CONSOLIDATED Q1 2025 REPORT

THE HUUUGE, INC. GROUP

Warsaw, May 27, 2025

This report was prepared in English and Polish language versions.
In the case of any discrepancies, the English version shall prevail as binding.

Disclaimer

This Consolidated quarterly report of Huuuge Group for the first quarter of 2025 (the "Report") has been prepared in accordance with §69 of 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.

Since the separate data for Huuuge, Inc. and the consolidated data for the Huuuge Group are generally 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 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 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 Report may not conform exactly to the total figure given for that column or row.

Industry and Market Data
This 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. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. 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 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.

In addition, 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 instead 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, as well as 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 approval 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.

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Selected consolidated financial data

The following table presents selected financial data of the Group

in thousand USD	USD Q1`2025	USD Q1`2024	EUR Q1`2025	EUR Q1`2024	PLN Q1`2025	PLN Q1`2024
Revenue	62,391	66,975	59,318	61,694	249,265	267,365
Operating profit (loss)	22,433	18,136	21,328	16,706	89,624	72,399
Pre-tax profit (loss)	23,426	20,124	22,272	18,537	93,592	80,335
Net profit (loss)	19,813	16,541	18,837	15,237	79,157	66,032
Net cash flows from operating activities	22,279	14,412	21,182	13,276	89,009	57,533
Net cash flows from investing activities	1,138	(2,566)	1,082	(2,364)	4,547	(10,244)
Net cash flows from financing activities	(1,497)	(1,034)	(1,423)	(952)	(5,981)	(4,128)
Total net cash flows	21,920	10,812	20,840	9,959	87,575	43,162
Cash and cash equivalents at the end of the period	164,974	163,191	152,373	151,341	637,457	650,941
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	56,070,675	62,990,181	56,070,675	62,990,181	56,070,675	62,990,181
Earnings per share basic (EPS)	0.35	0.26	0.33	0.24	1.40	1.04

	EUR Q1`2025	PLN Q1`2025	EUR Q1`2024	PLN Q1`2024
Annual average exchange rate	1.0518	0.2503	1.0856	0.2505
Exchange rate at the end of the reported period	1.0827	0.2588	1.0783	0.2507

The Huuuge, Inc. Group Interim Condensed Consolidated Financial Statements

as at and for the three-month period ended March 31, 2025

prepared in accordance with the IAS 34 Interim Financial Reporting
as adopted by the European Union

HUUUGE

Interim condensed consolidated statement of comprehensive income

	Note	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Revenue	**3**	**62,391**	**66,975**
Cost of sales	4	(15,521)	(19,057)
Gross profit on sales		**46,870**	**47,918**
Sales and marketing expenses:	4	(11,089)	(15,085)
thereof, User acquisition marketing campaigns	*4*	*(7,238)*	*(11,772)*
thereof, General sales and marketing expenses	*4*	*(3,851)*	*(3,313)*
Research and development expenses	4	(6,000)	(5,705)
General and administrative expenses	4	(7,522)	(8,040)
Other operating income/(expense), net		174	(952)
Operating result		**22,433**	**18,136**
Finance income	5	2,146	2,107
Finance expense	5	(1,153)	(119)
Profit before tax		**23,426**	**20,124**
Income tax	6	(3,613)	(3,583)
Net result for the period		**19,813**	**16,541**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange gains/(losses) on translation of foreign operations		1,670	(958)
Total other comprehensive income/(loss)		**1,670**	**(958)**
Total comprehensive income for the period		**21,483**	**15,583**
Net result for the period attributable to:			
owners of the Parent		19,813	16,541
Total comprehensive income for the period attributable to:			
owners of the Parent		21,483	15,583
Earnings per share (in USD)			
basic	10	0.35	0.26
diluted	10	0.35	0.26

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Interim condensed consolidated statement of financial position

	Note	As at March 31, 2025 Unaudited	As at December 31, 2024 Audited
Assets			
Non-current assets			
Property, plant and equipment		1,912	2,254
Right-of-use assets	13	4,236	4,847
Goodwill		2,502	2,408
Intangible assets	8	6,674	7,780
Deferred tax assets		4,863	4,973
Long-term investments	7	1,000	500
Long-term lease receivables	13	882	1,149
Other long-term assets		2,016	1,927
Total non-current assets		**24,085**	**25,838**
Current assets			
Trade and other receivables		25,570	29,702
Short-term lease receivables	13	1,238	1,169
Corporate income tax receivable		2,350	2,301
Other short-term financial assets		2,879	2,465
Cash and cash equivalents	9	164,974	141,840
Total current assets		**197,011**	**177,477**
Total assets		**221,096**	**203,315**
Equity			
Share capital	11	1	1
Treasury shares	11	(15,689)	(15,720)
Supplementary capital	11	78,859	78,886
Employee benefit reserve	12	29,783	29,234
Foreign exchange reserve		(1,597)	(3,267)
Retained earnings		103,489	83,676
Total equity		**194,846**	**172,810**
Equity attributable to owners of the Company		*194,846*	*172,810*
Non-current liabilities			
Long-term lease liabilities	13	2,774	3,609
Other long-term liabilities		372	355
Total non-current liabilities		**3,146**	**3,964**
Current liabilities			
Trade and other payables		12,036	11,426
Deferred income	3	1,869	1,879
Corporate income tax liabilities		3,581	7,594
Short-term lease liabilities	13	3,918	3,942
Provisions	14	1,700	1,700
Total current liabilities		**23,104**	**26,541**
Total equity and liabilities		**221,096**	**203,315**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Interim condensed consolidated statement of changes in equity

Equity attributable to owners	Note	Share capital	Treasury shares	Supplementary capital	Employee benefit reserve	Retained earnings	Foreign exchange reserve	Equity
As at January 1, 2025, Audited		**1**	**(15,720)**	**78,886**	**29,234**	**83,676**	**(3,267)**	**172,810**
Net profit/(loss) for the period		-	-	-	-	19,813	-	19,813
Other comprehensive income - foreign currency exchange gains/(losses)		-	-	-	-	-	1,670	1,670
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**19,813**	**1,670**	**21,483**
Exercise of stock options	11, 12	0*	31	(27)	-	-	-	4
Employee share schemes - value of employee services	12	-	-	-	549	-	-	549
As at March 31, 2025, Unaudited		**1**	**(15,689)**	**78,859**	**29,783**	**103,489**	**(1,597)**	**194,846**

* 0 represents an amount less than USD 1 thousand.

Equity attributable to owners	Note	Share capital	Treasury shares	Supplementary capital	Employee benefit reserve	Retained earnings (accumulated losses)	Foreign exchange reserve	Equity
As at January 1, 2024, Audited		**1**	**(16,652)**	**150,364**	**25,749**	**18,324**	**(726)**	**177,060**
Net profit/(loss) for the period		-	-	-	-	16,541	-	16,541
Other comprehensive income - foreign currency exchange gains/(losses)		-	-	-	-	-	(958)	(958)
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**16,541**	**(958)**	**15,583**
Exercise of stock options	11, 12	0**	315	(173)	-	-	-	142
Employee share schemes - value of employee services	12	-	-	-	1,350	-	-	1,350
Transaction costs of SBB program*		-	(293)	-	-	-	-	(293)
As at March 31, 2024, Unaudited		**1**	**(16,630)**	**150,191**	**27,099**	**34,865**	**(1,684)**	**193,842**

* The change of trade and other payables presented in the interim consolidated statement of financial position as at March 31, 2024 does not equal the change in the consolidated statement of cash flows for the three-month period ended March 31, 2024. The difference of USD 180 thousand is due to the transaction costs related to SBB, presented in the cash flows from financing activities in the interim consolidated statement of cash flows, which were not paid as at March 31, 2024. Transaction costs related to the SBB program presented in the interim condensed consolidated statement of changes in equity in the amount of USD 293 thousand include only a portion of total transaction costs incurred before March 31, 2024.

** 0 represents an amount less than USD 1 thousand.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Interim condensed consolidated statement of cash flows

	Note	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Cash flows from operating activities			
Profit/(loss) before tax		23,426	20,124
Adjustments for:			
Depreciation and amortization	4	2,295	2,454
Finance (income)/expense, net	5	(1,081)	(2,758)
Non-cash employee benefits expense - share-based payments	12	549	1,350
(Profit)/loss on disposal of property, plant and equipment and derecognition of intangible assets		209	26
Changes in net working capital:			
Trade and other receivables, and other long-term assets		3,605	3,167
Trade and other payables		996	(1,107)
Other short-term financial assets		(414)	(2,516)
Deferred income		(10)	84
Other adjustments		(32)	(104)
Cash flows from operating activities		**29,543**	**20,720**
Income tax paid		(7,264)	(6,308)
Net cash flows from operating activities		**22,279**	**14,412**
Cash flows from investing activities			
Interest received	5	1,523	1,688
Long-term investments	7	(500)	(3,500)
Sublease payments received	13	295	272
Acquisition of property, plant and equipment		(112)	(344)
Interest received from sublease	13	32	46
Software expenditure	8	(100)	(728)
Net cash flows from/(used in) investing activities		**1,138**	**(2,566)**
Cash flows from financing activities			
Lease repayment	13	(1,077)	(1,001)
Transaction costs related to repurchase of own shares		(377)	(113)
Interest paid	13	(47)	(62)
Exercise of stock options	12	4	142
Net cash flows from/(used in) financing activities		**(1,497)**	**(1,034)**
Net increase/(decrease) in cash and cash equivalents		**21,920**	**10,812**
Effect of exchange rate fluctuations and accrued interest		1,214	269
Cash and cash equivalents at the beginning of the period		**141,840**	**152,110**
Cash and cash equivalents at the end of the period		**164,974**	**163,191**

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Notes to the interim condensed consolidated financial statements

HUUUGE

1. General information

Huuuge, Inc. (hereinafter the "Company", the "Parent Company") is a company registered in the United States of America. The Company's registered office is located in Dover, Delaware, 850 Burton Road, Suite 201, DE 19904, and the operating office is located in Las Vegas, Nevada, 2300 W. Sahara Ave., Suite #680, Mailbox #32, NV 89102.

The Company was established with a notary deed on February 11, 2015.

As at March 31, 2025 and December 31, 2024, the Huuuge Inc. Group (the Company and its subsidiaries collectively referred to as the "Group") comprised the Parent Company and its subsidiaries, as listed below.

Name of entity	Registered seat	Activities	Parent Company's share in capital	
			As at March 31, 2025	As at December 31, 2024
Huuuge Games Sp. z o.o.	Szczecin, Poland	games development and operations	100%	100%
Huuuge Global Ltd	Limassol, Cyprus	games distribution, user acquisition	100%	100%
Huuuge Publishing Ltd (formerly Fun Monkey Ltd)	Limassol, Cyprus	games distribution	100%	100%
Huuuge Block Ltd (formerly Coffee Break Games Ltd) *	Limassol, Cyprus	under the strike-off process	100%	100%
Billionaire Games Limited	Limassol, Cyprus	games distribution	100%	100%
Huuuge Digital Ltd	Tel Aviv, Israel	games development, R&D	100%	100%
Playable Platform B.V. **	Amsterdam, Netherlands	games development, R&D	100%	100%
Double Star Oy ***	Helsinki, Finland	games development	100%	100%
Huuuge UK Ltd	London, United Kingdom	product management	100%	100%

* Huuuge Block Ltd. has ceased its operations and the Board of Huuuge Block Ltd., filed an application to strike off Huuuge Block Ltd on December 4, 2024. Huuuge Block Ltd. will not undertake any operational activity, it will cease to exist once the application is approved by the authorities.

** On March 31, 2025, Playable Platform B.V. entered into voluntary liquidation proceedings. The process of liquidation of the subsidiary is ongoing as of the date of approval of these consolidated financial statements for issue.

*** On March 24, 2025, Double Star Oy entered into voluntary liquidation proceedings. The process of liquidation of the subsidiary is ongoing as of the date of approval of these consolidated financial statements for issue.

The core business activities of the Group include:

- development of mobile games in the free-to-play model,
- distribution and user acquisition of proprietary mobile games.

The Group's business activities are not subject to significant seasonal or cyclical trends. The Group's business activities are characterized by low environmental impact. For more information on climate matters, please refer to the Annual report for the twelve-month period ended December 31, 2024. There were no significant risks identified related to climate change.

Composition of the Company's Board of Directors as at March 31, 2025 and as at the date of signing of these interim condensed consolidated financial statements

Directors have annual terms of duty and serve until the successors are duly elected. Preferred shareholders have the right to appoint certain directors. Effective on April 18, 2025, Mr. Krzysztof Kaczmarczyk and Mr. Tom Jacobsson were re-elected as independent non-executive directors. In connection with the election of members of the Board of Directors by the Annual General Meeting, Mr. John Salter was elected to serve as the Series A Director for the next term, and Mr. Henric Suuronen and Mr. Anton Gauffin to serve as the Series B Directors for the next term.

As at December 31, 2024, as well as at March 31, 2025 and as at the date of signing of these interim condensed consolidated financial statements, the composition of the Company's Board of Directors was the following:

- Anton Gauffin, executive director, Executive Chairman of the Board,
- Henric Suuronen, non-executive director,
- Krzysztof Kaczmarczyk, non-executive director,
- John Salter, non-executive director,
- Tom Jacobsson, non-executive director.

2. Accounting policies

1) Basis for preparation of the interim condensed consolidated financial statements

These interim condensed consolidated financial statements as at and for the three-month period ended March 31, 2025 have been prepared in accordance with the IAS 34 Interim Financial Reporting as adopted by the European Union.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements 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").

These interim condensed consolidated financial statements as at and for the three-month period ended March 31, 2025 were approved on May 27, 2025 by the Board of Directors. The Group has prepared these interim consolidated financial statements on the basis that it will continue to operate as a going concern.

These interim condensed consolidated financial statements are prepared on the historical cost basis, except for financial instruments, measured at fair value.

2) Material accounting policies, key judgments and estimates

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements as at and for the year ended December 31, 2024, except for the adoption of new standards effective as at January 1, 2025. The Group has not early-adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2025 but do not have an impact on the interim condensed consolidated financial statements of the Group. In preparing these interim condensed consolidated financial statements, the significant judgements and estimates made by management in applying the Group's accounting policies have been consistently applied by the Group and are consistent across the reported periods.

3) Adoption of new and revised standards

The EU IFRS include all International Accounting Standards, International Financial Reporting Standards and Interpretations as approved by the European Union. As at the date of approving these interim condensed consolidated financial statements for issue, considering the pending process of introducing IFRSs in the EU and the operations conducted by the Group, the EU IFRS applicable to these financial statements might differ from IFRS adopted by the International Accounting Standards Board.

In preparing these interim condensed consolidated financial statements, the Group's management has analyzed new Standards that have already been adopted by the European Union and that should be applied for periods beginning on or after January 1, 2025.

New International Financial Reporting Standards and Interpretations published but not yet effective:

- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture (issued on September 11, 2014) – the endorsement process of these Amendments has been postponed by EU - the effective date was deferred indefinitely by International Accounting Standards Board;
- IFRS 18: Presentation and disclosure in financial statements (issued on April 9, 2024) – not yet endorsed by EU at the date of approval of these consolidated financial statements for issue – effective for financial years beginning on or after January 1, 2027;
- IFRS 19: Subsidiaries without Public Accountability: Disclosures (issued on May 9, 2024) – not yet endorsed by EU at the date of approval of these interim condensed consolidated financial statements for issue – effective for financial years beginning on or after January 1, 2027;
- Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments (issued on May 30, 2024) – not yet endorsed by EU at the date of approval of these interim condensed consolidated financial statements for issue – effective for financial years beginning on or after 1 January 2026;
- Annual Improvements Volume 11 (issued on July 18, 2024) – not yet endorsed by EU at the date of approval of these interim condensed consolidated financial statements for issue– effective for financial years beginning on or after January 1, 2026;
- Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity (issued on December 18,2024) – not yet endorsed by EU at the date of approval of these interim condensed consolidated financial statements for issue – effective for financial years beginning on or after January 1, 2026.

These standards and amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

3. Revenue and segment information

Huuuge's business, development and sales of casual games for mobile platforms is global, and both games and sales channels are the same, regardless of where the players (customers) are located. Management measures and monitors the Group's revenue in respect of each game, but does not allocate all costs, assets and liabilities by game and does not measure the operating results by game. In management's view, the operations and the Group's financial performance and position cannot be divided into different segments in such a way that it improves the ability to analyze and manage the Group. As at March 31, 2025 the CEO is the Chief operating decision-maker and for this reason, the CEO analyzes the consolidated financial position and operating results of the Group as a whole; therefore, it has been determined that the Group has only one operating segment ("online mobile games").

The Group's management monitors operating results on a group-wide basis for the purpose of making decisions about resource allocation and performance assessment.

The Group's revenue from contracts with clients comprises revenue generated by in-app purchases (gaming applications) and in-app ads (advertising). Revenue generated from gaming applications for the three-month period ended March 31, 2025 amounted to USD 61,984 thousand (USD 66,321 thousand for the three-month period ended March 31, 2024), and revenue generated from advertising amounted to USD 407 thousand for the three-month period ended March 31, 2025 (USD 654 thousand for the three-month period ended March 31, 2024).

The Group's revenue is recognized over time, irrespective of product or geographical region.

For the gaming services, the transaction price is prepaid by the customers when virtual coins are purchased to allow continuation of the game; the payments result in the recognition of the contract liability in the interim condensed consolidated statement of financial position in the line "Deferred income". The amounts recognized as deferred income are recognized as revenue within an average of two days.

For the gaming service, the amount recognized as deferred income as at the balance sheet date also represents the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period.

For advertising, the Group does not disclose the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period using the practical expedient allowed under IFRS 15, i.e., the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

Below is the split of the revenue per main product groups:

	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Huuuge Casino	40,846	42,847
Billionaire Casino	20,463	22,260
Traffic Puzzle	850	1,514
Other games	232	354
Total revenue	**62,391**	**66,975**

Revenue was generated in the following geographical locations:

	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
North America	37,206	39,137
Europe	17,625	19,818
Asia-Pacific (APAC)	6,475	6,885
Other	1,085	1,135
Total revenue	**62,391**	**66,975**

The line "North America" includes revenue generated in the United States amounting to USD 35,693 thousand during the three-month period ended March 31, 2025 (USD 37,286 thousand during the three-month period ended March 31, 2024). 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 three-month period ended March 31, 2025 or March 31, 2024. 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 (Web store).

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

	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Third-party platforms	50,126	61,405
Direct-to-consumer platforms	12,265	5,570
Total revenue	**62,391**	**66,975**

4. Operating expenses

For the three-month period ended March 31, 2025, the operating expenses comprised:

			Sales and marketing expenses			
Expenses by nature, Unaudited	**Total**	**Cost of sales**	***thereof*, User acquisition marketing campaigns**	***thereof*, General sales and marketing expenses**	**Research and development expenses**	**General and administrative expenses**
Platform fees to distributors	15,020	15,020	-	-	-	-
External developers fees	-	-	-	-	-	-
Gaming servers expenses	105	105	-	-	-	-
External marketing and sales services	8,405	-	7,238	1,167	-	-
Salaries and employee-related costs	10,762	-	-	2,559	5,489	2,714
Employee stock option plan	549	-	-	-	(102)	651
Depreciation and amortization	2,295	396	-	102	496	1,301
Finance & legal services	962	-	-	-	-	962
IT equipment and software expenses	831	-	-	-	-	831
Property maintenance and external services	417	-	-	-	-	417
Other costs	786	-	-	23	117	646
Total operating expenses	**40,132**	**15,521**	**7,238**	**3,851**	**6,000**	**7,522**

Salaries and employee-related costs include costs related to the headcount reductions amounting to USD 2,596 thousand. Other costs under research and development expenses mainly include external costs of development, graphics and gaming content. Other costs under general and administrative expenses include mainly business travel expenses, office management services (including company events), training costs, costs of recruitment and payment services.

For the three-month period ended March 31, 2024, the operating expenses comprised:

			Sales and marketing expenses			
Expenses by nature, Unaudited	**Total**	**Cost of sales**	***thereof,* User acquisition marketing campaigns**	***thereof,* General sales and marketing expenses**	**Research and development expenses**	**General and administrative expenses**
Platform fees to distributors	18,496	18,496	-	-	-	-
External developers fees	190	-	-	-	190	-
Gaming servers expenses	165	165	-	-	-	-
External marketing and sales services	13,002	-	11,772	1,230	-	-
Salaries and employee-related costs	9,264	-	-	1,832	4,710	2,722
Employee stock option plan	1,350	-	-	38	106	1,206
Depreciation and amortization	2,454	396	-	206	447	1,405
Finance & legal services	817	-	-	-	-	817
IT equipment and software expenses	842	-	-	-	-	842
Property maintenance and external services	408	-	-	-	-	408
Other costs	899	-	-	7	252	640
Total operating expenses	**47,887**	**19,057**	**11,772**	**3,313**	**5,705**	**8,040**

Other costs under research and development expenses include costs of development, graphics and gaming content. Other costs under general and administrative expenses include mainly business travel expenses, office management services (including company events), training costs and costs of recruitment and payment services.

5. Finance income and finance expense

Finance income

	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Interest income	1,637	1,619
Financial contracts revaluation	509	-
Foreign exchange gains, net	-	488
Total finance income	**2,146**	**2,107**

In the three-month period ended March 31, 2025, finance income amounted to USD 2,146 thousand, which mainly comprises interest income on money market mutual funds accounts and bank deposits. In the three-month period ended March 31, 2024, finance income amounted to USD 2,107 thousand, which comprises mainly interest income on deposits and money market mutual funds accounts.

Huuuge Global Ltd and Huuuge Games Sp. z o.o. enter into currency forward contracts. Contracts are short term, i.e. for the period not exceeding 6 months. Notional amount of the outstanding contracts as at March 31, 2025 amounted to USD 28,361 thousand. The effect of the contracts valuation amounted to USD 509 thousand in the three-month period ended March 31, 2025, and was included in the line “Finance income” in the interim condensed consolidated statement of comprehensive income.

Finance expense

	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Foreign exchange losses, net	1,106	-
Interest expense	47	119
Total finance expense	**1,153**	**119**

In the three-month period ended March 31, 2025, finance expense includes foreign exchange losses, net in the amount of USD 1,106 thousand, as well as the interest expense in the amount of USD 47 thousand which comprises mainly interest expense recognized under IFRS 16 on lease liabilities (USD 119 thousand in the three-month period ended March 31, 2024).

In addition to finance income and expenses, the “Finance (income)/cost, net” line presented in the interim condensed consolidated statements of cash flows includes the effect of exchange gains and losses on translation of foreign operations to the presentation currency, i.e. USD.

6. Income tax

	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Current income tax	3,478	3,254
Change in deferred income tax	135	329
Income tax for the period	**3,613**	**3,583**

The subsidiary companies are subject to taxes for their respective businesses in the countries of their registration at the rates prevailing in those jurisdictions. Income tax expense is recognized based on management’s estimate of the weighted average effective annual income tax rate expected for the full financial year.

The average tax rate used for the three-month period ended March 31, 2025 is 15.4%, compared to 17.8% for the three-month period ended March 31, 2024. The tax rate was lower in the three-month period ended March 31, 2025 mainly due to the lower proportion of non-tax deductible costs in comparison to the prior period, as well as due to no tax losses without recognized tax benefit contrary to the three-month period ended March 31, 2024.

7. Long-term investments

Investment in Bananaz Studios Ltd

As reported in the current report no. 13/2024, on March 17, 2024 (the "Signing Date") the Company concluded: (i) a simple agreement for future equity (the "SAFE") with Bananaz Studios Ltd., with its seat in Tzur Yitzhak, State of Israel ("Bananaz"); and (ii) a call option deed agreement (the "Call Option Deed") with Bananaz and its shareholders, including the founders of Bananaz (collectively, the "Transaction Documents").

Bananaz currently operates "Slots Cash", a product that the Company views as attractive and complementary to its core social casino business.

Under the SAFE, the Company undertook to invest in Bananaz up to USD 6,000 thousand in exchange for the future right to receive newly issued shares in Bananaz (the "Payment"). The Payment will be split into two tranches: (i) payment of the first tranche in the amount of USD 3,500 thousand was ordered on the Signing Date; and (ii) the second tranche in the amount of USD 2,500 thousand shall be payable following the achievement by Bananaz of certain key performance indicators indicated in the SAFE, or at the Company's sole discretion, during the period commencing 9 months and ending 18 months after the Signing Date (the "Second Tranche"). The Company will be investing in Bananaz at a pre-money valuation of USD 16,500 thousand. Bananaz will primarily use the proceeds to grow its team, execute on the roadmap for Slots Cash, and invest in user acquisition.

The SAFE provides for the conversion of the Payment into shares in Bananaz's share capital upon the occurrence of the certain conversion events referred to in the SAFE, including the exercise of the Call Option (as defined below).

In accordance with the provisions of the Call Option Deed, the Company is granted the right (not an obligation) to acquire the entire issued share capital of Bananaz (existing or future) together with all rights attached thereto (the "Call Option Shares", the "Call Option"). The Company is entitled to exercise the Call Option at any time following the investment of the Second Tranche and ending on the date falling 24 months following the date of the investment of the Second Tranche. The price of the Call Option Shares shall be paid in two installments.

The first installment shall be calculated based on the EBITDA of Bananaz adjusted by a determined multiplier and by certain balance sheet and other items outlined in the Call Option Deed. However, in any case the price for the Call Option Shares will not be lower than USD 20,000 thousand for all the shares in the share capital of Bananaz (including the shares which will be issued to the Company according to the SAFE), before the above-mentioned agreed adjustments. The first installment shall be payable at the completion of the Call Option.

The size of the second installment will be determined based on a multiple of future EBITDA of Bananaz, or a multiple of future EBITDA and future revenue of Bananaz in tandem and will be the difference between the value calculated using this methodology, and the first installment (the "Deferred Consideration"). The Deferred Consideration attributable to the founders (not all of the sellers) is subject to a time base vesting mechanism and linked to their employment by Bananaz on a full-time basis. The Deferred Consideration will be paid within 10 days following the lapse of 36 months after the payment of the first installment.

Furthermore, from the Signing Date, the Company is granted typical rights of a minority shareholder, including but not limited to: the right to appoint one director to the Board of Directors of Bananaz, certain Board of Directors and shareholder' reserved matters; and information rights. The Transaction Documents are governed by English law.

As reported in the current report no. 4/2025 dated January 16, 2025, as at December 31, 2024 the carrying value of the asset recognised in the line "Long-term investments" in the consolidated statement of financial position for the year ended December 31, 2024 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 as at and for the year ended December 31, 2024, 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. As at March 31, 2025 the carrying value of the asset recognised in the line "Long-term investments" in the interim condensed consolidated statement of financial position equals zero.

Investment in Empire Games Ltd.

On August 14, 2024, The Company concluded a simple agreement for future equity (the "SAFE") with Empire Games Ltd., with its seat in London, England ("Empire Games") for the total amount of up to USD 1,500 thousand to be paid in tranches. As of the date of approval of these interim condensed consolidated financial statements for issue, the Company made the payment of the first and second tranches in the total amount of USD 1,000 thousand. The payment of the third tranche is at the sole discretion of the Company.

In addition, the Company concluded a call option deed agreement (the "Call Option Deed") with Empire Games and its shareholders. In accordance with the provisions of the Call Option Deed, the Company is granted the right (not an obligation) to acquire the entire issued share capital of Empire Games (existing or future) together with all rights attached thereto. The Company is entitled to exercise the Call Option at any time following the investment of the second tranche under SAFE, and ending on the date falling 18 months following the date of the investment of the second tranche. The price of the call option amounts to USD 650 thousand. The exercise of the call option would result in the additional signing bonus and earn-out bonus conditional on achievement of pre-agreed performance metrics.

As at March 31, 2025, the SAFE agreement was recognised in the line "Long-term investments" in the interim condensed consolidated statement of financial position in the amount of USD 1,000 thousand. As at March 31, 2025 the fair value of the call option approximates nil value. The call option fair value is subject to revaluation in the following reporting periods.

8. Intangible assets

	IP rights	Software generated internally	Software acquired externally	Prepayments for intangible assets	Total
Gross book value as at January 1, 2025	**39,544**	**6,981**	**5,857**	**964**	**53,346**
Additions	-	-	-	100	100
Net foreign exchange differences on translation	-	-	37	(2)	35
Gross book value as at March 31, 2025	**39,544**	**6,981**	**5,894**	**1,062**	**53,481**
Accumulated amortization and impairment as at January 1, 2025	**(36,343)**	**(4,422)**	**(4,801)**	**-**	**(45,566)**
Amortization charge for the period	(396)	(497)	(319)	-	(1,212)
Net foreign exchange differences on translation	1	1	(31)	-	(29)
Accumulated amortization and impairment as at March 31, 2025	**(36,738)**	**(4,918)**	**(5,151)**	**-**	**(46,807)**
Net book value as at January 1, 2025, Audited	**3,201**	**2,559**	**1,056**	**964**	**7,780**
Net book value as at March 31, 2025, Unaudited	**2,806**	**2,063**	**743**	**1,062**	**6,674**

	IP rights	Software generated internally	Software acquired externally	Prepayments for intangible assets	Total
Gross book value as at January 1, 2024	**39,743**	**5,690**	**3,766**	**1,653**	**50,852**
Additions	-	-	1,114	336	1,450
Transfers	-	345	-	(345)	-
Net foreign exchange differences on translation	1	-	(15)	-	(14)
Gross book value as at March 31, 2024	**39,744**	**6,035**	**4,865**	**1,644**	**52,288**
Accumulated amortization and impairment as at January 1, 2024	**(34,959)**	**(2,530)**	**(3,509)**	**-**	**(40,998)**
Amortization charge for the period	(402)	(449)	(391)	-	(1,242)
Net foreign exchange differences on translation	5	-	7	-	12
Accumulated amortization and impairment as at March 31, 2024	(35,356)	(2,979)	(3,893)	-	(42,228)
Net book value as at January 1, 2024, Audited	**4,784**	**3,160**	**257**	**1,653**	**9,854**
Net book value as at March 31, 2024, Unaudited	**4,388**	**3,056**	**972**	**1,644**	**10,060**

No indicators for additional impairment recognition or reversal were identified as at March 31, 2025 and March 31, 2024 in relation to intangible assets. As at March 31, 2025, and as at the date of approval of these interim condensed consolidated financial statements for issue, there were no pledges or collaterals on the Group's intangible assets.

Prepayments for intangible assets relate to the payments made on development of supporting tools (i.e. software).

9. Cash and cash equivalents

	As at March 31, 2025, Unaudited	As at December 31, 2024 Audited
Money market mutual fund investments	138,649	113,654
Deposits	17,302	18,068
Cash at banks (current accounts)	4,185	5,617
Cash for buy-sell-back transactions	4,838	4,501
Total cash and cash equivalents	**164,974**	**141,840**

As at March 31, 2025, there were short-term cash deposits amounting to USD 17,302 thousand. Maturity of these investments is three months, and they are repayable on demand, thus the investments are highly liquid, readily convertible to known amounts of cash, and are subject to an insignificant risk of changes in value, and meet the criteria indicated in IAS 7 Statement of Cash Flows, and have been considered in substance as cash equivalents.

Money market mutual fund investments are classified as cash equivalents. For the details, please refer to Note 2.2 *Key judgements and estimates* in the consolidated financial statements as at and for the year ended December 31, 2024.

During the three-month period ended March 31, 2025, money market mutual fund investments, deposits and buy-sell-back transactions generated interest income in the total amount of USD 1,570 thousand. This includes the accrued interest from bank deposits in the amount of USD 479 thousand (USD 435 thousand as at December 31, 2024). For details, please refer to Note 5 *Finance income and finance expense.*

As at March 31, 2025, there was restricted cash in the amount of USD 16 thousand (USD 17 thousand as at December 31, 2024).

10. Earnings per share

Detailed methodology of calculation of basic and diluted earnings per share is presented in the Group's consolidated financial statements as at and for the year ended December 31, 2024.

		Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Net result attributable to the owners of the Parent	[A]	19,813	16,541
Undistributed profit (loss) attributable to holders of series A and B preferred shares	[B]	-	-
Profit (loss) attributable to holders of ordinary shares	**[C]=[A]-[B]**	**19,813**	**16,541**

		Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Weighted average number of ordinary shares	[D]	56,070,675	62,990,181
Basic EPS	**[E] = [C]/[D]**	**0.35**	**0.26**

Weighted average number of ordinary shares adjusted for the effect of dilution is presented below:

		Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Weighted average number of issued ordinary shares used in calculating basic earnings per share	[D]	56,070,675	62,990,181
Employee Stock Option Plan	[F]	192,597	-
Weighted average number of issued ordinary shares and potential ordinary shares used in calculating diluted earnings per share	**[G]=[D]+[F]**	**56,263,272**	**62,990,181**
Diluted EPS	[H]=[C]/[G]	0.35	0.26

11. Share capital

As at March 31, 2025 and March 31, 2024, the Group's share capital comprised common shares and preferred shares series A and B. Below are presented movements on different components of equity divided in the categories of shares (nominal values presented in USD, not thousand USD):

Shares classified as equity instruments as at March 31, 2025:

	Common shares (outstanding)		Preferred shares (series A and B)		Treasury shares		Treasury shares allocated for the existing share-based payment programs		Total (issued)	
	Number of shares	Nominal value	Number of shares	Nominal value	Number of shares	Nominal value	Number of shares	Nominal value	Number of shares	Nominal value
As at January 1, 2025, Audited	**56,069,697**	**1,122**	**2**	**0**	**3,915,282**	**79**	**-**	**-**	**59,984,981**	**1,201**
Allocation of shares to Share-based payment program	-	-	-	-	(7,916)	0	7,916	0	-	-
Exercise of stock options	7,916	0	-	-	-	-	(7,916)	0	-	-
As at March 31, 2025, Unaudited	**56,077,613**	**1,122**	**2**	**0**	**3,907,366**	**79**	**-**	**-**	**59,984,981**	**1,201**

Shares classified as equity instruments as at March 31, 2024:

	Common shares (outstanding)		Preferred shares (series A and B)		Treasury shares		Treasury shares allocated for the existing share-based payment programs		Total (issued)	
	Number of shares	Nominal value	Number of shares	Nominal value	Number of shares	Nominal value	Number of shares	Nominal value	Number of shares	Nominal value
As at January 1, 2024, Audited	**62,977,148**	**1,260**	**2**	**0**	**4,147,628**	**84**	**-**	**-**	**67,124,778**	**1,344**
Allocation of shares to Share-based payment program	-	-	-	-	(145,582)	(3)	145,582	3	-	-
Exercise of stock options	78,200	2	-	-	-	-	(78,200)	(2)	-	-
As at March 31, 2024, Unaudited	**63,055,348**	**1,262**	**2**	**0**	**4,002,046**	**81**	**67,382**	**1**	**67,124,778**	**1,344**

As at March 31, 2025, the Company was authorized to issue up to 85,300,474 shares with a par value of USD 0.00002 (85,300,472 common shares and 1 share of series A preferred share and 1 share of series B preferred share), out of which as at March 31, 2025, 94,680 shares were allocated to a reserve that could be issued only with majority shareholders' approval (21,441,149 as at March 31, 2024).

As at March 31, 2025, the issued share capital of the Company comprised 59,984,981 shares (fully paid) with a par value of USD 0.00002 per share and the total value of USD 1,201 (not thousands), including 56,077,613 common shares held by shareholders, two preferred shares (one preferred share of series A and one preferred share of series B) held by shareholders and 3,907,366 common shares reacquired by the Company and not redeemed (presented in the tables above: treasury shares and treasury shares allocated to the existing share-based payment programs).

As at March 31, 2024, the issued share capital of the Company comprised 67,124,778 shares (fully paid) with a par value of USD 0.00002 per share and a total value of USD 1,344 (not thousands), including 63,055,348 common shares held by shareholders, two preferred shares (one preferred share of series A and one preferred share of series B) held by shareholders and 4,069,428 common shares reacquired by the Company and not redeemed (presented in the tables above: treasury shares and treasury shares allocated for the existing share-based payment programs).

During the three-month period ended March 31, 2025, the number of shares (not issued) allocated to the existing share-based payment programs was reduced by 7,916 shares. This is because 7,916 treasury shares were delivered to employees for the options exercised during the period. As at March 31, 2025, 9,851,917 shares with a par value of USD 0.00002 per share were reserved for two stock option programs established in 2015 and 2019.

Holders of the two series A and series B preferred shares, which may be converted for a fixed number of common shares, have several rights additional to the ones of the common shareholders, which may vary for series A and B. These rights are stipulated in the corporate documents of Huuuge, Inc., in particular in the Fifth Amended and Restated Certificate of Incorporation. Essentially, the rights refer to:

- protective provisions in case of liquidation, dissolution, winding up, certain mergers, consolidations and sale of assets of Huuuge, Inc. or conversion to common shares – the holders of series A or B preferred shares shall be entitled to be paid out of the assets of the Company available for distribution to its shareholders before the holders of common shares,
- election of directors for every separate class of preferred shares - one director for series A preferred shares and two directors for series B preferred shares.

As at March 31, 2025 and March 31, 2024, no shareholder owned over 50% of the Company's equity or had more than 50% of voting rights. The Company's major shareholder is Mr. Anton Gauffin, founder and Executive Chairman of the Board, who participates in the Company's ordinary shares indirectly (through shares of Big Bets OU).

The supplementary capital derives mainly from the difference between nominal value and the market price on issuance of shares, or the difference between the book value and purchase price on re-issue of treasury shares.

<u>In the three-month period ended March 31, 2025, the following transactions took place:</u>

- **Delivery of the treasury shares for options exercised**

In the three-month period ended March 31, 2025, 53,732 share options held by employees under the share-based payment program were exercised. Of these, 53,732 options exercised resulted in the delivery of 7,916 treasury shares to employees before March 31, 2025 (the difference between the number of options exercised and the number of treasury shares delivered is due to cashless exercises).

The delivery of treasury shares was presented as a movement from treasury shares to common shares. The movement resulted in an increase in share capital in the amount of the nominal value of the shares delivered, and the difference between the value of treasury shares and the cash consideration received in the amount of USD 27 thousand was recognized in supplementary capital. At the same time, the movement decreased the number of shares (not issued) allocated to the existing share-based payment programs.

In the three-month period ended March 31, 2024, the following transactions took place:

- **Delivery of the treasury shares for options exercised**

In the three-month period ended March 31, 2024, 256,591 share options held by employees under the share-based payment program were exercised, out of which for 145,278 options exercised 78,200 treasury shares were delivered to employees before March 31, 2024, and for 111,313 options 67,382 treasury shares were delivered after March 31, 2024 (the difference between the number of options exercised and the number of treasury shares delivered is due to cashless exercises).

The delivery of treasury shares was presented as a movement from treasury shares to common shares. The movement resulted in an increase in share capital in the amount of the nominal value of the shares delivered, and the difference between the value of treasury shares and the cash consideration received in the amount of USD 173 thousand was recognized in supplementary capital. At the same time, the movement decreased the number of shares (not issued) allocated to the existing share-based payment programs.

- **Acquisition of shares under share Buyback Scheme ("SBB") and retirement of shares purchased by the Company during the 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 represent 10.64% of the share capital of the Company and that entitled their holders to exercise 10.64% of the total number of votes at the general meeting of the Company 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. 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 of April 22, 2024 (as the day preceding the Settlement Date), which is 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.

Prior to the SBB settlement, the Company owned 4,002,046 common shares that represented 5.96% of the Company's share capital and did not entitle the Company to voting rights. Following the settlement of the SBB, the Company owns a total of 11,141,843 shares that represent 16.60% of the Company's share capital and do not entitle the Company to voting rights. Consequently, following the settlement of the SBB, there are 67,124,778 shares of the Company outstanding and conferring 55,982,935 votes in total at the general meeting of the Company. The Company acquired the shares under the SBB with the intention that the shares will be retired, other than those shares necessary, in the Company's view, to satisfy its ongoing needs under the Company's employee stock option plans. the paragraph below.

On April 26, 2024, the Board of Directors in accordance with Section 243 of the Delaware General Corporation law, 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. The shares that were subject to the retirement were purchased by the Company during the share buyback (current report No. 12/2024 dated March 14, 2024) with the intention that the shares will be retired, other than those shares necessary, in the Company's view, to satisfy its ongoing needs under the Company's employee stock option plans.

Effective as of the adoption of the resolution of the Board of Directors, the retired shares resumed the status of authorized and unissued shares of the common stock of the Company. At the same time, the Company's issued share capital decreased from 67,124,778 to 59,984,981 shares.

12. Share-based payment arrangements

A detailed description of the Group's equity share-based payment program, i.e. ESOP, and a fair value measurement of the employee share options are presented in the Group's consolidated financial statements as at and for the year ended December 31, 2024.

Movements in share options during the period were as follows (weighted average exercise prices are presented in USD, not in thousand USD):

	Three-month period ended March 31, 2025	
	Number of options	**Weighted average exercise price**
Balance as at January 1, Audited	**5,353,223**	**6.08**
Granted during the period	-	-
Forfeited during the period	(52,638)	4.10
Exercised during the period	(53,732)	3.91
Expired during the period	(61,612)	4.10
Balance as at March 31, Unaudited	**5,185,241**	**6.15**

	Three-month period ended March 31, 2024	
	Number of options	**Weighted average exercise price**
Balance as at January 1, Audited	**5,534,416**	**5.75**
Granted during the period	585,000	6.92
Forfeited during the period	(200,951)	5.59
Exercised during the period	(256,591)	3.60
Expired during the period	(9,856)	2.99
Balance as at March 31, Unaudited	**5,652,018**	**5.98**

As at March 31, 2025, 1,279,410 share options were exercisable, with the weighted average exercise price of USD 5.04 per share. As at March 31, 2024, 634,057 share options were exercisable, with the weighted average exercise price of USD 4.06 per share.

During the three-month period ended March 31, 2025, 53,732 options were exercised under the share-based payment program, out of which 7,916 treasury shares were delivered to employees before March 31, 2025 (the difference is due to cashless exercises). Total cash payments received during the three-month period ending March 31, 2025 amounted to USD 4 thousand.

During the three-month period ended March 31, 2024, 256,591 options were exercised under the share-based payment program, out of which 78,200 treasury shares were delivered to employees before March 31, 2024 (the difference is due to cashless exercises and number of options exercised, for which treasury shares were not delivered as at March 31, 2024). For the remaining 111,313 options exercised during the three-month period ended March 31, 2024, 67,382 shares were pending delivery as of March 31, 2024. Total cash payments received during the three-month period ending March 31, 2024 amounted to USD 142 thousand.

Total expense related to share-based payment arrangements, which includes cost recognised for the period as well as the cost derecognition when the service condition is not met for the three-month period ended March 31, 2025, amounted to USD 549 thousand (USD 1,350 thousand for the three-month period ended March 31, 2024).

These costs were allocated to “Sales and marketing expenses”, “Research and development expenses” and “General and administrative expenses” lines in the interim condensed consolidated statement of comprehensive income, depending on the roles of the employees.

Executive Chairman of the Board options

Mr. Anton Gauffin, holding the positions of the Executive Chairman of the Board, was granted 500,000 share options in total during the year 2021, 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. All remaining options can be exercised at a price of PLN 50, i.e., the price of the Company’s shares in the initial public offering.

The vesting conditions for the options are the following:

- 50,000 options with a vesting condition to provide the service continuously for about four years from the service commencement date. The Group’s management expects Mr. Anton Gauffin to fulfill the service condition.
- 375,000 options with a variable vesting period due to the market condition, i.e., condition to meet the Company’s market capitalization milestones. The Group’s management estimated that a total of six years of continuous service from the service commencement date will be required for options to vest.

Similar to other share-based payments in the Group, for this program, staged vesting applies, i.e., each installment has a different vesting period and is treated as a separate award with a different vesting period.

Options granted to key management personnel

Based on resolutions of the Board of Directors of Huuuge, Inc. the following options were granted to key managers of Huuuge, Inc. Group:

- 3,145,000 options (including 2,345,000 options granted to Huuuge, Inc. Officers) - on October 3, 2023,
- 125,000 options - on November 6, 2023,
- 585,000 options - on February 6, 2024,
- 125,000 options - on September 30, 2024.

As at March 31, 2025, 3,680,000 of these options were outstanding. The vesting conditions for the outstanding options are the following:

- 1,226,662 options with a vesting condition to provide the service continuously for about four years from the service commencement date.
- 1,226,662 options with a vesting condition to provide the service continuously for about four years from the service commencement date and to meet specified EBITDA and Revenue targets, i.e. performance condition.
- 1,226,676 options with a vesting condition to provide the service continuously and with a variable vesting period due to market condition, i.e. condition to meet the Company’s market capitalization milestones.

Similar to other share-based payments in the Group, for this program, staged vesting applies, i.e., each installment has a different vesting period and is treated as a separate award with a different vesting period.

13. Leases

The Group is committed to making payments for leases based on office space rental agreements and car fleet agreements. The Group entities have also concluded contracts regarding low-value office equipment, such as copy and coffee machines.

Lease agreements are usually concluded for definite periods of time that vary according to the class of the underlying asset and specific needs. Some of the contracts include extension or termination options – the Group's management exercises judgment in determining whether these options are reasonably certain to be exercised.

The tables below present the carrying amounts of recognized right-of-use assets and the movements in the three-month period ended March 31, 2025 and in the three-month period ended March 31, 2024:

	Offices	Cars	Total
as at January 1, 2025, Audited	**4,781**	**66**	**4,847**
extension of contracts, remeasurement due to indexation and other	52	-	52
foreign exchange differences on translation	69	3	72
depreciation	(720)	(15)	(735)
as at March 31, 2025, Unaudited	**4,182**	**54**	**4,236**

	Offices	Cars	Total
as at January 1, 2024, Audited	**6,775**	**75**	**6,850**
extension of contracts, remeasurement due to indexation and other	450	17	467
foreign exchange differences on translation	(124)	(1)	(125)
depreciation	(669)	(17)	(686)
as at March 31, 2024, Unaudited	**6,432**	**74**	**6,506**

The table below presents the carrying amounts of lease liabilities and movements in the three-month period ended March 31, 2025 and in the three-month period ended March 31, 2024:

	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024
as at January 1, Audited	**7,551**	**10,640**
additions (new leases)	-	-
extension of contracts, remeasurement due to indexation and other	96	552
interest expense on lease liabilities	47	62
lease payments	(1,124)	(1,063)
foreign exchange differences on translation to functional currency	(60)	(48)
foreign exchange differences on translation to USD	182	(152)
as at March 31, Unaudited	**6,692**	**9,991**
long-term	2,774	6,117
short-term	3,918	3,874

In the interim condensed consolidated statements of cash flows, the Group classifies:

- cash payments of the capital component of lease liabilities in the three-month period ended March 31, 2025 amounting to USD 1,077 thousand (USD 1,001 thousand in the three-month period ended March 31, 2024) – as part of financing activities (lease repayment),

- cash interest payments on leases in the three-month period ended March 31, 2025 amounting to USD 47 thousand (USD 62 thousand in the three-month period ended March 31, 2024) – as part of financing activities (interest paid),
- leases of low-value assets and short-term leases not included in the measurement of lease liabilities in the three-month period ended March 31, 2025 amounting to USD 60 thousand (USD 48 thousand in the three-month period ended March 31, 2024) – as part of operating activities.

The Group had total cash outflows due to leases of USD 1,184 thousand in the three-month period ended March 31, 2025 and USD 1,111 thousand in the three-month period ended March 31, 2024.

Sublease agreements

The Group entities have entered several arrangements to sublease leased office spaces to a third party while the original lease contract is in effect. The lease receivable from the finance lease amounted to USD 2,120 thousand as at March 31, 2025 (USD 3,181 thousand as at March 31, 2024). As of March 31, 2025, the Group held three short term agreements classified as operating leases. The income from interest received from finance sublease amounted to USD 32 thousand during the three-month period ended March 31, 2025 (USD 46 thousand in the three-month period ended March 31, 2024). The income from the operating lease amounting to USD 184 thousand is presented in the line "Other operating income/(expense), net" in the interim condensed consolidated statement of comprehensive income during the three-month period ended March 31, 2025.

The amount of future contractual payments under operating subleases was USD 204 thousand as of March 31, 2025.

14. Contingencies

Tax contingent liabilities

Tax settlements are subject to review and investigation by tax authorities, which are entitled to impose severe fines, penalties and interest charges. Tax regulations in the United States, Poland and Israel, which apart from Cyprus constitute the main operating environments of the Group, have been changing recently, which may lead to them lacking clarity and integrity. Furthermore, frequent contradictions in tax interpretations in Poland, both within government bodies and between companies and government bodies, create uncertainties and conflicts. These facts create tax risks that are substantially more significant than those typically found in countries with more developed tax systems.

Tax authorities may examine accounting records retrospectively: for 3 years in the United States (and up to 6 years in case of substantial errors), 5 years in Poland, 6 years in Cyprus (and up to 12 years in case of substantial errors) and 7 years in Israel. Consequently, the Parent Company and subsidiaries may be subject to additional tax liabilities, which may arise as a result of tax audits. The Board of Directors of the Parent Company believes that there was no need to record any provisions for known and quantifiable risks in this regard, as, in their assessment, there are no such uncertain tax positions for which it would be probable that the taxation authority will not accept the tax treatment applied by the Group.

Litigation and other legal proceedings

The Group operates in a highly regulated and litigious environment. The Company and/or its subsidiaries have and may become involved in legal proceedings, including litigation, arbitration and other claims, and investigations, inspections, audits, claims, inquiries and similar actions. Legal proceedings, in general, can be expensive and disruptive. Some of these suits are class actions and/or involve parties seeking large and/or indeterminate amounts, including punitive or exemplary damages, and may remain unresolved for several years.

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.

The Company cannot predict with certainty the outcomes of any legal proceedings and other contingencies, and the costs incurred in litigation can be substantial, regardless of the outcome. As a result, the Company and/or its subsidiaries could from time to time incur judgments, enter into settlements or revise our expectations regarding the outcome of certain matters, and such developments could harm our reputation and have a material adverse effect on our results of operations in the period in which the amounts are accrued and/or our cash flows in the period in which the amounts are paid. In addition, as a result of the ongoing legal proceedings, the Company and/or its subsidiaries may be subject to damages, civil fines, or other sanctions. Additionally, defending against these lawsuits and proceedings may involve significant expense and diversion of management's attention and resources.

As at the date of approval of these interim condensed consolidated financial statements for issue, the Company and/or its subsidiaries has become involved in a number of pending litigations and arbitrations::

- 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. On April 25, 2025, the Supreme Court of Alabama issued an order compelling arbitration. As of the date of approval of these interim condensed consolidated financial statements for issue, 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 March 31, 2025 and as of the date of approval of these interim condensed consolidated financial statements for issue.

- 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 thresholds 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 final hearing is scheduled for August 5, 2025. 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 these interim condensed consolidated financial statements for issue, 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 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. On April 25, 2025, the Court issued an order dismissing the complaint with leave to amend. As of the date of approval of these interim condensed consolidated financial statements for issue, 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 these interim condensed consolidated financial statements for issue, 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 at March 31, 2025, or as at the date of approval of these interim condensed consolidated financial statements for issue, a party to any significant court or arbitration proceedings or before any public authority.

15. Pledges, collaterals and other off-balance sheet positions

During the reporting periods and till the date of issuing these interim condensed consolidated financial statements 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 20,249 thousand for both parties.

16. Related party transactions

On April 23, 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 32,380 thousand.

There is no ultimate controlling party.

17. Transactions with management of the Parent Company and their close family members

Compensation of key management personnel of the Group is the compensation of key management personnel of the Parent Company and its subsidiaries.

Board of Directors of Huuuge, Inc., Officers and Global Management	Three-month period ended March 31, 2025 Unaudited	Three-month period ended March 31, 2024 Unaudited
Base salaries	1,158	988
Bonuses	176	-
Share-based payments	723	1,008
Total	**2,057**	**1,996**

The amounts presented above include compensation of members of the Board of Directors of Huuuge, Inc., Officers and Global Management team members. The amounts for the three-month period ended March 31, 2025 and March 31, 2024 reflect the changes in composition of the teams during those periods.

Generally, share-based payment remuneration includes cost recognized during the period in accordance with the vesting schedule, as well as cost derecognition when a member of the executive management team ends the tenure with the Company, i.e., when the service condition is not met. During the three-month period ended March 31, 2025, the cost recognized amounted to USD 723 thousand (USD 1,123 thousand of cost recognized and cost derecognized amounted to USD 115 thousand during the three-month period ended March 31, 2024).

During the three-month period ended March 31, 2025 members of the Board of Directors, Officers and Global Management team didn't exercise any options (62,859 options during the three-month period ended March 31, 2024).

On April 23, 2024, members of the Executive Management team and their close family members sold 117,829 shares in total under Share Buy-back amounting to USD 1,155 thousand.

Generally, the non-executive directors are remunerated with a fixed annual salary and an additional salary for holding a position of president of the Audit Committee or the Remuneration and Nomination Committee or being a member of the Audit Committee or the Remuneration and Nomination.

18. Unusual events

Impact of the situation in Israel on our business

Huuuge's office in Tel Aviv, Israel accounts for around 7% 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 these interim condensed consolidated financial statements, the war in Israel has no significant impact on our business and financial results.

19. Subsequent events

After March 31, 2025 and up to the date of approval of these interim condensed consolidated financial statements for issue no significant events except the following have occurred:

Options granted to key personnel

Based on the resolution of the Board of Directors of Huuuge, Inc. 894,519 options were granted under employee stock option plan "ESOP 2019" to employees of Huuuge, Inc. Group on May 15, 2025. The vesting conditions of these options include both service conditions, and performance conditions to meet specified EBITDA and Revenue targets.

Modification of the options granted to the key management personnel

On May 15, 2025, the Company's Board of Directors adopted a resolution on the voluntary modification of the terms of the options granted to the key management personnel of the Group (for the details, please refer to Note 12 *Share-based payments*). For certain outstanding options, the exercise price and the number of the options has been decreased, and vesting market conditions have been substituted by the performance conditions to meet specified EBITDA and Revenue targets. As of the date of approval of these interim condensed consolidated financial statements for issue, the process of the voluntary choice by the employees was still in progress.

Investment in Bananaz Studios Ltd

Following the information issued in the Current Report nr 4/2025 related to the cessation of further funding for Bananaz Studios Ltd., based on the resolution of the shareholders of Bananaz Studios Ltd., Huuuge, Inc. received 1,110,000 ordinary shares of the Bananaz Studios Ltd. (equivalent to 5.8% of share capital) without additional consideration, as well as Huuuge, Inc.'s rights with respect to the SAFE agreement and call-option agreement were waived.

Electronically signed
Wojciech Wronowski,
Officer of Huuuge, Inc., CEO
May 27, 2025

Additional information to the consolidated quarterly report

HUUUGE

1. General information

Business profile

Huuuge, Inc. (the "Company", "Huuuge") is registered in Delaware, United States of America. Huuuge's registered office is located in Dover, Delaware, 850 New Burton Road, Suite 201, DE 19904. The Company was established on 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 together with 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 generated 98% of Huuuge's total revenues in the first three months of 2025. Our legacy games generated 2% of total revenues and include different titles at various stages of their life cycle.

Huuuge Casino: The game was launched in June 2015. It is Huuuge's flagship title responsible for 65% of total three-month 2025 revenue and for almost USD 1.5 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 #21 (Apple App Store) and #11 (Google Play) among social casino apps in the United States in terms of revenue as at March 31, 2025.

Billionaire Casino: The game was launched in October 2016. Its revenue has grown rapidly since its release. It has achieved approximately USD 0.7 billion of lifetime revenue and constitutes 33% of our total three-month 2025 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, as well as 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. In addition, the game allows players to participate in club events by playing slots and other casino games. Billionaire Casino is ranked #40 (App Store) and #26 (Google Play) among social casino apps in the United States in terms of revenue as at March 31, 2025.

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.

Board of Directors

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	2025	2026
Henric Suuronen	Non-executive Director	2025	2026
John Salter	Non-executive Director	2025	2026
Krzysztof Kaczmarczyk	Non-executive Director (independent)	2025	2026
Tom Jacobsson	Non-executive Director (independent)	2025	2026

On January 16, 2025, the Board of Directors of Huuuge received the resignation of Mr. Marek Chwałek from the position of Treasurer, effective as of April 1, 2025. On the same day, the Board of Directors adopted a resolution to appoint Mr. Maciej Hebda as Treasurer, with effect from the same date.

On April 18, 2025, the General Meeting of Shareholders of the Issuer re-elected Mr. Krzysztof Kaczmarczyk and Mr. Tom Jacobsson as Independent Directors of the Company for a term ending on the date of the next General Meeting of Shareholders.

Furthermore, on April 18, 2025, in connection with the election of the new composition of the Board of Directors by the General Meeting of Shareholders of the Issuer – pursuant to Article V, Section 5.2 of the Issuer's Fifth Amended and Restated Certificate of Incorporation:

The holders of a majority of the issued Series A Preferred Shares re-elected Mr. John Salter to serve another term as Series A Director, effective as of the date of the Issuer's Annual General Meeting of Shareholders, i.e., April 18, 2025. He shall hold office until the next Annual General Meeting of Shareholders.

The holders of a majority of the issued Series B Preferred Shares re-elected Mr. Henric Suuronen and Mr. Anton Gauffin to serve another term as Series B Directors, effective as of the date of the Issuer's Annual General Meeting of Shareholders, i.e., April 18, 2025. They shall hold office until the next Annual General Meeting of Shareholders.

Share capital structure of Huuuge

As of the date of issuance of this Report, the share capital structure of the Issuer is as follows:

- The authorized capital comprises 85,300,474 shares divided into two classes, consisting of (i) 85,300,472 shares of common stock with a par value of $0.00002 per share and (ii) 2 shares of preferred stock with a par value of $0.00002 per share, divided into two series consisting of 1 Series A share of preferred stock with a par value of $0.00002 per share and 1 Series B share of preferred stock with a par value of $0.00002 per share;

- The issued capital is 59,984,981 and consists of (i) 59,984,979 shares of common stock with a par value of USD 0.00002 per share and (ii) 2 shares of preferred stock with a par value of USD 0.00002 per share, divided into two series consisting of 1 Series A share of preferred stock with a par value of USD 0.00002 per share and 1 Series B share of preferred stock with a par value of USD 0.00002 per share.

Treasury Shares

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).
On May 12, 2025, the Company's Board of Directors approved allocation of up to 23,295 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 3,884,071 with total par value of USD 77.68 and representing 6.48% of the share capital of the Company.

Significant Shareholders

To the best of the Company's knowledge, as of the date of publication of this Quarterly 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 as of the date of publication of this Quarterly Report, i.e., on May 27, 2025 and as of the date of the publication of the previous periodic report, i.e. full-year report on April 16, 2025.

As of April 16, 2025

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 the 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 2024 Annual Report.
[4] The Company may not exercise voting rights from treasury shares in accordance with the law of the State of Delaware.

As of May 27, 2025

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[2]	5,688,696	9.48[2]
Huuuge Inc.[4]	3,884,071	6.48[3]	3,884,071	6.48[3]
Others	24,037,954	40.07	24,037,954	40.07

[1] 59,984,979 Common Shares are introduced to public trading on the Warsaw Stock Exchange as of the date of approval of the 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;
[1] including one Preferred Share;
[2] According to the notification dated May 4, 2022 notified in the Current Report 19/2022, percentage of shareholding and voting power as calculated by the Company as of the date of publication of this Quarterly Report.
[3] The Company cannot exercise voting rights from its treasury shares according to Delaware law.

Each holder of common shares, as such, and each holder of Preferred Shares, is 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.

Number of shares held by the members of the Board of Directors

The table below presents, to the best of the Company's knowledge, the shares and outstanding stock options held directly or indirectly by the Company's Board of Directors as of the date of publication of this Quarterly Report and as of the date of the publication of the previous periodic report, i.e. full-year report on April 16, 2025.

As of April 16, 2025

Members of the Company's Board of Directors	Function	Common Shares	Outstanding Stock Options
Anton Gauffin (through Big Bets OÜ)[1]	Executive Chairman of the Board & Executive director	18,773,294	425,000
Henric Suuronen	Non-executive director	1,673,610	-

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

As of May 27, 2024

Members of the Company's Board of Directors	Function	Common Shares	Outstanding Stock Options
Anton Gauffin (through Big Bets OÜ)[1]	Executive Chairman of the Board & Executive director	18,773,294	425,000
Henric Suuronen	Non-executive director	1,673,610	-

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

The remuneration of Mr. Anton Gauffin, holding the positions of the Executive Chairman of the Board of the Company, includes 425,000 share options.

The vesting conditions for the outstanding options are the following:

- 50,000 options with a vesting condition to provide the service continuously for about four years from the service commencement date. The Group's management expects Mr. Anton Gauffin to fulfill the service condition.
- 375,000 options with a variable vesting period due to the market condition, i.e., the condition to meet the Company's market capitalization milestones. The Group's management estimated that, in total, six years of continuous service from the commencement date will be required for options to vest.

Similarly to other share-based payments in the Group, for this program, staged vesting applies, i.e., each installment has a different vesting period and is treated as a separate award with a different vesting period.

Principles for the preparation of the interim condensed consolidated financial statements

The interim condensed consolidated financial statements for the three-month period ended March 31, 2025 and the selected separate financial data for the three-month period ended March 31, 2025 were prepared in accordance with the IAS 34 Interim Financial Reporting as adopted by the European Union.

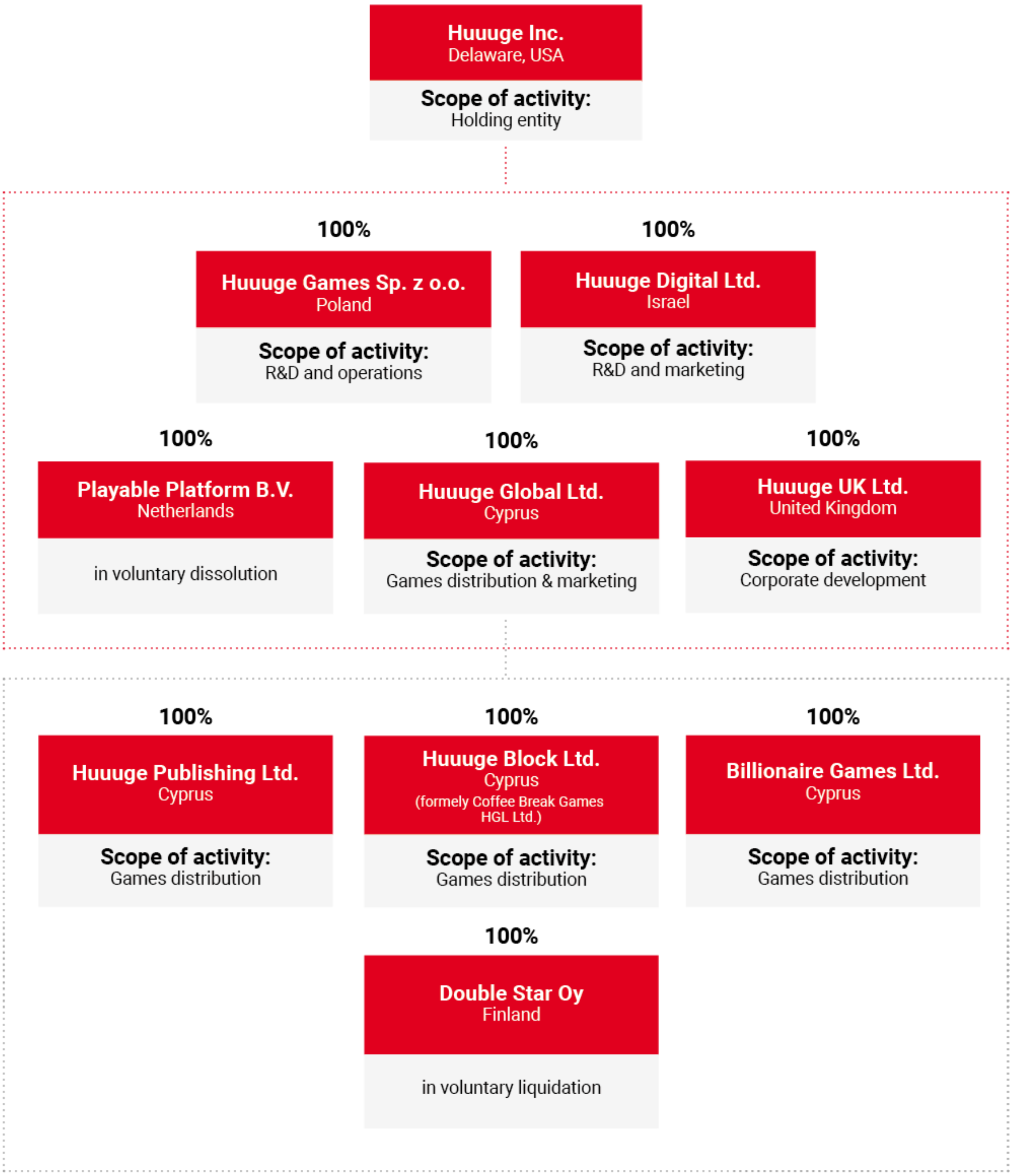
Changes to the Group

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.

Corporate structure of the Group



2. Significant achievements or failures and unusual events significantly affecting the financial consolidated statement

Collective redundancies in the Group

On January 9, 2025, the management board of the Company's subsidiary Huuuge Games sp. z o.o., acting in accordance with the provisions of the Polish Act of March 13, 2003 on special rules for terminating employment relationships with employees for reasons not attributable to the employees, adopted a resolution to initiate the process of collective redundancies and commence consultations with employee representatives. Following the consultation process, on January 16, 2025, an agreement was reached with the employee representatives, and the Company submitted formal notifications to the relevant labour offices, thereby officially launching the collective redundancy process. The redundancies affected approximately 21% of the employees of Huuuge Games sp. z o.o. Additionally, in Q1 2025, the Company conducted a review of the employment structure across the entire Capital Group. As a result of these efforts, and as of the date of approval of this Report, the collective redundancy process in the Group has been completed. In total, the workforce reduction covered 29% of the Group's employees. At the same time, the Issuer resolved to dissolve its subsidiaries in the Netherlands and Finland.

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).

3. Factors impacting our financial results and events, which in the Issuer's opinion, will impact the Group's results for at least the next quarter

Mobile gaming and social casino market environment

As far as market dynamics are concerned, Eilers & Krejcik estimate that the social casino market declined by 5.9% YoY in Q1 2025 (and by 2.4% 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 Q1 2025 by 38% year-over-year. 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 (and most probably not in 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's Privacy Sandbox initiative has from the beginning included both web and mobile elements, with the web aspect—specifically the phasing out of third-party cookies in Chrome—being considerably more advanced than the mobile version. In a recent announcement, Google conveyed its intention to maintain the current strategy of offering users a choice regarding third-party cookies in Chrome, opting not to introduce a new standalone prompt. While this doesn't signal the end of Privacy Sandbox activities in Chrome, as Google continues to work on enhancing IP Privacy Protection in Incognito mode, it does significantly change the privacy Sandbox landscape and suggests a marked slowdown in the progression of its experimentation with the Privacy Sandbox framework.

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 7% 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.

On April 30, 2025, Apple revised its App Store Review Guidelines following a U.S. court ruling on April 30, 2025. This update, limited to the U.S. App Store, adjusts rules around buttons, external links, and calls to action related to in-app purchases and alternative payment methods.

Currently there is no prohibition on an application including buttons, external links, or other calls to action to a website the developer owns or maintains responsibility for in order to purchase digital content or services, and no entitlement is required to do so on the United States storefront. Also, applications distributed on Apple's App Store are no longer barred from encouraging users to use purchase methods other than in-app payments.

However we keep monitoring the above rules as they are fluid; Apple is appealing both the original injunction and the recent contempt order that prompted the above change.

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.

Collective redundancies impact on the Group's financial results
Salaries and employee related costs in Q1 2025 include costs related to the headcount reductions amounting to USD 2,596 thousand. Following recent company-wide restructuring we expect operating costs (ex-UA) to decline YoY in 2025 and to be lower by approximately USD 12 million on an annualised basis.

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 Q1 2025.

4. 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 Q1 2025 and Q1 2024 (YoY) as well as Q1 2025 and Q4 2024 (QoQ) for the Group and "core franchises," i.e., Huuuge Casino and Billionaire Casino.

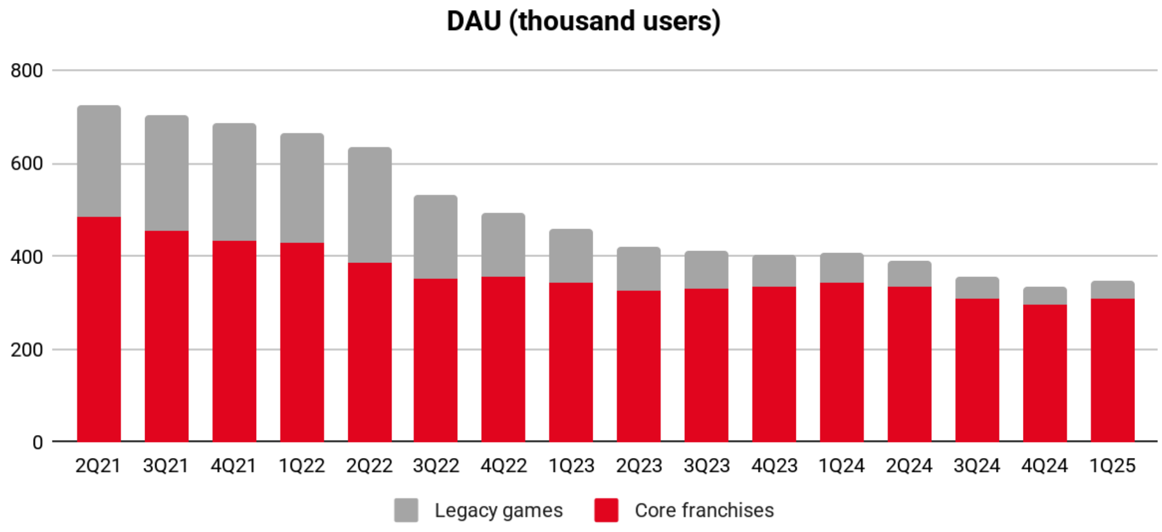
YoY KPI	**All games**			**Core franchises Huuuge Casino and Billionaire Casino**		
	Q1 2025	**Q1 2024**	**Change, %**	**Q1 2025**	**Q1 2024**	**Change, %**
DAU (in thousands)	346.9	408.5	-15.1%	308.1	341.2	-9.7%
DPU (in thousands)	14.1	15.7	-10.3%	13.6	14.8	-8.0%
ARPDAU (in USD)	2.0	1.8	9.7%	2.2	2.1	4.3%
ARPPU (in USD)	48.4	46.4	4.2%	49.6	48.5	2.4%
Monthly Conversion (%)	8.2	7.1	1.1pp	9.1	8.2	0.9pp

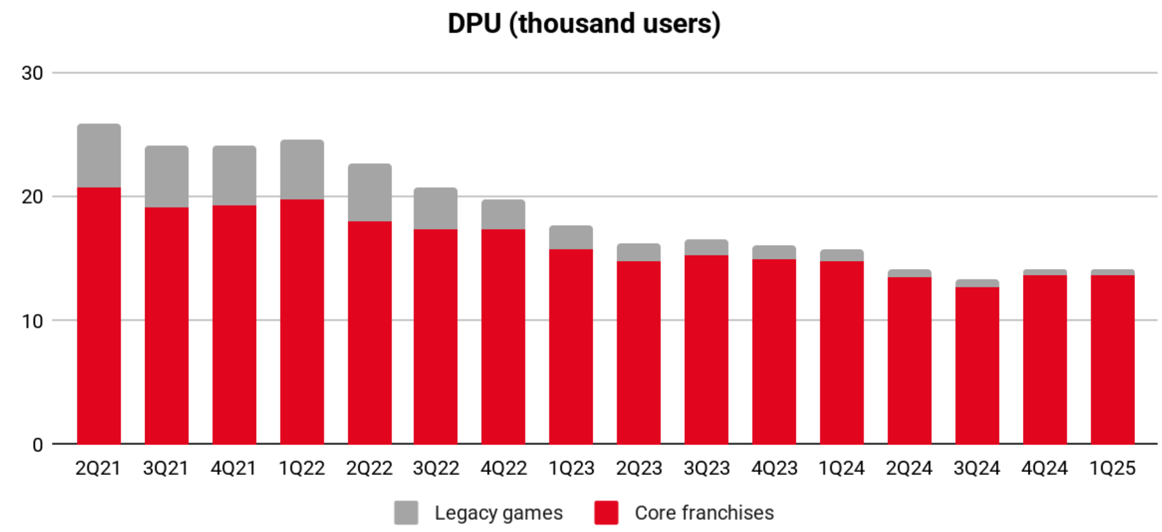
QoQ KPI	**All games**			**Core franchises Huuuge Casino and Billionaire Casino**		
	Q1 2025	**Q4 2024**	**Change, %**	**Q1 2025**	**Q4 2024**	**Change, %**
DAU (in thousands)	346.9	338.0	2.6%	308.1	295.0	4.4%
DPU (in thousands)	14.1	14.2	-0.8%	13.6	13.6	-0.5%
ARPDAU (in USD)	2.0	2.0	-0.5%	2.2	2.2	-2.3%
ARPPU (in USD)	48.4	47.0	2.9%	49.6	48.4	2.6%
Monthly Conversion (%)	8.2	8.1	0.1pp	9.1	9.1	-

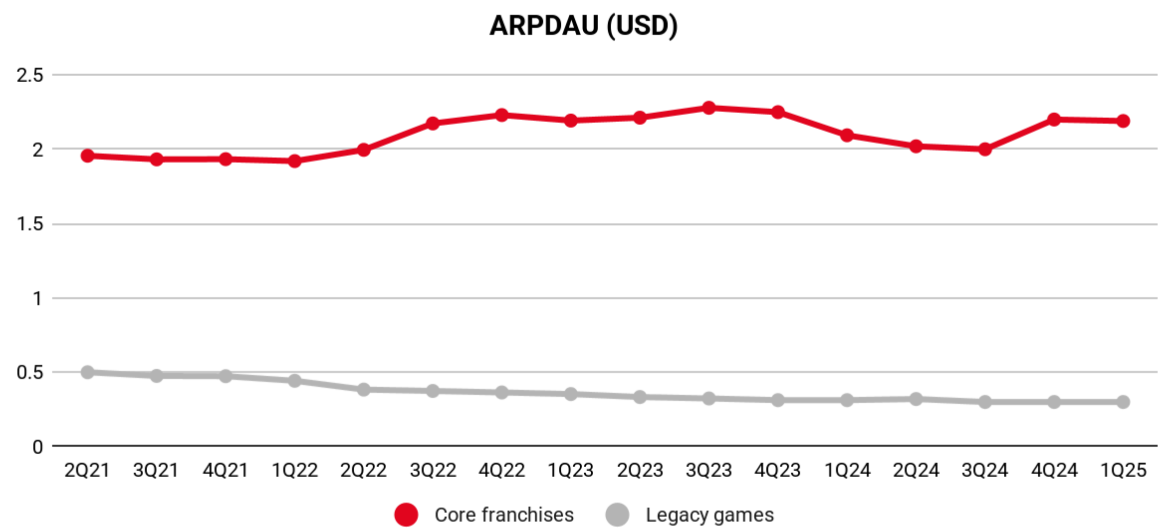
Operating KPIs

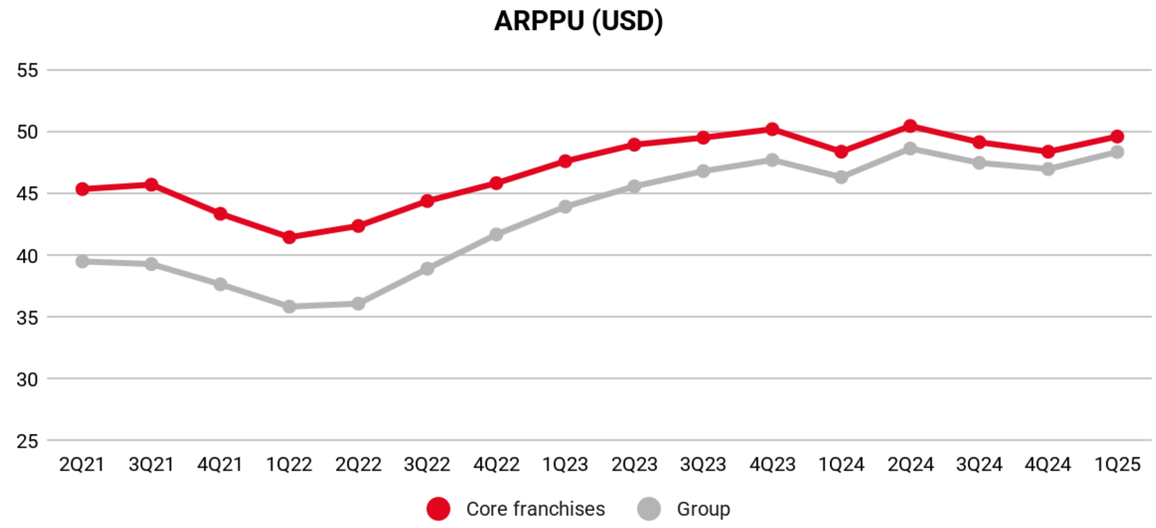
The annual decline in DAU and DPU for core franchises in Q1 2025 were primarily driven by reduced marketing expenditures during the quarter, combined with churn among existing user cohorts. On a quarterly basis, Daily Active Users (DAU) showed a quarter-over-quarter rebound, Daily Paying Users (DPU) remained almost flat. This QoQ improvement was largely supported by the introduction of new features to core franchises in late November 2024, including new game economy and the launch of Huuuge Pass. ARPDAU declined quarter-over-quarter. In Q1 2025, our focus shifted toward deepening player engagement rather than driving aggressive monetization efforts.

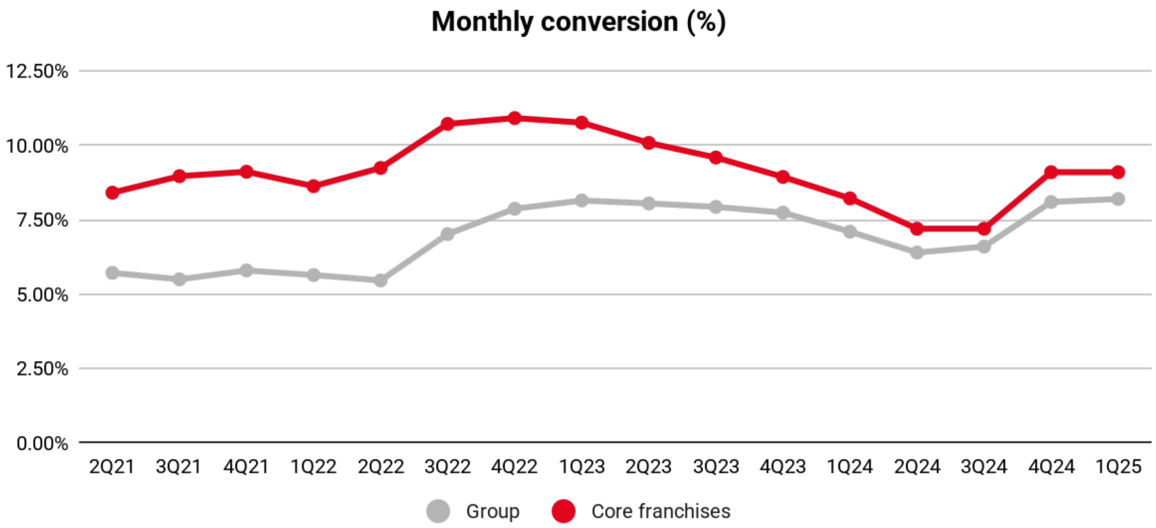
Over the past few years, we have successfully increased the ARPPU of our core franchises, maintaining this KPI at a very high level compared to industry benchmarks since Q1 2023.


DAU (thousand users)
800
600
400
200
0
2Q21 3Q21 4Q21 1Q22 2Q22 3Q22 4Q22 1Q23 2Q23 3Q23 4Q23 1Q24 2Q24 3Q24 4Q24 1Q25
Legacy games
Core franchises


DPU (thousand users)
30
20
10
0
2Q21 3Q21 4Q21 1Q22 2Q22 3Q22 4Q22 1Q23 2Q23 3Q23 4Q23 1Q24 2Q24 3Q24 4Q24 1Q25
Legacy games
Core franchises


ARPDAU (USD)
2.5
2
1.5
1
0.5
0
2Q21 3Q21 4Q21 1Q22 2Q22 3Q22 4Q22 1Q23 2Q23 3Q23 4Q23 1Q24 2Q24 3Q24 4Q24 1Q25
Core franchises
Legacy games


ARPPU (USD)
55
50
45
40
35
30
25
2Q21 3Q21 4Q21 1Q22 2Q22 3Q22 4Q22 1Q23 2Q23 3Q23 4Q23 1Q24 2Q24 3Q24 4Q24 1Q25
Core franchises
Group


Monthly conversion (%)
12.50%
10.00%
7.50%
5.00%
2.50%
0.00%
2Q21 3Q21 4Q21 1Q22 2Q22 3Q22 4Q22 1Q23 2Q23 3Q23 4Q23 1Q24 2Q24 3Q24 4Q24 1Q25
Group
Core franchises

5. Group's Results

The following table presents our consolidated statement of comprehensive income for the three-month period ended March 31, 2025 and March 31, 2024.

in thousand USD	Q1`2025	Q1`2024	Change, %
Revenue	**62,391**	**66,975**	**-6.8%**
Cost of sales	(15,521)	(19,057)	-18.6%
Gross profit on sales	**46,870**	**47,918**	**-2.2%**
Sales and marketing expenses:	(11,089)	(15,085)	-26.5%
thereof, User acquisition marketing campaigns	*(7,238)*	*(11,772)*	*-38.5%*
thereof, General sales and marketing expenses	*(3,851)*	*(3,313)*	*16.2%*
Research and development expenses	(6,000)	(5,705)	5.2%
General and administrative expenses	(7,522)	(8,040)	-6.4%
Other operating income/(expense), net	174	(952)	n/a
Operating result	**22,433**	**18,136**	**23.7%**
Finance income	2,146	2,107	1.9%
Finance expense	(1,153)	(119)	868.9%
Profit before tax	**23,426**	**20,124**	**16.4%**
Income tax	(3,613)	(3,583)	0.8%
Net result for the period	**19,813**	**16,541**	**19.8%**
Exchange gains/(losses) on translation of foreign operations	1,670	(958)	n/a
Total comprehensive income for the period	**21,483**	**15,583**	**37.9%**

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

in thousand USD	Q1`2025	Q1`2024	Change, %
EBITDA	**24,728**	**20,590**	**20.1%**
EBITDA margin (%)	39.6%	30.7%	8.9pp
Adjusted EBITDA	**25,277**	**21,940**	**15.2%**
Adjusted EBITDA margin (%)	40.5%	32.8%	7.7pp
Sales Profit	39,632	36,146	9.6%
Sales Profit margin (%)	63.5%	54.0%	9.5pp
User acquisition marketing campaigns as % of revenue	11.6%	17.6%	-6pp
Adjusted Net Result	**20,362**	**17,891**	**13.8%**
Adjusted Net Result (%)	32.6%	26.7%	5.9pp

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. Our use of each of these measures is as follows:

The APM indicators used by the Company should be analyzed only as supplementary information and not as a substitute for the financial information presented in the Group's financial statements.

The presented APM indicators are 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. We use the individual metrics 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. 3m 2024 and 3m 2025 there were share-based payment expenses. 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** 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** 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. 3m 2025 and 3m 2024 there were share-based payment expenses. 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.

Sales Profit and Sales Profit Margin

in thousand USD	Q1`2025	Q1`2024	Change, %
Revenue	**62,391**	**66,975**	**-6.8%**
Gross profit on sales	46,870	47,918	-2.2%
thereof, User acquisition marketing campaigns	7,238	11,772	-38.5%
Sales profit	**39,632**	**36,146**	**9.6%**
Sales profit margin %	63.5%	54.0%	9.5pp

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

Adjusted EBITDA reconciliation

in thousand USD	Q1`2025	Q1`2024	Change, %
Net result for the period	**19,813**	**16,541**	**19.8%**
Income tax	3,613	3,583	0.8%
Finance expense	1,153	119	868.9%
Finance income	(2,146)	(2,107)	1.9%
Depreciation and amortization	2,295	2,454	-6.5%
EBITDA	**24,728**	**20,590**	**20.1%**
EBITDA Margin	**39.6%**	**30.7%**	**8.9pp**
Employee benefits costs – share-based plan[1]	549	1,350	-59.3%
Adjusted EBITDA	**25,277**	**21,940**	**15.2%**
Adjusted EBITDA Margin	**40.5%**	**32.8%**	**7.7pp**

[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	Q1`2025	Q1`2024	Change, %
Net result for the period	**19,813**	**16,541**	**19.8%**
Employee benefits costs – share-based plan[1]	549	1,350	-59.3%
Adjusted Net Result	**20,362**	**17,891**	**13.8%**
Adjusted Net Result %	**32.6%**	**26.7%**	**5.9pp**

[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 for the periods under review together with the percentage change over such periods.

in thousand USD	Q1`2025	Q1`2024	Change, %
Gaming applications	61,984	66,321	-6.5%
Advertising	407	654	-37.8%
Total revenue	**62,391**	**66,975**	**-6.8%**

As a result of a decline in Daily Paying Users (DPU) in our core franchises—only partially offset by Average Revenue Per Paying User (ARPPU)—revenue generated by in-app purchases in gaming applications decreased by USD 4,337 thousand (i.e., 6.5%), from USD 66,321 thousand in Q1 2024 to USD 61,984 thousand in Q1 2025.

Meanwhile, advertising revenue declined by USD 247 thousand (i.e., 37.8%) in Q1 2025 compared to Q1 2024, primarily due to the declining user base of Traffic Puzzle and other previously discontinued games.

in thousand USD	Q1`2025	Q1`2024	Change, %
Huuuge Casino	40,846	42,847	-4.7%
Billionaire Casino	20,463	22,260	-8.1%
Total Core Franchises	**61,309**	**65,107**	**-5.8%**
Traffic Puzzle	850	1,514	-43.9%
Other games	232	354	-34.5%
Total Legacy Games	**1,082**	**1,868**	**-42.1%**
Total revenue	**62,391**	**66,975**	**-6.8%**

Revenue generated by our core games, Huuuge Casino and Billionaire Casino, decreased by USD 3,798 thousand (i.e., 5.8%), from USD 65,107 thousand in Q1 2024 to USD 61,309 thousand in Q1 2025, primarily due to a decline in Daily Paying Users (DPU).

Revenue from Traffic Puzzle declined by USD 664 thousand (i.e., 43.9%) year-over-year in Q1 2025, reflecting a shrinking user base as a result of reduced user acquisition spend and the game remaining in maintenance mode since early 2023.

Revenue from Other Games dropped by USD 122 thousand (i.e., 34.5%), from USD 354 thousand in Q1 2024 to USD 232 thousand in Q1 2025, mainly due to discontinued marketing efforts and transition of legacy titles into maintenance mode.

Revenue from Legacy Games decreased by USD 786 thousand (i.e., 42.1%), totaling USD 1,082 thousand in Q1 2025 compared to USD 1,868 thousand in Q1 2024.

Revenue was generated in the following geographical locations:

in thousand USD	Q1`2025	Q1`2024	Change, %
North America	37,206	39,137	-4.9%
Europe	17,625	19,818	-11.1%
Asia-Pacific (APAC)	6,475	6,885	-6.0%
Other	1,085	1,135	-4.4%
Total revenue	**62,391**	**66,975**	**-6.8%**

North America (i.e., primarily the USA) remained the most significant region in terms of revenue, accounting for USD 37,206 thousand in Q1 2025, compared to USD 39,137 thousand in Q1 2024.

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 March 31, 2025 or March 31, 2024. 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	Q1`2025	Q1`2024	Change, %
Third-party platforms	50,126	61,405	-18.4%
Direct-to-consumer platforms	12,265	5,570	120.2%
Total revenue	**62,391**	**66,975**	**-6.8%**

Our Direct-To-Consumer (DTC) channel (Webshop) remains a strategic priority for the Company. In Q1 2025, it accounted for 19.7% of total revenue, up from 8.3% in Q1 2024, reflecting a 120.2% year-over-year 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 an 18.4% revenue decline year-over-year in Q1 2025.

Operating expenses

The table below presents a breakdown of our operating expenses.

in thousand USD	Q1`2025	Q1`2024	Change, %
Cost of sales	(15,521)	(19,057)	-18.6%
Sales and marketing expenses:	(11,089)	(15,085)	-26.5%
thereof User acquisition marketing campaigns	*(7,238)*	*(11,772)*	-38.5%
thereof General sales and marketing expenses	*(3,851)*	*(3,313)*	16.2%
Research and development expenses	(6,000)	(5,705)	5.2%
General and administrative expenses	(7,522)	(8,040)	-6.4%
Total operating expenses	**(40,132)**	**(47,887)**	**-16.2%**

For Q1 2025, operating expenses decreased by USD 7,755 thousand (i.e., 16.2%), from USD 47,887 thousand in Q1 2024 to USD 40,132 thousand. Additional nonrecurring costs associated with headcount reductions amounted to around 6.5% of total operating costs in Q1 2025.

Cost of Sales

Cost of sales, the largest component of operating expenses, declined by USD 3,536 thousand (i.e., 18.6%) year-over-year in Q1 2025, driven by a shift toward the Direct-to-Consumer (DTC) Webshop platform, which benefits from significantly lower platform fees.

Sales and Marketing Expenses

Sales and marketing expenses fell by USD 3,996 thousand (i.e., 26.5%) in Q1 2025 compared to Q1 2024. User Acquisition Marketing Campaigns: decreased by USD 4,534 thousand (–38.5%), reflecting a disciplined investment strategy focused on payback efficiency. General Sales and Marketing Expenses: increased by USD 538 thousand (16.2%), mainly due to higher personnel-related costs, including costs associated with headcount reductions.

Research and Development (R&D) Expenses

R&D expenses rose by USD 295 thousand (5.2%) year-over-year in Q1 2025. The increase was mainly driven by higher employee-related costs, including costs associated with headcount reductions.

General and Administrative Expenses

General and administrative expenses decreased by USD 518 thousand (–6.4%). The year-over-year reduction was primarily due to lower ESOP (Employee Stock Options Plan) expenses.

Profitability

Sales profit increased by USD 3,486 thousand (9.6%), from USD 36,146 thousand in Q1 2024 to USD 39,632 thousand in Q1 2025. The sales profit margin improved by 9.5 percentage points, reaching 63.5%, compared to 54.0% a year earlier. This growth reflects the Company's improved cost efficiency, particularly through significantly reduced spending on user acquisition marketing campaigns (down 38.5%).

Adjusted EBITDA rose by USD 3,337 thousand (15.2%), from USD 21,940 thousand in Q1 2024 to USD 25,277 thousand in Q1 2025. The Adjusted EBITDA margin increased by 7.7 percentage points, from 32.8% to 40.5%, supported by the higher profitability of core franchises and continued cost discipline, including significantly lower share-based payment expenses (down 59.3%).

Net Finance Income / Expenses

The table below presents Finance Income and Expenses for the periods presented.

in thousand USD	Q1`2025	Q1`2024	Change, %
Finance income	2,146	2,107	1.9%
Finance expense	(1,153)	(119)	868.9%
Finance income, net	**993**	**1,988**	**-50.1%**

In Q1 2025, net finance income decreased by USD 995 thousand (–50.1%) year-over-year, from USD 1,988 thousand in Q1 2024 to USD 993 thousand. While finance income increased slightly by 1.9% (from USD 2,107 thousand to USD 2,146 thousand), this was offset by a significant rise in finance expenses, which grew nearly tenfold—from USD 119 thousand to USD 1,153 thousand, driven primarily by higher foreign exchange losses YoY due to the depreciation of USD/PLN exchange rate during the Q1 2025, off-set by the income on revaluation of the FX forward contracts.

Statement of Financial Position

Selected Consolidated Statements of Financial Position

	As at March 31		As at December 31	
in thousand USD	**2025**	**Structure**	**2024**	**Structure**
ASSETS				
Total non-current assets, including:	**24,085**	**10.9%**	**25,838**	**12.7%**
Right-of-use assets	4,236	1.9%	4,847	2.4%
Goodwill	2,502	1.1%	2,408	1.2%
Intangible assets	6,674	3.0%	7,780	3.8%
Long-term investments	1,000	0.5%	500	0.2%
Other items	9,673	4.4%	10,303	5.1%
Total current assets, including:	**197,011**	**89.1%**	**177,477**	**87.3%**
Trade and other receivables	25,570	11.6%	29,702	14.6%
Cash and cash equivalents	164,974	74.6%	141,840	69.8%
Other short-term financial assets	2,879	1.3%	2,465	1.2%
Other receivables	3,588	1.6%	3,470	1.7%
Total assets	**221,096**	**100.0%**	**203,315**	**100.0%**
EQUITY				
Total equity	**194,846**	**88.1%**	**172,810**	**85.0%**
LIABILITIES				
Total non-current liabilities, including:	**3,146**	**1.4%**	**3,964**	**1.9%**
Long-term lease liabilities	2,774	1.3%	3,609	**1.8%**
Other items	372	0.2%	355	**0.2%**
Total current liabilities, including:	**23,104**	**10.4%**	**26,541**	**13.1%**
Trade and other payables	12,036	5.4%	11,426	**5.6%**
Short-term lease liabilities	3,918	1.8%	3,942	**1.9%**
Provisions	1,700	0.8%	1,700	**0.8%**
Corporate income tax liabilities	3,581	1.6%	7,594	**3.7%**
Other items	1,869	0.8%	1,879	**0.9%**
Total liabilities	**26,250**	**11.9%**	**30,505**	**15.0%**
Total equity and liabilities	**221,096**	**100.0%**	**203,315**	**100.0%**

Assets

Total assets increased by USD 17,781 thousand (8.7%), from USD 203,315 thousand as of December 31, 2024, to USD 221,096 thousand as of March 31, 2025. The structure of total assets remained stable, with the following key components: (1) Cash and cash equivalents, accounting for 74.6% of total assets (up from 69.8% as of December 31, 2024), (2) Trade and other receivables, representing 11.6% of total assets (down from 14.6%), (3) Intangible assets, comprising 3.0% of total assets (down from 3.8%).

The increase in total assets was primarily driven by a USD 23,134 thousand increase in cash and cash equivalents, partially offset by a USD 4,132 thousand decrease in trade and other receivables due the lower revenues in March 2025 in comparison to December 2024, as well as due to VAT return received during Q1 2025, and a USD 1,106 thousand decrease in intangible assets.

Equity

Total equity increased by USD 22,036 thousand (12.8%), from USD 172,810 thousand to USD 194,846 thousand as of March 31, 2025. This change was mainly due to net profit generated in the quarter.

Liabilities

Total liabilities decreased by USD 4,255 thousand (13.9%), from USD 30,505 thousand as of December 31, 2024, to USD 26,250 thousand as of March 31, 2025. This decline was primarily driven by a significant drop in corporate income tax liabilities from USD 7,594 thousand to USD 3,581 thousand resulting from the payments made during the quarter.

As of the end of Q1 2025, the main components of total liabilities included: (1) Trade and other payables, accounting for 5.4% of total equity and liabilities (compared to 5.6% as of December 31, 2024), (2) Short-term lease liabilities, at 1.8% (down from 1.9%), (3) and corporate income tax liabilities at 1.6% (compared to 3.7% as of December 31, 2024).

Cash Flows and Liquidity

The following table summarizes selected net cash flows from operating, investing and financing activities for the three-month period ended March 31, 2025 compared to the three-month period ended March 31, 2024.

in thousand USD	Q1`2025	Q1`2024	Change, %
Cash flows from operating activities			
Profit before tax	**23,426**	**20,124**	**16.4%**
Adjustments for:			
Total of non-cash changes in depreciation, amortization and profits or losses on disposal of assets	2,504	2,480	1.0%
Non-cash employee benefits expense - share-based payments	549	1,350	-59.3%
Finance (income)/expense, net	(1,081)	(2,758)	-60.8%
Changes in net working capital	4,145	(476)	n/a
Cash flows from operating activities	**29,543**	**20,720**	**42.6%**
Income tax paid	(7,264)	(6,308)	15.2%
Net cash flows from operating activities	**22,279**	**14,412**	**54.6%**
Cash flows from investing activities, including:			
Long-term investments	(500)	(3,500)	-85.7%
Acquisition of property, plant and equipment and intangible assets	(212)	(1,072)	-80.2%
Interest received	1,523	1,688	-9.8%
Other items	327	318	2.8%
Net cash flows from/(used in) investing activities	**1,138**	**(2,566)**	**n/a**
Cash flows from financing activities, including:			
Lease repayment (principal) & interest paid	(1,124)	(1,063)	5.7%
Exercise of stock options	4	142	-97.2%
Repurchase of own shares incl. transaction costs	(377)	(113)	233.6%
Net cash flows from/(used in) financing activities	**(1,497)**	**(1,034)**	**44.8%**
Net increase/(decrease) in cash and cash equivalents	**21,920**	**10,812**	**102.7%**

Net cash flows from operating activities

Net cash inflows from operating activities amounted to USD 22,279 thousand in Q1 2025, compared to USD 14,412 thousand in Q1 2024, representing a 54.6% year-over-year increase. This improvement was primarily driven by higher profit before tax, positive changes in working capital, offset by a reduction in finance income.

Net cash flows from investing activities

Net cash from investing activities was positive USD 1,138 thousand in Q1 2025, compared to negative USD 2,566 thousand in Q1 2024. The shift was primarily due to a reduction in long-term investments (down 85.7%) and lower capital expenditures (down 80.2%).

Net cash flows from financing activities

Net cash used in financing activities totaled USD 1,497 thousand in Q1 2025, compared to USD 1,034 thousand in Q1 2024, representing a 44.8% increase. This was mainly driven by the excise tax (included in the transaction costs) paid on the share-buy back transaction conducted during the year 2024.

6. Possibility of accomplishing previously published forecasts

The Board of Directors has not published financial forecasts for 2025.

7. Identification of Significant Disputes before Courts, Arbitration bodies or authorities

As of the date of the issuance of this report, 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. On April 25, 2025, the Supreme Court of Alabama issued an order compelling arbitration. As of the date of the issuance of this report, 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 March 31, 2025, and as of the date of the issuance of this report.

- 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 thresholds 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 final hearing is scheduled for August 5, 2025. 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 the issuance of this report, 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 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. On April 25, 2025, the Court issued an order dismissing the complaint with leave to amend. As of the date of the issuance of this report, 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 the issuance of this report, 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 the date of approval of this Report for publication, a party to any significant court or arbitration proceedings or before any public authority.

8. Transactions with related parties

The Company and all the Huuuge Group companies conclude transactions with its affiliates only on arm's length basis. Information regarding transactions with related entities is provided in the Note 16 *Related Party Transactions* to the Interim Condensed Consolidated Financial Statements.

9. Granted sureties, loans, guarantees

Huuuge Global Ltd and Huuuge Games Sp. z o.o. have entered into two agreements with the banks for the purpose of conducting forward and derivative transactions. The maximum amount of the contingency obligation for both parties is disclosed in the Note 15 *Pledges, collaterals and other off-balance sheet positions* to the Interim Condensed Consolidated Financial Statements.

The Company and Huuuge Group companies did not give any other loan or credit sureties or guarantees.

10. Subsequent events

Information regarding subsequent events is provided in the Note 19 Subsequent events to the Interim Condensed Consolidated Financial Statements.

Wojciech Wronowski

Wojciech Wronowski
Chief Executive Officer
27th May, 2025

Company’s selected separate financial data

Selected separate financial data

The following table presents selected financial data of the Company.

in thousand USD	USD Q1`2025	USD Q1`2024	EUR Q1`2025	EUR Q1`2024	PLN Q1`2025	PLN Q1`2024
Revenue	266	209	253	193	1,063	834
Operating profit (loss)	(1,008)	(959)	(958)	(883)	(4,027)	(3,828)
Pre-tax profit (loss)	(112)	(2)	(106)	(2)	(447)	(8)
Net profit (loss)	(225)	(500)	(214)	(461)	(899)	(1,996)
Net cash flows from operating activities	43,289	8,781	41,157	8,089	172,948	35,051
Net cash flows from investing activities	241	(2,354)	229	(2,168)	963	(9,396)
Net cash flows from financing activities	(372)	29	(354)	27	(1,486)	116
Total net cash flows	43,158	6,456	41,033	5,947	172,425	25,770
Cash and cash equivalents at the end of period	114,690	86,805	105,930	80,502	443,161	346,230
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	56,070,675	62,990,181	56,070,675	62,990,181	56,070,675	62,990,181

Company's separate statement of comprehensive income

in thousand USD	Period ended March 31, 2025	Period ended March 31, 2024
Revenue	**266**	**209**
Operating expenses	(1,241)	(1,166)
Other operating expenses	(33)	(2)
Operating result	**(1,008)**	**(959)**
Finance income/(expense), net	896	957
Profit/(loss) before tax	**(112)**	**(2)**
Income tax	(113)	(498)
Net result for the period	**(225)**	**(500)**
Total comprehensive income/(loss) for the period	(225)	(500)

Company's separate statement of financial position

in thousand USD	As at March 31, 2025	As at December 31, 2024
Assets		
Non-current assets		
Investment in subsidiaries	29,305	28,995
Deferred tax asset	2,728	2,841
Long-term investments	1,000	500
Total non-current assets	**33,033**	**32,336**
Current assets		
Dividend receivable	-	44,864
Corporate income tax receivable	1,284	1,285
Trade and other receivables	2,274	911
Cash and cash equivalents	114,690	71,441
Total current assets	**118,248**	**118,501**
Total assets	**151,281**	**150,837**
Equity		
Share capital	1	1
Treasury shares	(15,689)	(15,720)
Supplementary capital	78,086	78,112
Employee benefit reserve	29,783	29,234
Retained earnings/(Accumulated losses)	56,000	56,225
Total equity	**148,181**	**147,852**
Current liabilities		
Trade and other payables	1,400	1,285
Other provisions	1,700	1,700
Total current liabilities	**3,100**	**2,985**
Total equity and liabilities	**151,281**	**150,837**

Company's separate statement of changes in equity

in thousand USD	Share capital	Treasury shares	Supplementary capital	Employee benefit reserve	Retained earnings	Equity
As of January 1, 2025	**1**	**(15,720)**	**78,112**	**29,234**	**56,225**	**147,852**
Net profit/(loss)	-	-	-	-	(225)	(225)
Total comprehensive income/(loss) for the period	**-**	**-**	**-**	**-**	**(225)**	**(225)**
Exercise of stock options	0*	31	(26)	-	-	5
Employee share schemes - value of employee services	-	-	-	549	-	549
As of March 31, 2025	**1**	**(15,689)**	**78,086**	**29,783**	**56,000**	**148,181**

* 0 represents an amount less than USD 1 thousand.

in thousand USD	Share capital	Treasury shares	Supplementary capital	Employee benefit reserve	Retained earnings	Equity
As of January 1, 2024	**1**	**(16,652)**	**149,590**	**25,749**	**(39,502)**	**119,186**
Net profit/(loss)	-	-	-	-	(500)	(500)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(500)**	**(500)**
Exercise of stock options	0*	315	(173)	-	-	142
Employee share schemes - value of employee services	-	-	-	1,350	-	1,350
Transaction costs related to SBB program	-	(293)	-	-	-	(293)
As of March 31, 2024	**1**	**(16,630)**	**149,417**	**27,099**	**(40,002)**	**119,885**

* 0 represents an amount less than USD 1 thousand.

Company's separate statement of cash flows

in thousand USD	Three-month period ended March 31, 2025	Three-month period ended March 31, 2024	Change	change, %
Cash flows from operating activities				
Profit/(loss) before tax	**(112)**	**(2)**	**(110)**	**5,500.0 %**
Adjustments for:				
Share-based payments - ESOP recharge from subsidiaries	150	440	(290)	-65.9%
Non-cash employee benefits expense – share-based payments	90	228	(138)	-60.5%
Finance (income)/expense, net	(832)	(963)	131	-13.6%
Changes in net working capital:				
Trade and other receivables	(1,363)	(1,316)	(47)	3.6%
Trade and other payables	492	483	9	1.9%
Dividend receivables	44,864	10,000	34,864	348.6%
Cash flows from operating activities	**43,289**	**8,870**	**34,419**	**388.0%**
Income tax (paid)/received	-	(89)	89	-100.0%
Net cash flows from/(used in) operating activities	**43,289**	**8,781**	**34,508**	**393.0%**
Cash flows from investing activities				
Long-term investments outflows	(500)	(3,500)	3,000	-85.7%
Interest received	741	1,146	(405)	-35.3%
Net cash flows from investing activities	**241**	**(2,354)**	**2,595**	**n/a**
Cash flows from financing activities				
Repurchase of own shares incl. transaction costs	(377)	(113)	(264)	233.6%
Exercise of stock options	5	142	(137)	-96.5%
Net cash flows from financing activities	**(372)**	**29**	**(401)**	**n/a**
Net increase/(decrease) in cash and cash equivalents	43,158	6,456	36,702	568.5%
Effect of exchange rate fluctuations and accrued interest	91	(183)	274	n/a
Cash and cash equivalents at beginning of the year	**71,441**	**80,532**	**(9,091)**	**-11.3%**
Cash and cash equivalents at end of the year	**114,690**	**86,805**	**27,885**	**32.1%**

Unusual events significantly affecting Huuuge, Inc. separate financial data

Events that were unusual in nature, value or frequency and that significantly affected the Company's assets, liabilities or equity as of March 31, 2025 or the Company's net result and cash flows for the three-month period ended March 31, 2025 were the following:

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 7 *Long-term investments* to the Interim Consolidated Financial Statements as at and for the three-month period ended March 31, 2025).

Dividend paid by Huuuge Global Limited
For the balance outstanding as of December 31, 2024 of the dividend from Huuuge Global Ltd. in the amount of USD 44,864 thousand the payment was received in March 2025.

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