

DEVSISTERS

MAKING GAMES THAT ARE LOVED

DISCLAIMER

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Q2 FY 22 Financial Highlights

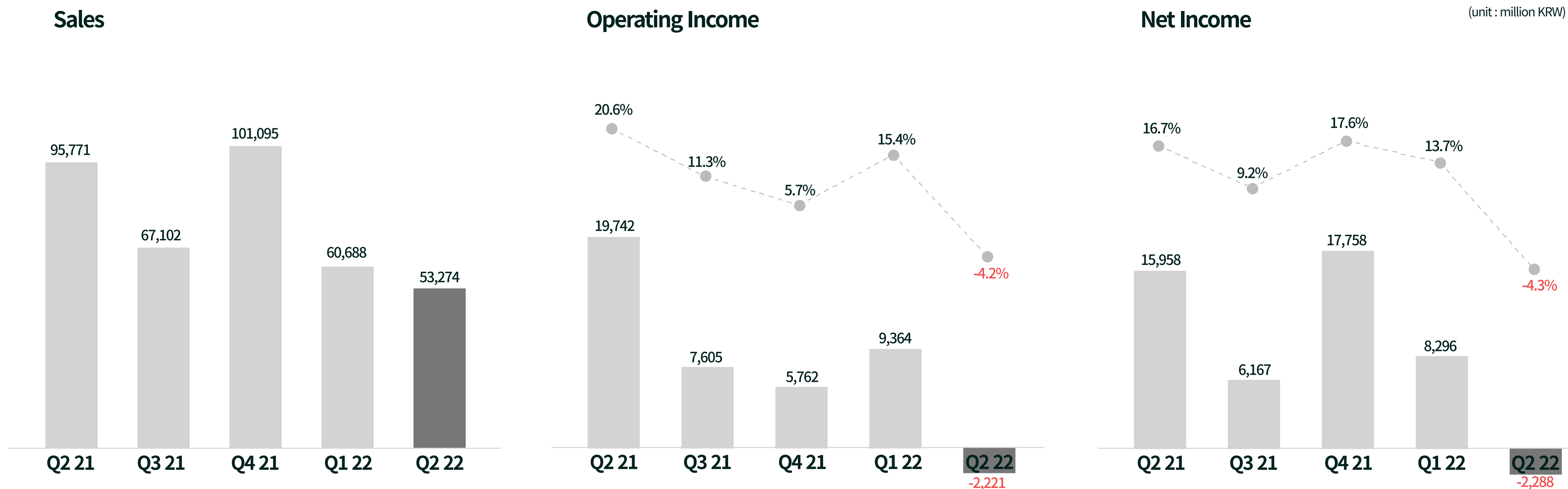
KRW 114.0 billion in H1 sales, KRW 7.1 billion in operating income and KRW 6.0 billion in net income

- Game sales declined in H1 after the first anniversary of the launch of Cookie Run: Kingdom, but the monthly sales trend of main game has stabilized downward

KRW 53.3 billion in Q2 sales, KRW 2.2 billion in operating loss and KRW 2.3 billion in net loss

- Recorded operating loss due to decrease in sales and increase in overall labor costs

Plan to increase in sales and user metrics through large-scale updates and marketing (collaboration with major IP) in H2

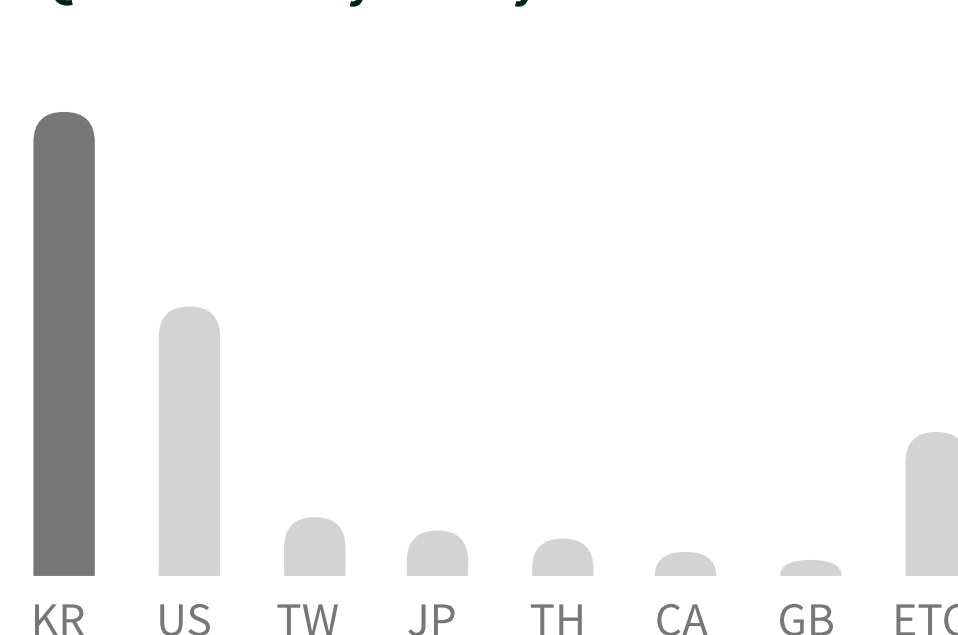


Sales Breakdown

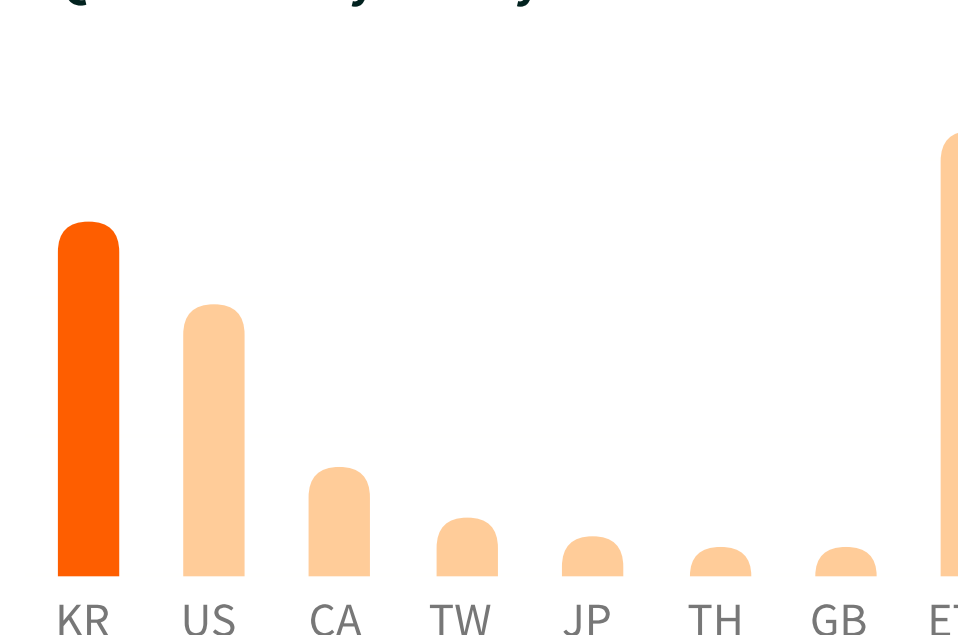
KRW 114.0 billion in H1 sales and KRW 53.3 billion in Q2 sales

- Downward stabilization of game sales recording KRW 112.3 billion in H1
- Solid user metrics maintaining in major countries (KR, US, TW etc.), which will be the basis for a rebound in sales in H2
- Diversification of sales sources made through an increase in IP related sales by opening global Cookie Run store

Q2 Sales ratio by country



Q2 MAU ratio by country



Sales by segment (unit: million KRW)

	Q2 22	Q1 22	QoQ	Q2 21	YoY
Game sales	51,993	60,277	-13.7%	94,984	-45.3%
Domestic	21,855	24,904	-12.2%	68,736	-68.2%
International	30,138	35,373	-14.8%	26,248	14.8%
Merchandise, royalty, and other sales	1,281	411	211.8%	786	63.0%
Total Sales	53,274	60,688	-12.2%	95,771	-44.4%

Cost Breakdown

KRW 106.8 billion in H1 operating cost and KRW 55.5 billion in Q2 operating cost (QoQ +8%)

- Increase of labor and miscellaneous cost due to investment of new project and increase in labor force
- Downward stabilization of advertising cost (approximately 12% of the total sales)

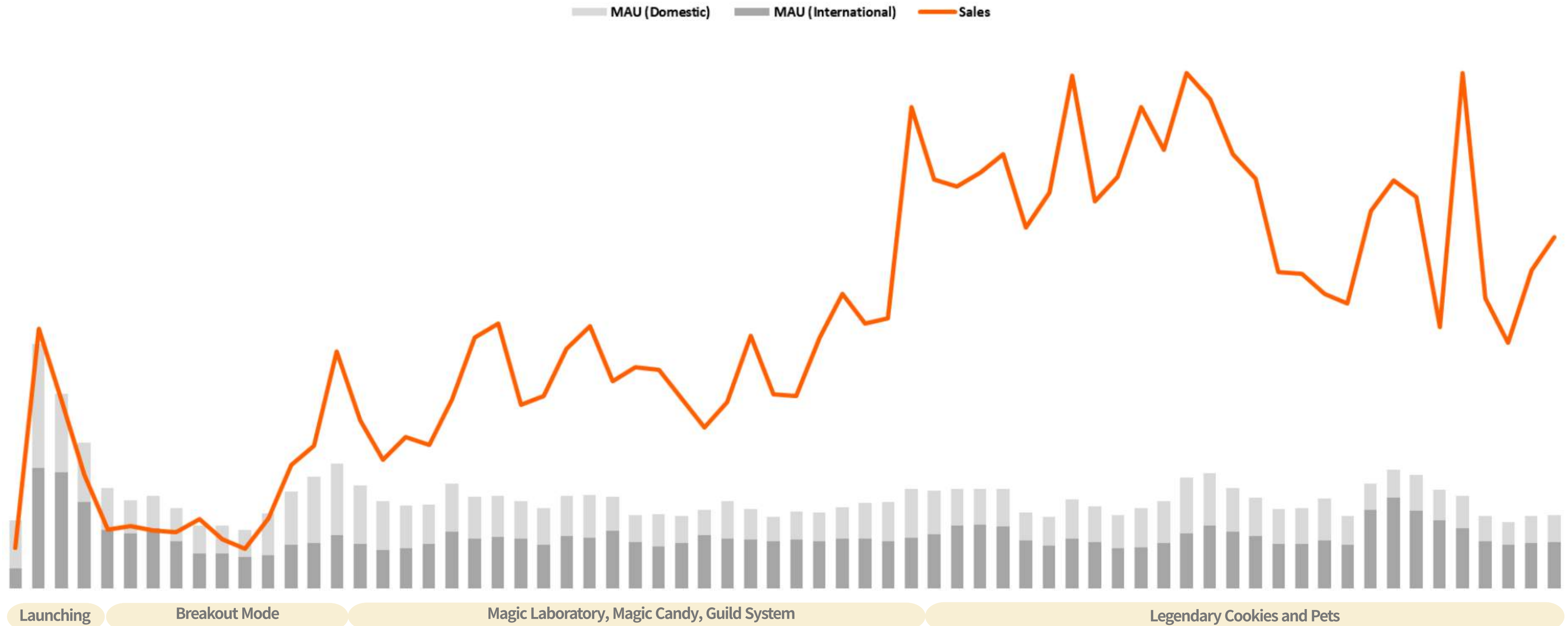
Quarterly Operating Cost (unit: million KRW)

	Q2 22	Q1 22	QoQ	Q2 21	YoY
Operating Cost	55,495	51,324	8.1%	76,029	-27.0%
Labor	17,173	14,890	15.3%	16,007	7.3%
Service Fee	19,845	21,860	-9.2%	31,446	-36.9%
Advertising	6,389	6,591	-3.1%	20,958	-69.5%
Etc.	12,087	7,984	51.4%	7,618	58.7%
Operating Income	-2,221	9,364	Turn a loss	19,742	Turn a loss

[Cookie Run : Ovenbreak]

Trend of key metrics after game launch

Ovenbreak has accumulated around 45 million global users and is updating its annual peak performance with core content updates and user-friendly operations since its launch in 2016



[Cookie Run : Ovenbreak]

2022 Contents Update Overview

Ovenbreak has achieved solid results with various updates through the first half of the year, and plan to grow further through 6th anniversary and year-end updates in the second half of the year



**(MARCH) BREAKOUT MODE -
RANDOM CHALLENGE**

Never get tired of interesting contents



(APRIL) LIVE CHALLENGE

Contents that make users access every day



(MAY) 3 : 3 TEAM FIGHT

Social content that users can team up with their friends



(JUNE) SEASON 7

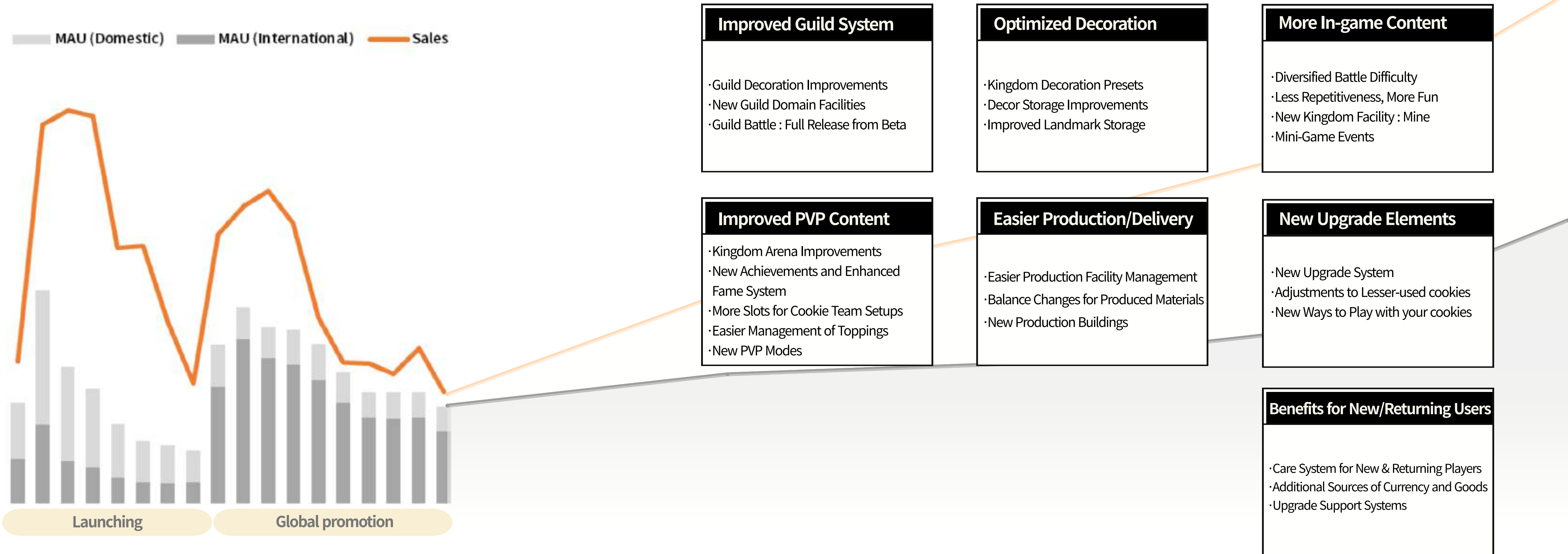
Massive influx of new & returning users from marketing

[Cookie Run : Kingdom]

Update Plan and Trend of Key Metrics after game launch

Although it showed a downward stabilization phase after the first anniversary of the service, it is expecting an additional leap based on the experience of long-term growth operation shown by Cookie Run : Ovenbreak

External expectations were created after announcing long-term update plan, and content updates will be carried out sequentially



[Cookie Run : Kingdom]

2022 Contents Update Overview

Operated relatively slowly in the first half of the year, but maintained solid level of user metrics

Expecting a rebound of sales in the second half of the year through collaboration with 2 gigantic IPs and large-scale content updates



(JANUARY) 1ST ANNIVERSARY

Meaningful in-game figures including accumulative 38 million global users and 3.5 billion world exploration stage clear



(MAY) COOKIE ODYSSEY UPDATE

Started marketing in Europe focusing on Germany and France
Strengthening contents and expanding story through Cookie Odyssey update



(JUNE) DEVNOW BEHIND

Provided update plan and future content blueprints
Positive response toward user feedback based updates



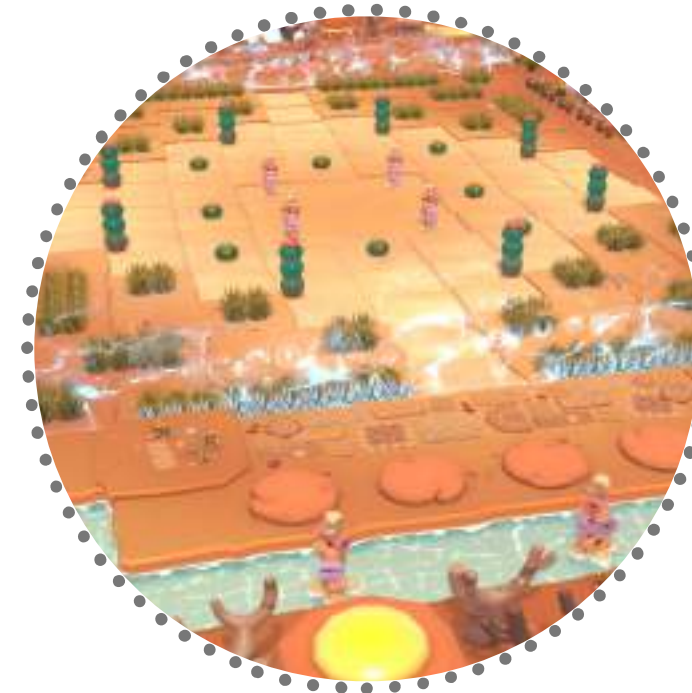
(JULY) DISNEY CROSSOVER

Expand user base and target additional market through collaboration with global entertainment company Disney



Developer Studio Kingdom
Genre Sandbox, simulation, city building
Platform Mobile
Features Build own's dream city by using 'brix' to clean the planet

BRIXITY



Developer Studio Kingdom
Genre Puzzle adventure
Platform Mobile
Features Game focusing on Cookie Run's origin story which cookies get to explore and escape from witch's castle

WITCH'S CASTLE



PROJECT B

DEAD CIDE CLUB

Developer Press A
Genre Side-scroll multi action battle royale
Platform Steam, Console
Features Side-view shooting genre with a battle royale twist and users can create maps on their own, hold competitions or intervene



OVENSMASH

Developer Press A
Genre Casual online multi battle action
Platform Steam, Console, Mobile
Features Real-time battle arena game featuring Cookie Run's universe and providing various game modes (battle royale, treasure hunt, etc.)



Consolidated Financial Statements

Comprehensive Income Statement (unit : million KRW)

	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22
Sales	95,771	67,102	101,095	60,688	53,274
Operating Cost	76,029	59,497	95,333	51,324	55,495
Operating Income	19,742	7,605	5,762	9,364	(2,221)
Non-operating Income	1,219	501	9,774	639	1,045
Pre-tax Income	20,961	8,106	15,536	10,003	(1,176)
Income Tax	5,002	1,939	(2,221)	1,706	1,112
Net Income	15,958	6,167	17,758	8,296	(2,288)
Equity Attribution to the Owners of the Parent Company	16,013	6,194	17,660	8,296	(2,288)
Non-controlling Interest	(55)	(27)	97	0	0

Consolidated Financial Statements

Statement of Financial Position (unit : million KRW)

	Q1 22	Q2 22		Q1 22	Q2 22
Assets			Liabilities		
I. Current assets	148,803	134,913	I. Current liabilities	37,475	23,254
Cash and cash equivalents	17,741	14,042	Other liabilities	17,458	9,133
Short-term financial instruments	7,543	6,851	Other current liabilities	11,317	7,762
Current financial assets at fair value through profit or loss	88,506	83,123	Current tax liabilities	3,956	1,613
Trade receivables	17,815	16,577	Current lease liabilities	4,743	4,746
Other receivables	4,725	2,067	II. Non-current liabilities	62,347	68,606
Other current assets	11,275	10,818	Net defined benefit liabilities	2,006	420
Inventory assets	1,111	1,386	Provisioning liabilities	798	801
Current tax assets	87	50	Current financial liabilities at fair value through profit or loss	51,071	59,327
II. Non-current assets	120,595	125,771	Non-current lease liabilities	8,473	7,820
Other long-term receivables	9,045	10,067	Deferred tax liabilities	0	238
Non-current financial assets at fair value through profit or loss	67,441	70,941	Total liabilities	99,822	91,860
Financial assets at fair value through other comprehensive income	9,369	9,369	Equity reverting to the owner of the parent company	168,657	167,729
Investments in affiliated companies	2,904	2,918	Capital	5,908	5,914
Deferred tax assets	524	0	Other paid-in capital	109,519	110,828
Tangible assets	11,435	11,824	Retained earnings (losses)	54,752	52,456
Right of use assets	13,308	12,434	Other accumulated comprehensive income	(1,522)	(1,469)
Intangible assets	6,569	8,217	Non-controlling equity interest	919	1,096
Total assets	269,398	260,685	Shareholder equity	169,576	168,825
			Total liabilities and equity	269,398	260,685

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