

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").

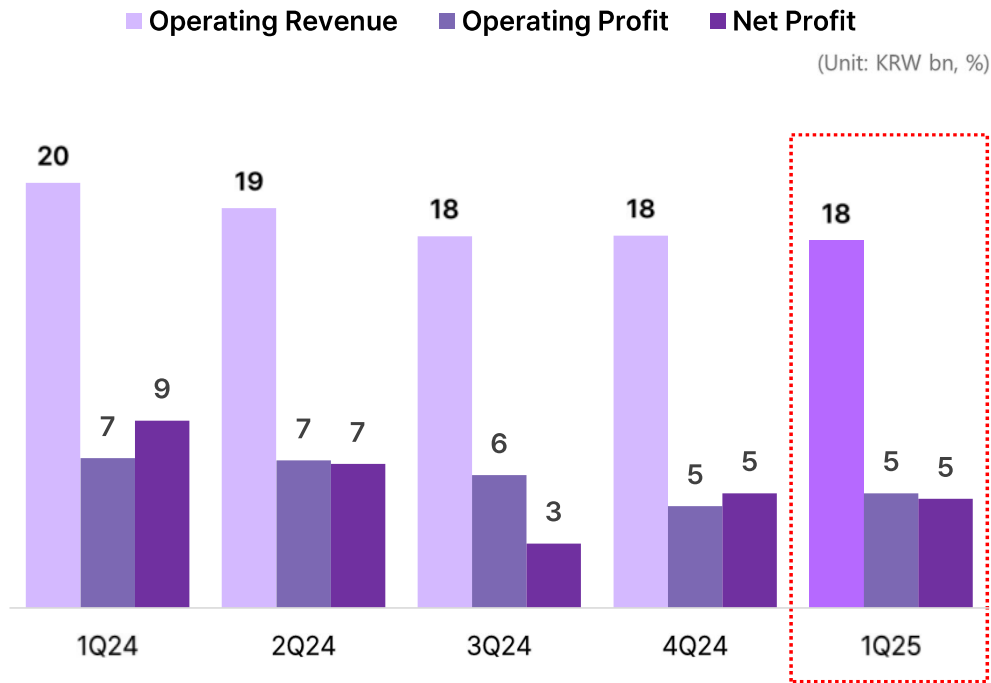
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Ticker: 376300, KOSDAQ

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

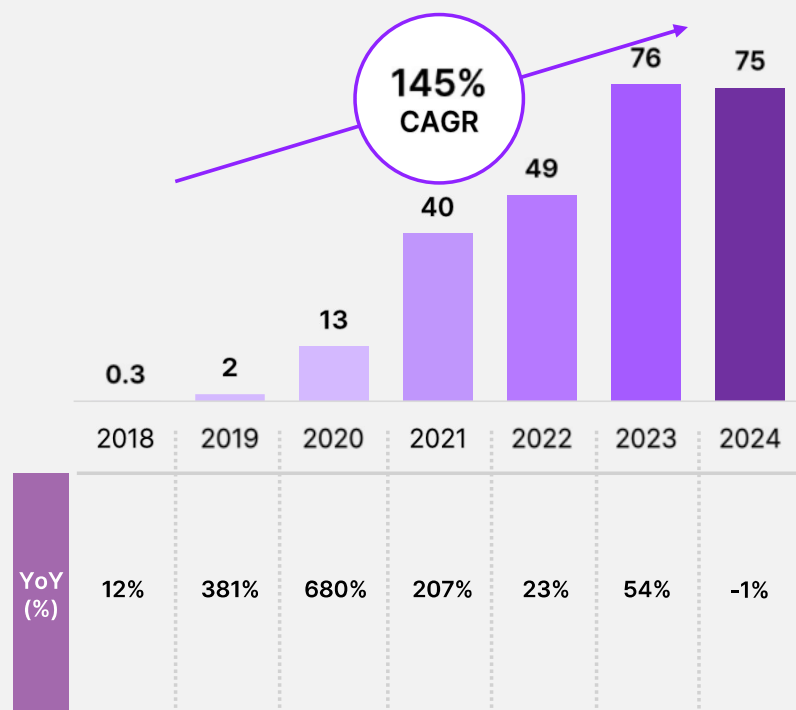
Continued new IP launches

- 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

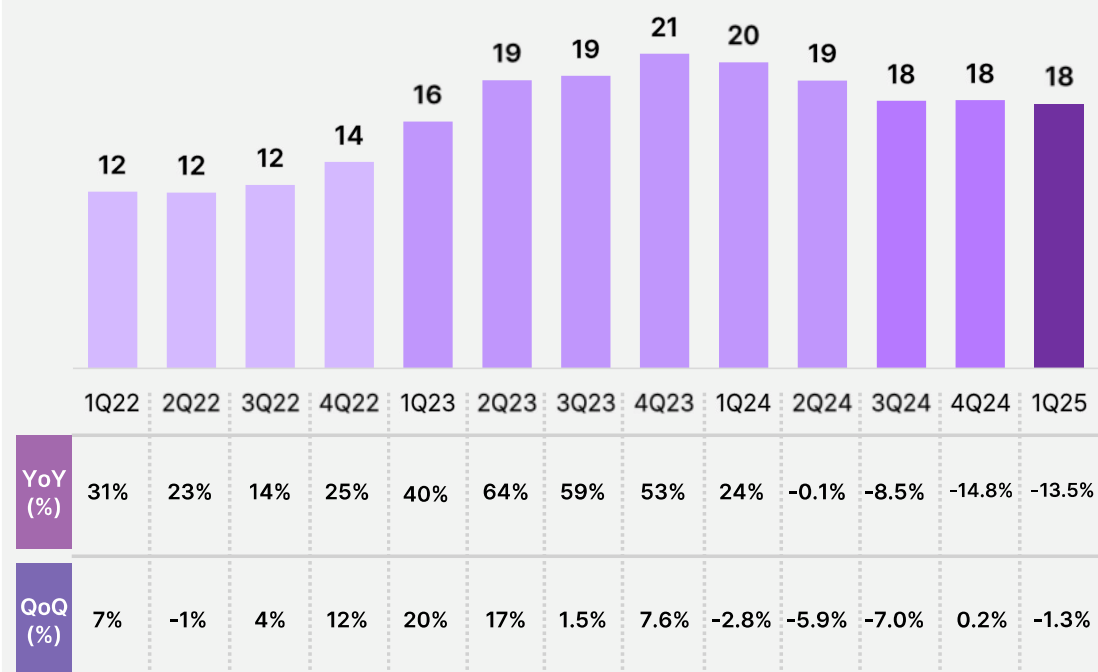
Annual Operating Revenue

(Unit: KRW bn, %)



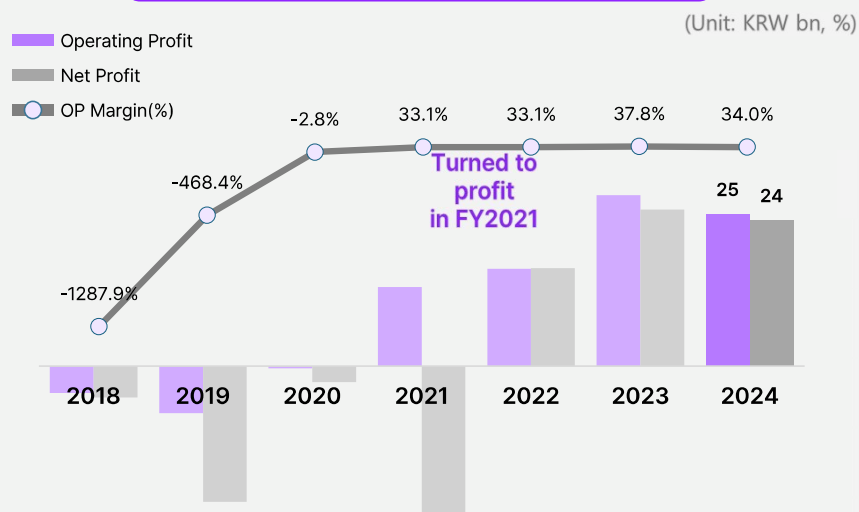
Quarterly Operating Revenue

(Unit: KRW bn, %)



Financial Highlights(2) - Profitability

Annual Profitability



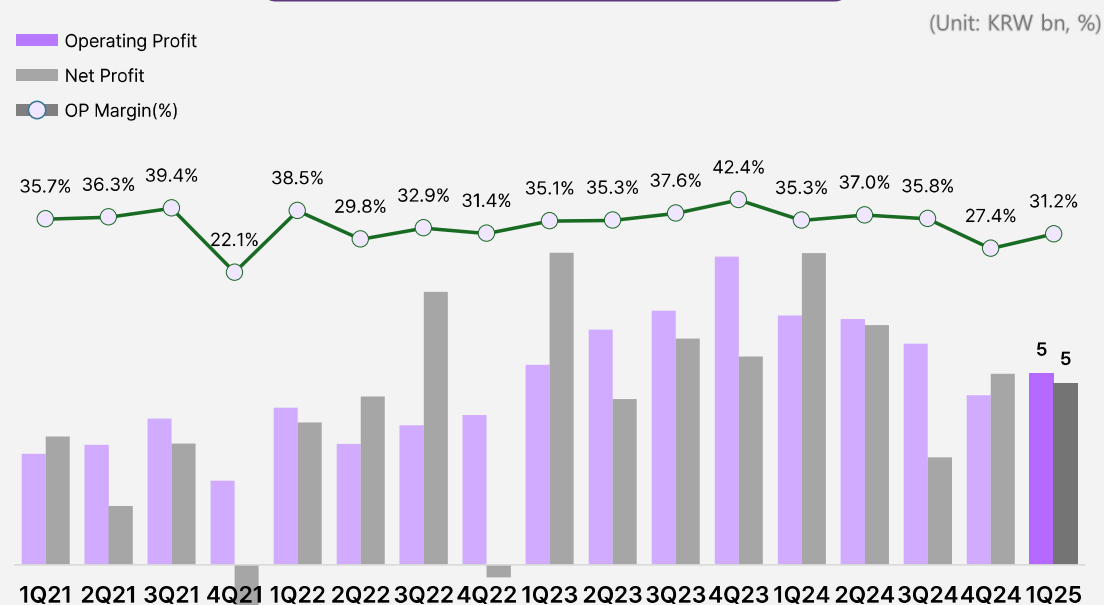
2019

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

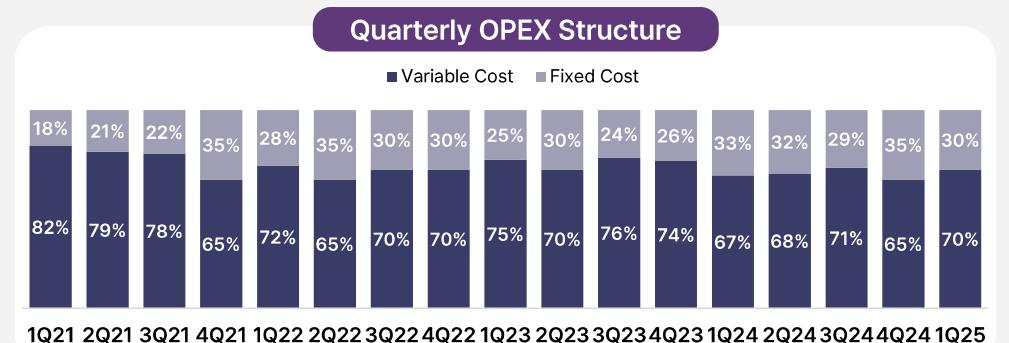
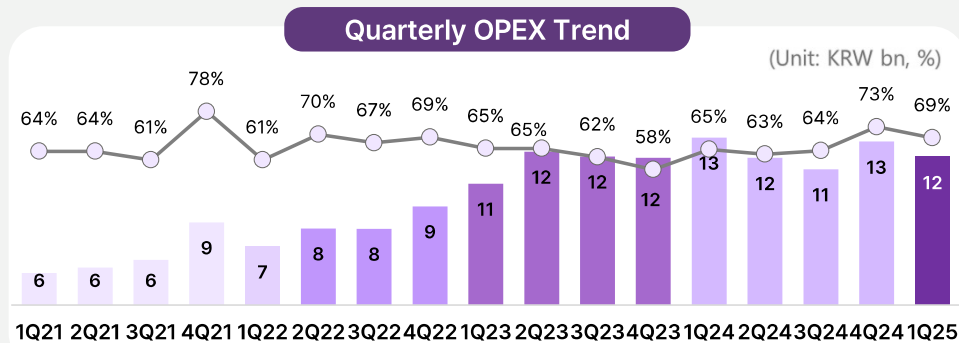
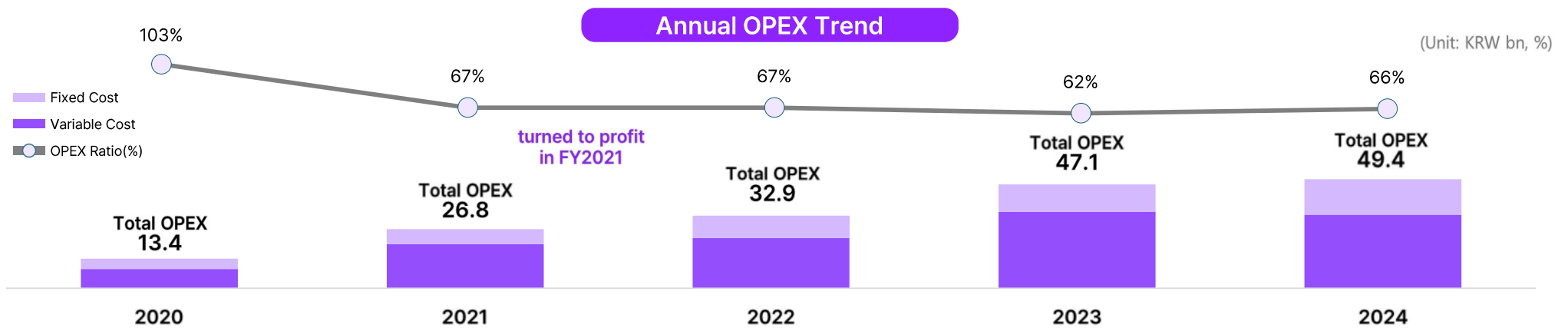
2021

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

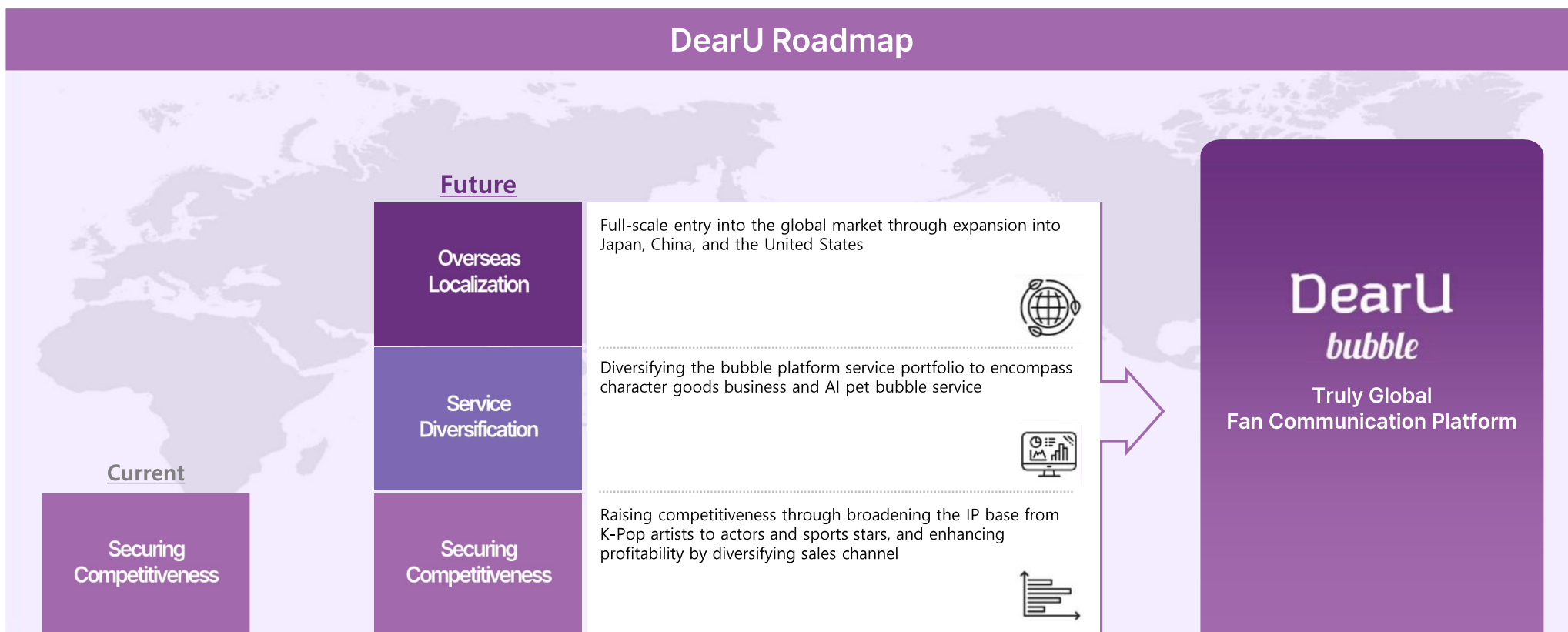
Quarterly Profitability



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 |