

CD PROJEKT GROUP

Q3 2023 Earnings

28 NOVEMBER 2023

Adam Kiciński | CHIEF EXECUTIVE OFFICER, MEMBER OF THE BOARD

Piotr Nielubowicz | CHIEF FINANCIAL OFFICER, MEMBER OF THE BOARD

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CYBERPUNK
2077

PHANTOM LIBERTY

4.3M

COPIES SOLD
since the launch of the game

20%

ATTACHMENT
RATIO*

*Estimate





“ **VERY POSITIVE** ”

92% reviews from last 30 days are **positive**

CYBERPUNK
2077

PHANTOM LIBERTY

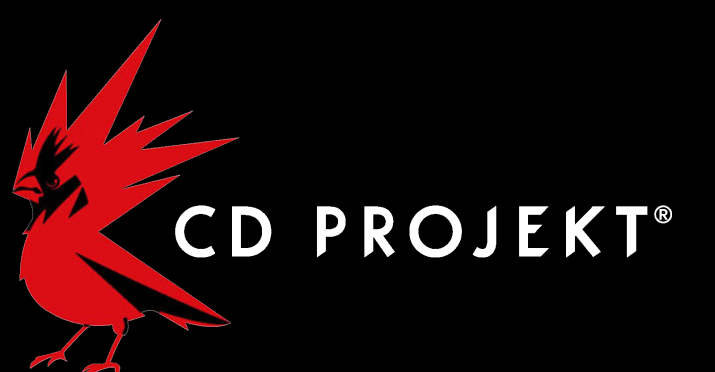




“ **VERY
POSITIVE** ”

92% reviews from last
30 days are **positive**

CYBERPUNK
2077





CYBERPUNK 2077 PHANTOM LIBERTY



BEST GAME
EXPANSION



BEST GAME
TRAILER





NOMINATIONS



Best
Narrative

Best Performance
Idris Elba as Solomon Reed

Players'
Voice



Best Ongoing

Best Community
Support

CYBERPUNK

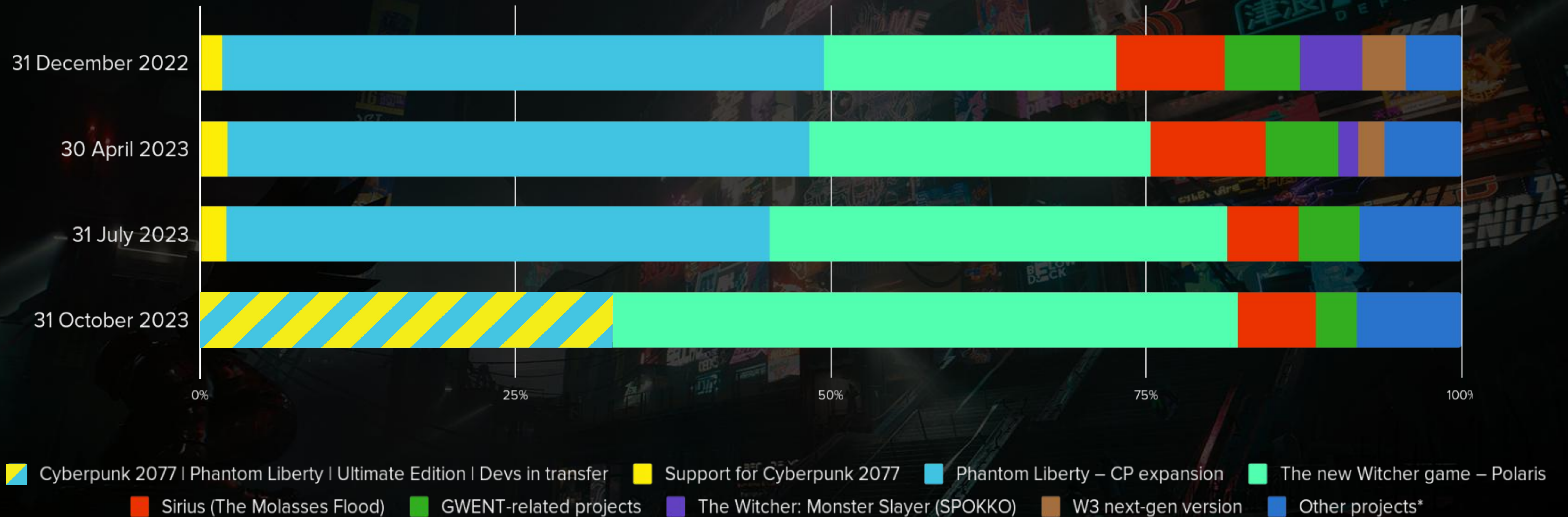
2077

ULTIMATE EDITION

5th DECEMBER



Development teams engaged in ongoing projects



*At the end of July 2023, “The Witcher: Monster Slayer (SPOKKO)” & “W3 next-gen version” were included in “Other projects” due to small number of devs in its own categories (<10)



Financial Results

OF THE CD PROJEKT GROUP

CD PROJEKT GROUP – Profit and loss account

	CD PROJEKT GROUP		RED	GOG		Q3 2023 vs.	Q3 2023 vs.
	Q3 2022	Q3 2023	Q3 2023	Q3 2023	eliminations	Q3 2022 [PLN]	Q3 2022 [%]
Sales revenue	245 514	442 682	382 042	83 700	-23 060	197 168	80%
Sales of products	203 189	390 534	380 646	0	9 888	187 345	92%
Sales of services	308	455	191	307	-43	147	48%
Sales of goods for resale and materials	42 017	51 693	1 205	83 393	-32 905	9 676	23%
Cost of sales	79 200	143 167	105 689	60 579	-23 101	63 967	81%
Cost of products and services sold	48 602	104 410	104 494	0	-84	55 808	115%
– CP77 boxed edition provisions	0	13 041	13 041			13 041	
Cost of goods for resale and materials sold	30 598	38 757	1 195	60 579	-23 017	8 159	27%
Gross profit on sales	166 314	299 515	276 353	23 121	41	133 201	80%
Operating costs	69 010	113 276	98 288	14 925	63	44 266	64%
Selling expenses	45 064	66 140	53 275	12 883	-18	21 076	47%
– CP IP publishing costs	13 515	39 864	39 864			26 349	195%
Administrative expenses	26 973	51 300	49 031	2 119	150	24 327	90%
Other operating income less expenses	3 027	4 164	4 018	77	69	1 137	38%
EBIT	97 304	186 239	178 065	8 196	-22	88 935	91%
Financial income less costs	14 943	47 430	47 171	219	40	32 487	217%
– Reversal of Spokko shares write-off due to merger	0	27 271	27 271			27 271	
Income tax	13 358	30 805	29 980	825	0	17 447	131%
– Non recoupable withholding tax for current year	0	8 274	8 274			8 274	
Net profit	98 889	202 864	195 256	7 590	18	103 975	105%
Net profitability	40.3%	45.8%	51.1%	9.1%			

CD PROJEKT RED

Depreciation scheme of Cyberpunk projects

Expenditures on development of Cyberpunk 2077 base game that have not yet been depreciated (including edition for newest-gen consoles)	178m PLN
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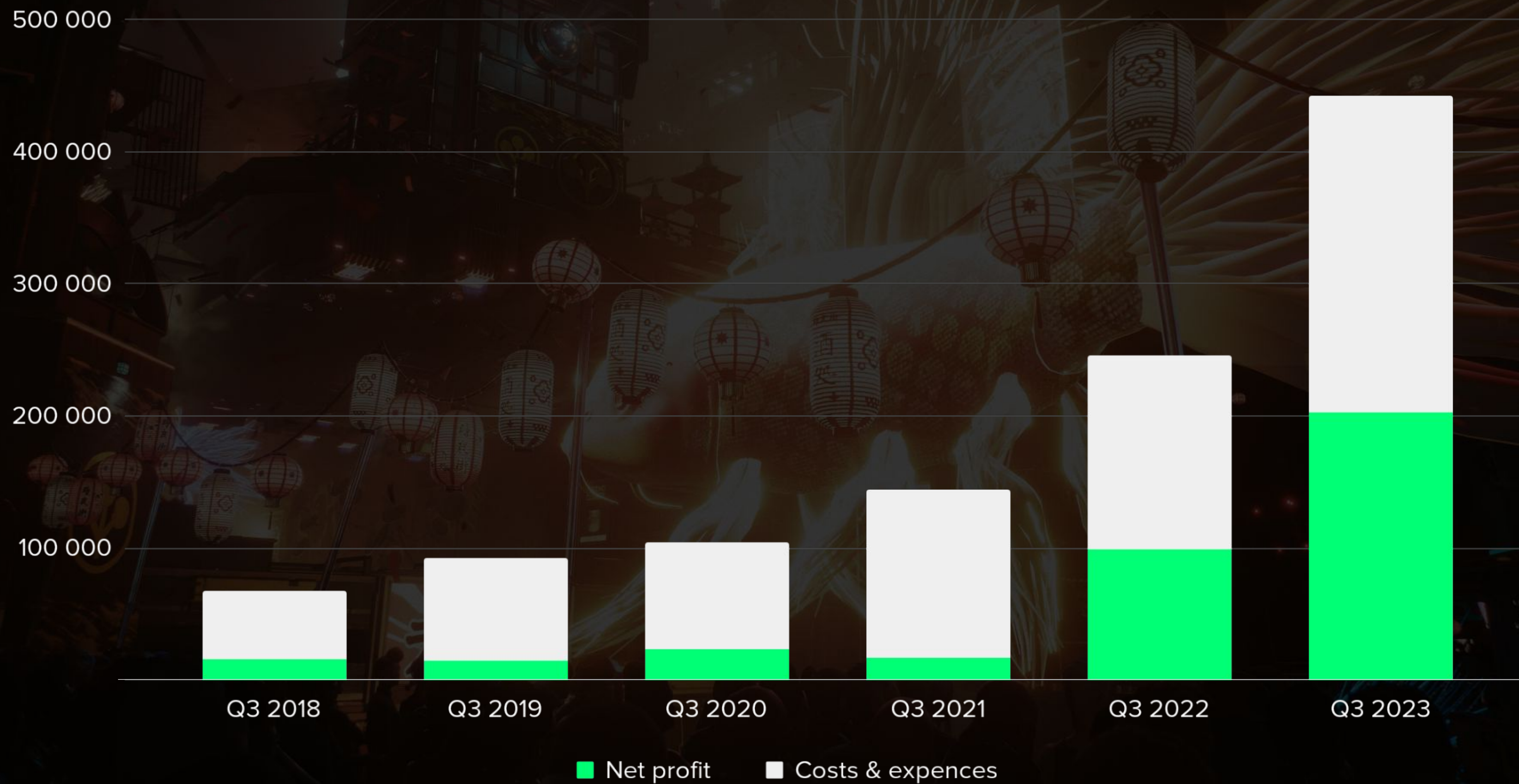
Expenditures on development of Phantom Liberty	273m PLN
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The value of expenditures on development projects to be depreciated **451m PLN**

Period	% of asset to be quarterly depreciated
Q3-Q4 2023	20.0%
Q1-Q4 2024	5.0%
Q1-Q4 2025	3.5%
Q1-Q4 2026	2.5%
Q1-Q4 2027	2.0%
Q1-Q4 2028	2.0%

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Revenues, profit vs. costs and expenses



CD PROJEKT GROUP – assets

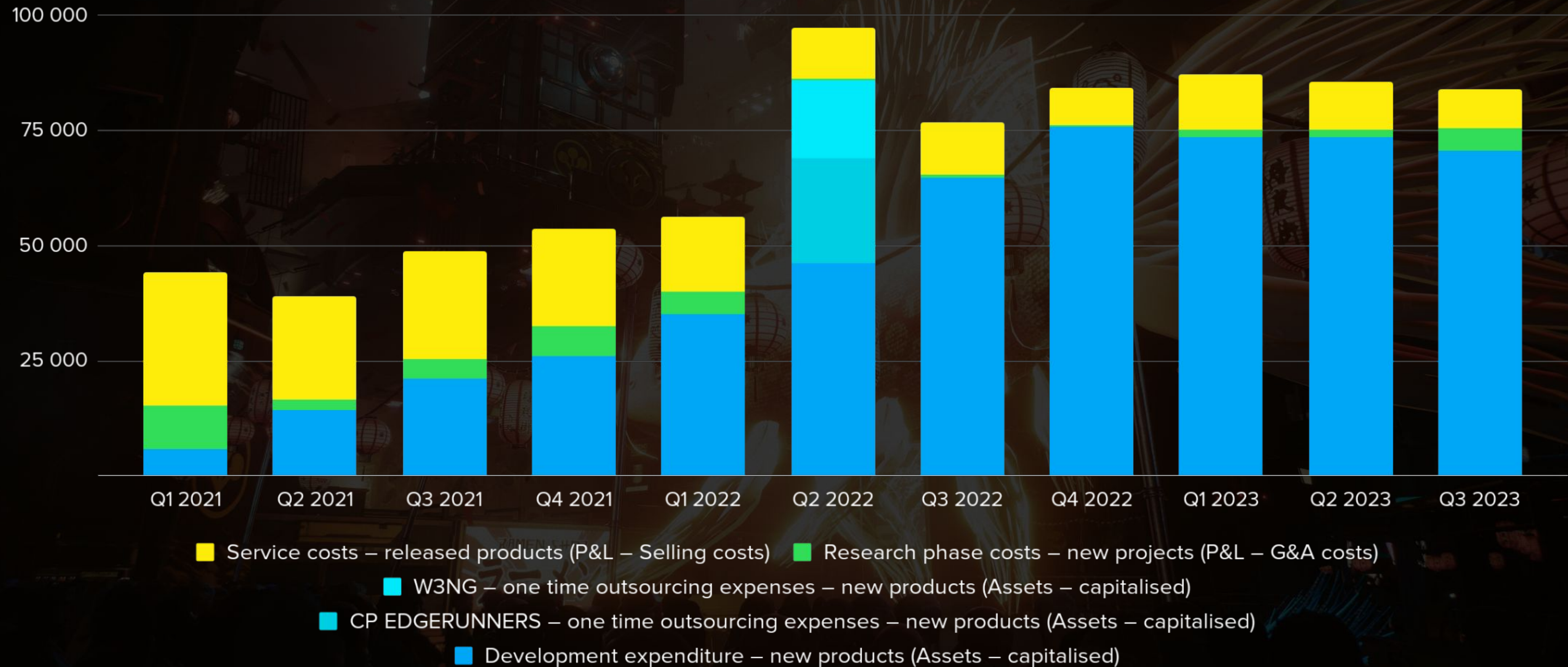
Assets	30.06.2023	30.09.2023	change	change %
Non-current assets	1 300 586	1 274 924	-25 662	-2%
Expenditure on development projects	600 099	575 418	-24 681	-4%
– New development during Q3 2023			70 903	
– Depreciation during Q3 2023			-94 026	
Other financial assets *	242 203	254 687	12 484	5%
Property, plant and equipment, investment properties	198 438	206 231	7 793	4%
Deferred tax assets	47 044	22 897	-24 147	-51%
Other non-current assets	212 802	215 691	2 889	1%
Current assets	883 921	1 137 807	253 886	29%
Trade receivables	83 557	287 833	204 276	244%
Other financial assets *	249 576	268 043	18 467	7%
Cash and bank deposits *	466 461	499 482	33 021	7%
Other current assets	84 327	82 449	-1 878	-2%
Total assets	2 184 507	2 412 731	228 224	10%
<i>*Cash, bank deposits and T-bonds – total</i>	<i>930 657</i>	<i>1 014 652</i>	<i>83 995</i>	<i>9%</i>

CD PROJEKT GROUP – equity and liabilities

Equity and liabilities	30.06.2023	30.09.2023	change	change %
Equity	2 030 808	2 208 144	177 336	9%
Liabilities	153 699	204 587	50 888	33%
Liabilities	89 814	117 551	27 737	31%
Deferred income	28 364	15 176	-13 188	-46%
Provisions	35 521	71 860	36 339	102%
– Bonuses	9 254	31 569	22 315	241%
– Costs/Expenses	26 267	40 291	14 024	53%
Total liabilities and equity	2 184 507	2 412 731	228 224	10%

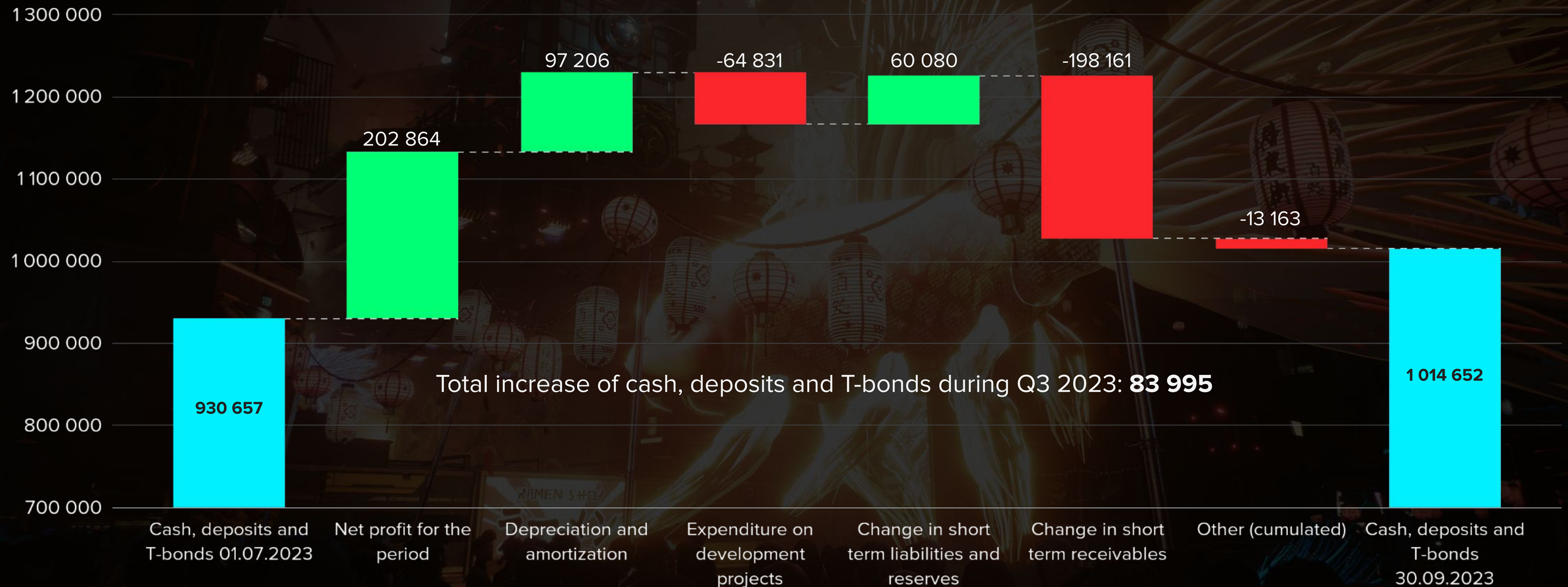
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Product research, development & service costs



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Changes in cash, deposits & T-bonds



Q&A

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