



East Side Games Group Reports Second Quarter 2023 Financial Results

- Revenue of \$21.3M in Q2 2023
- A-EBITDA of \$2.5M in Q2 2023
- New C-Suite delivers on cost optimizations

Vancouver, BC, August 10, 2023 – East Side Games Group (TSX: EAGR) (OTC: EAGRF) (“**ESGG**” or the “**Company**”), today announced financial results for the second quarter ended June 30th, 2023. All amounts are stated in Canadian dollars on an IFRS basis unless otherwise indicated.

The Company is continuing a strong 2023 with revenue of \$21.3 million and A-EBITDA of 11.8%. This brings H1 of 2023 to \$45.6 million revenue and \$5.1 million A-EBITDA. Q2 saw no new game releases but heavy investment in our pipeline of new titles. ESGG has seven LiveOps titles which generate 95% of our revenue with no one title comprising more than 25%. We have six titles in active development which are slated for worldwide launch in the next year, as well as several projects with longer time horizons.

Three months ended June 30th, 2023 Highlights:

- For the quarter ended June 30th, 2023, revenue was \$21.3 million.
- Q2 2023 A-EBITDA was \$2.5 million, a margin of 11.8%. The 3rd consecutive quarter over \$2.5M.
- Cash for the Company at June 30, 2023 was \$2.8 million compared to \$5.7 million at December 31, 2022. The decrease was due to the timing of Apple’s monthly payments and there is a corresponding increase in accounts receivable. In addition, payables decreased due to the timing of minimum guarantee IP payments.
- Daily Active Users in Q2 were 273K. Average Revenue per Daily Active User was \$0.92.
- On August 11, 2022, the Company announced its intention to buy back up to 4,076,819 shares under its NCIB. Through June 30, 2023, the Company purchased 682,653 shares. The company continues to buy back stock as aggressively as it can under the restrictions for such programs.
- ESGG would like to thank Birgit Troy and Darcy Taylor for their service on our board. Effective today, Jeremy Pierce and Dr. Russell Ovans will be joining our board as new members.
- ESG was named a finalist in the Technology Impact Awards Company of the Year.

Certain information provided in this news release is extracted from the consolidated financial statements (the “Financial Statements”) and Management’s Discussion & Analysis (“MD&A”) of the Company for the three months and six months ended June 30, 2023 and should be read in conjunction with them. It is only in the context of the fulsome information and disclosures contained in the Financial Statements and MD&A that an investor can properly analyze this information. The Financial Statements and MD&A can be found under the Company’s profile on SEDAR and EDGAR.

Webcast and Conference Call Information

The Company will hold a conference call to discuss its performance with the investment community at 2:00 p.m. PT today. Related earnings release materials can be found on East Side Games Group website at <https://eastsidegamesgroup.com/investors/financial-information/>.

Webcast and Conference Call Details:

Webcast URL: https://viaid.webcasts.com/starthere.jsp?ei=1626270&tp_key=01db259d0c
Toll Free Dial-In Number: +1 (888) 886-7786
Local Dial-In Number: +1 (416) 764-8658
Conference ID: 38030312

A replay will be available by dialing +1 (877) 674-7070 or +1 (416) 764-8692 and entering passcode 030312#.

ABOUT EAST SIDE GAMES GROUP

East Side Games Group is a leading free-to-play mobile game group, creating engaging games that produce enduring player loyalty. Our studio groups entrepreneurial culture is anchored in creativity, execution, and growth through licensing of our proprietary Game Kit software platform that enables professional game developers to greatly increase the efficiency and effectiveness of game creation in addition to organic growth through a diverse portfolio of original and licensed IP mobile games that include: The Office: Somehow We Manage, Star Trek: Lower Decks – The Badgery Directive, Bud Farm Idle Tycoon, Doctor Who: Lost in Time, RuPaul’s Drag Race Superstar, Cheech and Chong Bud Farm, and Trailer Park Boys: Grea\$y Money.

We are headquartered in Vancouver, Canada and our games are available worldwide on the App Store and Google Play. Additional information about the Company continues to be available under its legal name, East Side Games Group Inc., at www.sedar.com.

Forward-looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the proposed transactions described herein. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management’s current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking

statements, including factors beyond the Company's control. These forward-looking statements are made as of the date of this news release.

For Further Information

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