

Report 03/2023

8 February 2023

Information about the results of the test of the impairment of certain IP assets

Huuuge, Inc. (the “**Issuer**” or “**Company**”) hereby announces that following an evaluation of the Company’s asset portfolio in conjunction with the review of the Company’s strategic options, and in the course of preparing the financial statements and annual report for the period ending December 31, 2022 (as required by IAS 36), the Issuer has tested the possible impairment of the value of the IP associated with the game Traffic Puzzle (the “**Asset**”). The results of this test indicated a loss to the Asset’s value. Accordingly, the Issuer will reduce the book value of the Asset by approximately USD 26.1 million, and a corresponding impairment loss will be recognized in the Group’s consolidated financial statements for the year ended December 31, 2022. According to the Issuer, the impairment loss will reduce the operating results of the Group but will not impact its operating cash flow or liquidity position.

Traffic Puzzle will remain live and available to players and is expected to continue generating revenue.

In connection with the decision on the impairment of the value of the Asset, the Issuer hereby confirms that the Group’s adjusted EBITDA will not be impacted as a result. The unaudited adjusted EBITDA for the year ended December 31, 2022, reached approximately USD 82 million (+28% YoY, representing 14% above the current market consensus estimates for the whole year 2022 as compiled by the Company) and the Issuer’s year-end cash balance amounted to USD 222 million.

All values represented in this Current Report reflect current management accounts and are subject to adjustment. The final value of the impairment of the Asset as well as the Group’s operating results and its financial position will be presented in the consolidated financial statements of the Group for the year 2022, to be published on April 27, 2023.

Legal basis: Article 17 item 1 of the MAR – inside information.

