

Q2 2022 DearU Earnings Results

Aug 12, 2022

Source: Unaudited, Company Financials

Ticker: 376300 **DearU**

Disclaimer

All financial information contained herein is based on a non-consolidated basis in accordance with International Financial Reporting Standards (“IFRS”). Due to the disposal of stake in the subsidiary, EVERYSING JAPAN Co.,LTD. in 2020, DearU has no subsidiaries subject to be consolidated as of 2022.

The information on the earnings results of 2Q22 has been prepared in advance, prior to being reviewed by the external auditor, solely for the convenience of our investors, and the contents herein are subject to change in the process of audit review by the external auditor.

Please note that all forward-looking statements are based on various factors relating to our internal operations, business strategy and market environments and our actual future results and the timing of certain events may differ materially from those forward-looking statements implied herein.

We expressly disclaim and do not bear responsibility to publicly update any changes in our expectations, or any changes in our events, conditions.

This presentation is available on our Investor Relations website at

https://www.dearu.com/en/pages/irDownload_20220510.php **DearU**

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 Non-consolidated Statement of Financial Position

Note. Due to the disposal of stake in the subsidiary, EVERYSING JAPAN Co.,LTD. in 2020, DearU has no subsidiaries subject to be consolidated as of 2021.

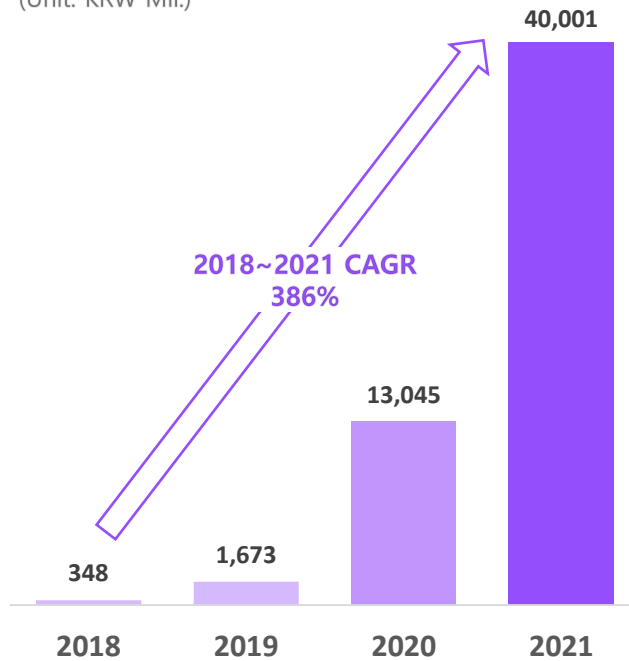




Operating Revenue

Yearly Operating Revenue

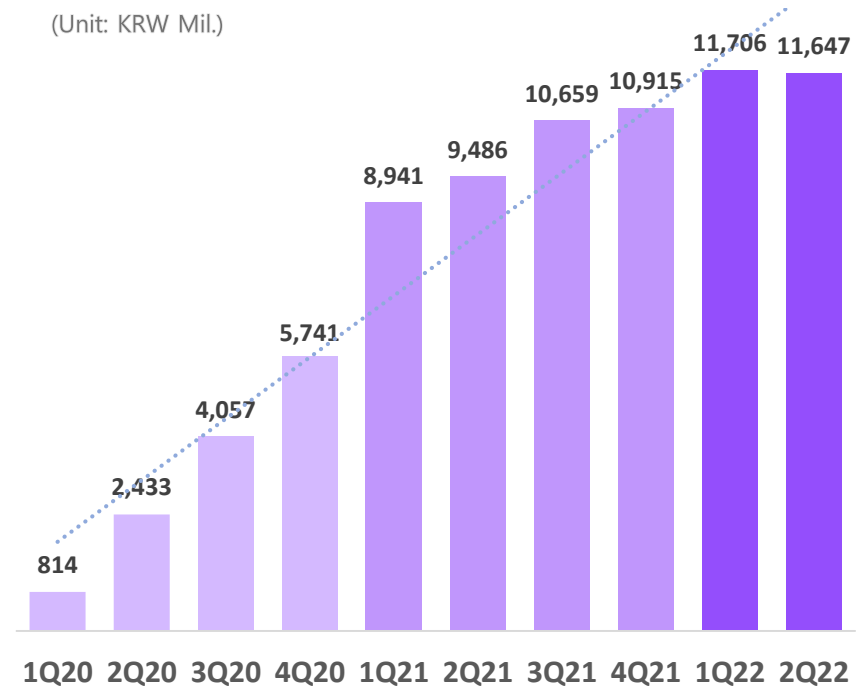
(Unit: KRW Mil.)



%	2018	2019	2020	2021
YoY	12%	381%	680%	207%

Quarterly Operating Revenue

(Unit: KRW Mil.)



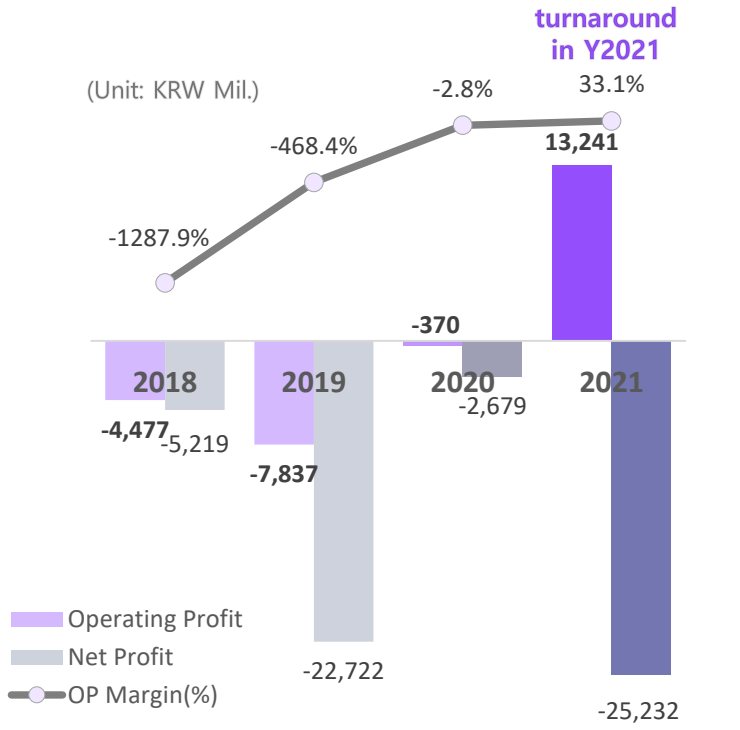
%	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
YoY	999%	290%	163%	90%	31%	23%
QoQ	56%	6%	12%	2%	7%	-1%

2Q'22 Operating Revenue down QoQ

- bubble revenue up as the number of subscription increases
- In other revenue, Lysn related revenue down due to the termination of Lysn Community service

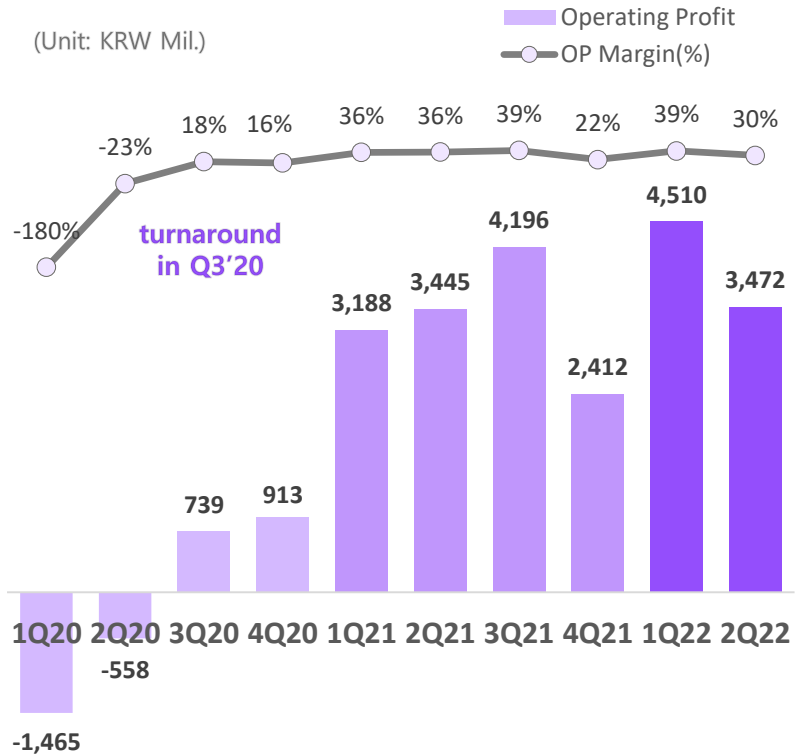


Yearly Profitability



2019	2021
Intangible asset impairment loss due to merger with Brinicle Inc. - 13.3bil. won	Loss on valuation due to CB & CPS conversion to common stock - CB: 226K Shares, 4.8bil. won - CPS: 1.6M Shares, 33.6bil. won

Quarterly Operating Profit



2Q'22 Operating Profit down QoQ

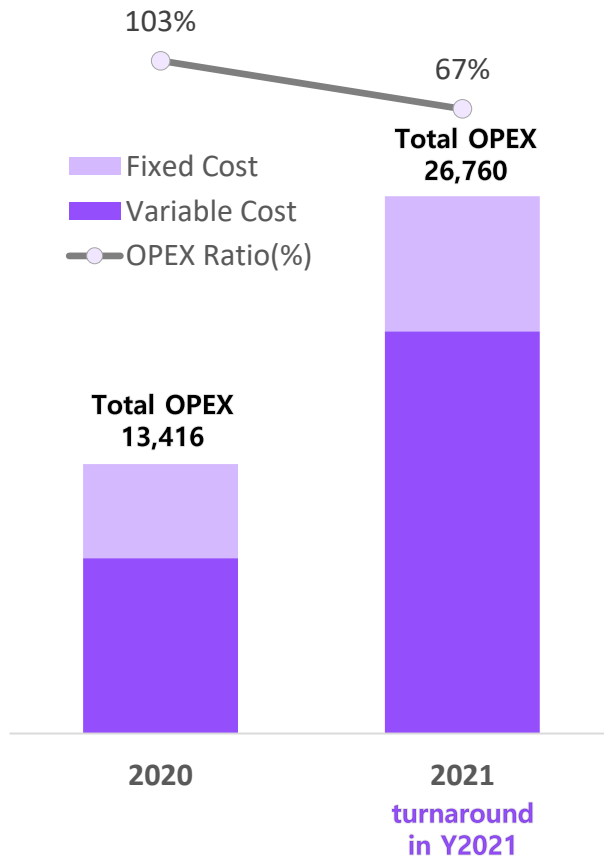
- Labor cost up with employee's regular bonus and average salary raise



Operating Expenses

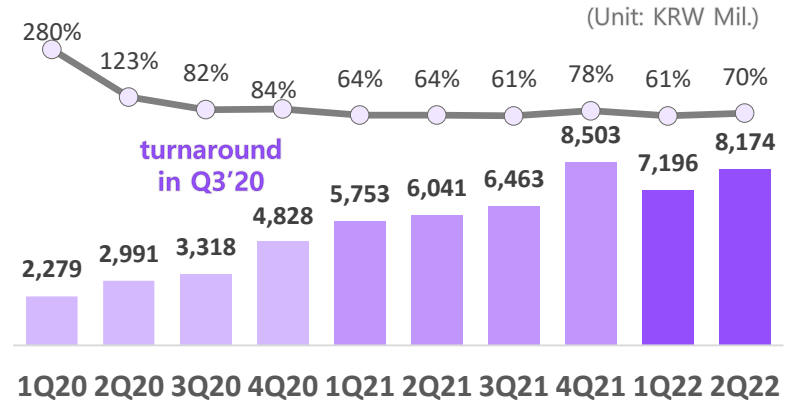
Yearly OPEX Trend

(Unit: KRW Mil.)



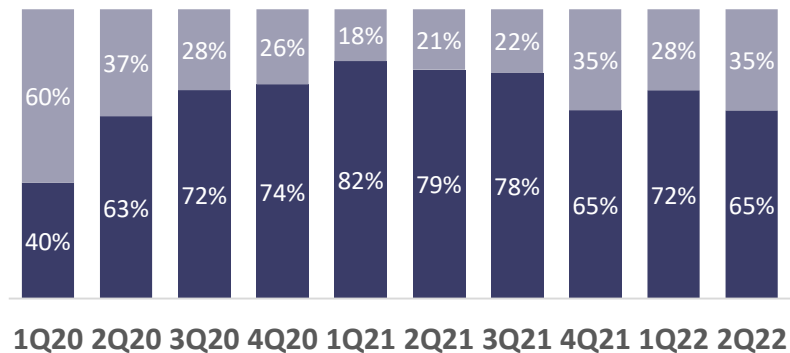
Quarterly OPEX Trend

(Unit: KRW Mil.)



Quarterly OPEX Structure

Legend: Fixed Cost (light grey), Variable Cost (dark grey)



*Main Variable Costs: Google & iOS App. Platform Fee

*Main Fixed Costs: Labor related costs



Appendix. Non-consolidated Financial Statements

Statement of Income

(Unit: KRW Mil.)	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	2020	2021
Operating Revenue	8,941	9,486	10,659	10,915	11,706	11,647	13,045	40,001
Operating Expenses	5,753	6,041	6,463	8,503	7,196	8,174	13,416	26,760
Operating Income	3,188	3,445	4,196	2,412	4,510	3,472	-370	13,241
Non-operating Income	1,077	17	22	144	541	1,605	130	1,260
Non-operating Expenses	582	991	91	37,216	29	221	1,540	38,881
Earnings before income taxes	3,682	2,471	4,127	-34,660	5,022	4,857	-1,781	-24,380
Income tax expense		778	644	-570	930	28	898	852
Net Income	3,682	1,693	3,483	-34,091	4,091	4,829	-2,679	-25,232

Statement of Financial Position

(Unit: KRW Mil.)	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22
Current Assets	10,250	13,737	17,954	106,042	111,326	115,193
Cash	6,275	8,537	13,611	86,825	90,586	94,472
Non-current Assets	7,948	7,885	8,138	27,514	27,627	19,093
Total Assets	18,199	21,622	26,092	133,556	138,952	134,286
Current Liabilities	15,630	17,232	18,089	9,257	10,416	10,015
Non-current Liabilities	357	349	343	724	734	674
Total Liabilities	15,987	17,581	18,433	9,980	11,150	10,689
Capital Stock	8,406	8,406	8,406	10,989	10,989	10,989
Capital Surplus	21,747	21,747	21,747	150,740	150,740	150,740
Other elements of shareholders' equity	317	452	587	19,205	19,340	10,306
Retained earnings	-28,259	-26,565	-23,082	-57,358	-53,267	-48,438
Total Shareholders' equity	2,212	4,041	7,659	123,576	127,802	123,597

Note1. Due to the disposal of stake in the subsidiary, EVERYSING JAPAN Co.,LTD. in 2020, DearU has no subsidiaries subject to be consolidated as of 2022.

Note2. Cash: Short-term financial instruments included.

THANK YOU

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