Report on the Activities of Huuuge, Inc. and the Huuuge Capital Group for the Year 2024

Warsaw, April 16th, 2025

HUUUGE

Disclaimer

This constitutes the Board of Directors Report on the operations of Huuuge Group for the twelve-month period ended December 31, 2024 (the "Report") prepared in accordance with the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information published by issuers of securities and the conditions for recognizing information as equivalent required by the law of a non-member state (the "Regulation"). Report on operations of Huuuge, Inc. for the twelve-month period ended December 31, 2024 is included within this document in accordance to §71 sec. 8 of the Regulation.

This Report should be read along with the consolidated financial statement of Huuuge Group and separate financial statement of Huuuge, Inc. as at and for the year ended December 31, 2024 prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

Since the separate data for Huuuge, Inc. and the consolidated data for the Huuuge Group are similar (trends are maintained for individual balance sheet and result items), the Board of Directors and Management perform and present a joint analysis for the separate and consolidated data.

Unless implied otherwise in this Annual Report, the terms "we" or the "Group", refer to the Company together with all of its subsidiaries and the term the "Company" or "Issuer", refers to Huuuge, Inc.

Unless indicated otherwise, references to statements as to beliefs, expectations, estimates and opinions of the Company or its management refer to the beliefs, expectations, estimates and opinions of the Company's Board of Directors.

Certain arithmetical data contained in this Annual Report, including financial and operating information, have been rounded. Therefore, in certain instances, the sum of the numbers in a column or a row in tables contained in this Annual Report may not conform exactly to the total figure given for that column or row.

Industry and Market Data

This Annual Report may include market share and industry data that we obtained from various third-party sources, including publicly available information concerning global social gaming industries. The information in this Report that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as we are aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information provided inaccurate or misleading. Where third-party information has been sourced in this Report, the source of such information has been identified. To the extent these industry publications, surveys and forecasts are accurate and complete, we believe we have correctly extracted and reproduced the information from such sources. Additionally, industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and in some instances state that they do not assume liability for such information. We cannot therefore assure you of the accuracy and completeness of such information, and we have not independently verified such information.

Further, in many cases, statements in this Report regarding our industry and our position in the industry are based on our experience and our own investigation of market conditions. Comparisons between our reported financial or operational information and that of other companies operating in our industry using this information may not fully reflect the actual market share or position in the market, as such information may not be defined consistently or reported for all companies from our industry in line with how we define or report such information in this Report.

While we are not aware of any mis-statements regarding the industry data presented herein, our estimates involve certain assumptions, risks and uncertainties and are subject to change based on various factors.

Key Performance Indicators

Certain KPIs included in this Report, including DAU, MAU, DPU, MPU, ARPDAU, ARPPU and monthly conversion, are derived from management estimates, are not part of our financial statements or financial accounting records and have not been audited or otherwise reviewed by independent auditors, consultants or experts.

Our use or computations of these KPIs may not be comparable to the use or computations of similarly titled measures reported by other companies in our industry, by research agencies or by market reports. For that reason, comparisons using this information may not be reliable. Other companies, research agencies or market reporters may include other items or factors in their calculation of similar metrics and may use certain estimates and assumptions that we do not use when calculating these metrics. These factors may cause the calculations by others of similar metrics to differ substantially from our calculations if their methodologies were used to calculate our KPIs. The KPIs are not accounting measures, but management believes that each of these measures provides useful information concerning the usage and monetization patterns of our games, and the costs associated with attracting and retaining our players. None of the KPIs should be considered in isolation or as an alternative measure of performance under IFRS, and their inclusion in this Report does not mean that the Issuer will continue to report these KPIs in the future.

Forward-looking statements

The Report includes forward-looking statements, which include all statements other than statements of historical facts, including, without limitation, any statements preceded by, followed by or that include the words “targets,” “believes,” “expects,” “aims,” “intends,” “will,” “may,” “anticipates,” “would,” “could” or similar expressions or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond our control that could cause our actual results of operations, financial condition or prospects to materially differ from any of those expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we currently operate and will operate in the future. These forward-looking statements speak only as at the date of the Report. We have no obligation and have made no undertaking to disseminate any updates of or revisions to any forward-looking statements contained in this Report unless we are required to do so under the applicable laws.

Investors should be aware that several important factors and risks may cause our actual results of operations to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements.

CEO Letter

Dear Shareholders, Team Huuuge,

I am pleased to present Huuuge's Annual Financial Report for 2024.

Our adjusted EBITDA reached USD 87.1 million, while our net operating cash flow amounted to USD 65 million.

Furthermore, we have executed a substantial Share Buyback Program valued at $70 million. Within the last 2 years Huuuge deployed over $220M in Buy Backs, underscoring our commitment to delivering value back to our shareholders.

Our core franchises, Huuuge Casino and Billionaire Casino, generated USD 245.1 million in revenue, representing a 10% decline from the previous year. This decline was primarily due to the significant investments we made to improve product quality and accelerate time-to-market. These investments required major internal changes, which led to delays and the postponement of several key releases. As a result, most of the impactful updates were shifted toward the end of the year.

This was the right decision for the long-term health of the business. The Q4 releases, Huuuge Pass and the game economy improvements were major successes. They stabilized revenue and positioned us strongly for the start of 2025.

On a full-year basis, our core games' KPIs reflected a year-over-year decline: Daily Active Users (DAU) fell by 4.1%, primarily due to a strategic reduction in marketing spend to ensure that user acquisition efforts aligned with Q4 releases. Key monetization metrics showed mixed results: Average Revenue Per Daily Active User (ARPDAU) decreased by 6.4%, while Average Revenue Per Paying User (ARPPU) increased by 0.4% year-over-year. In Q4, following successful releases, all these metrics improved: ARPDAU rose by 10.9% QoQ and ARPPU increased by 1.2% QoQ.

Our Direct-to-Consumer segment has been a continued success, with revenues reaching a peak of USD 29.9 million — nearly doubling the 2023 figures. The momentum has carried into early Q1 2025, and we continue to see strong growth in this stream. We have high expectations for the year ahead as we further scale this channel.

Starting in early 2025, Huuuge undertook a major company-wide restructuring as the final step in our long-term transformation journey, aimed at reducing organizational complexity and fully focusing on our core strengths in the social casino business. The most significant actions included shutting down our internal Pods focused on casual games, reducing the number of locations, and significantly scaling down support units to align with this new strategic direction.

As part of this effort, we made the very difficult decision to reduce our workforce by approximately 29%. This decision impacted many of our colleagues and friends, and was by no means taken lightly. However, it was a necessary step to align the organization with our strategic priorities and build a more focused, adaptable company for the future.

Collectively, these changes are expected to lower our cost base by approximately USD 12 million (annualized) and leave us with a leaner, more agile team that is better equipped to execute against our vision.

Huuuge continues to be a cash-generating company, with stabilized revenue and a strong cash balance. We view cash as a strategic asset and will prioritize growth opportunities over share buyback programs. While we continue to see M&A opportunities in the market, our approach remains highly selective. We're focused on meaningful, high-impact acquisitions, not driven by deadlines, but by strategic value. The stability in revenue gives us the confidence to take our time and make bold, well-considered moves. Additionally, we are actively exploring new markets, including iGaming, a space where Huuuge has the potential to drive innovation and disrupt the status quo with a social-first mindset.

Our approach towards shareholders, players, and employees has remained unchanged. As always, we greatly value your feedback and support. We continue to work towards serving more players globally and we hope you'll enjoy playing together with Huuuge.

Best regards,

Wojciech Wronowski

Wojciech Wronowski, CEO – Huuuge, Inc.

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SELECTED CONSOLIDATED FINANCIAL DATA

The following table presents selected financial data of the Group.

in thousand USD	USD 12m`2024	USD 12m`2023	EUR 12m`2024	EUR 12m`2023	PLN 12m`2024	PLN 12m`2023
Revenue	250,823	283,444	231,836	262,118	998,499	1,190,118
Operating profit (loss)	70,908	94,073	65,540	86,995	282,277	394,991
Pre-tax profit (loss)	77,785	98,765	71,897	91,334	309,654	414,692
Net profit (loss)	65,352	82,178	60,405	75,995	260,159	345,047
Net cash flows from operating activities	65,011	82,420	60,090	76,219	258,802	346,063
Net cash flows from investing activities	(633)	4,123	(585)	3,813	(2,520)	17,312
Net cash flows from financing activities	(74,424)	(155,021)	(68,790)	(143,357)	(296,274)	(650,898)
Total net cash flows	(10,046)	(68,478)	(9,286)	(63,326)	(39,992)	(287,524)
Cash and cash equivalents at the end of the year	141,840	152,110	136,136	137,662	581,788	598,553
Number of shares at the end of year	59,984,981	67,124,778	59,984,981	67,124,778	59,984,981	67,124,778
Weighted average number of shares	58,179,497	71,252,841	58,179,497	71,252,841	58,179,497	71,252,841
Earnings per share basic (EPS)	1.12	1.15	1.04	1.06	4.46	4.83

The following table sets out the exchange rates of our main currencies against the USD as at the end of 2023 and 2024 and the annual average exchange rates for those years.

	EUR 12m`2024	PLN 12m`2024	EUR 12m`2023	PLN 12m`2023
Annual average exchange rate	1.0819	0.2512	1.0814	0.2382
Exchange rate at the end of the reported year	1.0419	0.2438	1.1050	0.2541

SELECTED SEPARATE FINANCIAL DATA

The following table presents selected financial data of the Company.

in thousand USD	USD 12m`2024	USD 12m`2023	EUR 12m`2024	EUR 12m`2023	PLN 12m`2024	PLN 12m`2023
Revenue	934	1,577	863	1,458	3,718	6,621
Dividend income	100,822	159,729	93,190	147,711	401,361	670,666
Operating profit (loss)	92,007	152,940	85,042	141,433	366,270	642,161
Pre-tax profit (loss)	95,938	155,809	88,675	144,086	381,919	654,207
Net profit (loss)	95,727	154,251	88,480	142,645	381,079	647,665
Net cash flows from operating activities	62,379	142,092	57,657	131,401	248,324	596,612
Net cash flows from investing activities	(1,260)	2,915	(1,165)	2,696	(5,016)	12,239
Net cash flows from financing activities	(70,169)	(150,575)	(64,857)	(139,246)	(279,335)	(632,231)
Total net cash flows	(9,050)	(5,568)	(8,365)	(5,149)	(36,027)	(23,379)
Cash and cash equivalents at the end of period	71,441	80,532	68,568	72,883	293,031	316,893
Number of shares at the end of period	59,984,981	67,124,778	59,984,981	67,124,778	59,984,981	67,124,778
Weighted average number of shares	58,179,497	71,252,841	58,179,497	71,252,841	58,179,497	71,252,841

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Annual average exchange rate	1.0819	0.2512	1.0814	0.2382
Exchange rate at the end of the reported year	1.0419	0.2438	1.1050	0.2541

2024 IN BRIEF

USD
251 million
Revenue

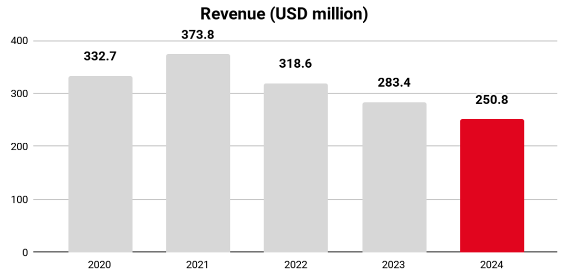
USD
87.1 million
Adjusted EBITDA

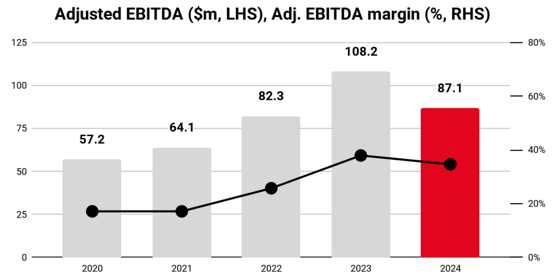
7.8%
monthly conversion
for core franchises

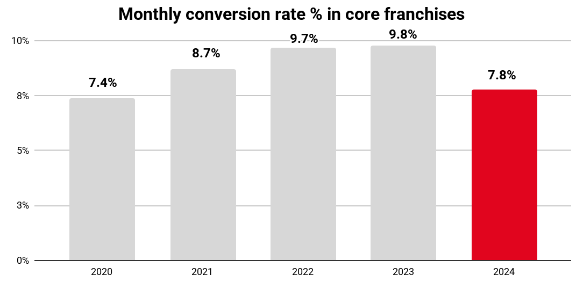
USD
49.23 ARPPU
in core franchises

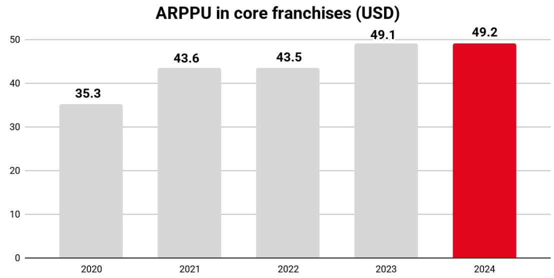
USD
142 million
Cash at the end of period

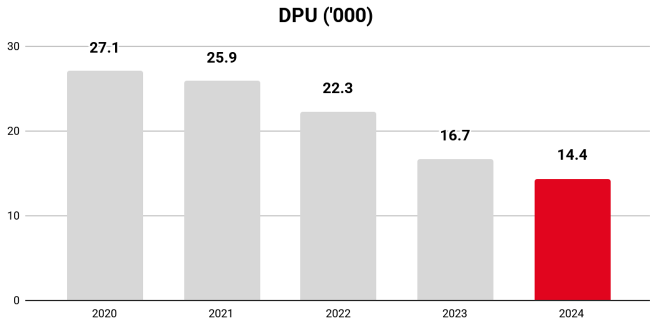
RESULTS 2020–2024











About Us

Company and its business profile

Huuuge, Inc. (the "Company", "Huuuge") is registered in the United States of America. Huuuge's registered office is in Dover, Delaware, 850 New Burton Road, Suite 201, DE 19904. The Company was formed February 11, 2015.

MISSION

Empower billions of people to play together

VISION

Transform mobile gaming into a massively social experience

Huuuge is a global game developer and publisher on a mission to build the world's most social real-time, free-to-play mobile games portfolio. We strive to become the global leader in real-time free-to-play casual gaming, we aim to redefine the experience to give maximum joy and fun to players all around the world. Huuuge's games provide entertainment every month to millions of players from 174 countries and are available in 32 languages. Huuuge shares have been listed on the Warsaw Stock Exchange since February 2021.

Key products

Huuuge develops and publishes games that are easy to play, great for small breaks and longer sessions alike, and designed around our social-first, "play together" ethos. The social-first nature of our games is based primarily upon the ability of our players to chat, play and compete with one another in-game, and in real time. The concept of playing alongside others is central to the Group's approach to game design. We are one of the market leaders in implementing real-time multiplayer mechanics at scale in social casino games.

Our core franchises are Huuuge Casino and Billionaire Casino. Together, they generate 98% of Huuuge's total revenues. Our new franchises generate 2% of total revenues and include different titles at various stages of their life cycle.

HUUUGE CASINO

Huuuge Casino: The game was launched in June 2015. It is Huuuge's flagship title responsible for 65% of total 2024 revenue and for USD ~1.4 billion in lifetime revenue. Huuuge Casino was a true pioneer with its mobile-first user experience and real-time PvP-style gameplay. We believe that it was the first social casino game to introduce features such as clubs to the realm of social casino games. Huuuge Casino offers players over 100 casino slot machines, as well as card games and roulette. The game enables players to join a club and compete in a Billionaire League, with multiplayer slots where they can play with friends and compete against each other. Huuuge Casino is ranked #18 (Apple App Store) and #9 (Google Play) among social casino apps in the United States by revenue as of December 31, 2024.

Billionaire Casino: The game was launched in October 2016. Revenue has grown rapidly since its release. It has achieved over USD 0.7 billion of lifetime revenue and constitutes 33% of our total 2024 revenues. Due to its aesthetic, which is different from that of Huuuge Casino, Billionaire Casino is targeted at a different player base in terms of demographics. Similar to Huuuge Casino, Billionaire Casino offers players a number of casino slot machines, card games and roulette. Billionaire Casino allows players to create a club with their friends or join a club and meet new people while playing slot machines. Also, the game allows players to participate in club events by playing slots and other casino games. Billionaire Casino is ranked #39 (App Store) and #23 (Google Play) among social casino apps in the United States by revenue as of December 31, 2024.

Group structure

As of December 31, 2024, the Huuuge Group ("Group") comprised the Company (the parent entity), five direct subsidiary companies wholly owned and controlled by the Company and four indirect subsidiaries wholly controlled by the Company through Huuuge Global Ltd. with its registered seat in Cyprus. All companies are consolidated using the full method.

Coffee Break Games United Ltd and Huuuge Mobile Games Ltd, two Irish subsidiaries of the Group, completed the voluntary liquidation processes and ceased to exist on January 24, 2024, and May 27, 2024, respectively.

Huuuge Labs GmbH and MDOK GmbH, two remaining German subsidiaries of the Group, concluded the voluntary liquidation proceedings and ceased to exist on September 11, 2024 and September 16, 2024 respectively.

On December 4, 2024, Huuuge Block Ltd. filed a strike-off application to deregister itself from the corporate register due to ceasing of operations. Huuuge Block Ltd. does not have any assets or obligations and once the Cypriot register approves the application, Huuuge Block Ltd. will formally cease to exist. The typical waiting time for approval for such an application is between 12 and 15 months from filing.

On March 24, 2025, Double Star Oy, the Finnish indirect subsidiary of the Issuer, entered into voluntary liquidation proceedings. The process of liquidation of the subsidiary is ongoing as of the date of approval of this Report for publication.

On March 31, 2025, Playable Platform B.V., the Dutch subsidiary of the Issuer, opened voluntary dissolution proceedings. The dissolution process of the subsidiary is ongoing as of the date of approval of this Report for publication.

The below shows the current structure of the Group with percentage shareholding in share capital of each entity.

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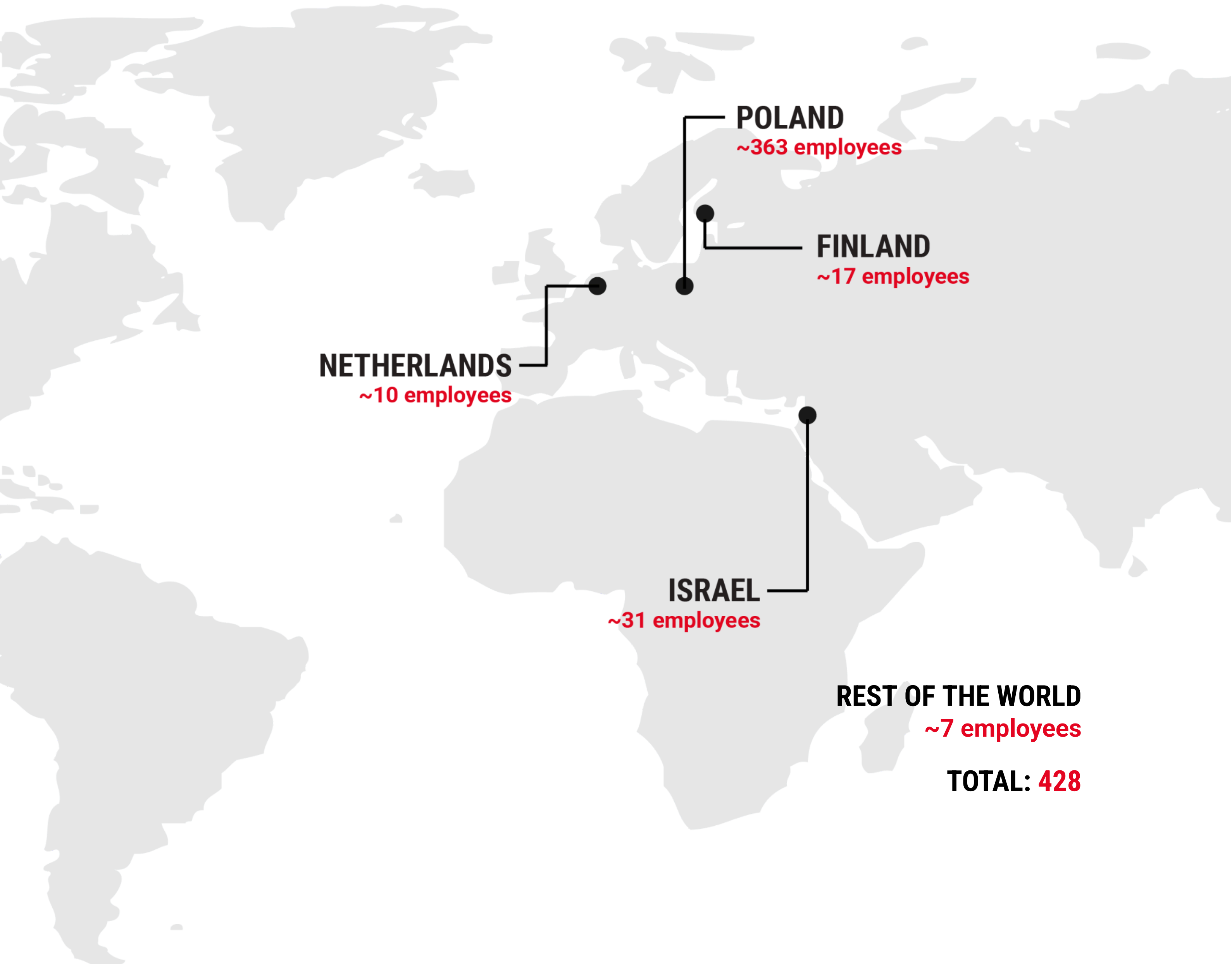
Changes in the basic principles of management

The Issuer did not make any changes to the basic principles of management of the Issuer's enterprise and its Group.

Offices & Locations

Huuuge, Inc. is a global organization. At the end of 2024, our team consisted of 428 employees of 15 different nationalities, working in seven offices located worldwide.

The organizational culture of our Group is based on innovation and teamwork.



In January 2025, the Company conducted collective layoffs. The restructuring affected 29% of the Group's employees. As of the report's publication date, i.e., April 16, 2025, the Huuuge Group employs approximately 353 employees. The total headcount is expected to decline further to c. 300 in May, 2025, as some employees are still serving their notice period.

Gaming market

According to Newzoo, the gaming industry continued its upward trend in 2024, reaching $187.7 billion in revenue, reflecting a 2.1% growth from 2023. This increase was driven by an expanding player base, exceeding 3.42 billion gamers worldwide. Mobile gaming, which had experienced a post-pandemic slowdown, was recovering, reaching $92.6 billion in revenue (+3.0% YoY).

$187.7bn Size of the Global Games Market	**48%** Mobile Share of Total Market
2.1% 2024 YoY Total Market Growth	**3.0%** 2024 YoY Mobile Market Increase
4.5% Total Player Growth vs 2023	**90.0bn** 2024 Mobile Games Downloads
3.1% '24-'27 Total Market CAGR%	**-2.9%** '24-'27 Social Casino Market CAGR%

The mobile gaming market is becoming increasingly concentrated, with large publishers maintaining significant market share. Fewer new titles are breaking into the top rankings, signaling a shift toward established core franchises that continue to drive revenue and engagement. Given that the player's time, attention and wallets have limits, for new entrants to compete.

Regulatory changes, like the EU's Digital Markets Act (DMA), are pushing Apple and Google to open their ecosystems, enabling alternative app stores and payment methods. This shift allows developers to lower platform fees and take more control of distribution.

AI is also changing mobile gaming, making gameplay more personalized with adaptive difficulty and dynamic content. AI tools boost player engagement, retention, and monetization, shaping the industry's future.

The social casino market declined -2.5% YoY in 2024 to $7.15 billion, with Web/DTC platform revenue growing by 16.6% YoY, signaling a shift toward direct monetization. The market remains highly consolidated, with the top 15 companies controlling 88.1%. The industry faces a -2.9% CAGR decline through 2027, according to Eilers & Krejcik.

Sources: Newzoo, data.ai, Eilers & Krejcik

Strategy

Our vision is to transform mobile gaming into a massively social experience. Our mission is to empower billions of people to play together.

We plan to achieve our vision and mission by focusing on the following objectives:

Focusing on our large captive user base within our Core Franchises
In response to macroeconomic conditions, changes in mobile marketing and slowing social casino market dynamics in recent years, we strategically evolved our approach, shifting our focus toward monetizing and retaining our existing player base. This shift included the implementation of a profit-oriented strategy, where we deliberately reduced our user acquisition (UA) spend. While this decision had an impact on the decline in daily active users (DAU), it also drove a significant increase in average revenue per daily active user (ARPDAU) and our overall profitability and cash generation. In 2023 and 2024, we continued this strategy, maintaining a disciplined and measured approach to marketing spend.

Our success is built on a strong track record and deep expertise in engaging and monetizing users effectively. We leverage core strengths such as developing compelling new content, delivering an exceptional multiplayer social experience, and optimizing game economy management and live operations.

A major contributor to our recent performance has been the implementation of new features to our core games in late November 2024 (most notably Huuuge Pass), aimed at enhancing player engagement and improving player to payer conversion rates. By continuously refining our roadmap of features, we are reinforcing our ability to sustain long-term engagement and monetization.

Ceasing our development activities in the casual games subgenre
As part of our strategic realignment, we have decided to cease our development activities in the casual games subgenre and focus our efforts on the social casino market, as outlined previously. Given the evolving industry landscape and our core strengths in player monetization, social engagement, and live operations, we see greater opportunities in expanding our presence in the markets adjacent to the social casino space.
During recent organizational restructuring and group layoffs, we made the decision to discontinue Huuuge Pods dedicated to casual games and to cease further internal investment in this subgenre. This shift allows us to concentrate our resources on markets where we can maximize growth potential and leverage our expertise to deliver high-value gaming experiences.

Accessing best-in-class talent from around the world
Across our history, we have focused considerable time and resources on building a team with diverse experience and backgrounds and a positive, stimulating business culture. Our office's presence enables us to hire talent from different geographies, which allows us to create the inclusive and diversified environment that is required to successfully operate in our industry. We benefit from our presence in Central and Eastern Europe, a region with a deep talent pool. We have cultivated an ecosystem within the industry that allows us to identify leading talent globally.

Research and development

Innovation is central to our ability to attract new players, retain existing ones, and enhance engagement. Our R&D efforts focus on expanding our content library, developing advanced game systems, and leveraging technology to elevate the player experience.

In 2024, our research and development expenditures totaled USD 22,209 thousand, compared to USD 23,363 thousand in 2023. The decrease was primarily driven by workforce adjustments and technology optimizations, reflecting our focus on efficiency and automation.

Key Strategic Initiatives

Personalization and Player Experience

Delivering tailored experiences remains a priority. A key success was the Huuuge Pass, which demonstrated strong engagement through personalized content and player-driven incentives. As personalization continues to be a major focus, we are expanding our ability to adapt game features based on player behavior and preferences.

Expansion of Direct-to-Consumer (D2C) Channels

We further developed our web-based store, improving accessibility and engagement:

- Expanded country availability and opened access to all players, not just VIPs.
- Enhanced platform stability through automation, reducing manual interventions.
- Introduced personalized, time-based, and progressive offers, driving greater adoption of direct payment options.

These advancements have broadened our reach while significantly improving the purchasing experience.

Core Product Stability

Significant enhancements to core product stability have resulted in measurable improvements across key game performance metrics. Player surveys conducted by our Player Services team highlight increased satisfaction with reliability and smoothness, reinforcing our commitment to seamless gameplay experiences.

Integration of Generative AI

We have deepened our use of generative AI in development processes, including:

- The introduction of AI-enhanced development environments (IDEs), showing early efficiency gains.
- Ongoing research initiatives aimed at scaling development capacity and accelerating iteration cycles.

Beyond game development, AI tools have been integrated into the workflows of supporting units, marketing, and art. These applications are improving content creation, optimizing marketing strategies, and increasing operational efficiency. Given the rapid evolution of AI, we continue to explore new opportunities to enhance automation, productivity, and innovation across the organization.

AI-Powered Security Enhancements

We have completed foundational research on AI-driven security solutions, with implementation planned for the coming year. These systems utilize large language models (LLMs) and AI-driven vulnerability detection, enabling:

- Automated security recommendations for developers.
- Faster resolution times for potential risks.
- Reduced manual effort, strengthening both efficiency and security.

By embedding AI in our security framework, we proactively enhance protection measures while streamlining our development workflow.

Commitment to Innovation

We remain dedicated to advancing our technological capabilities, optimizing development efficiency, and ensuring product stability and security. Our continued investments in R&D will drive long-term growth and support our vision of delivering high-quality, engaging entertainment experiences to players worldwide.

FINANCIALS & KPIs

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Significant achievements or failures and unusual events significantly affecting the financial statements

Share Buyback and Redemption of Shares

On March 14, 2024, the Company announced a Share Buyback in the form of a time-limited tender offer to sell shares to the Company at a predetermined and fixed price per share, available to all Company shareholders ("SBB"). The purpose of the buyback was to acquire a maximum of 7,139,797 ordinary shares, which constituted 10.64% of the Company's issued share capital, with the intention of redeeming the majority of the acquired shares. Each share in the buyback was valued at a fixed rate of USD 9.8042, and the total budget set for this buyback was USD 70 million.

During the entire offer period, a total of 446 share sale bids were submitted for a total of 27,461,824 shares of the Issuer. Consequently, the Company proportionally reduced the number of shares covered by the sale offers submitted by shareholders. The average reduction rate of the submitted sale offers was 84.12%. As a result, under the SBB, on April 23, 2024, the Company acquired 7,139,797 shares.

All shares acquired during the Share Buyback were retired by resolution of the Board of Directors dated April 26, 2024, and as a result the issued capital of the Company decreased from 67,124,778 to 59,984,981 shares. The change was registered by the Secretary of State of the State of Delaware on July 2, 2024.

Investment in Bananaz Studios Ltd.

On March 17, 2024, Huuuge, Inc. signed two key agreements with Bananaz Studios Ltd.: a Simple Agreement for Future Equity (SAFE) and a Call Option Deed. Huuuge committed to invest up to USD 6 million in Bananaz in two tranches, starting with USD 3.5 million on the signing date, with the potential to acquire Bananaz after further investments. This investment values Bananaz at a pre-money valuation of USD 16.5 million. The Call Option allows Huuuge to potentially purchase all shares of Bananaz at a base price of USD 20 million, adjustable based on financial metrics, within 24 months of completing the second investment. Huuuge also secures rights typical of a minority shareholder, including appointing a director to the Bananaz Board.

As reported in the current report no. 4/2025 dated January 16, 2025, as at December 31, 2024 the issuer conducted an impairment test on the asset related to the investment in Bananaz Studios Ltd. in the form of a simple agreement for future equity. The results of this test indicated an impairment of the asset, which affected the carrying value of the asset recognised in the line "Long-term investments" in the consolidated statement of financial position was reduced by USD 3,500 thousand to zero. Accordingly, the revaluation loss of USD 3,500 thousand was recognised in the consolidated statement of comprehensive income, in the line "Other operating income/(expense), net". The Company has also decided that it will undertake actions to cease further financing of Bananaz Studios Ltd.

Factors affecting our results

Mobile gaming and social casino market environment

As far as market dynamics are concerned, Eilers & Krejcik estimate that the social casino market declined by 2.7% YoY in Q4 2024 (and by 1.2% QoQ). The long-term forecast has been revised downwards in 4Q 2024, and the social casino market is now expected to decline at a 2.9% CAGR in 2024-27E, reaching USD 6.6 billion by 2027. For the full year 2024, the market declined by 2.5% YoY.

User Acquisition expenses and our marketing strategy

Due to weak performance in the social casino market, making it more difficult for us to maintain satisfactory paybacks, we reduced UA spending in Q4. For Q4 2024, UA expenses declined by 35% year-over-year, though year-over-year expenses of 2024 were still up by 11%. As a result, our paybacks have improved materially. Our goal is to align investment with the momentum generated by new feature releases while maintaining a disciplined approach to payback, given the significant improvement in payback metrics. For Traffic Puzzle, marketing spend is immaterial, primarily focused on retargeting inactive players.

Expected introduction of Google's Privacy Sandbox

Google’s Privacy Sandbox is a strategic move to enhance user privacy, which will likely be fully launched not earlier than H2 2025, the date not officially confirmed yet though there are indications that the development of the tool has proceeded in the recent months at a considerably reduced pace. This coincides with Apple encountering potential regulatory penalties from some European Union countries for allegedly employing monopolistic and discriminatory practices through its App Tracking Transparency implementation, while simultaneously favoring its own advertising business. Such regulatory interventions may potentially influence privacy technology modifications across other platforms, including Google's Android operating system.

Google plans to phase out the Google Advertising ID (GAID) for all users eventually, though the discontinuation of GAID is not currently included in Google's Privacy Sandbox initiatives and its timeline has not been announced yet.

The phase-out is anticipated to not occur in 2025. Consequently, there will be a transitional period during which it will be possible to measure Android traffic deterministically, as is the current practice, and through Google's Privacy Sandbox. This overlap will provide an opportunity to compare the effectiveness of the two approaches.

The discontinuation of GAID will restrict app developers' ability to track specific conversion events, for which Google's Privacy Sandbox is intended to serve as a remedy. Although plans are in place to phase out GAID, the Google Play referrer, an alternative method of attribution based on the App Set ID, might continue to be available and needs to be confirmed by Google. This could offer an alternative to GAID, though its efficacy and applicability in the post-GAID era will require further validation. Sandbox will send aggregated event data with added noise points for privacy. Google assures clients that the changes won’t drastically impact their ad business. Pre-Sandbox efforts include continuous development of Media-Mix-Modeling (MMM) for allocating organic users and assessing the influence of marketing networks. Additionally, Huuuge is among the initial testers of the Privacy Sandbox on Android through participation in the Google Ads Early Access Program & AppsFlyer's Sandbox beta version testing. Huuuge is actively testing ways to measure Unity Android traffic both deterministically and through Google’s Privacy Sandbox. Nevertheless, at present, a restricted range of metrics is available as the tool is in its early stage of development.

Expected tax reforms & changes in tax law / tax law interpretations

The debate on taxation in the United States has started and it will impact the plan with respect to the shape of the income tax reform in the United States. In particular, no extending the expiring 2017 Tax Cuts and Jobs Act (TCJA) will lead to the GILTI increase. i.e. changes that may affect the global effective tax rate of the Group and may have a negative impact on our financial results.

Additionally, the shape of the implementation of Pillar II in Cyprus and potential increase of the corporate tax rate from 12.5% to 15% may also impact the global effective tax rate of the Group.

Impact of the situation in Israel on our business

Huuuge’s office in Tel Aviv, Israel accounts for around 6% of the Group’s total headcount, which includes senior management of our Huuuge Casino Studio. On October 7, 2023, Hamas militants conducted a series of coordinated attacks from the Gaza Strip against the Israeli people, resulting in the outbreak of war between the State of Israel and Hamas. Moreover, Israel is engaged in ongoing hostilities with Hezbollah in Lebanon. Some of our employees in Israel in certain emergency circumstances may be called to immediate and unlimited active duty. As a result of Israel’s October 7, 2023 declaration of a state of war and activation of Article 8 of the Reserve Service Law (2008), several of our employees in Israel were activated for military duty. Currently, none of Huuuge’s employees have been called up for military service. Any major escalation in hostilities in the region could result in a portion of our employees and service providers in Israel being called up to perform military duty for an extended period. Contingency plans are in place to prevent disruptions to business, including Israeli teams working from home if required. Our technology infrastructure is critical to supporting the performance of our games, ensuring uptime and redundancy. All of our games operate on cloud, maintained through data centers and availability zones in the US and the EU.

The Company is actively monitoring the situation and has established an internal task force developing and implementing business continuity measures and ensuring the core competences are covered.

We have no Israel-based personnel responsible for infrastructure. As of the date of the report, the war in Israel has no significant impact on our business and financial results.

Legal cases in the gaming industry

Over the past 4 years, Epic Games initiated legal battles against Apple and Google, challenging their control over the mobile app economy. The case against Google resulted in a jury ruling that Google's app store policies were monopolistic. Conversely, Epic's similar claims against Apple were largely dismissed. These mixed outcomes underscore the complexity of app store dynamics and hint at possible changes in how apps are distributed and monetized, potentially affecting pricing and innovation in the mobile app market.

EU's Digital Markets Act & Apple's new App Store policy

The European Union's Digital Markets Act (DMA), passed in October 2022, marks a crucial step towards promoting fair competition and curtailing the dominance of big tech companies. This law targets digital "gatekeepers," aiming to enhance interoperability, encourage data sharing, and prevent self-preferencing to create a more competitive and open digital market. It's designed to benefit consumers and small businesses by increasing choice and innovation.

In response to the European Union's Digital Markets Act (DMA), Apple has announced significant adjustments to its terms and conditions for EU developers, scheduled to coincide with the launch of iOS 17.4 in March. EU Developers were presented with the option to adhere to Apple's current business terms or transition to the new terms. The new terms include an adjusted pricing model that appears to reduce Apple's commission rates on most in-app purchases by EU players. The standard commission rate is lowered from 30% to 17%.

However a new 3% “Payment Processing Fee" is added, as well as a Euro 0.5 “Core Technology Fee” for each annual install of an app above 1 million installs. Other notable changes in the new terms include allowing EU developers to “link out” to payment options other than Apple's own in-app payment process, and allowing alternative app stores other than Apple's own App Store on iPhones for EU users.

Huuuge is constantly tracking Apple's recent updates, including those to App Store policies, new hardware features, and privacy protections. In Q2 2024 we have adopted the new App Store terms and pricing for the EU markets. The adopted change has had a positive, but minor impact on our platform fee costs.

Except for events and factors described in the Financial and KPI sections, there were no other unusual events with an impact on the Issuer's financial results in 2024.

Key performance indicators

- **Daily Active Users (DAU):** DAU is defined as the number of individual users who played a game on a particular day. In order to more accurately reflect reality, we identify the users based on (human) ID (HID) rather than device ID. That allows us to eliminate the double counting of individuals playing games on multiple devices. The ability to identify and analyze actual players rather than accounts allows for substantially greater accuracy, including better in-game targeting of offers (the right offer, to the right person, at the right time), better retargeting capabilities and better predictive models. Average DAU for a period is the average of the monthly average DAU for the period. It is not a KPI that we internally use as an objective (we focus primarily on the number of paying users – e.g., DPU).

- **Daily Paying Users (DPU):** DPU is defined as the number of players (active users) who made a purchase on a given day.

- **Average Revenue per Daily Active User (ARPDAU):** ARPDAU is defined as average revenue per daily active user. ARPDAU for a period is calculated by dividing gross revenue (i.e., before deduction of platform fees) for the period by the number of days in the period and then dividing by the average DAU for the period**.**

- **Daily Average Revenue per Paying User (ARPPU):** ARPPU is defined as average revenue per paying user on a given day. It is calculated by dividing gross revenue from in-app purchases (i.e., before deduction of platform fees) for the period by the number of days in the period and then dividing by the average DPU for the period. ARPPU for the period is calculated by dividing IAP revenue for the period by the number of days in the period and then dividing by the average DPU for the period.

- **Monthly Payer Conversion (Monthly Conversion):** Monthly Conversion is defined as the percentage of MAU (the number of individual users who played a game during a particular month) that made at least one purchase in a month during the same period.

Our revenue is principally driven by DAU, ARPPU and conversion rates. We monitor our user acquisition costs using measures such as ROAS (Return on Ad Spend), but given that these metrics are commercially sensitive we do not disclose or discuss them in this report.

The tables below present our KPIs for 2024 and 2023 (YoY) as well as Q4 2024, Q3 2024 and Q4 2023 (YoY) for the Group and "core franchises," i.e., Huuuge Casino and Billionaire Casino.

	All games		Core franchises Huuuge Casino and Billionaire Casino	
KPI	**2024**	**2023**	**2024**	**2023**
DAU (in thousand)	374.6	429.7	320.5	334.1
DPU (in thousand)	14.4	16.7	13.6	15.2
ARPDAU (in USD)	1.8	1.8	2.1	2.2
ARPPU (in USD)	47.5	46.0	49.2	49.1
Monthly Conversion (%)	7.0	8.0	7.8	9.8

The table below presents our KPIs for Q4 2024, Q3 2024 and Q4 2023 for the Group and core franchises, i.e. Huuuge Casino and Billionaire Casino.

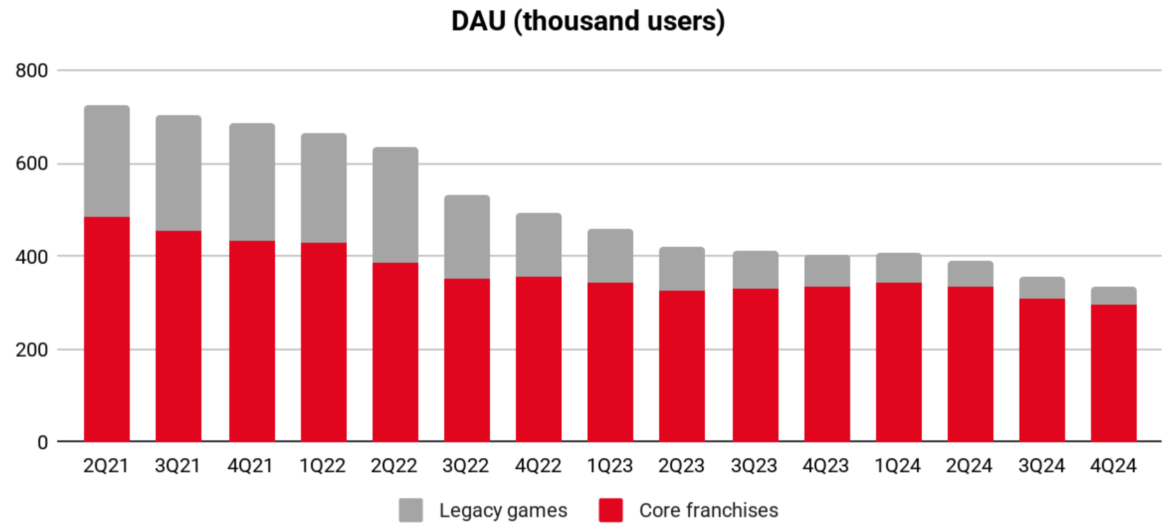
	All games			Core franchises Huuuge Casino and Billionaire Casino		
KPI	**Q4 2024**	**Q3 2024**	**Q4 2023**	**Q4 2024**	**Q3 2024**	**Q4 2023**
DAU (in thousand)	338.0	359.2	408.1	295.0	310.1	334.7
DPU (in thousand)	14.2	13.4	16.1	13.6	12.7	15.0
ARPDAU (in USD)	2.0	1.8	1.9	2.2	2.0	2.2
ARPPU (in USD)	47.0	47.5	47.7	48.4	49.2	50.2
Monthly Conversion (%)	8.1	6.6	7.7	9.1	7.2	8.9

In addition, below we present a more detailed quarterly overview of our selected KPIs.

Daily Active Users

On an annual basis (FY 2024 vs. FY 2023), DAU for core franchises fell -4.1% YoY to 320.5 thousand, while all games DAU dropped -12.8% YoY to 374.6 thousand. The decline in DAU is directly linked to adjustments in our marketing strategy and user acquisition (UA) expenses.

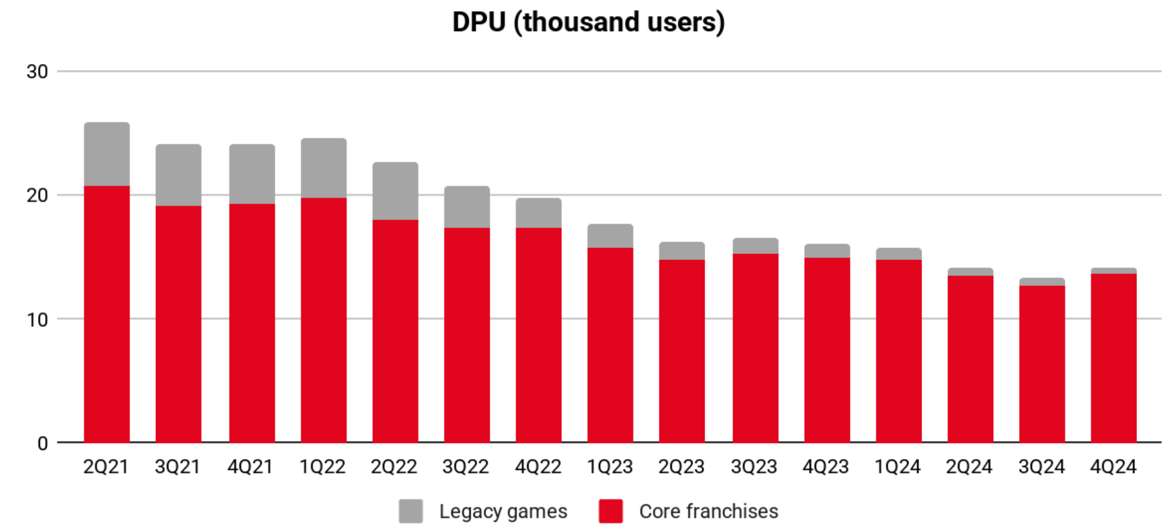
In Q4 2024, DAU for core franchises declined to 295.0 thousand, representing a -4.9% QoQ and -11.9% YoY decrease. For all games, DAU dropped to 338.0 thousand, reflecting a -5.9% QoQ and -17.2% YoY decline. The decrease in DAU for core franchises was primarily driven by lower marketing expenditures in Q3 and Q4, along with churn among existing user cohorts.



Daily Paying Users

On an annual basis (FY 2024 vs. FY 2023), DPU for all games dropped -13.8% YoY to 14.4 thousand, while core franchise DPU declined by -10.5% YoY to 13.6 thousand.

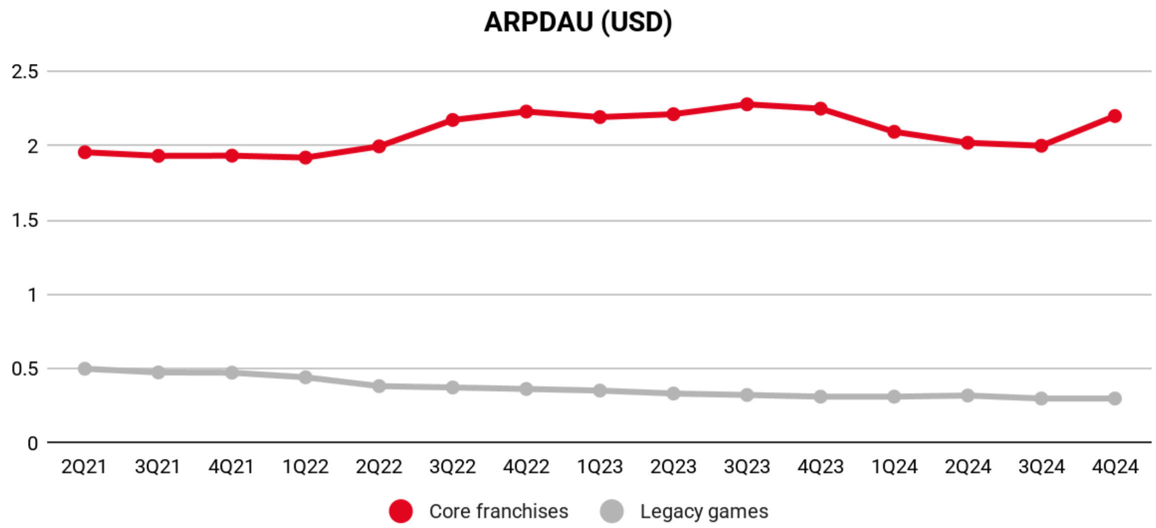
In Q4 2024, the total number of Daily Paying Users (DPU) declined to 14.2 thousand, reflecting a -11.8% YoY decrease and 6.2% QoQ increase. For core franchises, DPU fell to 13.6 thousand, marking a -9.3% YoY decline and a 7.1% QoQ increase. The QoQ recovery is largely attributed to the new features introduced to core franchises in late November 2024, including the implementation of a new game economy and Huuuge Pass. These actions led to an improvement in player-to-payer conversion.



Average Revenue per Daily Active User

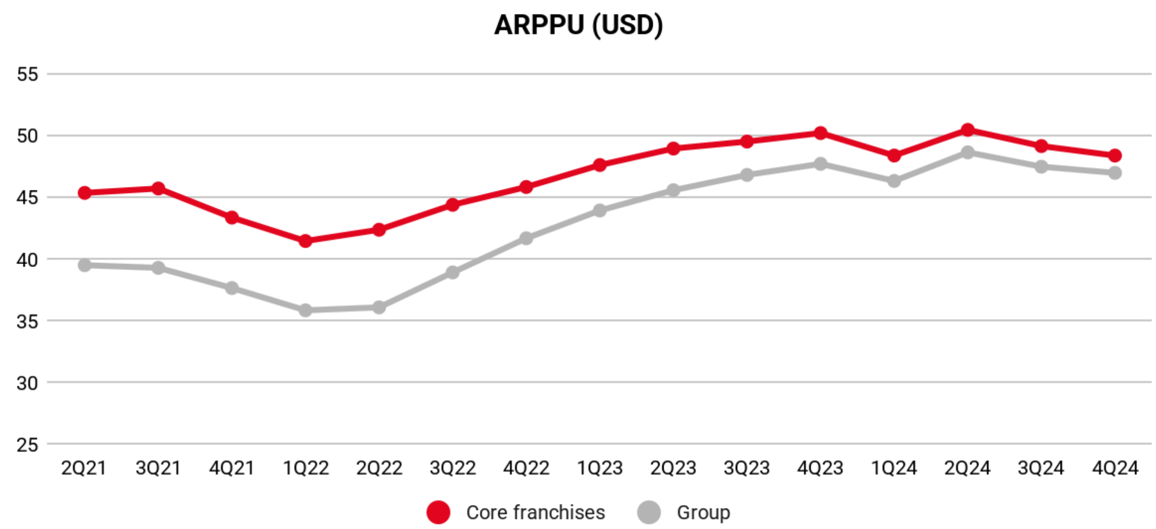
ARPDAU indicates how well we monetize our games considering our entire player base. Huuuge Casino and Billionaire Casino remain among the best monetizing social casino games in the market. On an annual basis (FY 2024 vs. FY 2023), ARPDAU for all games remained stable at 1.8 USD, while core franchise ARPDAU decreased by -6.4% YoY to 2.1 USD.

In Q4 2024, ARPDAU for all games increased to 2.0 USD, showing a +11.7% QoQ and +4.5% YoY improvement. For core franchises, ARPDAU reached 2.2 USD, reflecting a +10.9% QoQ and -0.6% YoY decrease. This growth was driven by the late-November rollout of new features, including a revamped game economy and Huuuge Pass.



Daily Average Revenue per Paying User

In recent years, we have been able to improve the ARPPU of our core franchises. Since Q1 2023, we have maintained this KPI at a very high level compared to industry standards. In Q4 2024, we focused on enhancing player engagement rather than pursuing aggressive monetization.

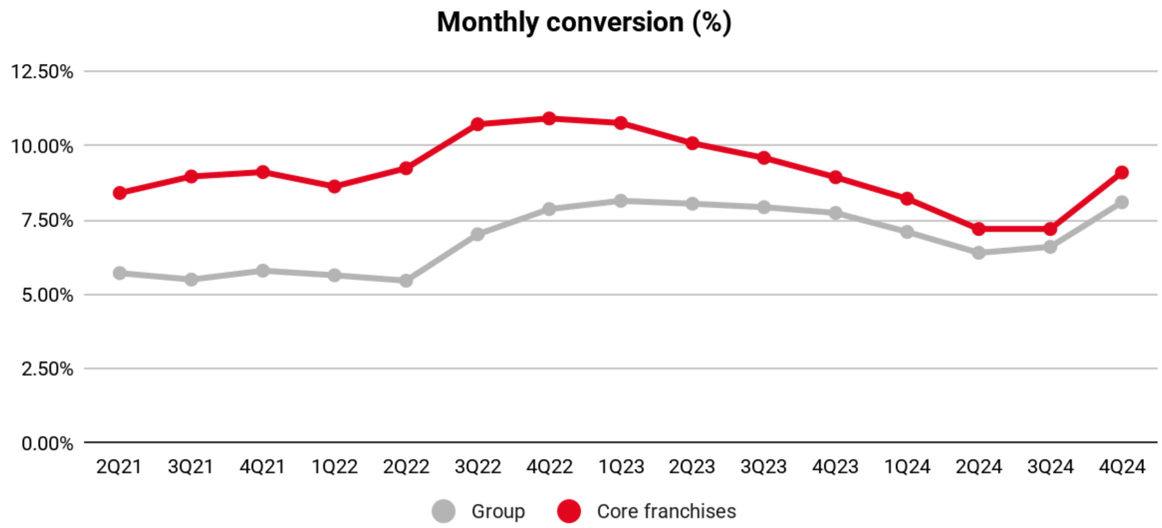


Monthly Conversion

Monthly Conversion is an indicator of our ability to convert players into payers.

On an annual basis (FY 2024 vs. FY 2023), monthly conversion for core franchises decreased from 9.8% to 7.8%, while total monthly conversion for all games declined from 8.0% to 7.0%.

In Q4 2024, monthly conversion for core franchises increased to 9.1%, up from 7.2% in Q3 2024 and 8.9% in Q4 2023, showing a +1.9pp QoQ and +0.2pp YoY improvement. This increase was primarily driven by the late-November introduction of new features to flagship games.



Results of operations (P&L)

The following table presents our consolidated statement of comprehensive income for the two periods of twelve months ended December 31, 2024 and 2023, respectively, and for the two periods of three months ended December 31, 2024 and 2023, respectively ("Q4 2024" and "Q4 2023").

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Revenue	**250,823**	**283,444**	**-11.5%**	**61,748**	**71,333**	**-13.4%**
Cost of sales	(69,005)	(82,569)	-16.4%	(16,313)	(20,522)	-20.5%
Gross profit on sales	**181,818**	**200,875**	**-9.5%**	**45,435**	**50,811**	**-10.6%**
Sales and marketing expenses:	(52,942)	(50,467)	4.9%	(10,570)	(14,538)	-27.3%
thereof, User acquisition marketing campaigns	*(38,887)*	*(35,337)*	*10.0%*	*(6,676)*	*(10,422)*	*-35.9%*
thereof, General sales and marketing expenses	*(14,055)*	*(15,130)*	*-7.1%*	*(3,894)*	*(4,116)*	*-5.4%*
Research and development expenses	(22,209)	(23,363)	-4.9%	(5,297)	(4,956)	6.9%
General and administrative expenses	(31,291)	(32,796)	-4.6%	(7,070)	(8,386)	-15.7%
Other operating income/(expense), net	(4,468)	(176)	2438.6%	(3,774)	(299)	1162.2%
Operating result	**70,908**	**94,073**	**-24.6%**	**18,724**	**22,632**	**-17.3%**
Finance income	7,146	5,842	22.3%	2,597	1,366	90.1%
Finance expense	(269)	(1,150)	-76.6%	(53)	(646)	-91.8%
Profit before tax	**77,785**	**98,765**	**-21.2%**	**21,268**	**23,352**	**-8.9%**
Income tax	(12,433)	(16,587)	-25.0%	(2,788)	(3,936)	-29.2%
Net result for the year	**65,352**	**82,178**	**-20.5%**	**18,480**	**19,416**	**-4.8%**
Exchange gains/(losses) on translation of foreign operations	(2,541)	1,908	n/a	(2,204)	2,619	n/a
Total comprehensive income for the year	**62,811**	**84,086**	**-25.3%**	**16,276**	**22,035**	**-26.1%**

The following tables show the Alternative Performance Measures used by us as at the dates and for the periods indicated, followed by a justification for their use. Please see below the definitions of the measures and ratios used.

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
EBITDA	**80,111**	**103,131**	**-22.3%**	**20,966**	**24,874**	**-15.7%**
EBITDA margin (%)	31.9%	36.4%	-4.5pp	34.0%	34.9%	-0.9pp
Adjusted EBITDA	**87,096**	**108,233**	**-19.5%**	**24,827**	**26,098**	**-4.9%**
Adjusted EBITDA margin (%)	34.7%	38.2%	-3.5pp	40.2%	36.6%	3.6pp
Sales Profit	142,931	165,538	-13.7%	38,759	40,389	-4.0%
Sales Profit margin (%)	57.0%	58.4%	-1.4pp	62.8%	56.6%	6.2pp
User acquisition marketing campaigns as % of revenue	15.5%	12.5%	3pp	10.8%	14.6%	-3.8pp
Adjusted Net Result	**72,337**	**87,280**	**-17.1%**	**22,341**	**20,640**	**8.2%**
Adjusted Net Result (%)	28.8%	30.8%	-2pp	36.2%	28.9%	7.3pp

EBITDA, **Adjusted EBITDA**, **EBITDA margin**, **Adjusted EBITDA margin**, **Sales profit**, **Sales profit margin** and **User acquisition cost as % of revenue** are supplemental measures of the financial and operating performance used by us that are not required by, or prepared in accordance with IFRS. These measures are prepared by us because we believe they provide a view of our recurring operating performance that is unaffected by our capital structure and allow us to readily view operating trends and identify strategies to improve operating performance and to assist investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are critical to our core operating performance. In evaluating these measures, you should be aware that, in the future, we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. The APM indicators used by the Company should be analyzed solely as supplementary information and not as a replacement for the financial data presented in the Company's and Group's financial statements.

The presented APM indicators represent standard measures and metrics commonly used in financial analysis; however, these indicators may be calculated and presented differently by various companies. Therefore, the Company provides their exact definitions below.

Our use of each of these measures is as follows:

- We define **EBITDA** as the net result for the year adjusted for income tax, finance costs, finance income, and depreciation and amortization. The rationale for using the **EBITDA** is that it is a measure widely used by securities analysts, investors and other interested parties to evaluate the profitability of companies. **EBITDA** eliminates potential differences in performance caused by variations in capital structures (affecting finance costs and finance income), tax positions (such as the availability of net operating losses that offset taxable profits), the costs and ages of property, plant and equipment (affecting the depreciation expense level) and the extent to which intangible assets are identifiable (affecting the amortization expense level).

- We define **Adjusted EBITDA** as **EBITDA** adjusted for events not related to the main activity of the Group. In the periods presented, i.e. Q4 2024, Q4 2023, 2023 and 2024 there were share-based payment expenses, provision for litigation, costs related to strategic options review and impairment of intangible assets. The rationale for using the **Adjusted EBITDA** is that it constitutes an attempt to show the **EBITDA** result after eliminating events not related to the main activity of the Group and items from the profit and loss account that are of a non-cash nature.

- We define **EBITDA margin** as the ratio of the **EBITDA** to Revenue. The rationale for using the **EBITDA margin** is that it is a measure of operational profitability widely used among securities analysts and investors, and that **EBITDA** and **EBITDA margin** are internal measures used by us in the process of budgeting and management accounting.

- We define **Adjusted EBITDA margin** as the ratio of **Adjusted EBITDA** to Revenue. The rationale for using the **Adjusted EBITDA margin** is that it shows a measure of operating profitability after eliminating events not related to the main activity of the Group and items from the profit and loss account that are of a non-cash nature.

- We define **Sales Profit** (previously "Return on sales") as Gross profit/(loss) from sales, less the user acquisition costs. The rationale for using **Sales Profit** is to show the profitability of sales in the value aspect after covering costs directly related to the generated revenue – mainly distribution costs (fees for owners of distribution platforms), server expenses and the user acquisition costs through paid advertising campaigns.

- We define **Sales profit margin** (previously "Sales margin") as the ratio of Sales profit to Revenue. The rationale for using the sales profit % is to show the profitability of sales as a percentage after covering variable costs directly related to the revenue generated – mainly distribution costs (fees for owners of distribution platforms), server expenses and the user acquisition costs through paid advertising campaigns.

- We define **User Acquisition cost as % of revenue** as the ratio of User acquisition costs to Revenue. The rationale for using the **User Acquisition cost as % of revenues** is to show how much of our revenue we reinvest directly in maintaining and expanding our player base.

- We define **Adjusted net result** as the net result for the year adjusted for events not related to the main activity of the Group. In the periods presented, i.e. Q4 2024, Q4 2023, 2023 and 2024 there were share-based payment expenses, provision for litigation, costs related to strategic options review and impairment of intangible assets. The rationale for using the **Adjusted net result** is that it constitutes an attempt to show the Net result for the year after eliminating events not related to the main activity of the Group and items from the profit and loss account that are of a non-cash nature.

- We define **Adjusted net result margin** as the ratio of the **Adjusted net result** to Revenue. The rationale for using the **Adjusted net result margin** is that it constitutes an attempt to show the Net result for the year in percentage after eliminating events not related to the main activity of the Group and items from the profit and loss account that are of a non-cash nature.

- The measures presented are not comparable to similarly titled measures used by other companies. We encourage you to review our financial information in its entirety and not to rely on a single financial measure.

The following table presents a reconciliation of Sales Margin for the periods presented:

Sales Profit and Sales Profit Margin

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Revenue	**250,823**	**283,444**	**-11.5%**	**61,748**	**71,333**	**-13.4%**
Gross profit on sales	181,818	200,875	-9.5%	45,435	50,811	-10.6%
thereof, User acquisition marketing campaigns	38,887	35,337	10.0%	6,676	10,422	-35.9%
Sales profit	**142,931**	**165,538**	**-13.7%**	**38,759**	**40,389**	**-4.0%**
Sales profit margin %	57.0%	58.4%	-1.4pp	62.8%	56.6%	6.2pp

The following table presents a reconciliation of Adjusted EBITDA for the periods presented:

Adjusted EBITDA reconciliation

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Net result for the year	**65,352**	**82,178**	**-20.5%**	**18,480**	**19,416**	**-4.8%**
Income tax	12,433	16,587	-25.0%	2,788	3,936	-29.2%
Finance expense	269	1,150	-76.6%	53	646	-91.8%
Finance income	(7,146)	(5,842)	22.3%	(2,597)	(1,366)	90.1%
Depreciation and amortization	9,203	9,058	1.6%	2,242	2,242	0.0%
EBITDA	**80,111**	**103,131**	**-22.3%**	**20,966**	**24,874**	**-15.7%**
EBITDA Margin	**31.9%**	**36.4%**	**-4.5pp**	**34.0%**	**34.9%**	**-0.9pp**
Revaluation losses on financial instruments	3,500	-	n/a	3,500	-	n/a
Employee benefits costs – share-based plan[1]	3,485	2,855	22.1%	361	1,224	-70.5%
Provision related to litigations	-	1,700	-100.0%	-	-	0.0%
Costs related to strategic options review	-	547	-100.0%	-	-	0.0%
Adjusted EBITDA	**87,096**	**108,233**	**-19.5%**	**24,827**	**26,098**	**-4.9%**
Adjusted EBITDA Margin	**34.7%**	**38.2%**	**-3.5pp**	**40.2%**	**36.6%**	**3.6pp**

[1] Employee benefits costs – share-based plan is a non-cash expense related to the Company's stock option plan and recognized in accordance with IFRS 2 Share-based Payment. The following table presents a reconciliation of Adjusted Net Result for the periods presented:

Adjusted Net Result

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Net result for the year	**65,352**	**82,178**	**-20.5%**	**18,480**	**19,416**	**-4.8%**
Revaluation losses on financial instruments	3,500	-	n/a	3,500	-	n/a
Employee benefits costs – share-based plan[1]	3,485	2,855	22.1%	361	1,224	-70.5%
Provision related to litigations	-	1,700	-100.0%	-	-	0.0%
Costs related to strategic options review	-	547	-100.0%	-	-	0.0%
Adjusted Net Result	**72,337**	**87,280**	**-17.1%**	**22,341**	**20,640**	**8.2%**
Adjusted Net Result %	**28.8%**	**30.8%**	**-2pp**	**36.2%**	**28.9%**	**7.3pp**

[1] Employee benefits costs – share-based plan is a non-cash expense related to the Company's stock option plan and recognized in accordance with IFRS 2 Share-based Payment.

Revenue

Our revenue consists of revenue generated by in-app purchases in gaming applications and in-app advertising, as shown in the table below.

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Gaming applications	249,039	279,874	-11.0%	61,439	70,470	-12.8%
Advertising	1,784	3,570	-50.0%	309	863	-64.2%
Total revenue	**250,823**	**283,444**	**-11.5%**	**61,748**	**71,333**	**-13.4%**

As a result of a decline in our core franchise DPUs, not fully offset by ARPPU, revenue generated by in-app purchases in gaming applications decreased by USD 30,835 thousand (i.e., 11.0%), from USD 279,874 thousand in FY 2023 to USD 249,039 thousand in FY 2024. In Q4 2024, this revenue segment dropped by USD 9,031 thousand (i.e., 12.8%) compared to Q4 2023.

Meanwhile, advertising revenue decreased by USD 1,786 thousand (i.e., 50.0%) in FY 2024, compared to FY 2023, primarily due to the declining user base of Traffic Puzzle and other previously discontinued games. In Q4 2024, advertising revenue declined by USD 554 thousand (i.e., 64.2%) compared to Q4 2023.

Below, we show the revenue split into main product categories:

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Huuuge Casino	162,297	180,453	-10.1%	39,925	45,954	-13.1%
Billionaire Casino	82,833	91,783	-9.8%	20,795	23,316	-10.8%
Total Core Franchises	**245,130**	**272,236**	**-10.0%**	**60,720**	**69,270**	**-12.3%**
Traffic Puzzle	4,445	9,262	-52.0%	792	1,701	-53.4%
Other games	1,248	1,946	-35.9%	236	362	-34.8%
Total New Franchises	**5,693**	**11,208**	**-49.2%**	**1,028**	**2,063**	**-50.2%**
Total revenue	**250,823**	**283,444**	**-11.5%**	**61,748**	**71,333**	**-13.4%**

Revenue generated by our core games (Huuuge Casino and Billionaire Casino) decreased by USD 27,106 thousand (i.e.,10.0%) in FY 2024 compared to FY 2023, totaling USD 245,130 thousand. In Q4 2024, revenue from core franchises declined by USD 8,550 thousand (i.e.,12.3%) compared to Q4 2023, primarily due to a decline in Daily Paying Users (DPU).

For Traffic Puzzle, revenue dropped by USD 4,817 thousand (i.e., 52.0%) in FY 2024 compared to FY 2023, amounting to USD 4,445 thousand. In Q4 2024, revenue fell by USD 909 thousand (i.e., 53.4%) year-over-year, driven by a shrinking user base due to reduced user acquisition spend and the game being in maintenance mode since early 2023 (with only minor bug fixes and no significant content updates).

Revenue from Other Games decreased by USD 698 thousand (i.e., 35.9%) in FY 2024, reaching USD 1,248 thousand, while in Q4 2024, it fell by USD 126 thousand (i.e., 34.8%) year-over-year. The decline is attributed to discontinued marketing spend and several legacy games transitioning to maintenance mode, resulting in a drop in DAU.

Revenue from New Franchises declined by USD 5,515 thousand (i.e., 49.2%) in FY 2024, totaling USD 5,693 thousand, with a Q4 2024 YoY drop of USD 1,035 thousand (i.e., 50.2%).

Revenue was generated in the following geographical locations:

in thousand USD	12m`2024	12m`2023
North America	147,013	170,689
Europe	74,390	78,159
Asia-Pacific (APAC)	24,975	29,905
Other	4,445	4,691
Total revenue	**250,823**	**283,444**

North America (i.e., primarily the USA) remained the most significant region in terms of revenue, accounting for 58.6% of total revenue in FY 2024, compared to 60.2% in FY 2023.

The above is the management's best estimate, as no geographical breakdown is available for some revenue sources.

The allocation to regions is driven by the location of individual end-user customers. No individual end-user customer with whom the Group concludes transactions had a share of 10% or more in the Group's total revenues in the twelve-month period ended December 31, 2024 or December 31, 2023. The vast majority of revenues is generated by several platform providers, such as Apple App Store, Google Play, Facebook and Amazon App Store, as well as directly through direct-to-consumer offering (Webshop).

Revenues through third-party platforms and through the Company's own direct-to-consumer offering were as follows:

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Third-party platforms	220,881	266,923	-17.2%	52,170	65,415	-20.2%
Direct-to-consumer platforms	29,942	16,521	81.2%	9,578	5,918	61.8%
Total revenue	**250,823**	**283,444**	**-11.5%**	**61,748**	**71,333**	**-13.4%**

Our Direct-To-Consumer (DTC) channel (Webshop) remains a strategic priority for the Company. In FY 2024, it accounted for 11.9% of total revenue, up from 5.8% in FY 2023, reflecting an 81.2% YoY growth.

We continue to invest in this channel and expect its share to increase further, as it provides higher margins and greater player engagement compared to third-party platforms, which saw a 17.2% YoY revenue decline in FY 2024.

Operating expenses

Cost of sales

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Cost of sales	(69,005)	(82,569)	-16.4%	(16,313)	(20,522)	-20.5%
Sales and marketing expenses:	(52,942)	(50,467)	4.9%	(10,570)	(14,538)	-27.3%
thereof User acquisition marketing campaigns	*(38,887)*	*(35,337)*	10.0%	*(6,676)*	*(10,422)*	-35.9%
thereof General sales and marketing expenses	*(14,055)*	*(15,130)*	-7.1%	*(3,894)*	*(4,116)*	-5.4%
Research and development expenses	(22,209)	(23,363)	-4.9%	(5,297)	(4,956)	6.9%
General and administrative expenses	(31,291)	(32,796)	-4.6%	(7,070)	(8,386)	-15.7%
Total operating expenses	**(175,447)**	**(189,195)**	**-7.3%**	**(39,250)**	**(48,402)**	**-18.9%**

For the year ended December 31, 2024, operating expenses decreased by USD 13,748 thousand (i.e., 7.3%), from USD 189,195 thousand in FY 2023 to USD 175,447 thousand in FY 2024. In Q4 2024, operating expenses declined by USD 9,152 thousand (i.e.,18.9%) compared to Q4 2023.

Cost of Sales

Cost of sales, the largest component of operating expenses, decreased by USD 13,564 thousand (i.e., 16.4%) in FY 2024, from USD 82,569 thousand to USD 69,005 thousand. In Q4 2024, cost of sales declined by USD 4,209 thousand (i.e., 20.5%) YoY, outpacing the decline in in-app purchase revenue, thanks to the expansion of our Direct-to-Consumer (DTC) Webshop platform, which has significantly lower platform fees.

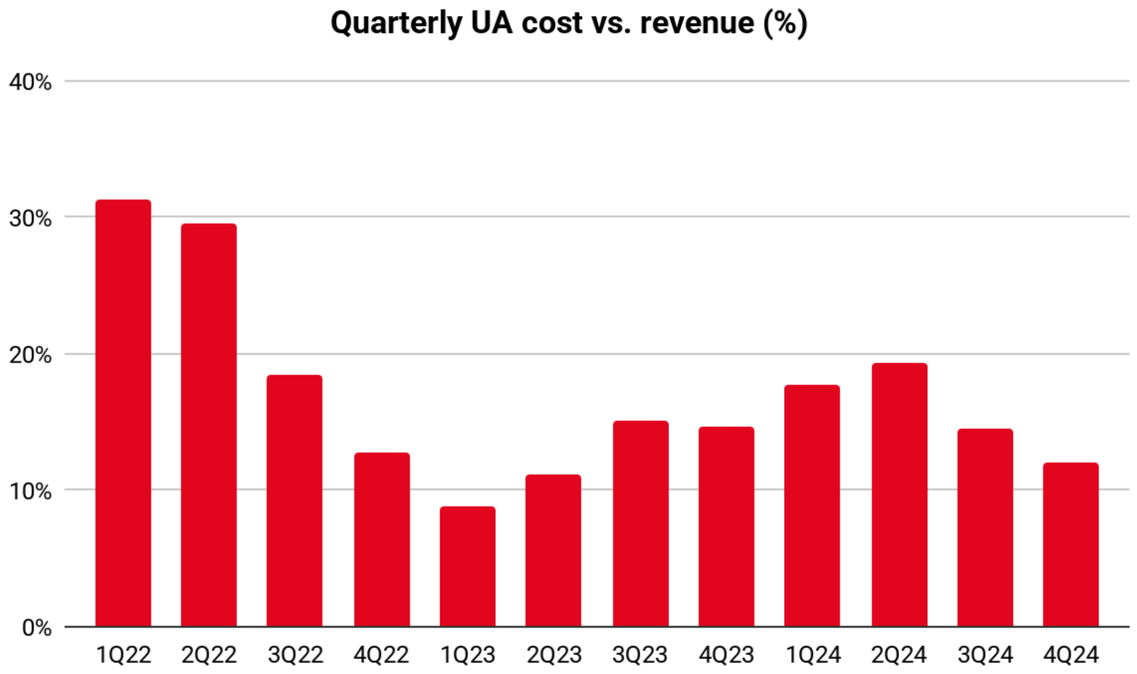
Sales and Marketing Expenses

Sales and marketing expenses increased by USD 2,475 thousand (i.e., 4.9%) in FY 2024, reaching USD 52,942 thousand. However, in Q4 2024, these expenses dropped by USD 3,968 thousand (i.e., 27.3%) compared to Q4 2023.

User Acquisition Marketing Campaigns: Expenses increased by USD 3,550 thousand (i.e., 10.0%) in FY 2024, totaling USD 38,887 thousand, reflecting our continued investment in targeted UA campaigns. However, in Q4 2024, spending decreased by USD 3,746 thousand (i.e., 35.9%) YoY, as we focused on maintaining a disciplined payback strategy.

General Sales and Marketing Expenses: Declined by USD 1,075 thousand (i.e., 7.1%) YoY to USD 14,055 thousand, driven by external marketing services, reductions in salaries and employee-related costs.

The chart below presents a quarterly view of our user acquisition marketing campaigns as a percentage of revenue.



Research and Development (R&D) Expenses

R&D expenses decreased by USD 1,154 thousand (i.e., 4.9%) in FY 2024, reaching USD 22,209 thousand. The YoY decrease was mainly driven by a reduction in salaries and employee-related costs and a decrease of external developers fees.

General and Administrative Expenses

General and administrative expenses decreased by USD 1,505 thousand (i.e., 4.6%), totaling USD 31,291 thousand in FY 2024. The YoY reduction was primarily due to a decrease in salaries and employee-related costs, offset by higher ESOP (Employee Stock Ownership Plan) expenses.

In Q4 2024, these expenses declined by USD 1,316 thousand (i.e., 15.7%) compared to Q4 2023. The YoY reduction was primarily due to a decrease in salaries and employee-related costs, offset by higher ESOP (Employee Stock Ownership Plan) expenses.

Profitability

Our sales profit declined by USD 22,607 thousand (i.e., 13.7%), from USD 165,538 thousand in FY 2023 to USD 142,931 thousand in FY 2024. The sales profit margin decreased by 1.4pp YoY, reaching 57.0%. This decline was primarily due to a reduction in gross profit on sales, driven by lower revenue.

In Q4 2024, sales profit decreased by USD 1,630 thousand (i.e.,4.0%) YoY, reaching USD 38,759 thousand, following the overall revenue trend. However, the sales profit margin improved by 6.2pp YoY, reaching 62.8%, reflecting the positive impact of cost efficiencies.

Adjusted EBITDA decreased by USD 21,137 thousand (i.e.,19.5%), from USD 108,233 thousand in FY 2023 to USD 87,096 thousand in FY 2024. The Adjusted EBITDA margin declined by 3.5pp YoY, reaching 34.7%. This decline was primarily due to the reduction in sales profit and a higher impairment charge, partially offset by reductions in general and administrative expenses.

In Q4 2024, Adjusted EBITDA decreased by USD 1,271 thousand (i.e., 4.9%) YoY, reaching USD 24,827 thousand. However, the Adjusted EBITDA margin improved by 3.6pp YoY, reaching 40.2%, benefiting from continued cost optimizations in operating expenses.

Finance income/(expenses), net

The table below presents a Finance income and Finance expenses for the periods presented:

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Finance income	7,146	5,842	22.3%	2,597	1,366	90.1%
Finance expense	(269)	(1,150)	-76.6%	(53)	(646)	-91.8%
Finance income, net	**6,877**	**4,692**	**46.6%**	**2,544**	**720**	**253.3%**

For the year ended December 31, 2024, finance income net increased by USD 2,185 thousand (i.e., 46.6%), reaching USD 6,877 thousand, compared to USD 4,692 thousand in FY 2023. This change was primarily driven by foreign exchange gains on PLN/USD exchange rates.

In Q4 2024, finance income net rose significantly by USD 1,824 thousand (i.e., 253.3%) YoY, reaching USD 2,544 thousand, reflecting stronger FX gains.

Statement of financial position of the Group

The following selected consolidated financial information as at December 31, 2024 and December 31, 2023.

	As at December 31		As at December 31	
in thousand USD	**2024**	**Structure**	**2023**	**Structure**
ASSETS				
Total non-current assets, including:	**25,838**	**12.7%**	**29,794**	**13.7%**
Right-of-use assets	4,847	2.4%	6,850	3.2%
Goodwill	2,408	1.2%	2,554	1.2%
Intangible assets	7,780	3.8%	9,854	4.5%
Long-term investments	500	0.2%	0	0.0%
Other items	10,303	5.1%	10,536	4.8%
Total current assets, including:	**177,477**	**87.3%**	**187,634**	**86.3%**
Trade and other receivables	29,702	14.6%	32,635	15.0%
Cash and cash equivalents	141,840	69.8%	152,110	70.0%
Other short-term financial assets	2,465	1.2%	0	0.0%
Other receivables	3,470	1.7%	2,889	1.3%
Total assets	**203,315**	**100.0%**	**217,428**	**100.0%**
EQUITY				
Total equity	**172,810**	**85.0%**	**177,060**	**81.4%**
LIABILITIES				
Total non-current liabilities, including:	**3,964**	**1.9%**	**7,217**	**3.3%**
Long-term lease liabilities	3,609	1.8%	6,843	**3.1%**
Other items	355	0.2%	374	**0.2%**
Total current liabilities, including:	**26,541**	**13.1%**	**33,151**	**15.2%**
Trade and other payables	11,426	5.6%	17,132	**7.9%**
Short-term lease liabilities	3,942	1.9%	3,796	**1.7%**
Provisions	1,700	0.8%	1,700	**0.8%**
Corporate income tax liabilities	7,594	3.7%	8,052	**3.7%**
Other items	1,879	0.9%	2,471	**1.1%**
Total liabilities	**30,505**	**15.0%**	**40,368**	**18.6%**
Total equity and liabilities	**203,315**	**100.0%**	**217,428**	**100.0%**

Assets

Total assets decreased by USD 14,113 thousand (6.5%), from USD 217,428 thousand as of December 31, 2023, to USD 203,315 thousand as of December 31, 2024. The structure of total assets remained relatively stable, with the following main components: (1) cash and cash equivalents, accounting for 69.8% of total assets (compared to 70.0% as of December 31, 2023), (2) trade and other receivables, representing 14.6% of total assets (compared to 15.0% as of December 31, 2023), (3) Intangible assets, making up 3.8% of total assets (compared to 4.5% as of December 31, 2023). The decline in total assets was primarily driven by: (1) a decrease in cash and cash equivalents of USD 10,270 thousand (6.8%), from USD 152,110 thousand to USD 141,840 thousand and a decrease in trade and other receivables of USD 2,933 thousand (9.0%), from USD 32,635 thousand to USD 29,702 thousand.

Equity

Total equity decreased by USD 4,250 thousand (2.4%), from USD 177,060 thousand as of December 31, 2023, to USD 172,810 thousand as of December 31, 2024. This change was primarily due to the impact of share buybacks and dividends, partially offset by earnings generated during the year.

Liabilities

Total liabilities decreased by USD 9,863 thousand (24.4%), from USD 40,368 thousand as of December 31, 2023, to USD 30,505 thousand as of December 31, 2024. The reduction in liabilities was mainly driven by: (1) a decrease in trade and other payables, which fell from USD 17,132 thousand to USD 11,426 thousand, (2) a reduction in long-term lease liabilities, which declined from USD 6,843 thousand to USD 3,609 thousand. As of December 31, 2024, total liabilities primarily comprised: (1) trade and other payables, accounting for 5.6% of total equity and liabilities (compared to 7.9% as of December 31, 2023), (2) corporate income tax liabilities, making up 3.7% of total equity and liabilities (compared to 3.7% as of December 31, 2023), (3) short-term lease liabilities, representing 1.9% of total equity and liabilities (compared to 1.7% as of December 31, 2023).

Cash flows and liquidity

The following table summarizes selected net cash flows from operating, investing and financing activities for the two periods of twelve months ended December 31, 2024 and December 31, 2023 and for Q4 2024 compared to Q4 2023.

in thousand USD	12m`2024	12m`2023	Change, %	Q4`2024	Q4`2023	Change, %
Cash flows from operating activities						
Profit before tax	**77,785**	**98,765**	**-21.2%**	**21,268**	**23,352**	-8.9%
Adjustments for:						
Total of non-cash changes in depreciation, amortization and profits or losses on disposal of assets	9,780	9,748	0.3%	2,756	2,347	17.4%
Non-cash employee benefits expense - share-based payments	3,485	2,855	22.1%	357	1,224	-70.8%
Finance (income)/cost - net	(7,703)	(2,303)	234.5%	(2,559)	1,054	n/a
Revaluation losses on financial instruments	3,500	-	n/a	3,500	-	n/a
Changes in net working capital	(10,559)	(13,166)	-19.8%	(7,289)	(1,801)	304.7%
Cash flows from operating activities	**76,288**	**95,899**	**-20.4%**	**18,033**	**26,176**	**-31.1%**
Income tax paid	(11,277)	(13,479)	-16.3%	(283)	(1,371)	-79.4%
Net cash flows from operating activities	**65,011**	**82,420**	**-21.1%**	**17,750**	**24,805**	**-28.4%**
Cash flows from investing activities, including:						
Long-term investments	(4,000)	-	n/a	-	-	0.0%
Acquisition of property, plant and equipment and intangible assets	(3,477)	(2,819)	23.3%	(744)	(612)	21.6%
Interest received	5,570	6,144	-9.3%	1,306	1,277	2.3%
Other items	1,274	798	59.6%	321	281	14.2%
Net cash flows from/(used in) investing activities	**(633)**	**4,123**	**n/a**	**883**	**946**	**-6.7%**
Cash flows from financing activities, including:						
Lease repayment (principal) & interest paid	(4,255)	(4,506)	-5.6%	(950)	(1,143)	-16.9%
Exercise of stock options	286	470	-39.1%	46	54	-14.8%
Repurchase of own shares incl. transaction costs	(70,455)	(150,985)	-53.3%	(11)	-	n/a
Net cash flows from/(used in) financing activities	**(74,424)**	**(155,021)**	**-52.0%**	**(915)**	**(1,089)**	**-16.0%**
Net increase/(decrease) in cash and cash equivalents	**(10,046)**	**(68,478)**	**-85.3%**	**17,718**	**24,662**	**-28.2%**

Net cash flows from operating activities

Net cash inflows from operating activities amounted to USD 65,011 thousand for the year ended December 31, 2024, and USD 17,750 thousand for Q4 2024. This was primarily driven by adjusted EBITDA of USD 87,096 thousand for the full year and USD 24,827 thousand for the quarter, changes in finance income/cost net of USD 5,400 thousand and USD 3,613 thousand, respectively, and income tax paid of USD 2,202 thousand and USD 1,088 thousand, respectively.

Net cash flows from investing activities

Net cash flows from investing activities for the year ended December 31, 2024, amounted to negative USD 633 thousand, primarily driven by interest received on short-term bank deposits and money-market mutual funds, totaling USD 5,570 thousand, offset by the investment through a simple agreement for future equity (the "SAFE") of USD 3,500 thousand in Bananaz Studios Ltd and USD 500 thousand in Empire Games Ltd. along with ongoing purchases of property, plant and equipment and intangible assets of USD 3,477 thousand

Net cash flows from financing activities

Net cash outflows from financing activities for the year ended December 31, 2024, amounted to USD 74,424 thousand, mainly due to the execution of the Share Buyback Program ("SBB") in the amount of USD 70,000 thousand. The SBB was executed in Q2 2024, reflecting a continuation of capital return to shareholders.

Credits and loans, sureties and guarantees

There are no significant sureties, loans or guarantees granted or received by the Issuer in the reported financial year.

The Group has no borrowing requirements. The Group anticipates that current sources of financing, i.e. equity and operating revenues will remain its main sources of financing in the near future. The Group's operations are not financed using debt financing.

No sureties were granted or received by the Group in the year ended December 31, 2024, including those granted to the Company's related entities.

Huuuge Global Ltd and Huuuge Games Sp. z o.o. have entered into two agreements for the purpose of conducting forward and derivative transactions in the future. In one agreement, entities involved are considered joint and several debtors for planned transactions while in the second agreement, one entity guarantees the obligation of the other. The maximum amount of the contingency obligation cannot exceed USD 19,080 thousand for both parties.

Group current and projected financial situation

The table below presents the key parameters for assessing the Group's profitability, efficiency and liquidity.

in thousand USD	12m\`2024	12m\`2023	Change, %	Q4\`2024	Q4\`2023	Change, %
Profitability ratios						
Gross Profit margin	72.5%	70.9%	1.6pp	73.6%	71.2%	2.4pp
Adjusted EBITDA margin	34.7%	38.2%	-3.5pp	40.2%	36.6%	3.6pp
EBITDA margin	31.9%	36.4%	-4.5pp	34.0%	34.9%	-0.9pp
Adjusted Net Result margin	28.8%	30.8%	-2pp	36.2%	28.9%	7.3pp
Efficiency ratios						
Debtors days	46.1	38.1	21.0%			
Creditors days	29.8	40.0	-25.5%			
Liquidity ratio						
Current ratio	6.7	5.7	17.5%			

Formulas for the calculation of indicators:

Gross Profit margin: Gross profit/(loss) on sales / Revenue
Adjusted EBITDA margin: Adjusted EBITDA / Revenue
EBITDA margin: EBITDA / Revenue
Adjusted Net Result margin: Adjusted Net Result / Revenue
Debtors days: (Trade and other receivables, gross, at the beginning of the period + Trade and other receivables, gross, at the end of the period) /2) / (Revenue / no. of days)
Creditors days: (Trade and other payables, gross, at the beginning of the period + Trade and other payables, gross, at the end of the period) /2) / (Operating expenses / no. of days)
Current ratio: Total current assets / Total current liabilities

The Group is in very good financial condition, with a high level of net cash (USD 141,840 thousand).

Because the Group (including the Parent Company) did not use external financing in 2023–2024, no debt ratios will be presented.

Separate results of operations

The table below presents our statement of comprehensive income for the two twelve-month periods ended December 31, 2024, and 2023, respectively, as well as for the two three-month periods ended December 31, 2024, and 2023.

in thousand USD	Year ended December 31, 2024	Year ended December 31, 2023 Reclassified*
Revenue	934	1,577
Dividend income	100,822	159,729
Operating expenses	(4,084)	(6,490)
Revaluation losses on financial instruments	(3,500)	-
Impairment losses on investments	(1,971)	-
Other operating expenses	(194)	(1,876)
Operating result	92,007	152,940
Finance income/(expense), net	3,931	2,869
Profit/(loss) before tax	95,938	155,809
Income tax	(211)	(1,558)
Net result for the period	95,727	154,251
Other comprehensive income	-	-
Total comprehensive income/(loss) for the period	95,727	154,251

* Change in presentation
During the year ended December 31, 2024 Company changed presentation of the items in the separate statement of comprehensive income. The Company simplified the presentation of the separate statement of comprehensive income by eliminating Cost of Sales line item, as the Company does not incur such costs, as well as by eliminating gross profit/(loss) subtotal. Additionally, the Company aggregated Sales and Marketing expenses, Research and development expenses and General and administrative expenses into one line – Operating expenses, with disaggregation provided in Note 5 to the Separate Financial Statements for 2024. The Company also aggregated Finance income and finance expenses into one line, i.e. Finance income/(expenses) net.

The Company's separate net result for the year ended December 31, 2024 decreased from 154,251 thousand for the year ended December 31, 2023 to USD 95,727 thousand as a result of decrease in operating result mainly due to the lower intragroup dividend income generated in FY 2024.

Selected separate statements of financial position
Below are selected financial information as of December 31, 2024, and December 31, 2023.

in thousand USD	As at December 31, 2024	As at December 31, 2023
Assets		
Non-current assets		
Investment in subsidiaries	28,995	29,847
Deferred tax asset	2,841	88
Long-term investments	500	-
Total non-current assets	**32,336**	**29,935**
Current assets		
Dividend receivable	44,864	10,000
Corporate income tax receivable	1,285	752
Trade and other receivables	911	1,961
Cash and cash equivalents	71,441	80,532
Total current assets	**118,501**	**93,245**
Total assets	**150,837**	**123,180**

Equity		
Share capital	1	1
Treasury shares	(15,720)	(16,652)
Supplementary capital	78,112	149,590
Employee benefit reserve	29,234	25,749
Retained earnings/(Accumulated losses)	56,225	(39,502)
Total equity	**147,852**	**119,186**
Current liabilities		
Trade and other payables	1,285	2,294
Other provisions	1,700	1,700
Total current liabilities	**2,985**	**3,994**
Total equity and liabilities	**150,837**	**123,180**

Assets

Total assets increased by USD 27,657 thousand (22.5%), from USD 123,180 thousand as of December 31, 2023, to USD 150,837 thousand as of December 31, 2024. The increase was primarily driven by a rise in dividend receivables, which grew from USD 10,000 thousand to USD 44,864 thousand. As of December 31, 2024, total assets primarily consisted of: (1) cash and cash equivalents, accounting for 47.4% of total assets (compared to 65.4% as of December 31, 2023), (2) dividend receivable, making up 29.7% of total assets (compared to 8.1% as of December 31, 2023), (3) investment in subsidiaries, representing 19.2% of total assets (compared to 24.2% as of December 31, 2023).

Liabilities

Total liabilities decreased by USD 1,009 thousand (25.3%), from USD 3,994 thousand as of December 31, 2023, to USD 2,985 thousand as of December 31, 2024. This decrease was mainly due to a reduction in trade and other payables, which fell from USD 2,294 thousand to USD 1,285 thousand.

Equity

Total equity increased by USD 28,666 thousand (24.1%), from USD 119,186 thousand as of December 31, 2023, to USD 147,852 thousand as of December 31, 2024.

Selected separate statements of cash flows

The following table summarizes selected net cash flows from operating, investing and financing activities for the two periods of twelve months ended December 31, 2024 and December 31, 2023.

in thousand USD	2024	2023	Change	change, %
Cash flows from operating activities				
Profit/(loss) before tax	**95,938**	**155,809**	**(59,871)**	**-38.4%**
Adjustments for:				
Revaluation losses on financial instruments	3,500	-	3,500	n/a
Impairment of assets and other adjustments	1,953	-	1,953	n/a
Share-based payments - ESOP recharge from subsidiaries	1,429	-	1,429	n/a
Non-cash employee benefits expense – share-based payments	618	2,170	(1,552)	-71.5%
Finance (income)/expense, net	(2,380)	(2,805)	425	-15.2%
Depreciation and amortization	-	76	(76)	-100.0%
(Profit)/loss on disposal of property, plant and equipment	-	60	(60)	-100.0%
Changes in net working capital:				
Trade and other receivables	1,050	(737)	1,787	n/a
Trade and other payables	(1,386)	(1,891)	505	-26.7%
Dividend receivables	(37,662)	(10,000)	(27,662)	276.6%
Provisions	-	1,700	(1,700)	-100.0%
Other non-financial assets	-	36	(36)	-100.0%
Cash flows from operating activities	**63,060**	**144,418**	**(81,358)**	**-56.3%**
Income tax (paid)/received	(681)	(2,326)	1,645	-70.7%
Net cash flows from/(used in) operating activities	**62,379**	**142,092**	**(79,713)**	**-56.1%**
Cash flows from investing activities				
Long-term investments outflows	(4,000)	-	(4,000)	n/a
Long-term investments inflows	318	-	318	n/a
Interest received	2,422	2,915	(493)	-16.9%
Net cash flows from investing activities	**(1,260)**	**2,915**	**(4,175)**	**n/a**
Cash flows from financing activities				
Repurchase of own shares incl. transaction costs	(70,455)	(150,985)	80,530	-53.3%
Exercise of stock options	286	470	(184)	-39.1%
Lease repayment	-	(60)	60	-100.0%
Net cash flows from financing activities	**(70,169)**	**(150,575)**	**80,406**	**-53.4%**
Net increase/(decrease) in cash and cash equivalents	**(9,050)**	**(5,568)**	**(3,482)**	**62.5%**
Effect of exchange rate fluctuations and accrued interest	(41)	(110)	69	-62.7%
Cash and cash equivalents at beginning of the year	**80,532**	**86,210**	**(5,678)**	**-6.6%**
Cash and cash equivalents at end of the year	**71,441**	**80,532**	**(9,091)**	**-11.3%**

Cash Flows from Operating Activities

Net cash inflows from operating activities for the year ended December 31, 2024, amounted to USD 62,379 thousand, representing a 56.1% decrease compared to USD 142,092 thousand in FY 2023. The decline was mainly driven by a lower net profit before tax (USD 95,938 thousand vs. USD 155,809 thousand in 2023), as well as an increase in dividend receivables, which negatively impacted working capital.

Cash Flows from Investing Activities

Net cash outflows from investing activities for the year ended December 31, 2024, amounted to USD 1,260 thousand, compared to USD 2,915 thousand net inflows in FY 2023. The change was mainly due to long-term investment outflows of USD 4,000 thousand, partially offset by interest received on cash deposits and money market mutual funds (USD 2,422 thousand in 2024 vs. USD 2,915 thousand in 2023).

Cash Flows from Financing Activities

For the twelve months ended December 31, 2024, the company recorded net cash outflows from financing activities of USD 70,169 thousand, reflecting a 53.4% decrease compared to USD 150,575 thousand in FY 2023. This was primarily due to the Share Buyback Program executed in May–July 2023, which was significantly larger than the USD 70,455 thousand spent on repurchasing own shares in 2024.

Additionally, cash and cash equivalents at the end of the year decreased by 11.3% YoY, from USD 80,532 thousand in 2023 to USD 71,441 thousand in 2024.

Intangible assets

In 2024, the Company does not have any key intangible assets.
Information regarding intangible assets is described in Note 9 of the Consolidated Financial Statements for 2024.

Assessment of the possibility of realizing the investment plans

The Company has a high level of cash and cash equivalents as at December 31, 2024. Therefore the Group is fully capable of developing the existing product portfolio, creating new games and financing any new initiatives. The Company is interested in acquiring other entities operating on the F2P games market and is capable of obtaining additional financing if there is such a need.

Information on key markets and dependence on customers and suppliers

In 2024 the Company does not have a supplier or a customer whose share in procurement or sales accounts for at least 10% of the Company's total revenue. Information on key markets and on dependence on customers and suppliers is described in Note 3 of the Consolidated Financial Statements for 2024.

Significant events after the balance sheet date

After December 31, 2024 and up to the date of approval of this Report for publication no significant events except the following have occurred:

Collective redundancies in the Group

As reported in the current report no No. 3/2025 dated January 16, 2025, with reference to current report No. 2/2025 dated January 9, 2025 regarding a decision on the intention to carry out collective redundancies informed that, 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*), Huuuge Games sp. z o.o., following a consultation process with the employee representatives regarding collective redundancies has reached an understanding with the employee representatives regarding collective redundancies, and has submitted notifications to the relevant labour offices on January 16, 2025, thereby commencing the process of collective redundancies.

As of the date of approval of this report for issue, collective redundancies in the Group were mostly completed with a few exceptions. Simultaneously, the Issuer has decided to dissolve subsidiaries in the Netherlands and Finland. As of the date of approval of these financial statements it is expected that the reduction of employment in the Group will cover 29% persons of the total headcount of the Group.

The final data on the impact of the employment restructuring on the financial results of the Group will be presented in the consolidated Q1 2025 report.

Investment in Empire Games Ltd.
In January 2025 the company made a second tranche payment of USD 500 thousand related to an investment in Empire Games Ltd. (investment described in Note 10 *Long-term investments* to the Consolidated Financial Statements for the year 2024).

Possibility of accomplishing previously published forecasts

The Board of Directors did not publish financial forecasts for the Company and the Group for the year 2024.

Financial Instruments

In 2024, the Company did not hold any financial instruments exposed to price change risk, credit risk, significant cash flow disruptions, or loss of financial liquidity.

Financial risk management

The Company effectively manages its financial resources to ensure its ability to meet obligations while minimizing risks. Liquidity risk is continuously assessed by analyzing cash flow projections and maintaining an optimal structure of current liabilities. The Group ensures sufficient liquidity to meet financial commitments under both normal and stressed conditions without incurring significant losses or reputational damage. As of December 31, 2024, and December 31, 2023, the Group had no outstanding bank loans or loan agreements, minimizing exposure to interest rate risk. Additionally, no significant deviations in projected cash flows are expected, further supporting financial stability.
The financial risk management section is described in Note 7 to the Consolidated Financial Statements.

Off balance sheet positions

During the reporting periods and till the date of approval this report neither the Group nor individual subsidiaries entered in a pledge or collateral agreement on the Group's assets.

Huuuge Global Ltd and Huuuge Games Sp. z o.o. have entered into two agreements for the purpose of conducting forward and derivative transactions in the future. In one agreement, entities involved are considered joint and several debtors for planned transactions while in the second agreement, one entity guarantees the obligation of the other. The maximum amount of the contingency obligation cannot exceed USD 19,080 thousand for both parties. As at December 31, 2024 there were no forward and derivative transactions concluded.

Structure of the main capital investments or major capital expenditures

There were no main capital investments or major capital expenditures as of December 31, 2024.

CORPORATE GOVERNANCE STATEMENT

HUUUGE

Shares and shareholding structure

Common and preferred stock

Basic information about the stock

Name	Huuuge, Inc.
Short name	HUUUGE
WSE Ticker **Bloomberg Ticker** **Reuters Ticker**	HUG HUG PW HUGP.WA
ISIN	US44853H1086
Number of issued stock	59,984,981

On April 26, 2024, in accordance with Section 243 of the Delaware General Corporation law, the Board of Directors adopted a resolution on the retirement of 7,139,797 shares of common stock of the Company representing 10.64% of the issued share capital of the Company comprising of 67,124,778 shares at the time (current report 23/2024 dated April 26, 2024). The shares that were subject to the retirement were purchased by the Company during the share buyback (described below) with the intention for the shares to be retired, with the exception to the shares necessary, in the Company's view, to satisfy its ongoing needs under the Company's employee stock option plans. The Company decided to retire all shares acquired during the share buyback. Effective as of the adoption of the resolution of the Board of Directors, i.e. April 26, 2024, the retired shares resumed the status of authorized and unissued shares of the common stock of the Company and the Issuer's issued share capital decreased from 67,124,778 to 59,984,981 shares.

On July 2, 2024, the Company adopted the Fifth Amended and Restated Certificate of Incorporation (current report 35/2024 dated July 3, 2024), by which the Company has decreased the number of shares available to be issues to 85,300,474 shares, are divided into two classes, consisting of (i) 85,300,472 Common Shares of USD 0.00002 par value per share and (ii) two Preferred Shares of USD 0.00002 par value per share, which shall be divided into two series, consisting of one Series A Preferred Share of USD 0.00002 par value and one Series B Preferred Share of USD 0.00002 par value.

Within the authorization in the Certificate of Incorporation, the Board of Directors is authorized to make decisions about issuing and redeeming Company's Common Shares.

The Series A Preferred Share is subject to automatic conversion in case the holders of Series A Preferred Shares (i) ceasing to own, together with its affiliates, as least 50% of the aggregate number of Series A Preferred Shares and Common Shares owned by such holders upon the opening of the first day of listing of the Common Shares on the regulated market operated by the Warsaw Stock Exchange or (ii) transferring all Series A Preferred Shares. The Series B Preferred Share is subject to automatic conversion in case the holders of Series B Preferred Shares (i) ceasing to own, together with its affiliates, as least 10% of the aggregate number of Series B Preferred Shares and Common Shares owned by such holders upon the opening of the first day of listing of the Common Shares on the regulated market operated by the Warsaw Stock Exchange or (ii) transferring all shares of Preferred Stock of Series B Preferred Shares.

The Certificate of Incorporation and Bylaws do not implement any voting limitations as to the performance of voting rights by holders of any amount of Shares.

The Company's issued share capital as of date of this Annual Report and approval of this Annual Report for publication consisted of: (i) 59,984,979 Common Shares with a nominal value of USD 0.00002 each, and (ii) two Preferred Shares with a nominal value of USD 0.00002 each (Preferred Shares are not admitted to trading on the WSE).

To the best of the Company's knowledge, as of the date of publication of this Report, the below tables show the shareholders holding (directly or indirectly through subsidiaries) at least 5% of the total number of votes at the Issuer's general meeting.

Total number of shares/votes	59,984,981[1]		59,984,981[1]	
Shareholder	**Shares**	**% of share capital**	**Votes**	**% of votes at the General Meeting**
Anton Gauffin (through Big Bets OÜ)[2]	18,773,294	31.30	18,773,294	31.30
Raine Group (through RPII HGE LLC)[2]	7,600,966	12.67	7,600,966	12.67
Nationale-Nederlanden FUNDS[3]	5,688,696	9.48[3]	5,688,696	9.48[3]
Huuuge Inc.[4]	3,907,366	6.51[4]	3,907,366	6.51[4]
Others	24,014,659	40.03	24,014,659	40.03

[1] 59,984,979 Common Shares are introduced to public trading on the Warsaw Stock Exchange as of the date of approval of this Annual Report for publication. Moreover, two shares of the Company are Preferred Shares and have not been introduced to public trading.

[2] including one Preferred Share;

[3] Number of shares from the notification dated May 4, 2022, published in current report No. 19/2022, share in the capital and voting rights according to the Company's calculations as of the date of approval of the Report.

[4] The Company may not exercise voting rights from treasury shares in accordance with the law of the State of Delaware.

Each holder of Common Shares, as such, and each holder of Preferred Shares, are entitled to one vote for each Common Share or Preferred Share, respectively. There are no restrictions on the exercise of voting rights. Unless otherwise expressly required by law or stipulated in the Certificate of Incorporation, the holders of Common Shares and Preferred Shares vote together as a single class on all matters submitted to a shareholder vote. The Certificate of Incorporation and the Bylaws do not stipulate any restrictions on the transfer of ownership of the Company's securities.

Share Buyback

As reported in the current report no. 21/2024 dated April 23, 2024, as a result of the settlement of the acquisition and transfer of ownership of the shares offered in response to a time-limited invitation to submit to the Company sale offers relating to shares in the Company, at a pre-determined and fixed price per share, open to all shareholders of the Company (the "Invitation") (the "SBB") announced by the Company on March 14, 2024 in the current report no. 12/2024, the Company acquired 7,139,797 of its common shares that represented at the time 10.64% of the share capital of the Company at the time (current report 23/2024 dated April 26. 2024)for a total consideration of USD 69,999,998.

The settlement of the SBB took place on April 23, 2024 (the "Settlement Date") outside the organized system of trading in financial instruments through IPOPEMA Securities S.A. The acquisition was made at a gross price of USD 9.8042 per share. Amounts due to investors, after withholding of applicable taxes, have been converted from USD to PLN in accordance with the interbank exchange rate applicable as at April 22, 2024 (as the day preceding the Settlement Date), which was 4.05.

The shares were acquired on the basis of the Company's Board of Directors resolution dated March 14, 2024 launching the acquisition of the Company's common shares listed on the Warsaw Stock Exchange by way of a time-limited Invitation to Sell, establishing detailed conditions and procedures for participation in and execution of the SBB.

Treasury Shares

As at December 31, 2023, the Company held 4,147,628 Treasury Shares.

As described above, the Company acquired 7,139,797 common shares in the SBB and all the acquired shares were retired on April 26, 2024 in accordance with Section 243 of the Delaware General Corporation law.

Over the course of 2024, a total of 232,346 of the Company's Treasury Shares were allocated for the exercise of employee stock options and delivered.

Accordingly, as of December 31, 2024, the number of Treasury Shares held by the Company amounted to 3,915,282 with total par value of USD 78.31 and representing 6.53% of the share capital of the Company issued at the time.

On March 10, 2025, the Company's Board of Directors approved allocation of up to 7,916 Treasury Shares for the exercise of employee stock options (all were exercised and delivered by the date of approval of this Report for publication).

As of the date of approval of this Annual Report for publication, the number of Treasury Shares held by the Issuer amounted to 3,907,366 with total par value of USD 78.15 and representing 6.51% of the share capital of the Company.

For more detailed information regarding share capital please see Note 13 Share Capital in the Annual Consolidated Financial Statements.

Identification of holders of any securities that grant special control rights, along with a description of these rights
The Company issued two Preferred Shares: one Series A Preferred Share to RPII HGE LLC and one Series B Preferred Share to Big Bets OÜ (controlled by Anton Gauffin). The Preferred Shares, respectively, give RPII HGE LLC the right to appoint one director of the Company and Big Bets OÜ the right to appoint two directors of the Company, provided that one such director, to be approved, will be Anton Gauffin.

Indication of any restrictions on voting rights, such as limitations on the exercise of voting rights by holders of a specific portion or number of votes, time restrictions concerning the exercise of voting rights, or provisions according to which capital rights associated with securities are separated from the ownership of securities
Each holder of Common Shares and each holder of Preferred Shares is entitled to one vote for each Common Share and each Preferred Share respectively. There are no restrictions regarding the exercise of voting rights. Unless otherwise provided by law or the Company's Articles of Incorporation, holders of Common Shares and Preferred Shares vote together as a single class on all matters submitted to shareholders' vote.

Indication of any restrictions on the transfer of ownership rights to the issuer's securities
The Articles of Incorporation and the Company's Bylaws do not impose any restrictions on the transfer of ownership of the Company's securities.

Share option plans
As at December 31, 2024 the Company had two equity-settled share option programs. The first share option program (the employee share option plan) was established by our Board of Directors on April 3, 2015 and the second on October 19, 2019. (Both plans have been further developed and amended by the Board, within its powers under the Company's governing documents and the terms of the respective plans). The programs entitle Company officers, employees and some consultants of the Company and its Subsidiaries to purchase shares in the Company at a specified price. Each option gives the right to acquire one Common Share in the Company.

The vesting condition of both 2015 Stock Option Plan and 2019 Stock Option Plan programs is to provide the service continuously for at least 4 years from the grant date. Generally, the prevailing vesting schedule applicable to grants under both programs stipulates that either:
- the first 25% of options vest following 12 months of continuous service beginning on the vesting commencement date. Subsequently, 1/36 of the remaining options vest and become exercisable for each consecutive month of continuous service, or
- 1/48th of the total option shares vest and become exercisable for each consecutive month of continuous service.

The Company has introduced performance conditions to the options granted under 2019 Stock Option Plan to the senior management of the Company in 2023 that condition exercising the options on reaching specific financial metrics and price of the Company's common shares at the Warsaw Stock Exchange.

For further details of the programs, please refer to Note 14 Share-based payment arrangements in the Consolidated Financial Statements. The Company's equity-settled share option programs are managed, approved and supervised by the Board of Directors.

Dividend policy
The Company has no dividend policy. The Board of Directors may from time to time declare dividends out of the Company's surplus cash flows and may, subject to the provisions of the Bylaws and the Certificate of Incorporation, set dates for the declaration and payment thereof. No dividend is payable other than in accordance with the applicable provisions of Delaware law. The General Meeting does not adopt resolutions regarding the distribution of profits and the payment of dividends.

The Board of Directors has not made any decision regarding the payment of dividends or the value thereof, if any, during the reporting period.

The Board of Directors may decide not to pay dividends in the future. This might happen especially if unexpected events occur that would change the view of the Board of Directors as to the prudent level of cash and capital conservation as well as the Company's financial goals and strategy.

Pursuant to the Certificate of Incorporation, all common shares are treated equally, identically and ratably, on a per-share basis, with respect to any dividends or distributions as may be declared and paid from time to time by the Board of Directors out of any of the Company's legally available assets.

General Meetings

Convening a General Meeting
Pursuant to the Bylaws, the date and time of a General Meeting are determined by the Board of Directors, for the purpose of electing directors and for transaction of other business. The Chairman of the Board or the Chief Executive Officer may call a Special General Meeting at the written request of the Company's shareholders owning shares representing at least 10% of the voting rights.

Upon the request to convene such a meeting, the Board of Directors determines the date, time and place, if any, of such meeting, which must be scheduled not less than thirty (30) days and not more than ninety (90) days after the Secretary receives the said request. The Secretary prepares the relevant notification. No business may be discussed at a Special General Meeting other than that specified in the notice to the shareholders.

A Special General Meeting may only discuss such business as has been included on the agenda by the Board of Directors, Chairman of the Board, the Chief Executive Officer or the President, or included in the notice sent out at the shareholders' written request as described above.

Notice of a General Meeting
Pursuant to the Bylaws, whenever shareholders are required or permitted to take any action at a meeting, a timely notice will be mailed or transmitted electronically by the Secretary to each shareholder of record entitled to vote in accordance with the records as at the record date for the meeting. Unless otherwise stipulated by the Certificate of Incorporation or the applicable laws, notice of a meeting should be given not less than ten (10) or more than sixty (60) days before the date of the meeting to each shareholder entitled to vote at such meeting.

In addition, notices of all General Meetings, either Annual General Meeting and Special General Meeting, are published in a current report in accordance with relevant reporting requirements applicable to a company listed on the WSE and on our Investor Relations website at ir.huuugegames.com, indicating, among others, a record date and all information relevant for participation and voting at such General Meeting not later than on such record date.

Quorum
Pursuant to the Bylaws, unless otherwise stipulated by law or by the Certificate of Incorporation, at all general meetings (annual or special), a quorum requires the presence, either in person or by proxy, of holders of at least one-third of the voting rights associated with the issued and outstanding shares entitled to vote. The majority of the votes cast is decisive for passing or rejecting a resolution.

Voting and proxies
As at the date of approval of this Report for publication, the Company's outstanding share capital consists of: 59,984,981 Common Shares and two Preferred Shares. Each Common Share and each Preferred Share carries one vote. Unless otherwise expressly required by law or stipulated in the Certificate of Incorporation, both the holders of Common Shares and of Preferred Shares shall vote together as a single class on all matters submitted to a shareholders' vote.

Powers of the General Meeting

The General Meeting has the power to elect directors (other than those directors elected by the holders of the Preferred Shares, and notwithstanding the Board of Directors' power to fill vacancies in the Board of Directors).

Pursuant to the Certificate of Incorporation, any amendment, alteration, or repeal of the provisions in the Certificate of Incorporation or Bylaws concerning: (a) the right of the holders of 10% of the total votes to request convening a General Meeting, (b) the quorum required at a General Meeting, (c) the number of Directors, their term of office, appointment and dismissal, and independence criteria, and (d) the Audit Committee (except for any amendment required under the applicable law), shall in each case be approved by an affirmative vote of the holders of the majority of the outstanding shares carrying voting rights.

Annual General Meeting of Shareholders
On June 18, 2024, the Annual General Meeting of Shareholders was held, during which the members of the Board of Directors were re-elected, Paragraph 4.1 of Article IV of the Fourth Amended and Restated Articles of Incorporation of the Company was amended in its entirety, and Article VII of the Fourth Amended and Restated Articles of Incorporation of the Company was amended in its entirety, as detailed in current report No. 31/2024 dated June 18, 2024. The Secretary of State of Delaware registered the amendments to the Issuer's Articles of Incorporation on July 2, 2024, and the amendments became effective on that date, as indicated in current report No. 35/2024 dated July 3, 2024.

Rules for Amending the Issuer's Certificate of Incorporation

The Company's Certificate of Incorporation may be amended or repealed in a manner permitted by Delaware law, with all rights granted to shareholders being recognized subject to this provision. According to the Certificate of Incorporation, the following provisions of the Certificate of Incorporation may be amended, modified, repealed, or canceled, in whole or in part, only by the votes of holders of not less than 66 and 2/3% of the Company's outstanding voting shares, present in person or by proxy: Article V, Article VI, Article VII, Article VIII, Article IX, Article X, and Article XI.

The Company's Board of Directors is authorized to adopt, amend, or repeal the Bylaws without shareholder consent or voting. The Company's shareholders may amend, modify, repeal, or cancel, in whole or in part, any provision of the Bylaws or adopt any provision inconsistent therewith by votes representing not less than 66 and 2/3% of the Company's outstanding voting shares.

If at least one Series A Preferred Share or Series B Preferred Share has been issued and remains outstanding, the Company may not amend, modify, or repeal any provisions of the Certificate of Incorporation or Bylaws concerning the rights of Series A Preferred Share holders or Series B Preferred Share holders without written consent or "for" votes from holders of at least a majority of the currently outstanding Series A Preferred Shares and Series B Preferred Shares, respectively.

Board of Directors

Appointment of the Board of Directors
The Board of Directors consists of five (5) Directors, of which: (i) one (1) director (the "**Series A Director**") is elected by holders of the majority of outstanding Series A Preferred Shares carrying voting rights by submitting to the Board of Directors written consent signed by holders of the majority of the Series A Preferred Shares, (ii) two (2) Directors (the "**Series B Directors**"), are elected by the holders of the majority of outstanding Series B Preferred Shares entitled to vote at such a meeting by providing the Board of Directors with written consent signed by holders of the majority of the Series B Preferred Shares, provided that one such Series B Director, to be qualified, shall be Anton Gauffin, and (iii) the remaining Directors are elected by the holders of Common Shares. At least two out of the five persons must meet the independence criteria adopted or accepted by the WSE, including the criteria referred to in Annex II to the European Commission recommendation of February 15, 2005, on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.

In accordance with the Certificate of Incorporation, any Director elected, as stipulated above, by holders of Series A Preferred Shares or Series B Preferred Shares may be removed without cause, exclusively by an affirmative vote of the holders of the majority of the outstanding Series A Preferred Shares or Series B Preferred Shares respectively, acting as a separate class, either at an Special General Meeting duly called for that purpose or pursuant to the written consent of such shareholders. In addition, in accordance with the applicable law, any director so elected may be removed with cause by the majority of holders of shares carrying the respective voting rights. The Series A Director or Series B Director(s) may not be appointed by shareholders of the Company other than by holders of Series A Preferred Shares or Series B Preferred Shares respectively. Any director (other than a Series A Director or Series B Director) may be removed at any time without cause by an affirmative vote of the holders of the majority of outstanding Common Shares entitled to vote thereon, voting together as a single class. In addition, in accordance with the applicable law, any director (other than a Series A Director or Series B Director) may be removed with cause by the majority in votes cast by the holders of shares carrying the respective voting rights.

In accordance with the Bylaws, subject to the provisions of the Delaware General Corporation Law and the restrictions contained in the Certificate of Incorporation or the Bylaws themselves, relating to an act requiring the approval of the shareholders or the votes of the outstanding shares, the business and affairs of the Corporation are managed and all corporate powers are exercised by the Board of Directors or a designated entity under its direction. The Board of Directors decides on the issuance or repurchase of shares within the authorization given in the Certificate of Incorporation.

The Board of Directors currently consists of five (5) persons elected at the Annual General Meeting dated June 18, 2024, for a term of office ending on the date of the following Annual General Meeting or on the date of election of a replacement director or on a director's earlier resignation or dismissal.

The following table includes information about acting members of the Board of Directors as at the date of approval of this Report for publication.

Name	Function	Year of appointment for the current term of office	Year of expiry of the term of office
Anton Gauffin	Executive Chairman of the Board & Executive Director	2024	2025
Henric Suuronen	Non-executive Director	2024	2025
John Salter	Non-executive Director	2024	2025
Krzysztof Kaczmarczyk	Non-executive Director (independent)	2024	2025
Tom Jacobsson	Non-executive Director (independent)	2024	2025

Until June 18, 2024, the Board of Directors consisted of the following members: Anton Gauffin, Tom Jacobsson, Krzysztof Kaczmarczyk, John Salter and Henric Suuronen. At the Company's Annual General Meeting held on June 18, 2024, the holder of the single Company's Preferred Series A Share elected John Salter for an additional term of office, the holder of the single Company's Preferred Series B Share elected Anton Gauffin and Henric Suuronen for an additional term of office, and the holders of the Company's Common Shares elected Krzysztof Kaczmarczyk and Tom Jacobsson, each to serve as directors until the next Annual General Meeting or until such directors' successors are duly elected and unless any of the directors dies, resigns, is dismissed or retires earlier.

Two members of the Company's Board of Directors - Krzysztof Kaczmarczyk and Tom Jacobsson - meet the statutory criteria for independence in accordance with the criteria listed in the Act of May 11, 2017, on statutory auditors, audit firms, and public oversight.

The Board of Directors supervises the preparation of the Group's consolidated financial statements and is required to ensure that the Group's consolidated financial statements and the business statements comply with legal requirements. The Chief Executive Officer approves and signs the Group's consolidated financial statements. Substantially the same procedures apply to the Company's separate financial statements.

Agreements with the Board of Directors
Except for the transactions mentioned below, remuneration for the year ended December 31, 2024 of the members of the Board of Directors and share options owned by members of the Board of Directors and the reimbursement of travel expenses and accommodation costs incurred by board members related to their work, there were no other transactions between the Issuer and members of the Board of Directors.

Name	Function	Cash compensation (USD thousand)	Share-based payment
Anton Gauffin	Executive Chairman of the Board	501	206
Henric Suuronen	Non-executive director	75	-
John Salter	Non-executive director	84	-
Rod Cousens[1]	Non-executive director	50	-
Krzysztof Kaczmarczyk	Non-executive director (independent)	90	-
Tom Jacobsson	Non-executive director (independent)	84	-
Total		**884**	**206**

Amounts of remuneration and benefits in kind of members of the Board of Directors

Costs of remuneration (including accrued bonuses) of members of the Board of Directors amounted to USD 884 thousand for the year ended December 31, 2024. The Company has no formal rules for the payment of cash bonuses to members of the Board of Directors; all such bonuses are paid on a discretionary basis.

All agreements between the Company and members of the Board of Directors providing for compensation in case of their resignation or revocation without cause

The letter of appointment for Anton Gauffin provides for a 12-month notice period. If the Company wishes to terminate the appointment without the notice period, Anton Gauffin will be entitled to the equivalent of 12-month remuneration, which, at the time of approval of this Report for publication, amounts to USD 150,000.

Shares or share options held by members of the Board of Directors

The table below presents the number of shares and share options held by members of the Board of Directors as of the date of approval of this Report for publication:

Name	Function	Common Shares	Share Options Outstanding
Anton Gauffin (through Big Bets OÜ)[2]	Executive Chairman of the Board and Executive Director	18,773,294	425,000
Henric Suuronen	Non-Executive Director	1,673,610	0

Mr. Anton Gauffin, holding the positions of the Executive Chairman of the Board and Executive Director of the Company (and President and Chief Executive Officer of the Company until September 18, 2023) was granted with 500,000 share options in total, out of which 75,000 had a vesting condition to provide the service continuously for about four years from the service commencement date and to meet 2021 EBITDA target. These options were forfeited in 2022 as the performance condition was not met.

Information on agreements known to the Company, including those concluded after the balance sheet date, that may result in future changes in the proportion of shares held by the existing shareholders

The Company is not aware of any agreements that may result in future changes in the proportion of shares held by the existing shareholders, except for possible changes in the proportion of shares resulting from equity-settled share option programs in the Company.

[1] Between January 1, 2023 and March 7, 2023 Mr. Rod Cousens was also a member of the Executive Management Team and served as Co-Chief Executive Officer. Mr. Rod Cousens was not re-elected for another term of office and, accordingly, he ceased to hold a seat in the Board of Directors on October 27, 2023.

[2] Anton Gauffin also holds one Series B Preferred Share through Big Bets OÜ.

Information on all liabilities arising from pensions
In 2024 and until the date of approval of this Report for publication, there were no liabilities arising from pensions and benefits of a similar nature for former managing, supervising or former members of administrative bodies, and no liabilities were incurred in connection with those pensions.

Information on agreements concluded between the Issuer and board members
In 2024, the Issuer did not enter into any agreements with board members.

Information on the control system for employee share schemes
The existing employee stock option programs were established based on resolutions of the General Meeting. The company maintains records and controls both of the employee stock option programs in force within the company using a dedicated platform provided by a third party. The company continuously supervises the options exercised and shares issued under the employee stock option programs. All grants and transfer of the Issuer's shares are performed based on specific resolutions of the Board.

Committees

The Board of Directors has established the following committees: the Audit Committee and the Remuneration and Nomination Committee.

Audit Committee
The Board of Directors has appointed from among its members the following persons to the Audit Committee:

- Mr Krzysztof Kaczmarczyk (Chairman of the Audit Committee);
- Mr Tom Jacobsson; and
- Mr John Salter.

Krzysztof Kaczmarczyk is the member of the Audit Committee with knowledge and skills in accounting and finance, and Tom Jacobsson is the member of the Audit Committee with knowledge and skills in the industry in which the Company operates.

Both members of the Committee meet the statutory criteria for independence in accordance with the criteria in accordance with the criteria listed in the Act of May 11, 2017, on statutory auditors, audit firms, and public oversight.

The Audit Committee is responsible for supervising the Company's financial matters and monitoring the implementation and maintenance of internal control, risk management, compliance and internal audit systems in the Company. Its scope of activity includes advising and consulting on financial reporting and auditing financial statements by a statutory auditor, which constitute actions in the competences of the Board of Directors.

On February 6, 2024, the Board selected Ernst & Young Audyt Polska sp. z o.o. sp. k. as the auditor to examine the consolidated financial statement and the individual financial statement of the Company for the annual periods from January 1, 2024, to December 31, 2027 ("audit firm").

The audit firm conducting the audit, entities affiliated with this audit firm, and members of the audit firm's network are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including the International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted by resolution of the National Council of Statutory Auditors. During the audit, the key statutory auditor and the audit firm remained independent of the Group in accordance with the independence requirements set forth in the Act on Statutory Auditors.

In 2024, the audit firm did not provide any non-audit services. On January 7, 2025, the Audit Committee approved the provision of certain services by specified entities belonging to the auditor's network. Before adopting the resolution, the Audit Committee analyzed the provision of permitted non-audit services by the audit firm, affiliated entities, or members of the audit firm's network in accordance with the Company's Policy on Non-Audit Services and determined that the provision of such services would not impact the auditor's independence.

Accordingly, the Company has implemented a Policy for the Selection of the Audit Firm to Conduct the Audit and a Policy on the Provision of Permitted Non-Audit Services by the Audit Firm, its Affiliates, and Network Members. These documents define the guidelines and principles that the Audit Committee and the Board of Directors should follow when selecting an audit firm. Key principles and guidelines of these Policies include, among others:

- knowledge of the Company's industry and business specifics,
- ability to provide the full range of services required by the Company (audit of individual financial statements, audits of consolidated financial statements, interim reviews),
- pricing for the services provided,
- previous cooperation of the audit entity with the Company,
- coverage of audit services by audit firms from the international network for Huuuge Group entities operating outside of Poland.

The Policy concerning the provision of additional services by the audit firm, its affiliates, or network members assumes that neither the statutory auditor or audit firm conducting the audit, nor any of its affiliated entities or network members, may provide—either directly or indirectly—any prohibited non-audit services to the audited entity, its parent company, or its controlled entities. All services provided by the audit firm or affiliated entities must first undergo a risk and independence assessment by the Audit Committee.

Tom Jacobsson Non-executive director, independent
Tom Jacobsson is a veteran digital business entrepreneur with over 25 years of experience in helping products and businesses succeed through winning culture, design thinking, lean start-up philosophy and agile development. In previous roles, Tom built global infrastructure products and mobile technology as 3G System Program Manager for Nokia, ran Nokia's mobile chipset strategy and planning from single source vendor to multi-source, acted as a turnaround CEO for small and midsize digital companies and worked with companies on public listings. Presently, he is the CEO of Dunning, Kruger & Associates, a full-stack digital product company which he co-founded in 2017 and which merged to the North Alliance family in 2021.

Krzysztof Kaczmarczyk, Non-executive director, independent
Krzysztof Kaczmarczyk is an independent member of supervisory boards of companies listed on the Warsaw Stock Exchange. He has gained over 15 years of supervisory experience sitting on the supervisory boards of more than 40 companies. Simultaneously, he served as a member or chairman of audit committees of more than 20 companies listed on the WSE. In 1999–2008, he worked for Deutsche Bank in Poland, where he served as Deputy Director of the Stock Market Analysis Department and Stock Market Analyst for the Central and Eastern European Region. From 2008 to 2010, he held various management positions within the TP Group (Orange). In 2010–2011, he worked for the Swiss investment bank Credit Suisse in Poland. In 2012–2015, he held the position of vice-president of the Management Board for Strategy and Business Development in Emitel, a leading terrestrial radio and television network operator in Poland. From 2016 to 2019, he worked as a strategy advisor to the Management Board of KGHM Polska Miedź S.A. (a leading mining company in the world). From 2021, he holds the position of president of the Management Board of Mabion S.A., a biotechnology company (listed on the Warsaw Stock Exchange). He is a graduate of the Warsaw School of Economics with a degree in finance and accounting.

In 2024, the Audit Committee of the Board of Directors held four (4) meetings.

Remuneration and Nomination Committee
The Board of Directors has appointed from among its members the following persons to the Remuneration and Nomination Committee:

- Mr Krzysztof Kaczmarczyk (Chairman of the Remuneration and Nomination and Remuneration Committee);
- Mr Tom Jacobsson; and
- Mr John Salter.

The tasks of the Remuneration and Nomination Committee consist of (a) preparing and periodically reviewing the Group's compensation policy and principles, the performance criteria related to compensation and a periodical review of their implementation, as well as submitting proposals and recommendations to the Board of Directors, and (b) preparing all relevant decisions of the Board of Directors concerning the nomination of members of the Issuer's Board of Directors, as well as submitting proposals and recommendations to the Board of Directors.

Officers; Executive management

Officers; Composition of the executive management and division of responsibilities

Chief Executive Officer and Executive Team
The Chief Executive Officer ("**CEO**") is responsible for supervising, directing, and controlling the business of the Company and sees that all orders and resolutions of the Board of Directors come into effect. The Chief Executive Officer, together with any President, also performs all duties incidental to this office that may be required by law and all such other duties as are set out for him or her by the Board of Directors or the Bylaws.

On September 18, 2023 Mr. Anton Gauffin stepped down from the position of President and CEO of the Company and was appointed as the Executive Chairman of the Board while still remaining an executive director of the Company. On the same date, Mr. Wojciech Wronowski, who was thus far serving as the Chief Operating Officer (not being a formal officer of the Company), was appointed a formal officer of the Company, namely the Chief Executive Officer.

Upon the initiative of the CEO the Executive Team (not a formal body of the Company) has been appointed to assist the CEO in planning and managing operations, as well as preparing matters for discussion by the Board of Directors. Executive Team meetings are convened by the CEO on a regular basis and the CEO serves as the chair of the Executive Team. The Executive Team prepares the Huuuge Group's strategic and annual planning, supervises the implementation of plans and financial reporting, and assists in processes related to significant investments as well as mergers and acquisitions.
The composition of the Executive Team is as follows as of the approval of this Report for publication:

- Wojciech Wronowski, Chief Executive Officer;
- Erik Duindam, President and Chief Operating Officer;
- Maciej Hebda, Executive Vice President of Finance.

There were no changes in the Executive Team during 2024. Biographies of the members of the Executive Team are posted on our website ir.huuugegames.com.

President and Chief Operating Officer
Subject to the supervisory powers of the CEO (if the CEO is an officer other than the President), and subject to such supervisory powers and authority as may be granted by the Board of Directors to the Chairman of the Board, and/or to any other officer, the President has general powers of supervision, direction, and control of the business of Huuuge, Inc. and sees that all orders and resolutions of the Board of Directors come into effect.

The Chief Operating Officer ("**COO**") is responsible for the day-to-day operations and administrative functions of a company. This includes overseeing various departments, ensuring smooth workflow, driving operational efficiencies, and implementing strategies to improve business performance.

On September 18, 2023, Mr. Erik Duindam, who was thus far serving as the Chief Technology Officer (not being a formal officer of the Company), was appointed the President and Chief Operating Officer.

Treasurer
The Treasurer keeps and maintains, or causes to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Company. The Treasurer deposits the funds of the Company in its name and to its benefit and disburses such funds as may be directed by the Board of Directors. He or she provides to the Chairman of the Board, the Chief Executive Officer and to the Board of Directors, whenever requested, an overview of the financial condition of the Company and of his or her transactions as Treasurer. He or she performs all duties relevant for the Treasurer and such other duties as may be set out by the Board of Directors, the Chief Executive Officer or the Bylaws.

On September 18, 2023 Mr. Marek Chwałek, who was serving as Executive Vice President of Finance (not being a formal officer of the Company), was appointed the Treasurer. On April 1, 2025, Mr. Maciej Hebda replaced Mr. Marek Chwałek as the Treasurer (current report 5/2025).

Secretary
The Secretary attends all sessions and keeps minutes of all meetings and records all votes of the Board of Directors, the stockholders, and any standing committee, in the relevant books provided for that purpose, maintains the Company's books, records and stock registers, and certifies the Company's records. He or she ensures the giving and serving of all notices of meetings of the stockholders and of the Board of Directors. He or she performs all duties relevant for the Secretary and such other duties as may be set out by the Board of Directors, the Chief Executive Officer, by the President or by the Bylaws.

On September 18, 2023, Ms Monika Kierepa, who served as the Company's General Counsel at the time was appointed as the Secretary.

Diversity Policy

In 2022, the Company established an internal working group responsible for discussing issues related to Diversity, Equity, and Inclusion, including in the context of remuneration. One of the tasks of the working group is to develop a diversity policy for the entire Group, and as of the date of approval of this Report for publication, the policy is being developed.

Auditor

As announced in our Current Report 9/2024 dated February 6, 2024, the Board of Directors appointed Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k. ("**EY Poland**") as auditor for audit of the consolidated financial statements and the separate financial statements of the Company for the annual periods from January 1, 2024 to December 31, 2027.

The agreement with EY Poland was concluded on February 6, 2024, and covers the audit by EY Poland of the consolidated financial statements of the Issuer's Capital Group and the standalone financial statements of the Issuer for the annual periods from January 1, 2024, to December 31, 2027, as well as the review of interim consolidated financial statements of the Issuer's Capital Group and standalone financial statements of the Issuer for the reporting periods from January 1, 2024, to June 30, 2027.

The services provided by EY Poland to the Company in 2024 included audit services, including standard tax compliance services.

<table>
<tr><th></th><th>2024</th><th>2023</th></tr>
<tr><td>Audit of the annual standalone financial statements of Huuuge, Inc.</td><td>47,000</td><td>11,550</td></tr>
<tr><td>Audit of the annual consolidated financial statements of the Huuuge Group</td><td>126,000</td><td>151,200</td></tr>
<tr><td>Review of the semi-annual financial statements of Huuuge, Inc.</td><td>18,000</td><td rowspan="2">59,850</td></tr>
<tr><td>Review of the semi-annual consolidated financial statements of the Huuuge Group</td><td>46,000</td></tr>
<tr><td>Other services</td><td>187,220</td><td>72,976</td></tr>
</table>

Risk factors

The identification of risk factors takes place on the basis of the implemented risk management system. The risk management process has been formally established in the organization based on the Risk Management Policy.

The risk management process includes:

- risk identification;
- risk analysis (description and assessment);
- risk evaluation;
- risk mitigation;
- risk monitoring and reporting.

The most important goals of the Risk Management System include:

- identification, analysis, assessment and evaluation of risks;
- improvement of coherence of the approach to risk management;
- ensuring comparability of risks occurring in different areas of organization;
- creating a correlation between the operational and strategic level of risk management;
- reducing the impact of adverse incidents;
- better preparation for adverse incidents and minimization of losses caused thereby.

All employees of the organization are involved in the risk management process. The most important functions are performed by the Board of Directors, Audit Committee, Executive Management, Risk Officer and Risk Owners.

Determination and concise naming of the most important occurring or possible events or phenomena threatening or affecting the implementation of the goals of Huuuge Group.

Risk assessment facilitates determining the probability and impact of a risk in relation to selected scenarios (based on the causes and results indicated in the risk analysis). The assessment is performed on the basis of defined scales. The descriptions included therein are of an auxiliary nature and, in the case of any doubts, the score of the assessment shall have priority.

Risk evaluation compares the risk value with the previously assumed criteria, as well as identifying risks requiring the implementation of mitigation plans.

At the time of the publication of this report, the following material risk factors have been identified. However, the risk factors and uncertainties described below by the Group are not the only risk factors the Group faces. Additional risks and uncertainties that the Group is not aware of or currently considers to be insignificant may also have a significant adverse effect on the business, financial condition and operational results and prospects of the Group.

If we are unable to successfully attract new players or if we lose our current players, our business could be negatively affected. We rely on purchases from a small percentage of our players for nearly all of our revenue. If we are unable to entice players to make in-app purchases or engage with our games in ways that generate revenue, our business could be negatively affected.

Our business depends on developing and publishing games that players download and spend time and money playing. The nature of our industry is that we develop and test hundreds of ideas and games, but subsequently focus only on the titles or features that exhibit the most promising key performance indicators ("KPIs"). Only a handful of our games make it to soft launch and even fewer progress to full launch and scaling. We cannot guarantee that high-quality games, even if favorably reviewed by players, will become "hits". Our new games may also attract players away from our existing games, especially when they provide similar gameplay features with an upgraded user interface or new social elements. Furthermore, we cannot ensure that new features or upgrades to our existing games will attract new players or allow us to retain existing ones.

The growth of our business largely depends upon our ability to attract new players to our existing and new games, as well as on retaining existing players of our games. Our success in doing so is conditional in part on unpredictable and volatile factors beyond our control, including customer preferences, competing games, the popularity of other forms of entertainment and economic conditions adversely affecting consumer spending. Achieving growth in our community of players may also require us to increasingly engage in sophisticated and costly sales and marketing efforts that may not result in additional players.

Currently, we derive 99% of our revenue from in-app purchases. As our games are available to players for free, we generate revenue from them only if they make in-app purchases above and beyond the level of free features provided as part of the game, e.g., they purchase virtual currency beyond the amount made available for free, or if they otherwise engage with our games in ways generating revenue. If we fail to offer games that entice players to make in-app purchases or if we fail to properly manage the economics of free versus paid currency, or if we fail to entice players to engage with our games in ways generating revenue, this could materially and adversely affect our business, operating results and financial condition.

We rely on a small percentage of our players for nearly all of our revenue. However, we lose paying players in the ordinary course of business, and they may stop making purchases in our games or playing our games altogether at any time. In order to sustain or increase our revenue levels, we must attract new paying players or increase monetization across the current player base. To retain paying players, we must devote significant resources to, for example, marketing and data analytics, in order to individualize offers provided to our players so that the games they play retain their interest and attract them to our other games.

Measurement of marketing performance has deteriorated significantly with the depreciation of the IDFA (Apple's ID For Advertisers). This has made it more challenging to acquire the right profile of a player, thereby negatively affecting our ability to undertake large-scale user acquisition and maintain existing campaign performance and payback periods. In response, we have been actively lowering spend levels to maintain and/or improve our payback periods. This has had an impact on our revenue dynamics. Whilst IDFA changes were introduced in April 2021 with iOS 14.5, the ATT framework was present on a majority of iOS devices only from H2 2021 onwards. Although these changes continue to impact the performance marketing environment, we have adapted our strategy and levels of marketing spend in order to minimize this impact..

Revenue concentration in a small number of games

The majority of our revenue is generated by a small number of our games, which could negatively affect our business. We expect that this concentration will continue in the future. For example, our most popular games generating the highest revenue are Huuuge Casino and Billionaire Casino. These top two franchises historically have contributed the majority of our revenue, accounting for 98% of our revenue in 2024, 96% of our revenue in 2023. If we are unable to diversify our portfolio of games in the long run and increase the popularity and improve the monetization of our existing games or the games we develop in the future, it could have a material adverse effect on our business, operating results and financial condition.

Dependence on third parties' services

We rely, to varying degrees, on a number of third-party vendors, service providers and game developers, as well as strategic partners, to efficiently operate our business, develop games and meet the expectations of our players. In particular, some elements of the provision and distribution chain of our gaming services are operated by third parties we do not control and which it would take significant time to replace. This dependence is expected to continue.

We are highly dependent on distribution platforms when offering our games to players. Any adverse changes in our existing arrangements with these third parties, including an inability to fulfill their obligations in a timely manner or an inability to enter into or renew arrangements on favorable terms, if at all, could reduce the quality, revenue or availability of our games. Changes to third parties' policies or terms of service could also negatively impact our ability to offer our existing or future games, or restrict the availability of certain features.

Changes in gaming technologies and hardware preferences

We rely, to varying degrees, on mobile and PC based hardware and specific gaming technologies (middleware like Unity) to make our games performance attractive and interactive for our users to play our games. If new immersive technologies and hardware would become successful over the long run or become a de facto new standard for online games, we would have to develop new versions of our existing and new games. As technologies differ in their capabilities, performance, compatibility across platforms and operating systems, differences between performance and gameplay within systems might affect perception of our games. Also some of the hardware and software introduced might not receive wider acceptance across some of our key markets. If we introduce games using new hardware or technologies when it is unclear if they would be widely accepted by users or opposite - introduce new standards very late to our games, when a significant market shift has already occurred, our financial performance might be affected.

Ability to retain skilled employees and further develop an attractive employer brand

The Group strives to continue to build a reputation of being an attractive employer brand and to ensure our reward and recognition practices remain competitive. The Group has implemented a number of procedures to engage dynamically with its employees and act on constructive feedback to improve our workplace. We undertake employee engagement surveys and carry out salary benchmarking to ensure our core salaries remain competitive in addition to our competitive benefits packages.

Artificial Intelligence (AI) generated content present both risk and opportunities

The incorporation of AI-generated content can substantially reduce costs of game development and speed to market. However it may limit innovation and creativity which are differentiating factors across games, leading to excessive homogenization of gaming products. The dynamic nature of AI-generated content and tools can lead to unexpected or unwanted game elements, requiring a careful balance between AI's creative freedom and the need for a coherent gaming experience. Legal ambiguity surrounding AI-generated works creates copyright concerns.

We acknowledge AI algorithms utilized in gaming have the potential to inadvertently distribute biases and inequalities, be it in character design, dialogue systems, or gameplay mechanics. Also AI generated content must follow extended quality control to ensure it is not violating any existing rights, patents and other elements belonging to 3rd parties. We need to ensure AI models are trained on diverse and non-discriminatory datasets and do not create output which can be subject to 3rd party infringements. We also understand some platforms like Steam rejected some games based on the notion they are AI created. We support the approach that some AI generated content does not equal to AI generated games; we view AI as a tool to enhance but not replace human creativity.

We are aware that reduced costs of AI may generate games' copycats, which do not infringe copyrights and trademarks directly which in turn can result in a large number of "clones" of existing titles, that may initially interest players. These clones are not focused on building brand and recognition but rather on quick entry and exit from the market. Such games and producers may use compliance practices that deviate from established rules - and this in turn may affect the reputation of long-standing gaming brands in a given segment.

Disruption of IT infrastructure, networks and systems and IT gaps

We rely on information technology infrastructure, networks and systems that are important to the operation of our business. We use such infrastructure, networks and systems to operate our games and to manage and secure our business and data, particularly with respect to internal communications, controls and reporting and relations with suppliers.

Some of such infrastructure, networks and systems are managed or provided by third parties. These third parties are typically under no obligation to renew agreements relating to such infrastructure, networks and systems, and there is no guarantee that we will be able to renew these agreements on commercially reasonable terms, or at all. In addition, our information technology infrastructure, networks and systems – including those operated by third parties – may experience breaks, suspensions or stoppages of service, or we may experience system crashes in connection with system integration or migration work. Any disruption or failure in these infrastructure, networks and systems could adversely affect the availability of games, could slow them down or could otherwise disrupt the functionality or operations of the relevant business.

As a result of technological advancements, our IT infrastructure may become outdated or inadequate for our business needs. If we are unable to keep our systems and infrastructure current with industry standards and with evolving technologies, our operations or growth may be impeded.

Undetected errors, bugs or vulnerabilities

Our games and other software applications and systems, as well as the third-party platforms upon which they are made available, could contain undetected errors, bugs or vulnerabilities that could adversely affect the performance of our games, some of which may only be detected after the code has been released for external or internal use. For example, errors, bugs or other types of defects could prevent our players from making in-app purchases, harm the overall game-playing experience for our players, delay game introductions or enhancements, cause measurement errors, result in our games being non-compliant with applicable laws or create legal liability for us. We have experienced some of these issues in the past, including lags in gameplay, in-app purchase errors, game data corruption and problems with players' access to our games. We resolved most of these issues on a timely basis, but we cannot guarantee that we will be able to do so in the future. Moreover, resolving such errors, bugs or other vulnerabilities could disrupt our operations or cause us to divert resources from other projects.

Failure to successfully pursue or implement new business initiatives
In order to grow our business, we need to evaluate, consider and effectively implement new business initiatives. Management may not properly ascertain or assess the risks associated with these new initiatives, and subsequent events may arise that would render our initial assessment of the economic merits of a particular initiative uneconomic.

Moreover, the market of new technologies is one that is developing rapidly. Therefore, we conduct ongoing monitoring of new technologies and IT solutions in order to quickly adapt to the solutions introduced to the market. The failure to analyze or implement new technologies may result in a loss of competitiveness in the market, which could have a negative impact on our operating activities and financial results.

Business acquisitions and integrating acquired operations could divert the attention of our management and otherwise disrupt our operations
As a part of our strategy, we may in the future explore, and have in the past carried out, acquisitions to strengthen our market position in selected game genres and grow our game development talent. We may use our excess cash to finance extraordinary growth events such as potential acquisitions, if the opportunity arises. We cannot guarantee we will be able to identify acquisition targets that help us to achieve our growth strategy, or that the transactions we may consider will be completed or prove to be successful or accretive. In addition, acquisitions and integration processes could divert our management's attention from other business concerns and also lead to the use of resources that are needed in other parts of our business.

Real or perceived inaccuracies in our performance metrics
We track certain performance metrics, such as Installs, DAU, DPU, ARPDAU, ARPPU, Monthly Conversion. Our performance metrics tools have limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including those we report. If our performance metrics are not accurate representations of our business, player base or traffic levels, or if we discover material inaccuracies in our metrics or if those we rely on to track our performance do not provide an accurate measurement of our business, we may fail to obtain an accurate understanding of the performance of our business, our reputation may be significantly harmed, or we may lose the confidence of players, analysts or business partners, and this could adversely affect our business, operating results and financial condition.

Ineffective protection of our intellectual property
Intellectual property rights are an essential element of our business. We rely on a combination of different intellectual property rights such as trademarks, patents and copyrights relating to our games, and proprietary or confidential information that is not subject to formal intellectual property protection.

While we create most of the intellectual property we use internally, we also license intellectual property such as, in particular, games (as a whole) and software development kits ("SDKs") from third parties. In particular, our games use SDKs provided by, among others, Facebook and Google. We also purchase or license, in whole or in part, photos, videos and audio used in our games from third parties, including Shutterstock and Envato. We rely on licenses for all of our third-party publishing.

Despite our efforts to protect our owned and licensed intellectual property, unauthorized parties may attempt to copy or otherwise obtain and use our technology, games or brands. There is a risk that the actions we take will not be sufficient to protect our owned and licensed intellectual property. Furthermore, our use of third-party intellectual property may inadvertently violate the rights of third parties, and therefore we could become subject to infringement claims, which we already occasionally face.

Third-party intellectual property rights may limit our development
We need to continuously adapt our games to incorporate new technologies. If such technologies are protected by the intellectual property rights of our competitors or other third parties, we may be prevented from introducing games based on these technologies or expanding into markets or platforms created by these technologies.

We license SDKs, which may be integrated into our own products and are required, among other reasons, to allow our players to connect their game accounts with their social media ones. If the owners of these SDKs, such as Google and Facebook, change the license terms in a manner that limits our ability to use the SDKs or integrate with their platforms, our business, operating results and financial condition may be adversely affected.

We also use open source software in our games and expect to continue to do so. Some open source software licenses require users who distribute open source software to publicly disclose all or part of the source code to such software or make available any derivative works of the open source code on unfavorable terms or at no cost. In addition, provisions of various open source licenses have not been interpreted by courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or limitations on our use of the open source software. If our use of open source software is not in compliance with a particular license, we may be required to release our proprietary source code, pay damages for breach of contract, re-engineer our games or products, discontinue distribution in the event that reengineering cannot be accomplished on a timely basis, or take other remedial action that may entail additional expenses or limit our activities.

Ineffective protection of confidential information

The management and key employees of the Group have access to confidential and sensitive information related to its operations, such as strategic development plans, business plans, and core technologies. If competitors, third parties, or the public gain access to such confidential information, whether intentionally or accidentally, the Group's market position may be weakened, depending on the extent of the disclosed information

We could be the target of cyber-attacks, piracy, database security breaches or hacking

Our industry is prone to – and our games, systems and networks are subject to – cyber-attacks, viruses, worms, phishing attacks, malicious software, break-ins, theft, computer hacking, employee error or malfeasance or other security breaches that may exploit, damage, or disrupt the functioning of our games, networks or technological infrastructure. Physical locations where our IT infrastructure is located, as well as our hardware, may also be subject to break-ins, theft or damage.

Any security breach or incident that we experience could result in unauthorized access to, misuse of, or unauthorized acquisition of our or our players' data, the loss, corruption or alteration of this data, interruptions to our operations, unavailability or malfunctioning of our games, or damage to our computers or systems or those of our players or third-party platforms. Furthermore, third parties, such as hosted solution providers or third-party platform operators that provide services to us, could also be a source of security risks in the event of the failure of their own security systems and infrastructure.

As threats related to cyber-attacks develop and grow, we may also find it necessary to make further investments to protect our data and infrastructure.

Unauthorized operators may develop "hacks" or other types of "cheating" software enabling players to alter the intended game play, abuse or exploit the mechanics of our games and, therefore, obtain unfair advantages in our games, or otherwise obtain virtual currency or other benefits available in our games. These may have a negative impact on the volume of in-app purchases and the amount of revenue we collect from players. In addition, such "hacks" or other similar vulnerabilities may result in increased costs of developing technological measures to respond to them.

The Russian invasion of Ukraine, and the associated developments on the international arena, could result in an increased risk of cyber-attacks, which could affect our systems. We have taken action to analyze the impact of various types of cyber-attacks and have implemented additional security measures commensurate with the potential increase of such risk.

Fluctuations in foreign exchange rates and inflationary pressures could negatively impact our business.

Our activities and businesses expose us to fluctuations in currency exchange rates between USD and other currencies, such as the Polish zloty and the euro. These fluctuations may reach significant levels during periods of increased market volatility related to, for example, the Russian invasion of Ukraine, the Covid-19 pandemic, geopolitical tensions (e.g. trade wars), climate change, or other events increasing uncertainty in the global economy. See also "Key Factors Affecting Our Results of Operations and Market Trends".

For further information on the Group's exposure to foreign exchange rate volatility for the most significant currencies, see Note 7 to our Consolidated Financial Statements for full year 2024.

Our performance may also be affected by inflationary pressures and their impact on consumer spending patterns, which could result in decreased spending on leisure and entertainment, and thereby negatively impact our revenues.

Our success and continued growth are heavily reliant on the experience and talent of our managers and skilled employees

The successful operation of our businesses and the successful implementation of our strategy are dependent on the experience of our managers and key personnel. Due to the specifics of the industry we operate in, we are dependent on our highly skilled, technically trained and creative employees, whose high competences and knowledge translates into developing new technologies and creating innovative games. The loss of any of these individuals could harm our business. Competition for employees, particularly game designers, engineers and project managers with desirable skill sets is intense, and we devote significant resources to identifying, hiring, training, successfully integrating and retaining these employees.

Our future success depends in part on our ability to retain highly qualified managers active in the mobile games industry who have had a significant impact on our development, as well as on our ability to attract and retain skilled employees able to effectively operate our business. We cannot guarantee that we will be able to attract and retain such managers or skilled employees in the future, and the costs associated with retaining them may impact our profitability or financial results.

Changes in tax laws or tax rulings, or the examination of our tax position, could materially affect our financial condition and results of operations

We are subject to complex tax legislation in the various countries in which we operate. In particular, given the international scope of our business and our structure, we are subject to rules on transfer pricing. Moreover, GAAR and the focus of tax regulations on real business substance may have an increasing impact on international taxation.

For example, we sell services or use intellectual property through legal entities that must necessarily procure these services or license such intellectual property within a group. Therefore, we perform numerous intercompany transactions. The jurisdictions in which we operate generally have transfer pricing regulations that require transactions involving related parties to be undertaken on properly documented arm's length terms and conditions. If the tax authorities in a particular jurisdiction do not regard intra-group transactions as being made on a properly documented arm's length basis and successfully challenge such transactions, or otherwise adopt a differing approach on the attribution of revenue or profits between our various group entities, the amount of tax payable by the relevant member or members of our group, in respect of both current and previous years may increase, and we may be subject to penalties or fines, or required to make interest payments.

In addition, we provide services whose price is subject to direct and indirect taxes in various countries, such as value added tax. The complexity of our business model may complicate an understanding of the legal obligations in the relevant tax application. We may also be subject to double taxation in jurisdictions with multiple tax authorities or incompatible tax regimes. In addition, applicable tax rates could increase. A significant increase in value added tax rates could negatively affect our activity, especially customer demand, which could have a material adverse effect on our business, operating results and financial condition.

Changes in tax treaties, laws, rules or interpretations or the outcome of tax audits could have an adverse effect on our business. The tax laws and regulations in the jurisdictions in which we operate may be subject to change; for example, a substantial amendment may be introduced to the taxation of digitized companies. New tax laws or regulations may be introduced with or without retroactive effect and there may be changes in the interpretation and enforcement of such tax laws or regulations.

If the relevant tax authority challenges our tax position, through audits or otherwise, and is successful, our effective tax rate may increase, and we may be required to pay additional taxes, penalty charges and interest, and we may incur costs in defending litigation or reaching a settlement with the relevant tax authority. We could be liable for amounts that are either not covered by or are in excess of our established reserves. Any of the foregoing situations could have an adverse effect on our business, operating results and financial condition.

Competition in the gaming industry

The gaming industry, which includes social casino games (from which we derive the majority of our revenue), is considered to be a highly competitive and rapidly evolving industry with low barriers to entry. We are experiencing, and are likely to experience in the future, competition from other developers and publishers in the gaming category. Our competitors range from established interactive entertainment companies to emerging start-ups, and we expect new competitors to continue to emerge globally. One example of such trends could be the increasing competition from the online sweepstakes casino industry.

Our operations depend on third-party platforms used to offer our games

Our social gaming offerings operate mainly through Apple's App Store and Google's Play Store, which also serve as significant online distribution platforms for our games and provide us with valuable information and data. Consequently, our operations depend on our continued relationships with these providers, and any emerging platform providers that are widely adopted by our target player base.

We are subject to the standard terms and conditions that these platform providers have for application developers, which govern the promotion, distribution and operation of games and other applications on their platforms, and which the platform providers can change on a discretionary basis and unilaterally on short notice or without notice.

Moreover, Internet-connected devices and operating systems controlled by third parties increasingly contain features that allow device users to disable functionality that allows for the delivery of advertising on their devices, including through Apple's Identifier for Advertising, or IDFA, or Google's Advertising ID, or AAID, for Android devices. Device and browser manufacturers may include or expand these features as part of their standard device specifications. If players elect to utilize the opt-out mechanisms in greater numbers, our ability to deliver effective targeted advertisements would suffer, which could adversely impact our revenues from in-game advertising (currently less than 5% of Huuuge's overall revenue).

In addition, new regulations and increased focus on data protection may result in changes to the data protection policies of the platform providers, which we will be required to implement. We cannot exclude the possibility that our games, in particular social casino games, will be targeted by other limitations introduced by third-party platform providers or our advertising and marketing partners concerning, among others, user acquisition and advertising revenue.

Changes in third-party platforms classification of or approach towards social casino games or certain game features (such as loot boxes) could restrict the availability of our games or of certain game features on those platforms or to users in certain jurisdictions.

If similar events occur and we are unable to address them effectively, or if other similar issues arise that impact players' ability to download our games, access social features or purchase virtual currency, it could have a material adverse effect on our business, operating results and financial condition.

We operate in an industry characterized by an evolving and partially unclear regulatory environment
Generally, social gaming, including but not limited to social casino games, is not explicitly regulated in the markets where we operate; however, as the mobile and online game industry evolves, so too are regulations evolving and, as a result of this evolution and possible changes in the approach of legislators, regulators and courts, we cannot exclude the possibility that our activities could be regulated in ways that could adversely affect our business.

In some jurisdictions, there is growing opposition from regulators, public interest groups and/or media towards mobile and online gaming, including social casino games or social gaming, as well as towards specific in-game features, such as loot boxes. Such opposition could lead these jurisdictions to adopt legislation or impose or enforce an existing regulatory framework to govern mobile and online gaming, broadly or more specifically, for example social gaming, or in-game features such as loot boxes. Alternatively, jurisdictions or regulators could seek to apply laws we do not believe are applicable to our games to certain types of games we offer or to games containing certain features or characteristics.

Courts may also interpret or apply laws in a manner adverse to us, notwithstanding the position taken by the relevant gambling authority, and this may compromise our ability to continue to offer our games in particular jurisdictions.

We believe that our games do not constitute gambling in the jurisdictions in which we operate, particularly due to the free access and lack of monetary rewards; however, we cannot exclude the possibility that gambling regulators, judicial or similar authorities in certain jurisdictions will interpret the applicable existing or new laws in a manner classifying our games as gambling or requiring that certain in-game features (e.g. features that are deemed to be "loot boxes") be limited or excluded. If any authority issues such an interpretation, we may face enforcement action on the basis of that interpretation. Moreover, if our games are considered to be gambling in jurisdictions that prohibit online gambling, we may be forced to cease offering our top-grossing games in such jurisdictions. If our games are classified, for regulatory purposes, in a manner differing from the manner in which we view them, we may also be barred from promoting those games via third-party platforms (such as the AppStore or Facebook.)

There is a risk that further legislative or regulatory developments could curtail our offering of games in certain jurisdictions, result in a prohibition on mobile or online gaming in the jurisdictions in which we operate, restrict our ability to advertise our games, allow our players to claim damages related to the use of our games, raise consumer protection claims, substantially increase the cost of complying with the applicable regulations, or subject us to fines or other regulatory actions, any of which could have an adverse effect on our business, operating results and financial condition. Finally, the increased public scrutiny of social casino games and loot boxes could result in reputational damage to ourselves and to the industry, deter players from participating in our games, generate negative publicity, or deter financial institutions and other third-party partners and suppliers from cooperating with us.

We could be subjected to sanctions or other penalties for data privacy and/or data security breaches
We collect, process, store, use and share personal information and other data in order to develop new games, offer products and features to players, and analyze the effectiveness of our marketing channels. Our business is therefore subject to a number of laws and regulations governing data privacy and security, as well as various regulators' guidelines, including with respect to the collection, storage, use, transmission, sharing and protection of personal information and other consumer data applicable in various jurisdictions. Such laws and regulations and guidelines may be inconsistent between countries or conflict with other rules.

Any failure or perceived failure by us to comply with our posted privacy policies, our privacy-related obligations to players or other third parties, or any other legal obligations or regulatory requirements relating to privacy, data protection, or information security may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our players to lose trust in us, or otherwise materially and adversely affect our reputation and business.

Furthermore, the costs of compliance with, and other burdens imposed by the laws, regulations, and policies that are applicable to us may limit the adoption and use of, and reduce the overall demand for our games. Additionally, if third parties we work with violate applicable laws, regulations or agreements, such violations may put our players' data at risk, could result in governmental investigations or enforcement actions, fines, litigation, claims or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our players to lose trust in us and otherwise materially and adversely affect our reputation and business. Further, public scrutiny of, or complaints about, technology companies or their data handling or data protection practices, even if unrelated to our business, industry or operations, may lead to increased scrutiny of technology companies, including us, and may cause government agencies to enact additional regulatory requirements, or to modify their enforcement or investigation activities, which may increase our costs and risks.

Operating in multiple jurisdictions and locations
Although the US is our most significant market in terms of revenue, we generate revenue across multiple jurisdictions, and our users originate from a large number of jurisdictions worldwide. Our main operations, including game development operations, are located in Poland. We operate offices in different cities worldwide, including Tel Aviv, Israel; Limassol, Cyprus; Amsterdam, Netherlands; Helsinki, Finland, and London, UK.

Our operations in multiple jurisdictions could subject us to additional risks customarily associated with such operations, including: the complexity of laws and regulations in different jurisdictions and markets; ambiguity or inconsistency resulting from conflicts-of-laws; the uncertainty of enforcement of remedies in various jurisdictions; the effect of currency exchange rate fluctuations; the impact of various labor laws and disputes; the ability to attract and retain key personnel in different jurisdictions; the economic, tax and regulatory policies of local governments; compliance with applicable anti-money laundering, anti-bribery and anti-corruption laws, including the Foreign Corrupt Practices Act and other anti-corruption laws that generally prohibit US persons and companies and their agents from offering, promising, authorizing or making improper payments to foreign government officials for the purpose of obtaining or retaining business; and compliance with applicable sanctions regimes regarding dealings with certain persons or countries. Moreover, foreign jurisdictions could impose tariffs, quotas, trade barriers and other similar restrictions on our international sales.

Our international business operations could be interrupted and negatively affected by terrorist activity, political unrest or other economic or political uncertainties. We operate in locations that are regularly affected by such events, including Tel Aviv.

The Russian invasion of Ukraine is likely to present obstacles to our collaboration with entities located in Ukraine with which we have commercial relationships. We are constantly reviewing the circumstances affecting our partners and taking available and appropriate measures to mitigate the potential impact on our operations, as well as assist our partners where possible. The international sanctions imposed on Russia may also have an impact on our operations, which at the date of publication of this report we do not expect to be materially adverse. Finally, an escalation of the war in Ukraine could potentially impact the operations of our offices in Poland, and we are therefore constantly monitoring the situation with a view to taking any necessary mitigation steps to ensure the safety of our teams and the continuity of operations.

Legal proceedings may materially adversely affect our business and our results of operations, cash flows and financial condition

We have been party to, and in the future may become subject to legal proceedings including with respect to consumer protection, gambling related matters, employee matters, alleged service and system malfunctions, alleged intellectual property infringement and claims relating to our contracts, licenses and strategic investments. Legal proceedings targeting our social casino games and claiming violations of state, federal or local laws in jurisdictions where we operate could also occur based on the unique and specific laws of each jurisdiction.

Player use of our games is subject to our privacy policy and terms of service. If we fail to comply with our posted privacy policy, terms of service or similar agreements, or if we fail to comply with applicable privacy-related or data protection laws and regulations, this could result in litigation, proceedings or investigations against us by governmental authorities, players or others, which could result in fines or judgments against us, damage our reputation or goodwill, impact our financial condition and harm our business.

We cannot predict the likelihood, timing or scope of any legal proceedings to which we may be a party, any of which could have a material adverse effect on our business, operating results and financial condition.

We may incur significant expenses defending any lawsuits to which we may be a party, even if we eventually prevail in such proceedings or if they are found to be without merit, and lawsuits may result in the imposition of damages, restitution, fines or other penalties that could have a material impact on our financial results.

Our shareholders' rights under Delaware law differ from shareholder rights under Polish law

The Company is a Delaware corporation, and therefore its structure, operating procedures and the relationships between shareholders are governed by the laws of the State of Delaware and US federal laws, including US securities laws.

The principles underlying these laws differ from those underlying Polish law in many respects. Therefore, the rights of our shareholders are in many instances different from those of shareholders of Polish companies.

The increased use of AI to create bots and impersonate real people (deep fake) may increase risks related to authorization and security processes

Part of existing and new ventures the Company is planning to execute relies on fraud prevention tools which have been designed and tested in recent years. AI tools are making it possible to impersonate real people, which may make some of the safeguards we use obsolete. We are working with our partners to address these issues proactively but cannot predict if the tools we use would still have the same efficiency in the future

The way games are distributed and interacted with are changing and can impact player engagement

The Company has a limited portfolio of games. If new distribution channels become successful, we might have to adjust quickly, which may distract resources from development of new projects and innovation. This in turn may impact our future results.

Best practices

Since February 19, 2021, the Company has been subject to and has applied WSE Best Practices, except for the principles that cannot be adhered to or that are impracticable due to the differences between the US and Polish legal system or where this contradicts the provisions of Delaware or US federal law.

During the fiscal year ending December 31, 2024, the Company complied with the principles of corporate governance included in the document „Best Practices WSE Huuuge," according to a statement posted on the website: https://ir.huuugegames.com/en/best-practices.

During the fiscal year ending December 31, 2024. The Company did not comply with the following corporate governance principles:

1. DISCLOSURE POLICY, INVESTOR COMMUNICATIONS
1.3. Companies integrate ESG factors in their business strategy, including in particular:
1.3.1. environmental factors, including measures and risks relating to climate change and sustainable development;

This principle is not applied.

The company has an ESG committee that addresses these issues and is working on the ESG strategy, which will include environmental factors.

1.4. To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial ESG information concerning the strategy should among others:

This principle is not applied.

To ensure quality communication with stakeholders, the Issuer publishes the assumptions of its business strategy, including strategic goals and development directions, on its website. Progress in implementing this strategy, including a description of significant achievements and setbacks, is presented in the Company's financial reports. In addition, progress in the strategy is commented on by management during earnings conferences. The Issuer does not include all ESG factors in its business strategy.

1.4.1. explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

This principle is not applied.

The company has an ESG committee that addresses climate change among other issues. The ESG committee, together with the Board of Directors, will examine the extent to which, given the nature of the company's business, consideration of these factors in decision-making is appropriate, both for the interests of the company and the environment. The ESG committee is working on including climate change issues in the company's reporting.

1.4.2. present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

This principle is not applied.

The Issuer does not publish equal pay index data. The Issuer hires and remunerates its employees on the basis of their competences, experience and knowledge, without any gender discrimination. There is an internal working group at the Issuer that addresses issues of Diversity, Equity and Inclusion, including with respect to remuneration.

2. MANAGEMENT BOARD, SUPERVISORY BOARD

2.1. Companies should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to the gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

This principle is not applied.

Although the Issuer does not have a formal diversity policy in place, the Issuer takes diversity goals into consideration when developing the Company's strategy and plans. The global management does monitor various diversity indices and takes a proactive approach to improve them and assure, among others, equitable representation of genders at all levels of the Company.

2.2. Decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among other things in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

This principle is not applied.

See explanation to point 2.1. above.
2.7. A company's management board member may sit on the corporate bodies of companies other than members of its group subject to the approval of the supervisory board.

This principle is not applied.

According to the Issuer's Certificate of Incorporation, the consent of the Board of Directors is not required for the CEO, President (or any Director or Officer) to sit on the management or supervisory board of companies other than members of the Issuer's group. The Issuer maintains a Conflict of Interests policy designed to prevent conflicts of interest at all levels.

2.11. In addition to its responsibilities laid down in the legislation, the supervisory board prepares and presents an annual report to the annual general meeting once per year. Such report includes at least the following:

2.11.1. information about the members of the supervisory board and its committees, including indication of those supervisory board members who fulfil the criteria of being independent referred to in the Act of 11 May 2017 on Auditors, Audit Firms and Public Supervision and those supervisory board members who have no actual and material relations with any shareholder who holds at least 5% of the total vote in the company, and information about the members of the supervisory board in the context of diversity;

The principle is not applied.

This information is included in the annual report. However, the Issuer is incorporated in Delaware and has one governing body, the Board of Directors, which approves the annual report (unlike in Polish companies). Accordingly, in the Company's opinion, presenting the aforementioned parts of the annual report is impracticable at the annual general meeting due to differences between the Polish and US legal systems.

2.11.2. summary of the activity of the supervisory board and its committees;

The principle is not applied.
This information is included in the annual report. However, the Issuer is incorporated in Delaware and has one governing body, the Board of Directors, which approves the annual report (unlike in Polish companies). Accordingly, in the Company's opinion, presenting the aforementioned parts of the annual report is impracticable at the annual general meeting due to differences between the Polish and US legal systems.

2.11.3. assessment of the company's standing on a consolidated basis, including assessment of the internal control, risk management and compliance systems and the internal audit function, and information about measures taken by the supervisory board to perform such assessment; such assessment should cover all significant controls, in particular reporting and operational controls;

The principle is not applied.

This information is included in the annual report. However, the Issuer is incorporated in Delaware and has one governing body, the Board of Directors, which approves the annual report (unlike in Polish companies). Accordingly, in the Company's opinion, presenting the aforementioned parts of the annual report is impracticable at the annual general meeting due to differences between the Polish and US legal systems.

2.11.4. assessment of the company's compliance with the corporate governance principles and the manner of compliance with the disclosure obligations concerning compliance with the corporate governance principles defined in the Exchange Rules and the regulations on current and periodic reports published by issuers of securities, and information about measures taken by the supervisory board to perform such assessment;

The principle is not applied.

This information is included in the annual report. However, the Issuer is incorporated in Delaware and has one governing body, the Board of Directors, which approves the annual report (unlike in Polish companies). Accordingly, in the Company's opinion, presenting the aforementioned parts of the annual report is impracticable at the annual general meeting due to differences between the Polish and US legal systems.

2.11.5. assessment of the rationality of expenses referred to in principle 1.5;

The principle is not applied.

This information is included in the annual report. However, the Issuer is incorporated in Delaware and has one governing body, the Board of Directors, which approves the annual report (unlike in Polish companies). Accordingly, in the Company's opinion, presenting the aforementioned parts of the annual report is impracticable at the annual general meeting due to differences between the Polish and US legal systems.

2.11.6. information regarding the degree of implementation of the diversity policy applicable to the management board and the supervisory board, including the achievement of goals referred to in principle 2.1.

The principle is not applied.

The Issuer does not have a formal diversity policy, please refer to explanation to principle 2.1.

3. INTERNAL SYSTEMS AND FUNCTIONS

3.5 Persons responsible for risk and compliance management report directly to the president or other member of the management board.

This principle is not applied.

The Issuer has a one-tier management structure; therefore, the principle regarding members of the management board does not apply directly to the Issuer. The Issuer is incorporated in Delaware and has one governing body, the Board of Directors. Person responsible for risk management reports directly to EVP Finance, a member of the executive management team and Issuer's Officer. The person responsible for compliance management reports to the General Counsel, an Issuer's Officer.

3.6 The head of internal audit reports organizationally to the president of the management board and functionally to the chair of the audit committee or the chair of the supervisory board if the supervisory board performs the functions of the audit committee.

This principle is not applied.

The Issuer has a one-tier management structure; therefore, the principles regarding members of the management board do not apply directly to the Issuer. The Issuer is incorporated in Delaware and has one governing body, the Board of Directors. The Head of Internal Audit was appointed by and reports to the Audit Committee of the Board of Directors and administratively reports to the EVP Finance, who is a member of the executive management team and Issuer's Officer.

3.7. Principles 3.4 to 3.6 apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks.

The principle is not applied.

The positions responsible for risk and compliance management and internal audit are group-wide positions. Please refer to comments to points 3.4 to 3.6 for reference.

4. GENERAL MEETING, SHAREHOLDER RELATIONS

4.12 Resolutions of the General Meeting concerning an issue of shares with subscription rights should specify the issue price or the mechanism of setting the price or authorize the competent body to set the price prior to the subscription right record date within a timeframe necessary for investors to make decisions.

This principle is not applied.

The Issuer is a Delaware corporation and, accordingly, the provisions of the Commercial Companies Code do not apply. The shares are issued by the Board of Directors within the authorization of the Certificate of Incorporation.

4.14. Companies should strive to distribute their profits by paying out dividends. Companies may retain all their earnings subject to any of the following criteria:
a) the earnings are minimal and consequently the dividend would be immaterial in relation to the value of the shares;
b) the company reports uncovered losses from previous years and the earnings are used to reduce such losses;
c) the company can demonstrate that investment of the earnings will generate tangible benefits for the shareholders;
d) the company generates insufficient cash flows to pay out dividends;
e) a dividend payment would substantially increase the risk to covenants under the company's binding credit facilities or terms of bond issue;
f) retention of the company's earnings follows recommendations of the authority which supervises the company by virtue of its business activity.

The principle is not applied.

The Issuer is incorporated under the laws of Delaware and is listed on the Warsaw Stock Exchange. The legal framework underlying such status results in the Issuer considering alternative profit distribution mechanisms like share buybacks in lieu of dividend payments as they have similar economic effects. Decisions to distribute dividends or conduct share buybacks are made by the Board of Directors after considering the financial standing, cashflows and economic environment on a case-by-case basis.

6. REMUNERATION

6.4. As the supervisory board performs its responsibilities on a continuous basis, the remuneration of supervisory board members cannot depend on the number of meetings held. The remuneration of members of committees, in particular the audit committee, should take into account the additional workload on the committee.

This principle is not applied.

The Issuer does not have a supervisory board. Although the main part of the non-executive directors' remuneration consists of a fixed annual salary and an additional salary for holding the positions in Board Committees (if any), they are additionally remunerated for participating in board meeting so, technically, small part of their remuneration is dependent on the number of meetings held.

Internal control and risk management

The Company's Chief Executive Officer is responsible for the Company's and Group's internal control system and the Board of Directors is responsible for supervision over the adequacy of the internal control system and over monitoring its effectiveness. In addition, the Board of Directors is responsible for supervision over the preparation of the Group's consolidated financial statements in accordance with IFRS, as well as the Company's separate financial statements, which will also be prepared in accordance with IFRS.

The purpose of an effective internal control system over financial reporting is to ensure the adequacy and correctness of the financial information contained in the financial statements and interim and annual reports.

During the preparation of the Group's consolidated financial statements, the verification of the financial statements by an independent auditor is one of the main elements of the audit. The responsibilities of the auditor include, in particular, an audit of the annual consolidated financial statements. Substantially the same principles apply to the Company's separate financial statements. In addition to the audit of the annual consolidated and separate financial statements, the auditor's responsibilities include a review of the semi-annual separate and consolidated financial statements.
The Board of Directors elects an independent auditor. Upon the auditor's completion of the audit, the consolidated financial statements are sent to the members of the Board of Directors, which assesses the Company's consolidated financial statements with regard to their compliance with the books and documents as well as with the facts. Substantially the same procedures apply to the Company's separate financial statements.
The Board of Directors supervises the preparation of the Group's consolidated financial statements. The Board of Directors is required to ensure that the Group's consolidated financial statements and business statements meet the legal requirements. The Company's CEO approves and signs the Group's consolidated financial statements based on the authorisation from the Board of Directors. Substantially the same procedures apply to the Company's separate financial statements.

The supervision over the preparation of the separate financial statements of the Subsidiaries is conducted by their respective corporate bodies. The Company oversees such processes based on the available corporate powers and monthly reporting used by the Group. Additionally, the Issuer ensures the existence and effectiveness of such internal controls within the Group, including the Subsidiaries, as it deems necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Group's consolidated financial statements are prepared by the finance team in cooperation with the Company's CEO and Company's Treasurer and reviewed and approved by the Board of Directors before the issuance of an independent auditor's opinion. The financial data used in the annual and interim consolidated financial statements, as well as the monthly reporting used by the Group, derive from the Group's financial and accounting system and the financial systems used by external accounting teams. After all the predefined processes concerning the closing of the books have been completed at the end of each month, detailed financial and operational reports are prepared and, at the end of each quarter, additional consolidated IFRS reports. The Company applies consistent accounting principles when presenting financial data in financial statements and periodic financial reports.

The Company's separate financial statements are prepared by the finance team in cooperation with the Company's CEO and Company's Treasurer and reviewed and approved by the Board of Directors before the issuance of an independent auditor's opinion. The financial data used in the annual and interim separate financial statements as well as the monthly reporting used by the Company derive from the Company's financial and accounting system.

The Company reviews the quality of its internal control and risk management systems with regard to the preparation of the consolidated financial statements. Substantially the same practice applies to the internal control and risk management systems with regard to the preparation of the Company's separate financial statements.

Related parties

Transactions between the Company and its subsidiaries on non-market terms
Transactions between the Company and its subsidiaries are described in Note 20 of the Consolidated Financial Statements for 2024.

Loan financing transactions in the Group
In 2024, the Issuer did not enter into any loan transactions within the Group.

Transactions between the Company and its shareholders
On April 24, 2024, Anton Gauffin (through Big Bets OÜ) and Raine Group (through RPII HGE LLC), sold 3,302,675 shares in total under the Share Buy-back amounting to USD 32,268 thousand.

Transactions between the Company and the Board of Directors
On April 24, 2024, Anton Gauffin (through Big Bets OÜ) and Raine Group (through RPII HGE LLC), sold 3,302,675 shares in total under the Share Buy-back amounting to USD 32,268 thousand.

Except for the transactions mentioned above and in the section "Agreements with Board of Directors", i.e. the remuneration paid by the Issuer to members of the Board of Directors and shares and share options held by members of the Board of Directors, there were no other transactions between the Issuer and the members of the Board of Directors.

Transactions concluded between the Subsidiaries and related parties
Except for the transactions mentioned below, in the year ended December 31, 2024, the Subsidiaries did not conclude any transactions with related parties of the Company other than the Subsidiaries.

Rules for amending the issuer's certificate of incorporation

The Certificate of Incorporation can be amended or repealed in the manner prescribed by the laws of the State of Delaware and all rights conferred upon shareholders are granted subject to this reservation. Under the Certificate of Incorporation, the following provisions in the Certificate of Incorporation may be amended, altered, repealed or rescinded, in whole or in part, directly or indirectly, only by an affirmative vote of the holders of at least 66 and 2/3% of the voting rights of the Company's outstanding shares: Article V, Article VI, Article VII, Article VIII, Article IX, Article X and Article XI.

The Company's Board of Directors is authorized to adopt, amend or repeal the Bylaws without the assent or vote of the shareholders. The affirmative vote of the holders of at least 66 and 2/3% of the voting power of the Company's outstanding shares shall be required in order for the Company's shareholders to alter, amend, repeal or rescind, in whole or in part, any provision of the Bylaws or to adopt any provision inconsistent therewith.

As long as at least one Series A Preferred Share or one Series B Preferred Share is issued and outstanding, the Corporation shall not amend, alter, or repeal any provisions of the Certificate of Incorporation or Bylaws concerning rights of the holders of the Series A Preferred Shares or holders of the Series B Preferred Shares, without the written consent or affirmative vote of the holders of at least a majority of the then outstanding Series A Preferred Shares and Series B Preferred Shares.

Significant agreements

In 2024, Huuuge, Inc. did not conclude any significant agreements related to its operations.

Identification of significant court cases

As of the date of the approval of this Report for publication, the Company and/or its subsidiaries has become involved in a number of pending litigations:

- On March 8, 2023, a plaintiff filed a complaint in the Circuit Court of Franklin County Alabama alleging that the Company's social casino games are unlawful gambling under Alabama law. The plaintiff withdrew the original complaint without prejudice for procedural reasons, and, on September 14, 2023, re-filed an amended complaint. As in the original complaint, the lawsuit seeks to recover all amounts paid by Alabama residents to the Company in those games during the period beginning one year before the filing of the lawsuit (i.e. September 14, 2022) until the case is resolved. The Company does not agree with the allegations and requests for relief made in the complaint and believes that there are meritorious legal and factual arguments supporting the Company's position. On November 1, 2023, the Company filed a motion to dismiss the amended complaint and on December 15, 2023, the Company filed a motion to compel arbitration. On June 7, 2024, the judge denied the Company's motion to dismiss and the Company's motion to compel arbitration. On July 17, 2024, the Company filed a notice of appeal. The Supreme Court of Alabama held oral argument on March 5, 2025. As of the date of the issuance of this report, the parties are awaiting the judge's decision. As of the date of the approval of this Report for publication, to the best of the Company's knowledge, the litigation is not expected to have a material impact on the Company's operations, financial condition or cash flows.

- On June 2, 2023, plaintiffs filed a complaint in the US Federal District Court for the Central District of California, alleging: (a) that the Company's social casino games are unlawful gambling under the laws of California, Illinois, and potentially other US states; and (b) that the Company's display of sale pricing in its social casino games constitutes false advertising under the laws of California, Illinois and potentially other US states. The lawsuit purports to be a nationwide class action, which also includes potential California and Illinois subclasses. The Company does not agree with the allegations and requests for relief made in the complaint and believes that there are meritorious legal and factual arguments supporting the Company's position. On January 24, 2024 the Company and the plaintiffs have signed an agreement to settle the case in exchange for the distribution to each class member of at least 375 virtual diamonds within the Company's games, and at least an aggregate total of 412.5 million virtual diamond, and USD 1,700 thousand in cash for attorneys' fees, costs of claims administration, and named plaintiff incentive awards. The Company also agrees in the settlement to make changes: (a) in game play, allowing players to engage in certain forms of continuous game play; and b) in advertising practices. The settlement is subject to court approval and to the Company's option to cancel the settlement if 1,000 or more class members elect to opt out of the settlement. On January 22, 2025, the court preliminarily approved the settlement. However, the settlement is still subject to the court's final approval, which may or may not be forthcoming. The final approval hearing is currently scheduled for August 5, 2025, but may be moved by the court. If the settlement is approved, the resulting class action waiver will bar false advertising claims nationwide, and illegal gambling claims for residents of California and Illinois, from applicable time periods prior to the settlement. The settlement would not as a legal matter preclude the other matters referred to in this section from proceeding. The Company also believes, but cannot make any assurance, that the settlement would not have impact on the other matters referred to in this section, since they pertain to other issues in different states. The Company created a provision in the amount of USD 1,700 thousand, which, to the best belief of the Company's management, adequately reflects the financial exposure for the Company as of December 31, 2024, and as of the date of approval of this Report for publication.

- On June 28, 2023, a claimant filed a demand for arbitration alleging that the Company's social casino games are unlawful gambling under Kentucky law. The claimant seeks to recover treble the total of all amounts paid by Kentucky residents to the Company in those games during the period beginning five years before the filing of the demand (i.e. June 28, 2018) until the case is resolved. On June 24, 2024, the Company filed a dispositive motion. On September 5, 2024, the arbitrator issued an order on threshold issues (such as choice of law and ability to bring representative actions) that was beneficial for the Company. However, the claimant refiled his claims under California law on October 4, 2024. The arbitrator ordered that consideration of the motion be deferred until after the final hearing on this matter. The final hearing has not yet been scheduled. The Company does not agree with the allegations and requests for relief made in the demand and believes that there are meritorious legal and factual arguments supporting the Company's position. As of the date of approval of this Report for publication, to the best of the

Company's knowledge, the arbitration is not expected to have a material impact on the Company's operations, financial condition or cash flows.

- On July 25, 2023, a claimant filed a demand for arbitration alleging that the Company's social casino games are unlawful gambling under Ohio law. The claimant seeks to recover all amounts he paid to the Company and all amounts paid by Ohio residents in those games during the period beginning two years before the filing of the demand (i.e. July 25, 2021) until the case is resolved. The Company filed its dispositive motion on February 26, 2024. On June 6, 2024, the arbitrator issued a decision on threshold issues (such as choice of law) that was beneficial for the Company. On July 15, 2024, the claimant re-filed his claims under California law. The Company filed its answer on July 29, 2024. The arbitrator issued a briefing schedule to allow the parties to address additional threshold issues. The Company's brief took place on September 30, 2024. On December 6, 2024, the arbitrator dismissed all claims against the Company.

- On November 13, 2023, a plaintiff filed a complaint in the Circuit Court of Coffee County Tennessee alleging that the Company's social casino games are unlawful gambling under Tennessee law. The lawsuit seeks to recover all amounts paid by Tennessee residents to the Company in those games during the period beginning one year before the filing of the lawsuit (i.e. November 13, 2022) until the case is resolved. The Company does not agree with the allegations and requests for relief made in the complaint and believes that there are meritorious legal and factual arguments supporting the Company's position. On December 21, 2023, the Company removed the case to the US District Court for the Eastern District of Tennessee and the case was subsequently remanded to the Circuit Court. On November 8, 2024, the Company filed a motion to compel arbitration and a motion to dismiss. As of the date of the issuance of this report, the parties are awaiting the judge's decision on the motions. As of the date of approval of this Report for issuance, to the best of the Company's knowledge, the litigation is not expected to have a material impact on the Company's operations, financial condition or cash flows.

- On August 22, 2024, a plaintiff filed a complaint in the United States District Court for the Western District of Kentucky Owensboro Division alleging that the Company's social casino games are unlawful gambling under Kentucky law. The lawsuit seeks to recover treble the total of all amounts paid by Kentucky residents to the Company in those games during the period beginning five years before the filing of the demand (i.e. August 22, 2019) until the case is resolved. On January 31, 2025, the Company filed a motion to compel arbitration. As of the date of the issuance of this report, the parties are awaiting the judge's decision. The Company does not agree with the allegations and requests for relief made in the complaint and believes that there are meritorious legal and factual arguments supporting the Company's position. As of the date of approval of this Report for publication, to the best of the Company's knowledge, the litigation is not expected to have a material impact on the Company's operations, financial condition or cash flows.

Except for the abovementioned proceedings, neither the Company nor any of its subsidiaries were, as of December 31, 2024, or as of the date of approval of this Report for publication, a party to any significant court or arbitration proceedings or before any public authority.

GLOSSARY

ARPDAU	Average revenue per daily active user
ARPPU	Average revenue per paying user
DAU	The number of individual users who played a game on a particular day
DPU	The number of players (active users) who made a purchase on a given day
eCPI	Cost of one Install in a given period (including installs acquired from paid channels as well as installs not directly related to paid user acquisition channels)
Free-to-play	A games sales model where the game is downloaded by the user for free, and its creators earn money through in-app advertising or in-app purchases (players purchase in-game items, skills, experience points, etc.)
Casual games	A type of game designed for players with the following features: (i) as a general rule, not feeling the need or not being able to spend a significant amount of time playing, (ii) not needing to improve their gaming skills in a significant way, iii) preferring relatively simple and easy-to-learn game mechanisms
Social casino games	The type of games in which a player can play a certain number of slot machines; the player also has the opportunity to participate in other casino games
Live events	Real-time events, promotions and special offers enabling players to win additional prizes or to improve gameplay
Live Ops	Activities aimed at increasing the player engagement, including by adding new features to games, recurring and one-off virtual events in which players can participate, and active management of promotions within the game
LTV	Life-Time Value – estimated total revenue generated from a model player
MAU	The number of individual users who played a game during a particular month
Monthly Conversion	The percentage of MAU that made at least one purchase in a month during the same period.
In-app purchases	In-app purchases Payments made by users after downloading a game, in connection with the purchase of additional game features. Can be made through various non-cash payment instruments (e.g. payment card, transfer), various electronic channels (e.g. e-banking, mobile phone) or using payment service providers (e.g. PayPal)
Monetization	The process of generating revenue from games through, among other things, in-app purchases and in-app advertising
MPU	The number of players (active users) who made a purchase at least once in a given month
Retention	The number of users who continued to use the game after a certain period of time after downloading the application
RTB	Real-Time Bidding - it refers to the practice of buying and selling ads in real time on a per-impression basis in an instant auction
User acquisition	The process of acquiring users through paid campaigns or promotional offers

BOARD OF DIRECTORS’ STATEMENTS

Pursuant to the requirements of the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a non-member state may be recognized as equivalent, the Board of Directors of Huuuge, Inc. hereby represents that:

- to the best of its knowledge, the consolidated annual financial statements of the Huuuge Group and annual financial statements of the Company and the comparative information were prepared in accordance with the currently effective accounting principles, and they reflect in a true, fair and clear way the financial position results of the Company and its Group, and the Board of Directors’ report on activities contains a true image of the Group’s and the Company’s development, achievements and standing, including description of basic risks and threats;
- within the scope of its competences, the Board of Directors supervised the process of preparing the annual financial statements and the comparative information and the Board of Directors’ report on activities for the year ended December 31, 2024;
- the selection of the audit firm conducting the audit of the annual financial statements has been made in accordance with the applicable regulations, including the selection and procedure for the selection of an audit firm;
- the audit firm and the members of the audit team met the conditions for preparing an impartial and independent audit reports on the annual financial statements in accordance with applicable regulations, professional standards and professional ethics;
- the Company has in place a policy governing the selection of an audit firm and a policy governing the provision of additional non-audit services to the issuer by an audit firm, its related parties and members of its network, including services conditionally exempt from the prohibition on being provided by an audit firm;
- the Company complies with the applicable regulations related to the rotation of the audit firm and the key statutory auditor and mandatory grace periods;
- the Company observes regulations that govern the appointment, composition and operations of the Audit Committee, including in particular the fulfillment of independence criteria by its members and requirements concerning knowledge and skills related to the industry in which the issuer operates, as well as to accounting or the audit of financial statements;
- the audit committee performed the tasks of the audit committee provided for in the applicable regulations;
- because of the Company's monistic corporate governance system, the Company does not have a separate supervisory body within the meaning of § 70 (1) (14) and § 71 (1) (12) of the Regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a non-member state may be recognized as equivalent (Journal of Laws of 2018, item 757). The Board of Directors has positively evaluated the financial statements and the consolidated statements in terms of their conformity with the books and documents as well as with the facts. The Company's Board of Directors assessed the aforementioned statements after reviewing their content, as well as information from the Company’s independent auditor and the Audit Committee of the Board of Directors, which included: i) the independent auditor’s report on the audit of the Company’s financial statements for the fiscal year 2024, ii) the independent auditor’s report on the audit of the Company's consolidated financial statements for fiscal year 2024 and iii) presentation of the auditor to the Audit Committee of the Board of Directors and the meetings of the Audit Committee with the representatives of the auditor, including the key registered auditor, followed by a recommendation of the Audit Committee of the Board of Directors with respect to an evaluation of the financial statements and the consolidated financial statements. In view of the above, the Board of Directors has made a positive assessment of the said financial statements. Due to the Company’s monistic corporate governance system, the Board of Directors cannot make the declarations referred to in § 70 (1) (14) and § 71 (1) (12) of the Regulation of the of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and on conditions, regarding the issuer's management report and the issuer's group management report, as the Board of Directors is itself responsible for the equivalent of the aforementioned reports (Board of Directors’ report on activities), which was prepared jointly for the Company and the Group;

- the Company, being a Delaware-incorporated company, is not subject to the obligation to prepare a statement of non-financial information designated by Section 49b (1) of the Polish Accounting Act (Journal of Laws of 2023, item 120, 295, 1598) and § 70 paragraph 1 point 5) and § 71 paragraph 1 point 5) of the Regulation of the Minister of Finance of March 29, 2018, on current and periodic information provided by issuers of securities and on conditions under which information required by legal regulations of a non-member state may be recognized as equivalent (Journal of Laws of 2018, item 757).

On behalf of the Board of Directors of Huuuge, Inc.

Anton Gauffin

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Anton Gauffin

Executive Chairman of the Board

Unanimous Written Consent of the Board of Directors of Huuuge, Inc.

April 15, 2025

The undersigned, being all of the members of the Board of Directors (the "**Board**") of HUUUGE, INC., a Delaware corporation (the "**Company**"), following diligent review of the facts and related documents, have not uncovered any information to indicate that the Company should not execute the measures covered by this consent and, therefore, do hereby adopt the following resolutions by unanimous written consent (the "**Board Consent**") in lieu of a meeting in accordance with Section 141(f) of the Delaware General Corporation Law ("**DGCL**") and the Bylaws of the Company, and further waive any and all notices that may be required to be given with respect to a meeting of the directors of the Company:

WHEREAS, the Company's CEO, Wojciech Wronowski and Huuuge Capital Group EVP Finance, Maciej Hebda, have presented to the Board:

- the annual consolidated financial statements of the Huuuge Capital Group for the year ended December 31, 2024 ("**Consolidated Financial Statements**"),

- the annual separate financial statements of the Company the full year period ended December 31, 2024 ("**Separate Financial Statements**"),

- management report of the Company and Huuuge Capital Group for the full year ended December 31, 2024, and

- statements of the Board of Directors

referred to as Reports, constituting Exhibit A to this Board Consent;

WHEREAS, the Company desires to approve and publish the Reports;

WHEREAS, the Board is required to make certain representations within the Reports and intends to give Mr. Anton Gauffin authorization to give such representations by enclosing them in the Reports;

WHEREAS, the Board has reviewed the Reports and intends with this Board Consent to give to Mr. Wojciech Wronowski and Mr. Maciej Hebda, each individually, authorization to execute the Reports on behalf of the Company.

NOW, THEREFORE, it being in the best interest of the Corporation, it is hereby:

RESOLVED, that the Reports substantially in the form attached herein as Exhibit A to this Board Consent are hereby approved and Mr. Wojciech Wronowski and Mr. Maciej Hebda, each individually, is authorized to issue and execute the Reports on behalf of the Company as the Company's representative;

RESOLVED FURTHER, that Mr. Anton Gauffin is authorized to execute on behalf of the Company certain representations being part of the Reports as set forth in the form attached herein as Exhibit A to this Board Consent, but with such changes and additions as Mr. Anton Gauffin may deem to be in the best interests of the Company (such determination that a change or addition is in the best interests of the Company to be conclusively evidenced by Mr. Anton Gauffin's execution of the modification, provided that notice is provided to the Board of any changes to the representations that deviate from Exhibit A in a reasonable time after the Reports have been executed);

RESOLVED FURTHER, that Mr. Wojciech Wronowski and Mr. Maciej Hebda, each individually, is authorized to execute on behalf of the Company the Reports substantially in the form attached herein as Exhibit A to this Board Consent, but with such changes and additions as Mr. Wojciech Wronowski or Mr. Maciej Hebda may deem to be in the best interests of the Company (such determination that a change or addition is in the best interests of the Company to be conclusively evidenced by Mr. Wojciech Wronowski's or Mr. Maciej Hebda's or his or their designee's execution of the modification, provided that notice is provided to the Board of any changes to the Reports that deviate from Exhibit A in a reasonable time after the Reports have been executed);

RESOLVED FURTHER, that Mr. Wojciech Wronowski and Mr. Maciej Hebda, each individually, or their designee, as an authorized representative of the Company, is individually further authorized and directed to file the Reports with all exhibits thereto and other documents in connection therewith, with the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego) and to take all such further actions and to execute and deliver all such instruments and documents in the name and on behalf of the Company, and under corporate seal or otherwise, as in the individual's judgment shall be necessary, proper, or advisable in order to fully carry out the intent and to accomplish the purposes of the foregoing resolutions; and

FINALLY RESOLVED, that any and all actions of Mr. Wojciech Wronowski and Mr. Mr. Maciej Hebda and any of his agents or designees pursuant to, or in furtherance of the intent and purposes of the foregoing resolutions, including prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed and approved as the acts and deeds of the Company.

The undersigned constituting all the members of the Board do hereby consent to and approve the adoption of the foregoing resolutions effective as of the date first written above. This Board Consent may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. This Board Consent may be executed by way of either digital or electronic signatures.

Board Of Directors

Anton Gauffin
Henric Suuronen
John Salter
Krzysztof Kaczmarczyk
Tom Jacobsson

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