

Current report No. 2/2025

January 9, 2025

Decision on the intention to carry out collective redundancies in the Issuer's capital group.

Huuuge, Inc. (the "Issuer") informs that on January 9, 2025, in line with the provisions of the Polish act on the rules for terminating employment relationships with employees for reasons not related to the employees (*ustawa z dnia 13 marca 2003 roku o szczególnych zasadach rozwiązywania z pracownikami stosunków pracy z przyczyn niedotyczących pracowników*) (the "Act on Redundancies"), the management board of the Issuer's subsidiary, Huuuge Games sp. z o.o. (the "Subsidiary") adopted a resolution on the intention to carry out collective redundancies and the commencement of the consultation process on such collective redundancies (the "Resolution").

The collective redundancies in the Subsidiary are intended to be completed by the end of February 2025 and to cover, in total, approximately 21% of the total headcount of the Issuer's capital group (as at 31 December 2024). Simultaneously, in connection with the process of the collective redundancies in the Subsidiary, the Issuer will review the employment structure in the entire capital group, including outside Poland, and does not exclude further reductions. The Issuer anticipates that, as a result of such actions and collective redundancies, the reduction of the total headcount of the Issuer's capital group (as at 31 December 2024) may amount to approximately 28%.

As a consequence of the adoption of the Resolution by the management board of the Subsidiary, the Subsidiary will invite the employee representatives to the consultation process and provide them with the information on the issues to be resolved in the consultation process. In addition, pursuant to the provisions of the Act on Redundancies, the Subsidiary will notify the relevant labour offices of its intention to carry out collective redundancies.

The Issuer will publish a further report on the collective redundancies once the legally required consultation process with the employee representative has been completed. The final data on the impact of the Subsidiary's employment restructuring on the financial results of the Issuer and its group will be provided in the consolidated Q1 2025 report.

Legal basis: Art. 17 section 1 of the MAR Regulation – confidential information.