

CD PROJEKT GROUP

Q1 2023 Earnings

29 MAY 2023

Adam Kiciński | PRESIDENT, CEO

Piotr Nielubowicz | MEMBER OF THE BOARD, CFO

Michał Nowakowski | MEMBER OF THE BOARD, SVP BUSINESS DEVELOPMENT



THE
WITCHER®
WILD HUNT

50+ MILLION
COPIES SOLD



75+ **MILLION**
COPIES SOLD



THE
WITCHER®
— ROLE-PLAYING GAME —

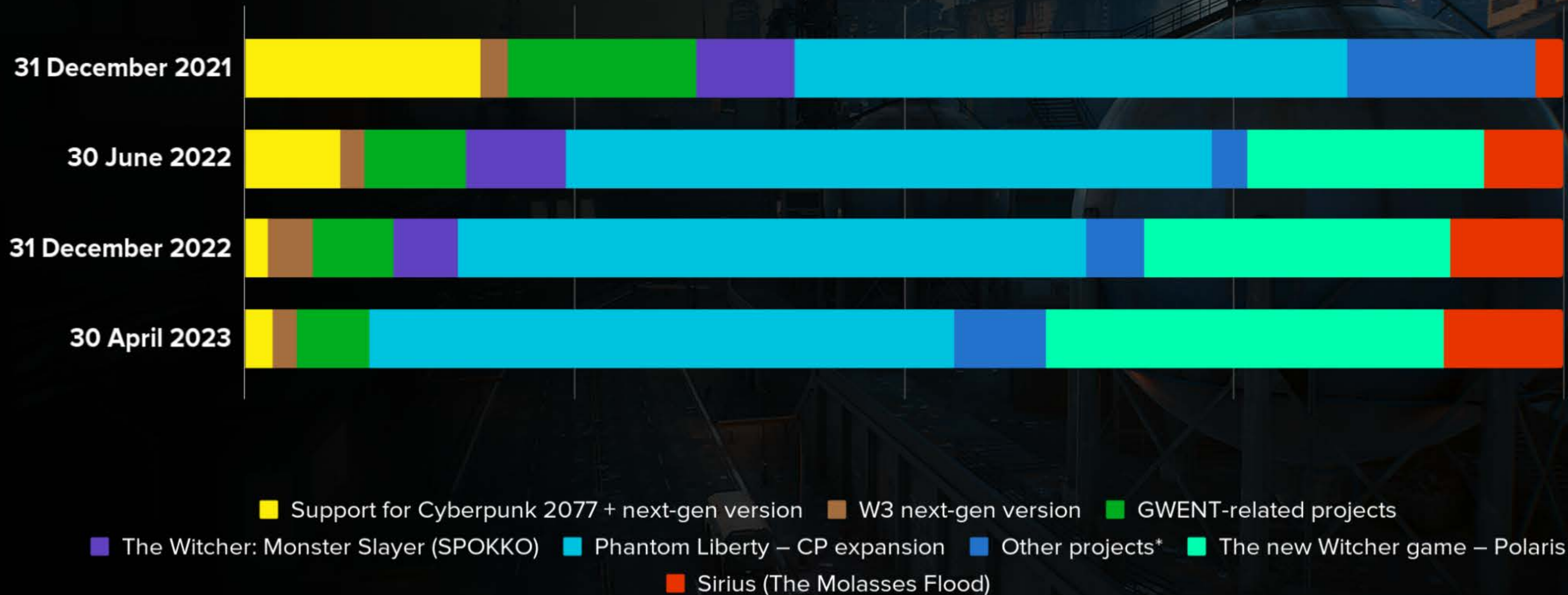


THE
WITCHER® 2
ASSASSINS OF KINGS



THE
WITCHER®
WILD HUNT

Development teams engaged in ongoing projects



*The "Other projects" category reported as of the end of December 2021 includes the research phase of Polaris – the new Witcher project. At the end of April 2023, "The Witcher: Monster Slayer (SPOKKO)" is included in the "Other projects" category due to the project fade-out at the end of June 2023.

CYBERPUNK
2077

PHANTOM LIBERTY

WILL BE PRESENT
AT SUMMER GAME FEST:
PLAY DAYS



A person on a motorcycle is seen from behind, riding on a wet, reflective street in a futuristic city at night. The scene is illuminated by streetlights and the motorcycle's taillight. In the background, there are tall buildings, palm trees, and a large, curved structure. A sign on the right side of the image reads "COMBAT ZONE".

FINANCIAL RESULTS

of the CD PROJEKT GROUP

CD PROJEKT GROUP — Profit and loss account

	CD PROJEKT GROUP		RED	GOG	eliminations	Q1 2023 vs.	Q1 2023 vs.
	Q1 2022	Q1 2023	Q1 2023	Q1 2023		Q1 2022 [PLN]	Q1 2022 [%]
Sales revenue	216 146	174 757	135 193	41 513	-1 949	-41 389	-19%
Sales of products	173 787	130 595	129 786	0	809	-43 192	-25%
Sales of services	635	428	463	68	-103	-207	-33%
Sales of goods for resale and materials	41 724	43 734	4 944	41 445	-2 655	2 010	5%
Cost of sales	47 627	54 252	27 082	29 043	-1 873	6 625	14%
Cost of products and services sold	18 372	21 858	21 882	4	-28	3 486	19%
Cost of goods for resale and materials sold	29 255	32 394	5 200	29 039	-1 845	3 319	11%
Gross profit on sales	168 519	120 505	108 111	12 470	-76	-48 014	-28%
Operating costs	83 198	48 966	37 420	11 601	-55	-34 232	-41%
Selling expenses	54 110	39 048	29 271	9 814	-37	-15 062	-28%
– CP77 service	9 307	2 618	2 618			-6 689	-72%
– W3 service	3	2 556	2 556			2 553	
– CP IP publishing service	21 342	9 104	9 104			-12 238	-57%
Administrative expenses	26 513	28 486	26 799	1 801	-114	1 973	7%
Other operating income less expenses	-2 575	18 568	18 650	14	-96	21 143	
– Project Siruis – impairment adjustment (balance)		18 786	18 786				
EBIT	85 321	71 539	70 691	869	-21	-13 782	-16%
Financial income less costs	6 572	8 825	9 303	-524	46	2 253	34%
Income tax	22 975	10 694	10 542	97	55	-12 281	-53%
Net profit	68 918	69 670	69 452	248	-30	752	1%
Net profitability	31.9%	39.9%	51.4%	0.6%			

CD PROJEKT GROUP – assets

Assets	31.12.2022	31.03.2023	change	change %
Non-current assets	1 119 978	1 208 466	88 488	8%
Expenditure on development projects	473 202	544 482	71 281	15%
– new development during Q1 2023			74 219	
– depreciation during Q1 2023			-21 724	
– Project Sirius - impairment adjustment (balance)			18 786	
Other financial assets *	207 437	216 098	8 661	4%
Property, plant and equipment	145 252	154 935	9 683	7%
Intangible assets	69 157	68 792	-365	-1%
Shares in non-consolidated subordinated entities	41 607	41 394	-213	-1%
Prepayments and deferred costs	31 074	28 898	-2 176	-7%
Other non-current assets	152 249	153 866	1 617	1%
Current assets	1 154 146	1 099 522	-54 624	-5%
Inventories	12 701	10 365	-2 336	-18%
Trade receivables	165 290	73 738	-91 552	-55%
Other receivables	58 597	66 496	7 899	13%
Prepayments and deferred costs	22 886	28 099	5 213	23%
Other financial assets *	279 515	277 203	-2 312	-1%
Cash and bank deposits *	615 157	643 621	28 464	5%
Total assets	2 274 124	2 307 988	33 864	1%
*Cash, bank deposits and T-bonds – total	1 091 005	1 112 251	21 246	2%

CD PROJEKT GROUP – equity and liabilities

Equity and liabilities	31.12.2022	31.03.2023	change	change %
Equity	2 033 404	2 105 970	72 566	4%
Liabilities	240 720	202 018	-38 702	-16%
Liabilities	115 560	85 267	-30 293	-26%
Deferred income	26 094	18 254	-7 840	-30%
Provisions	99 066	98 497	-569	-1%
– bonuses	67 966	76 582	8 616	13%
– costs/expenses	31 100	21 915	-9 185	-30%
Total liabilities and equity	2 274 124	2 307 988	33 864	1%

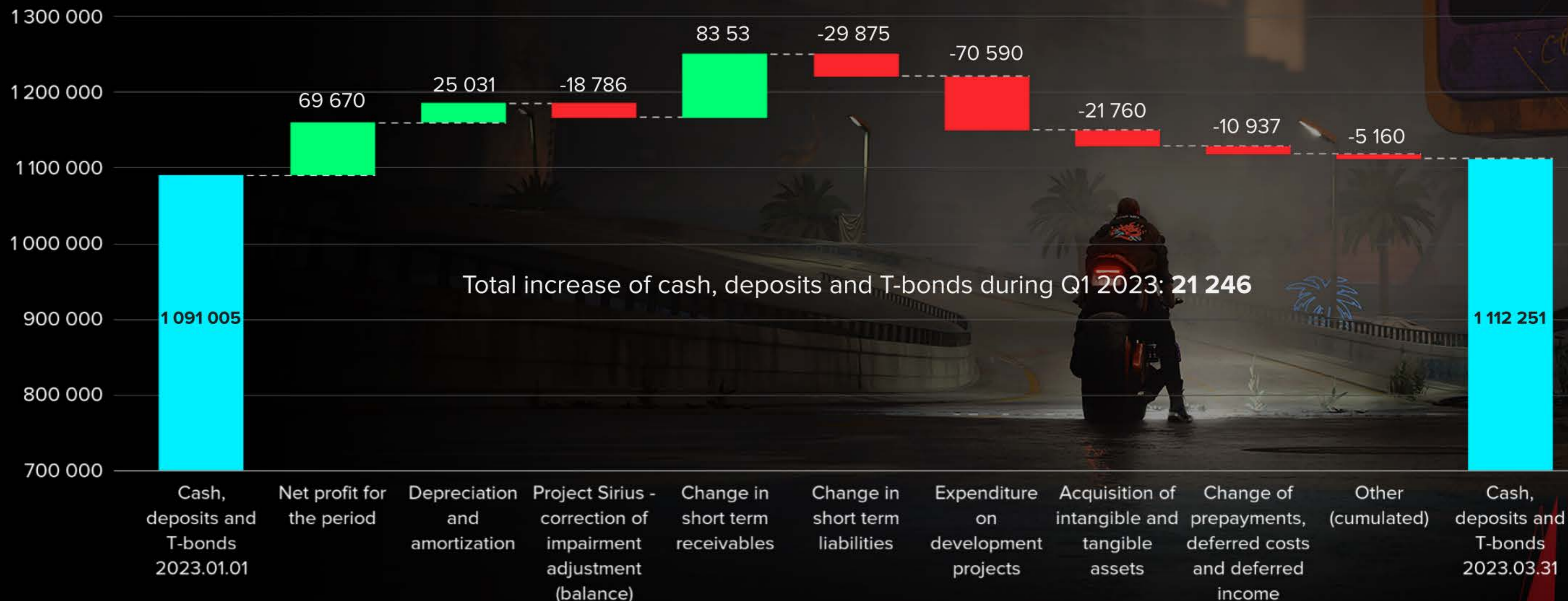
CD PROJEKT RED

Product research, development & service costs



CD PROJEKT GROUP

Changes in cash, deposits & T-bonds



BOARD RECOMMENDATION CONCERNING PAYOUT

99 910 510 PLN - TOTAL DIVIDEND
1 PLN - DPS

A person on a motorcycle is seen from behind, riding away on a wet city street at night. The street is dark and reflective, with streetlights illuminating the scene. In the background, there are palm trees and a large, curved building. The overall atmosphere is moody and cinematic.

THANK YOU

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