East Side Games Group Reports Third Quarter 2023 Financial Results

- **Revenue of $20.8M in Q3 2023 and $66.4M for the year to date period**
- **A-EBITDA of $3.1M in Q3 2023 and $8.4M for the year to date period**
- **Q3 Strategic Realignment to optimize profitability and cashflow**

Vancouver, BC, November 9, 2023 – East Side Games Group (TSX: EAGR) (OTC: EAGRF) ("**ESGG**" or the "**Company**"), today announced financial results for the third quarter ended September 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 $20.8 million and Adjusted EBITDA margin of 15%. This brings YTD revenue to $66.4 million and Adjusted EBITDA to $8.4 million. Q3 saw no new game releases but we undertook a strategic realignment to reduce OPEX costs and increase profitability. ESGG has seven LiveOps titles which generate 90% of our revenue with no one title comprising more than 25%. We have five 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 September 30th, 2023 Highlights:

- For the quarter ended September 30th, 2023, revenue was $20.8 million.
- Q3 2023 Adjusted EBITDA was $3.1 million, a margin of 15%. The 4th consecutive quarter over $2.5 million and 1st quarter over $3.0 million since Q1 2022.
- Net Cash for the Company at September 30, 2023 was $3.6 million compared to $1.4 million at Q2 2023, an increase of over 150% as a result of efficiencies in UA spend and the Q3 restructuring.
- The restructure announced in late August 2023 will result in approximately $5.0 million in annualized operating expense reductions with minimal expected impact on overall revenues. The effect of the reductions completed in August will be realized for the full quarter starting Q4 2023.
- Daily Active Users in Q3 were 239K. Average Revenue per Daily Active User was $0.96.
- On August 11, 2022, the Company announced its intention to buy back up to 4,076,819 shares under its NCIB. Through September 30, 2023, the Company purchased 733,879 shares. The company continues to buy back stock as restrictions allow.
- ESG was named a finalist in the Technology Impact Awards Company of the Year and selected as a Technology Fast 500 winner for 2023.

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 nine months ended September 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 4:30 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://viavid.webcasts.com/starthere.jsp?ei=1636989&tp_key=233fc7cd9c
Toll Free Dial-In Number: +1 (888) 886-7786
Local Dial-In Number: +1 (416) 764-8658
Conference ID: 71856336

A replay will be available by dialing +1 (877) 674-7070 or +1 (416) 764-8692 and entering passcode 856336#.

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 Badgey 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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