,521	1,690	978	1,572	1,560	511	6,465	6,761
Net Income	4,091	4,829	7,839	-363	8,960	4,758	6,491	6,009	8,987	6,992	3,261	6,366	5,625	16,396	26,218	25,605

Statement of Financial Position

(Unit: KRW Mil.)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Current Assets	111,326	115,193	129,076	134,889	139,683	138,959	151,911	147,355	155,523	157,360	159,639	166,382	170,596
Cash and Cash Equivalents	90,586	94,472	109,778	115,659	105,123	113,132	123,527	118,434	121,887	126,563	130,119	138,602	143,105
Non-current Assets	27,627	19,093	19,080	17,652	27,143	32,727	32,213	43,302	46,349	49,859	51,060	54,941	57,037
Total Assets	138,952	134,286	148,156	152,541	166,827	171,686	184,124	190,657	201,872	207,219	210,699	221,323	227,632
Current Liabilities	10,416	10,015	10,192	11,049	13,021	13,854	19,194	16,856	18,804	16,730	17,608	20,549	25,644
Non-current Liabilities	734	674	684	267	450	427	341	4,243	3,941	3,951	3,388	3,513	3,331
Total Liabilities	11,150	10,689	10,876	11,316	13,471	14,281	19,535	21,099	22,745	20,682	20,996	24,062	28,975
Capital Stock	10,989	10,989	11,565	11,792	11,852	11,869	11,869	11,869	11,869	11,869	11,869	11,869	11,869
Capital Surplus	150,740	150,740	156,670	159,005	162,102	162,282	162,282	162,282	162,282	162,282	162,282	162,282	162,282
Other elements of shareholders' equity	19,340	10,306	9,644	11,161	10,693	10,283	10,283	10,283	10,283	10,283	10,283	10,283	10,283
Accumulated other comprehensive Income					482	-13	679	-129	453	872	777	1,997	2,873
Retained earnings	-53,267	-48,438	-40,599	-40,733	-31,773	-27,015	-20,525	-14,747	-5,760	1,231	4,492	10,830	11,351
Total Shareholders' equity	127,802	123,597	137,280	141,225	153,356	157,405	164,588	169,558	179,127	186,537	189,703	197,261	198,658

Appendix. Consolidated Financial Statements

Statement of Income

(Unit: KRW Mil.)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2022	2023	2024
Operating Revenue	11,706	11,647	12,165	13,676	16,353	19,098	19,383	20,858	20,280	19,076	17,736	17,772	17,546	49,194	75,692	74,864
Operating Expenses	7,196	8,174	8,160	9,378	10,612	12,351	12,089	12,014	13,127	12,025	11,395	12,903	12,065	32,908	47,066	49,450
Operating Income	4,510	3,472	4,005	4,299	5,741	6,747	7,294	8,844	7,153	7,051	6,342	4,868	5,481	16,286	28,626	25,413
Non-operating Income	541	1,605	3,893	-2,123	3,280	1,642	2,944	1,391	4,568	3,589	1,070	4,919	2,079	3,916	9,256	14,146
Non-operating Expenses	29	221	59	2,986	60	620	1,126	3,421	253	2,073	3,350	2,734	787	3,294	5,227	8,410
Earnings before income taxes	5,022	4,857	7,839	-810	8,960	7,769	9,113	6,813	11,468	8,567	4,062	7,053	6,773	16,907	32,655	31,149
Income tax expense	930	28		-447		3,011	2,622	832	2,521	1,690	978	1,572	1,560	511	6,465	6,761
Net Income	4,091	4,829	7,839	-363	8,960	4,758	6,491	5,982	8,947	6,876	3,063	5,481	5,213	16,396	26,190	24,388

Statement of Financial Position

(Unit: KRW Mil.)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
Current Assets	111,326	115,193	129,076	134,889	139,683	138,959	151,911	147,355	155,523	158,749	161,928	169,131	174,910
Cash and Cash Equivalents	90,586	94,472	109,778	115,659	105,123	113,132	123,527	118,434	121,887	127,952	131,247	139,565	145,798
Non-current Assets	27,627	19,093	19,080	17,652	27,143	32,727	32,213	43,258	46,260	48,299	48,305	51,195	51,257
Total Assets	138,952	134,286	148,156	152,541	166,827	171,686	184,124	190,613	201,783	207,048	210,233	220,327	226,167
Current Liabilities	10,416	10,015	10,192	11,049	13,021	13,854	19,194	16,856	18,803	16,740	17,652	20,729	25,764
Non-current Liabilities	734	674	684	267	450	427	341	4,243	3,941	3,951	3,388	3,566	3,367
Total Liabilities	11,150	10,689	10,876	11,316	13,471	14,281	19,535	21,099	22,745	20,691	21,040	24,296	29,131
Capital Stock	10,989	10,989	11,565	11,792	11,852	11,869	11,869	11,869	11,869	11,869	11,869	11,869	11,869
Capital Surplus	150,740	150,740	156,670	159,005	162,102	162,282	162,282	162,282	162,282	162,282	162,282	162,282	162,282
Other elements of shareholders' equity	19,340	10,306	9,644	11,161	10,693	10,283	10,283	10,283	10,283	10,283	10,283	10,283	10,283
Accumulated other comprehensive income					482	-13	679	-145	433	875	627	2,012	2,908
Retained earnings	-53,267	-48,438	-40,599	-40,733	-31,773	-27,015	-20,525	-14,776	-5,829	1,047	4,131	9,584	9,694
Total Shareholders' equity	127,802	123,597	137,280	141,225	153,356	157,405	164,588	169,513	179,038	186,356	189,193	196,031	197,036