

Q4 2021 DearU Earnings Release

February 25, 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 2021.

The information on the earnings results of 4Q21 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.dear-u.co/en/index.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.

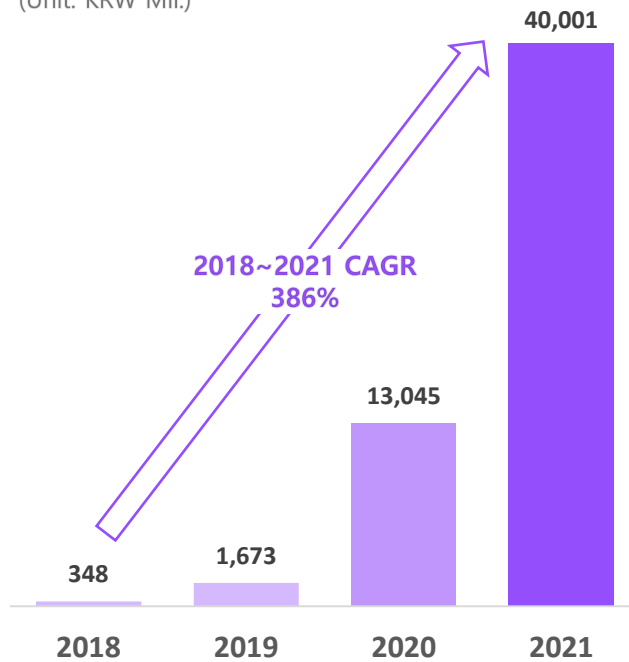




Operating Revenue

Yearly Operating Revenue

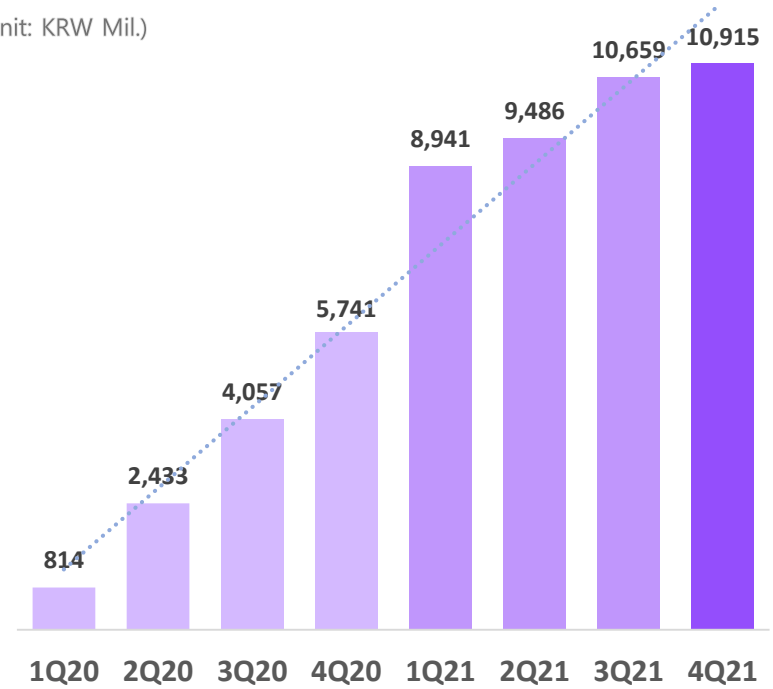
(Unit: KRW Mil.)



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

Quarterly Operating Revenue

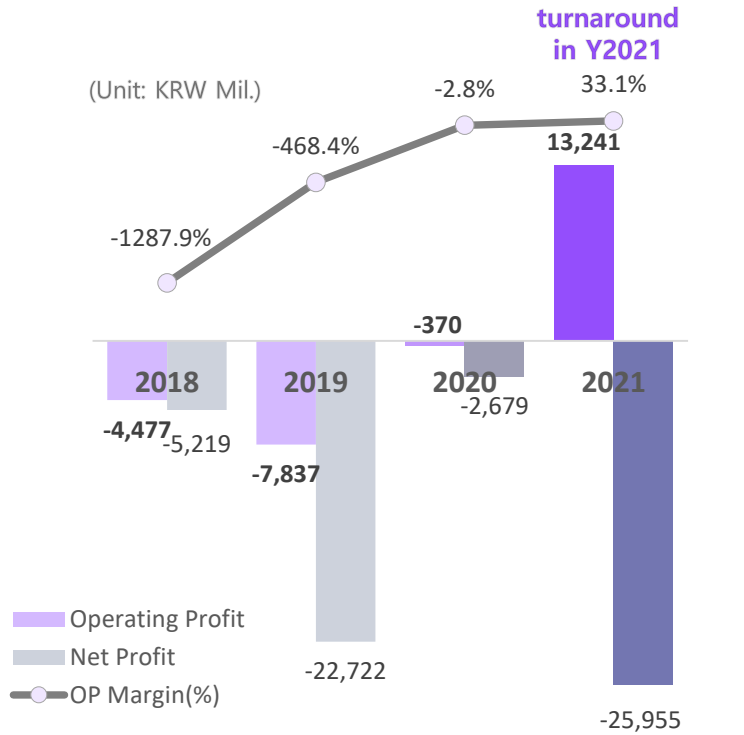
(Unit: KRW Mil.)



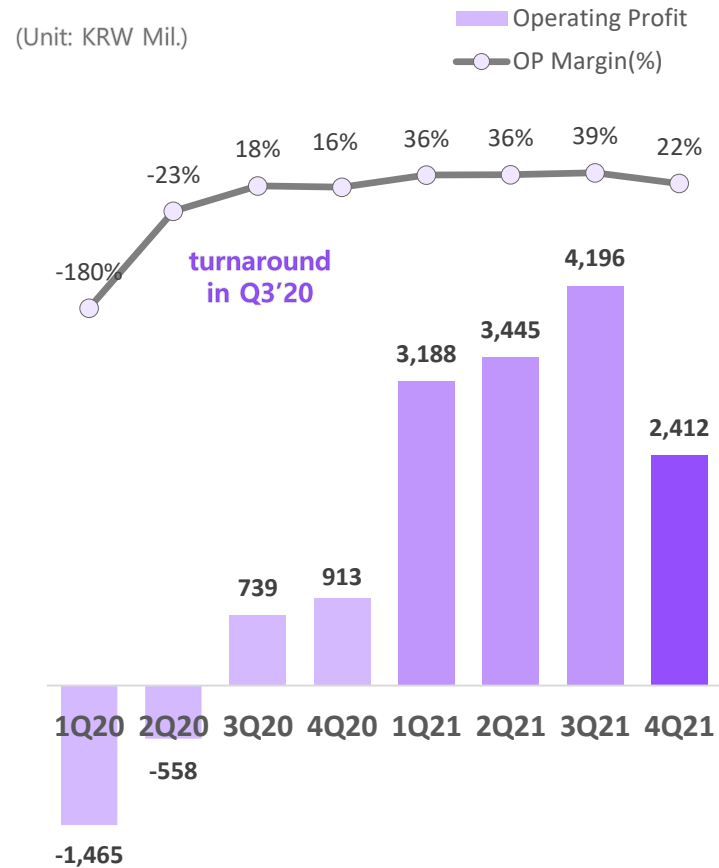
| % | 1Q20 | 2Q20 | 3Q20 | 4Q20 | 1Q21 | 2Q21 | 3Q21 | 4Q21 |
|-----|------|------|------|--------|------|------|------|------|
| YoY | 270% | 375% | 796% | 1,076% | 999% | 290% | 163% | 90% |
| QoQ | 67% | 199% | 67% | 41% | 56% | 6% | 12% | 2% |



Yearly Profitability



Quarterly Operating Profit



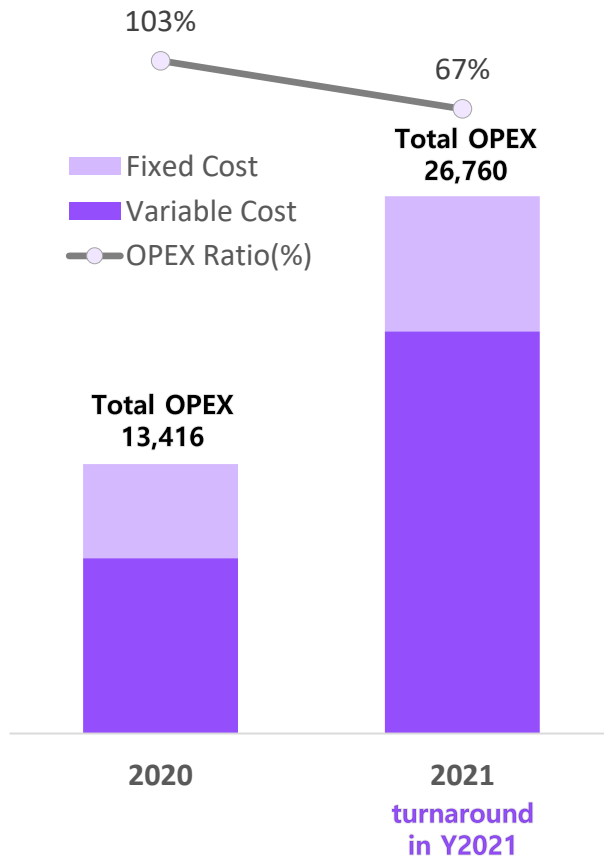
| 2019 | 2021 |
|---|--|
| Intangible asset impairment loss due to merger with Brinicle Inc. - 13.3bil. won | Loss on valuation due to CB & CPS conversion to common stock - CB: 226K Shares, 4.8bil. won - CPS: 1.6M Shares, 33.6bil. won |



Operating Expenses

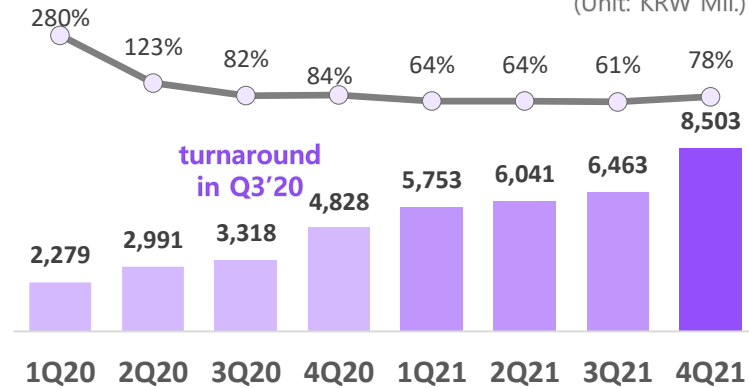
Yearly OPEX Trend

(Unit: KRW Mil.)



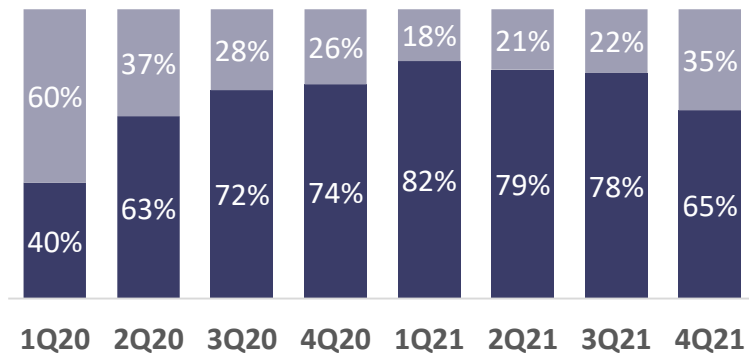
Quarterly OPEX Trend

(Unit: KRW Mil.)



Quarterly OPEX Structure

Fixed Cost (light purple), Variable Cost (dark purple)



*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.) | Q1'20 | Q2'20 | Q3'20 | Q4'20 | Q1'21 | Q2'21 | Q3'21 | Q4'21 | 2020 | 2021 |
|------------------------------|--------|-------|-------|--------|-------|-------|--------|---------|--------|---------|
| Operating Revenue | 814 | 2,433 | 4,057 | 5,741 | 8,941 | 9,486 | 10,659 | 10,915 | 13,045 | 40,001 |
| Operating Expenses | 2,279 | 2,991 | 3,318 | 4,828 | 5,753 | 6,041 | 6,463 | 8,503 | 13,416 | 26,760 |
| Operating Income | -1,465 | -558 | 739 | 913 | 3,188 | 3,445 | 4,196 | 2,412 | -370 | 13,241 |
| Non-operating Income | 55 | 8 | 52 | 15 | 1,077 | 17 | 22 | 144 | 130 | 1,260 |
| Non-operating Expenses | 116 | 121 | 134 | 1,169 | 582 | 991 | 91 | 37,216 | 1,540 | 38,881 |
| Earnings before income taxes | -1,526 | -671 | 657 | -241 | 3,682 | 2,471 | 4,127 | -34,660 | -1,781 | -24,380 |
| Income tax expense | | | | 898 | | 778 | 644 | 153 | 898 | 1,575 |
| Net Income | -1,526 | -671 | 657 | -1,138 | 3,682 | 1,693 | 3,483 | -34,813 | -2,679 | -25,955 |

Statement of Financial Position

| (Unit: KRW Mil.) | Q1'20 | Q2'20 | Q3'20 | Q4'20 | Q1'21 | Q2'21 | Q3'21 | Q4'21 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| Current Assets | 3,138 | 3,446 | 3,281 | 5,647 | 10,250 | 13,737 | 17,954 | 106,042 |
| Cash | 1,295 | 1,185 | 559 | 2,533 | 6,275 | 8,537 | 13,611 | 86,825 |
| Non-current Assets | 8,560 | 8,430 | 8,292 | 8,011 | 7,948 | 7,885 | 8,138 | 8,764 |
| Total Assets | 11,743 | 11,875 | 11,573 | 13,657 | 18,199 | 21,622 | 26,092 | 114,807 |
| Current Liabilities | 10,170 | 11,031 | 10,033 | 15,497 | 15,630 | 17,232 | 18,089 | 9,257 |
| Non-current Liabilities | 2,948 | 2,846 | 2,839 | 429 | 357 | 349 | 343 | 724 |
| Total Liabilities | 13,118 | 13,877 | 12,872 | 15,926 | 15,987 | 17,581 | 18,433 | 9,980 |
| Capital Stock | 8,350 | 8,350 | 8,350 | 8,350 | 8,406 | 8,406 | 8,406 | 10,989 |
| Capital Surplus | 21,141 | 21,141 | 21,141 | 21,141 | 21,747 | 21,747 | 21,747 | 150,740 |
| Other elements of shareholders' equity | | | 46 | 182 | 317 | 452 | 587 | 1,178 |
| Retained earnings | -30,866 | -31,493 | -30,836 | -31,941 | -28,259 | -26,565 | -23,082 | -58,081 |
| Total Shareholders' equity | -1,375 | -2,002 | -1,299 | -2,268 | 2,212 | 4,041 | 7,659 | 104,826 |

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 2021.

Note2. Cash: Short-term financial instruments included.

THANK YOU