

DEVSISTERS

MAKING GAMES THAT ARE LOVED

DISCLAIMER

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FY 2023 / Q4 FY 2023 Financial Highlights

FY 2023 Sales: 161.1 billion KRW, Operating Loss: 48.0 billion KRW, Net Loss: 49.0 billion KRW

Q4 FY 2023 Sales: 37.8 billion KRW, Operating Loss: 11.8 billion KRW, Net Loss: 15.9 billion KRW

Plan to achieve profitability in FY 2024 by maximizing game sales and implementing continuous organizational and financial management

Financial Highlights

(unit: million KRW)	Q4 FY 2022	Q3 FY 2023	Q4 FY 2023	QoQ	YoY	FY 2022	FY 2023	YoY
Sales	48,813	34,751	37,829	8.9%	-22.5%	214,424	161,143	-24.9%
Domestic (games)	20,805	14,373	15,373	7.0%	-26.1%	91,031	66,739	-26.7%
Overseas (games)	26,866	19,656	21,206	7.9%	-21.1%	119,870	91,261	-23.9%
Other	1,143	721	1,250	73.3%	9.4%	3,523	3,144	-10.8%
Operating Cost	72,053	52,779	49,608	-6.0%	-31.2%	234,335	209,107	-10.8%
Operating Income	-23,240	-18,029	-11,779	Deficit continues	Deficit continues	-19,911	-47,963	Deficit continues
<i>Operating income to sales ratio</i>	-47.6%	-51.9%	-31.1%	20.7%p	16.5%p	-9.3%	-29.8%	-20.5%p
Net Income	-8,791	-17,438	-15,897	Deficit continues	Deficit continues	-6,693	-49,030	Deficit continues
<i>Net income to sales ratio</i>	-18.0%	-50.2%	-42.0%	8.2%p	-24.0%p	-3.1%	-30.4%	-27.3%p

Sales Breakdown

FY 2023 Sales: 161.1 billion KRW, Q4 FY 2023 Sales: 37.8 billion KRW

- Decrease in sales from the previous year due to downward stabilization of key live service games and underperformance in revenue contribution from new releases
- Sales rebound in Q4 attributed to the launch of CookieRun: Kingdom in China and the 7th-anniversary update of CookieRun: OvenBreak

Concentrate organizational capabilities to achieve the goal of revitalization in 2024

- Enhance service competitiveness and efforts to facilitate the rebound of key live service games
- Diversify revenue source through successful launch of new titles such as CookieRun: Witch's Castle, CookieRun: Tower of Adventures, and CookieRun: OvenSmash

Sales by segment

(unit: million KRW)	Q4 FY 2022	Q3 FY 2023	Q4 FY 2023	QoQ	YoY	FY 2022	FY 2023	YoY
Game Sales	47,671	34,030	36,580	7.5%	-23.3%	210,901	158,000	-25.1%
Domestic	20,805	14,373	15,373	7.0%	-26.1%	91,031	66,739	-26.7%
Overseas	26,866	19,656	21,206	7.9%	-21.1%	119,870	91,261	-23.9%
Merchandise, Royalty, and other sales	1,143	721	1,250	73.3%	9.4%	3,523	3,144	-10.8%
Total Sales	48,813	34,751	37,829	8.9%	-22.5%	214,424	161,143	-24.9%

Cost Breakdown

FY 2023 Cost: 209.1 billion KRW, Q4 FY 2023 Cost: 49.6 billion KRW

- Significant decrease in advertising expense compared to the previous year due to the overall reduction in the marketing budget in FY 2023 and efficient marketing execution
- Decrease in other costs (such as long-term compensation expenses) resulted from key changes and reductions in personnel-related policies in Q4 FY 2023

As cost-efficiency policies initiated since the end of 2023 are expected to yield results in 2024, this will lead to an improvement in the company's financial structure and a reduction in operating expenses

Operating Cost

(unit: million KRW)	Q4 FY 2022	Q3 FY 2023	Q4 FY 2023	QoQ	YoY	FY 2022	FY 2023	YoY
Operating Cost	72,053	52,779	49,608	-6.0%	-31.2%	234,335	209,107	-10.8%
Labor	18,827	19,478	20,782	6.7%	10.4%	68,395	79,819	16.7%
Service Fee	23,775	14,286	16,801	17.6%	-29.3%	84,981	67,589	-20.5%
Advertising	12,347	4,617	4,330	-6.2%	-64.9%	32,569	13,112	-59.7%
Other	17,104	14,399	7,694	-46.6%	-55.0%	48,391	48,587	0.4%
Operating Income	-23,240	-18,029	-11,779	Deficit continues	Deficit continues	-19,911	-47,963	Deficit continues
Pre-tax Income	-16,223	-17,399	-15,864	Deficit continues	Deficit continues	-9,809	-48,853	Deficit continues
Net Income	-8,791	-17,438	-15,897	Deficit continues	Deficit continues	-6,693	-49,030	Deficit continues

Contents Update Overview

CookieRun: OvenBreak



Q4 FY 2023 Status

- Various events were released to commemorate memories and promise the future through the 7th anniversary update
- Key indicators were maintained through the introduction of new legendary cookie 'Xylitol Nova Cookie'

FY 2024 Preview

- A never-before-seen special release is scheduled for the end of February
- Maximize content concentration through new story release and system enhancement

CookieRun: Kingdom



Q4 FY 2023 Status

- Following the extensive update in late Q3 2023, subsequent updates were conducted along with a year-end seasonal update
- Maintained positive feedback through the update of year-end story content

FY 2024 Preview

- Large-scale update planned consisting of a trilogy set in the Beast-Yeast continent
- Anticipating positive outcomes with the release of new ancient cookie and introduction of new growth elements
- Plan to revamp content convenience and provide rewards to lock-in incoming active users
- Events and rewards prepared for the celebration of 3rd anniversary

Contents Update Overview

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Basic Information

- Sandbox city-building / Mobile

Q4 FY 2023 Status

- Stabilization of metrics following the multiplayer update through enhancing the sandbox experience

FY 2024 Preview

- Planned updates of various content and additional features in multiplayer mode

CookieRun: The Darkest Night



Basic Information

- VR Action Adventure / Meta Quest 2, 3, Pro

Q4 FY 2023 Status

- Release of 'Chapter 1' on November 30 (U.S. time)

FY 2024 Preview

- Sequential release of 'Chapter 2' and 'Chapter 3'

CookieRun: Braverse



Basic Information

- Offline Battle Trading Card Game

Q4 FY 2023 Status

- Official launch in South Korea on September 1 (KST)
- Release of 5 Starter Decks and 1 Booster Pack

FY 2024 Preview

- Release of 2nd Booster Pack <Next Universe>
- Global expansion of CookieRun: Braverse in 2024

Contents Update Overview

CookieRun: Witch's Castle



Basic Information

- Puzzle Adventure / Mobile
- Scheduled for release in Q1 FY 2024

Game Features

- CookieRun's origin story accompanied by mysteriously enchanting illustrations
- Blast away with a single tap, enjoy unique cookie skills and delightful entertainment right at your fingertips

CookieRun: Tower of Adventures



Basic Information

- Casual multi-play action / Mobile
- Scheduled for release in Q2 FY 2024

Game Features

- GingerBrave and friends explore the tower and defeat boss to unlock the secret that threatens the tower
- Play strategically with cookies that have unique characteristics

CookieRun: OvenSmash



Basic Information

- Real-time battle action / Mobile
- Scheduled for release in FY 2024

Game Features

- Map designs encapsulating the CookieRun universe and various game modes
- Destroy the battlefield to obstruct opponents and utilize terrain features for dynamic play

Consolidated Financial Statements

Statement of Financial Position (unit: million KRW)

	FY 2022	FY 2023		FY 2022	FY 2023
Assets			Liabilities		
Current assets	116,792	74,863	Current liabilities	20,192	30,322
Cash and cash equivalents	21,641	6,230	Other liabilities	7,465	15,412
Short-term financial instruments	5,260	4,088	Other current liabilities	6,815	9,167
Current financial assets at fair value through profit or loss	61,512	38,730	Current tax liabilities	90	106
Trade receivables	12,240	13,499	Current lease liabilities	5,822	5,637
Other receivables	3,068	3,916	Non-current liabilities	98,987	74,391
Other current assets	5,199	6,345	Net defined benefit liabilities	909	187
Inventory assets	1,862	970	Provisions for non-current liabilities	807	817
Current tax assets	6,011	1,085	Current financial liabilities at fair value through profit or loss	86,542	67,597
Non-current assets	183,626	165,496	Non-current lease liabilities	10,729	5,790
Other long-term receivables	8,749	7,653	Total liabilities	119,179	104,713
Non-current financial assets at fair value through profit or loss	104,310	101,097	Equity reverting to the owner of the parent company	179,909	133,631
Financial assets at fair value through other comprehensive income	29,231	24,646	Capital	5,926	5,993
Investments in affiliated companies	2,485	2,352	Other paid-in capital	117,784	123,037
Tangible assets	13,759	11,760	Retained earnings (losses)	39,855	-8,316
Right of use assets	16,778	11,228	Other accumulated comprehensive income	16,345	12,917
Intangible assets	8,314	6,760	Non-controlling equity interest	1,330	2,017
Total assets	300,418	240,360	Shareholder equity	181,239	135,647
			Total liabilities and equity	300,418	240,360

Consolidated Financial Statements

Comprehensive Income Statement (unit: million KRW)

	Q4 FY 2022	Q1 FY 2023	Q2 FY 2023	Q3 FY 2023	Q4 FY 2023	FY 2022	FY 2023
Sales	48,813	50,312	38,251	34,751	37,829	214,424	161,143
Operating Cost	72,053	55,361	51,359	52,779	49,608	234,335	209,107
Operating Income	-23,240	-5,048	-13,108	-18,029	-11,779	-19,911	-47,963
Non-operating Income	7,017	1,631	935	630	-4,086	10,102	-890
Pre-tax Income	-16,223	-3,418	-12,172	-17,399	-15,864	-9,809	-48,853
Income Tax	-7,432	1	103	40	33	-3,116	177
Net Income	-8,791	-3,419	-12,276	-17,438	-15,897	-6,693	-49,030
Equity Attribution to the owners of the parent company	-8,791	-3,419	-12,276	-17,438	-15,772	-6,693	-48,905
Non-controlling Interest	0	0	0	0	-125	0	-125

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