



**HUUUGE**

**Play Together.**

February 2021

**A Global Success Story in Gaming**

[huuugegames.com](http://huuugegames.com)

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# Agenda

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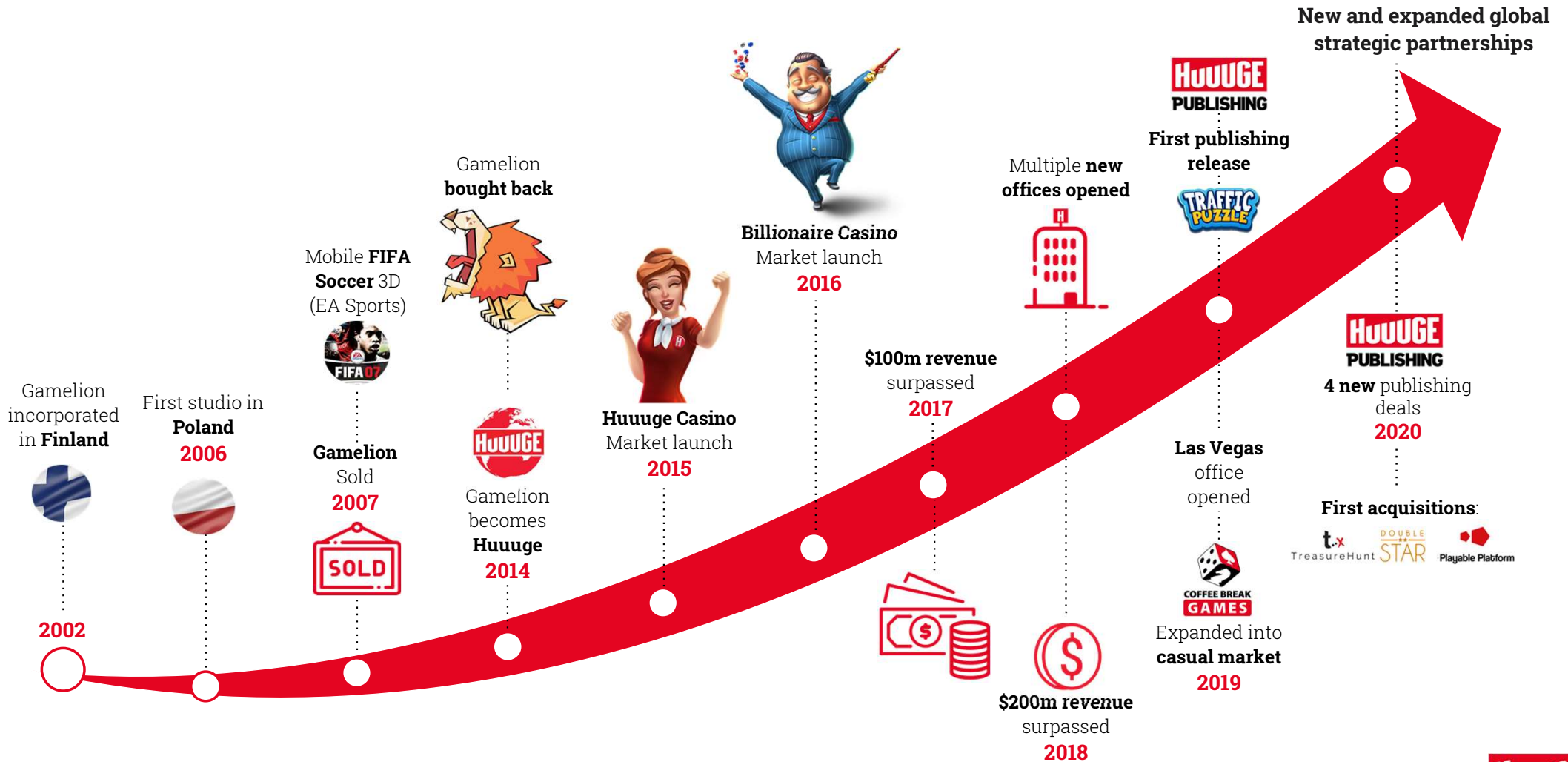
**MISSION:**

**Empower billions of people to play together**

**VISION:**

**Transform mobile gaming into a massively social experience**

# A Huuuge track record of success



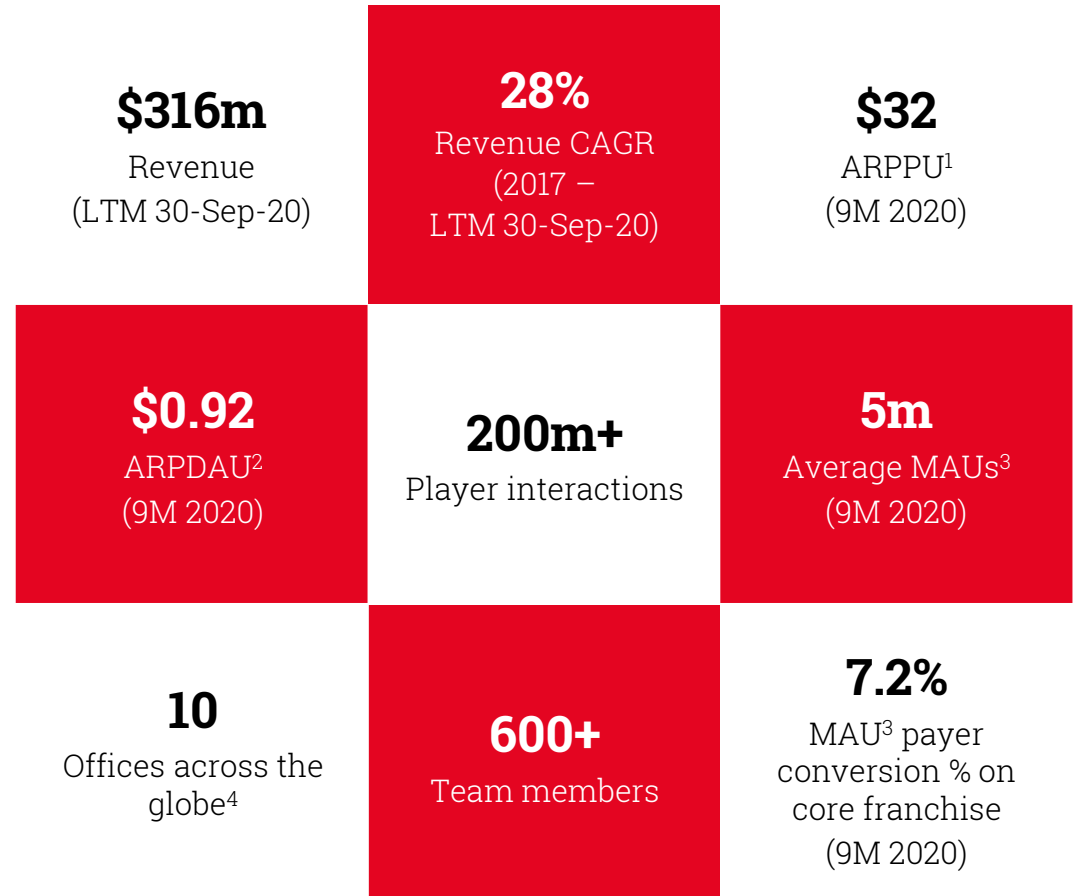
Source: Company data

# Huuuge Games at a glance

**Who we are:** A global game developer and publisher focused on the multi-billion, fast growing mobile gaming market

**What we do best:** Develop, publish and operate mobile games at scale

**Why we excel:** Best-in-class free-to-play game monetisation



Source: Company data

Note: <sup>1</sup> Average Revenue Per Paying User; <sup>2</sup> Average Revenue Per Daily Active User; <sup>3</sup> Monthly Active Users; <sup>4</sup> Including two external studios in Kiev and Hong Kong; 9M 2020 financials are based on management's unaudited reports; 9M 2020 operational data has neither been reviewed nor audited

# Basics of social mobile gaming



## Who plays?

### **EVERYONE**

2.7bn mobile gamers in 2021E

**38%**

of which make in-app purchases

**65%**

of global players are women

**50%+**

of gamers are older than 34



## Why do they play?

### **Fun and entertaining**

way to pass the time and relax

Accessible, **low-cost form of entertainment**  
that can be **played anywhere, 24/7/365**

Attractive **social features**  
retain users and promote play time

Provides an **emotional outlet**  
or distraction for users to **access anytime**



## Why do they make in-app purchases?

**Entertainment** / playtime

**Extra bonuses** / content

**Social network effect**

**Accelerated in-game progression**  
and improved performance for rankings

**Broad audience allows broad social networks and player "liquidity" and can be monetized through in-app purchases and advertising**

# Overview of our core franchises

## Huuuge Casino



Launched in 2015  
1.5m monthly active users (9M 2020)

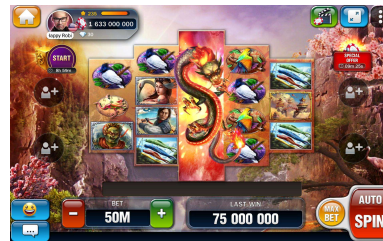
- Huuuge Games' **flagship title** with **over \$600m in lifetime revenue** across iOS, Android and Facebook
- Offers players over **100 casino slot machines**, as well as poker, baccarat and roulette
- Huuuge Casino is a **pioneer in the social casino space**, with its truly mobile-first user experience and **real-time player vs. player-style gameplay**
- First game to introduce features like **clubs** to social casino



Huuuge Casino



Billionaire Casino



Source: Company data; 9M 2020 operational data has neither been reviewed nor audited

## Billionaire Casino



Launched in 2016  
1m monthly active users (9M 2020)

- Billionaire Casino's **revenue has grown rapidly** since its release with **over \$250m in lifetime revenue**
- Offers players **over 100 casino slot machines**, as well as poker, baccarat and roulette
- **Differentiated aesthetic** from Huuuge Casino attracts **additive player base**
- Allows players to **create a club** with their friends or join a club and **meet new people** while playing slot machines

## WHY

### HAVE THEY BEEN SO SUCCESSFUL?

- Our games are **free to play**, and primarily monetized via **in-app purchases**
- **Innovative game mechanics** and **social features** in our games **maximize payer conversion** and allow our core games to achieve above-market results
- We engage our players in **personalised activities** to retain them
- In particular, we focus on **Live Ops** including various features from **daily challenges** to periodic **large events**
- Our **unique social features** also drive the **deep engagement and exceptional monetization profile** of our players



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# A 'Huuugely' exciting and differentiated proposition



1



**Massive and rapidly growing mobile gaming market**

2



**Leader in truly social mobile gaming with proven games and attractive pipeline**

3



**Upside from highly valuable user base and best-in-class monetisation metrics**

4



**Fast growing top line and cash flow generation underpinned by scalable business model**

5



**Proven Build & Buy strategy with robust and growing pipeline of opportunities**

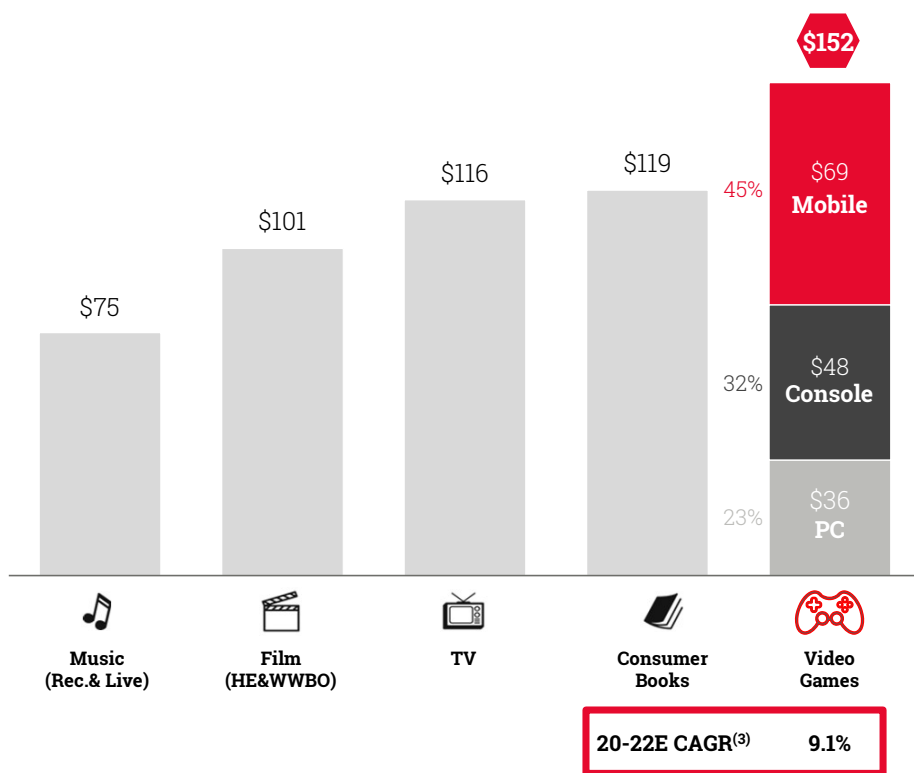
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**Founder-led, visionary and experienced team with a strong track record of success**

# 1 Mobile gaming is the present and future of entertainment

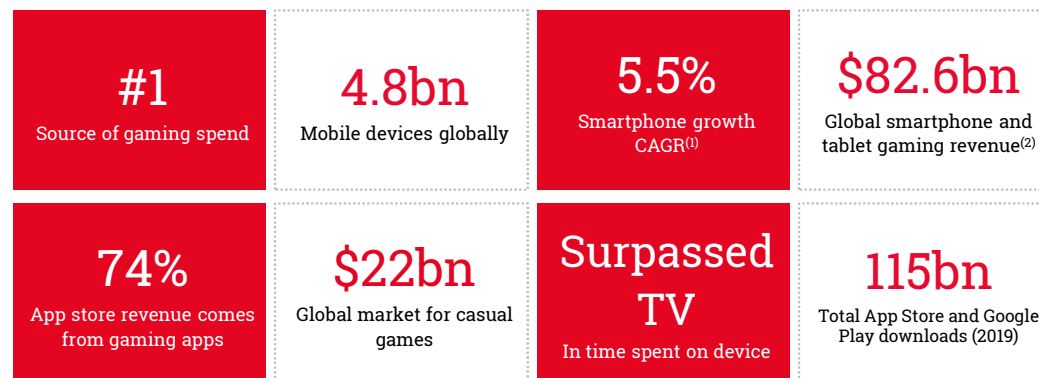
## Global consumer spend on entertainment (\$bn, 2019)



## Mobile fuels gaming growth (2020E - 2022E revenue CAGR)



## Mobile gaming is the place to be!



Source: Newzoo, IBISWorld, Motion Picture Association, IDC, eMarketer, SensorTower, Eilers & Krejcik  
 Note: <sup>1</sup>2019A - 2021E growth CAGR; <sup>2</sup>Includes in-app purchases and advertising revenue; <sup>3</sup>2020E - 2022E CAGR for all video games

## 2 The first truly social, social casino games



The image shows the Huuuge Casino lobby. At the top left is the Huuuge logo with the tagline "Play Together." To the right is a social network diagram with icons for players like Krysztof, Jan, Susan, and Lucas, connected by lines, with a central icon indicating "200m+ PLAYER INTERACTIONS". Below this is a screenshot of a slot game interface. The game has five reels with symbols like 9, 10, K, A, Q, J, and a dragon. The interface includes player avatars and names like Samantha (11.45M), William (21.2M), Bridget (2.243M), and Alfredo (33.24M). It also shows a bet of 100M and a last win of 12 000 000. The text "Press SPIN to play" is visible.

Screenshot showcasing Huuuge Casino lobby where players around the world meet

**Platform provides engaging social meta-game layer**

**Large, disruptive gaming social platform, with tremendous scalability...**

- **First** true real-time online massive multiplayer game in the social casino genre offering a unique social experience
- **200m+** player interactions creating an active network of players who like to play together, have fun, compete and socialize
- **195** countries
- **200,000+** clubs

**...driving stickiness and increasing monetization**

- **43%** of MAUs<sup>1</sup> are part of a club<sup>2</sup>
- **74%** of paying users are part of one or more clubs<sup>2</sup>
- **85%** of paying users interact with other players via club systems, chats and leagues<sup>2</sup>

**Smart social network architecture is difficult to replicate**

2

## Our club systems enhance engagement and monetisation



### Clubs in our games

#### Social meta

- Club league system – weekly competitive leaderboard
- Club events – daily tasks for club members
- Additional benefits for playing the same game at the same time

#### Communication

- Club chat and emojis
- Club wall (forum)

#### Advanced, next generation club benefits

- Members get a bonus / reward if a member of their club makes a purchase or wins a jackpot

**Clubs keep players active and engaged, increasing retention**

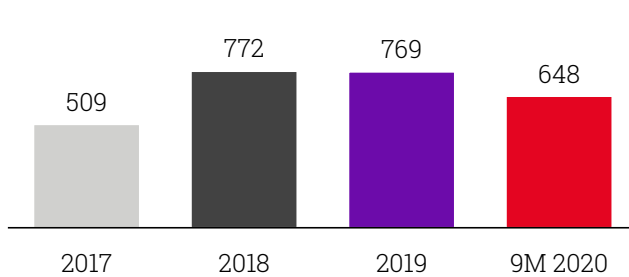
3

## Impressive user KPIs

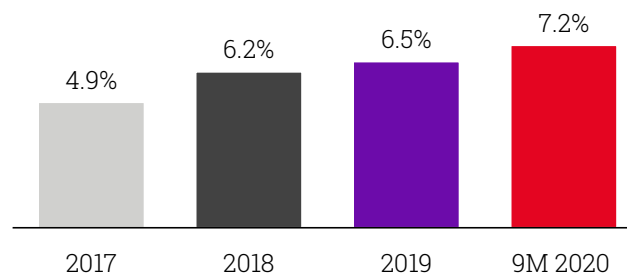
Track record of incremental payer conversion years after initial acquisition

### Core franchises<sup>1</sup>

#### DAU (Thousands)



#### Conversion (MPU/MAU)

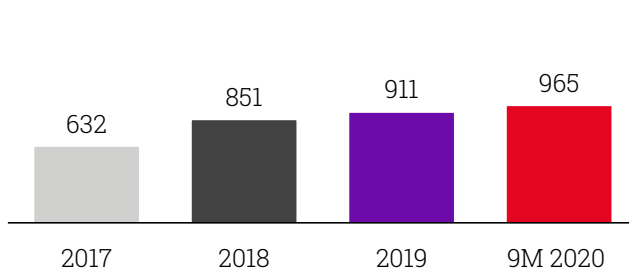


#### ARPPDAU (\$)

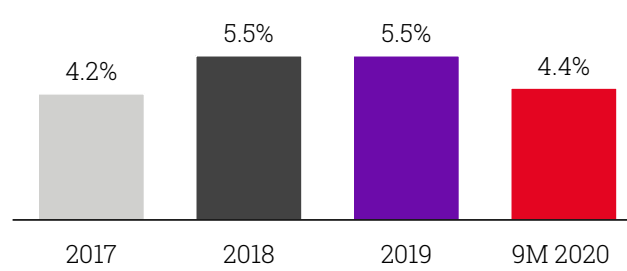


### Overall company<sup>2</sup>

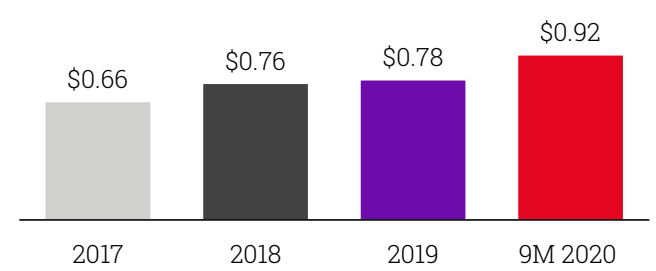
#### DAU (Thousands)



#### Conversion (MPU/MAU)



#### ARPPDAU (\$)



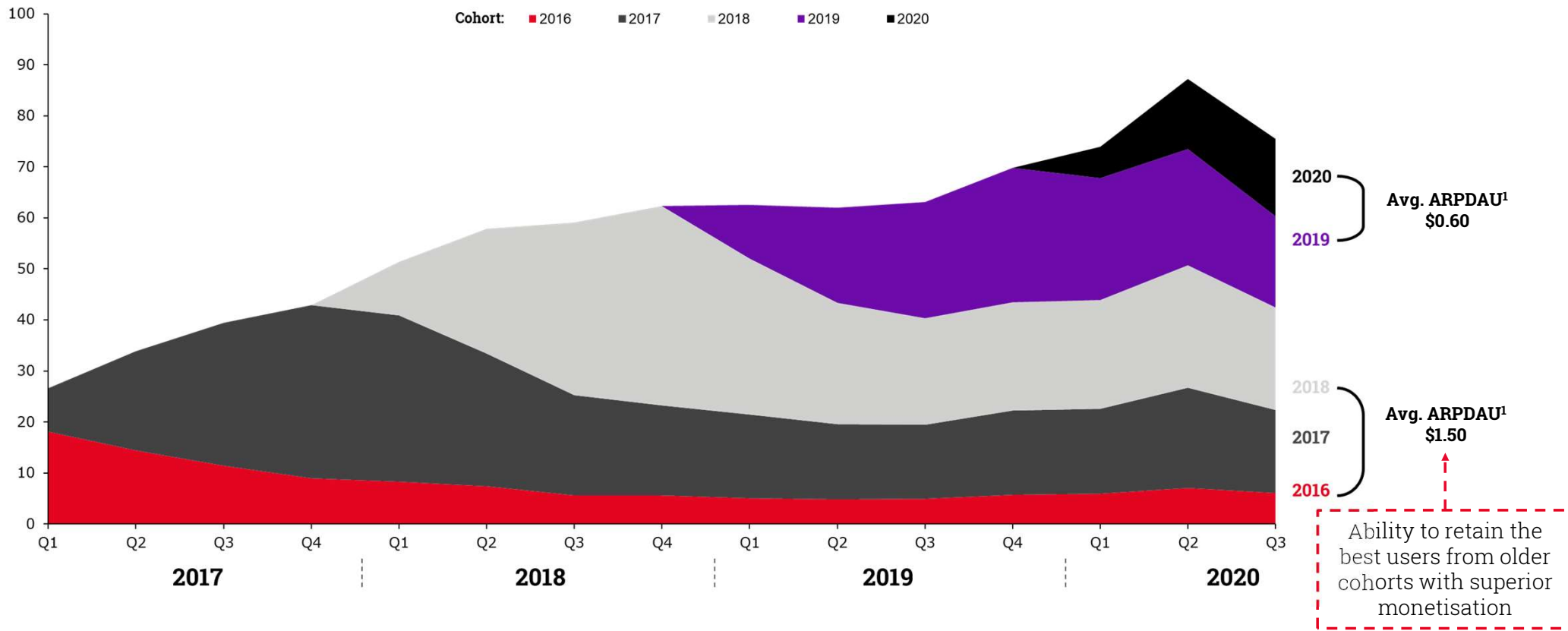
Source: Company data

Note: <sup>1</sup>Includes Huuuge Casino and Billionaire Casino, revenue-weighted; <sup>2</sup> Blend of core portfolio, new franchises and other

DAU: Daily Active Users; MPU: Monthly Paying Users; MAU: Monthly Active Users; ARPPDAU: Average Revenue Per Daily Active User; 9M 2020 operational data has neither been reviewed nor audited

### 3 Our games have an evergreen nature and a sticky player base

Quarterly revenue cohorted by year of install (\$m)



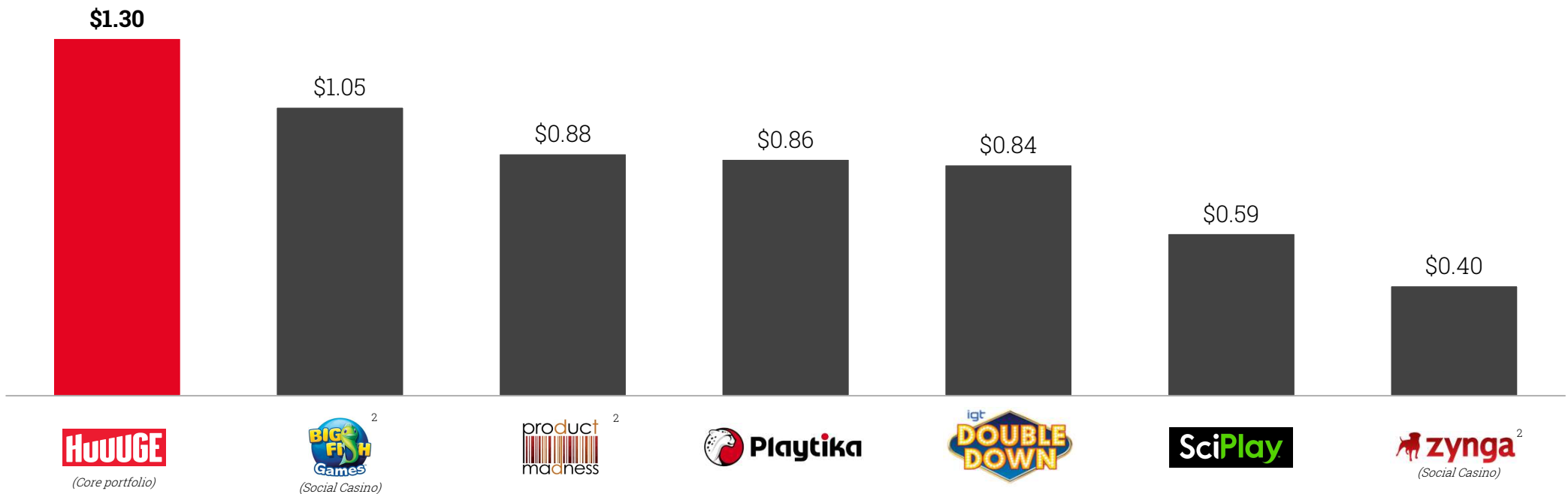
Source: Company information  
 Note: <sup>1</sup> Average Revenue Per Daily Active User; operational data has neither been reviewed nor audited

3

## Our core portfolio has above-average monetisation vs. peers

ARPD<sup>1</sup>AU<sup>1</sup> (\$)

9M 2020



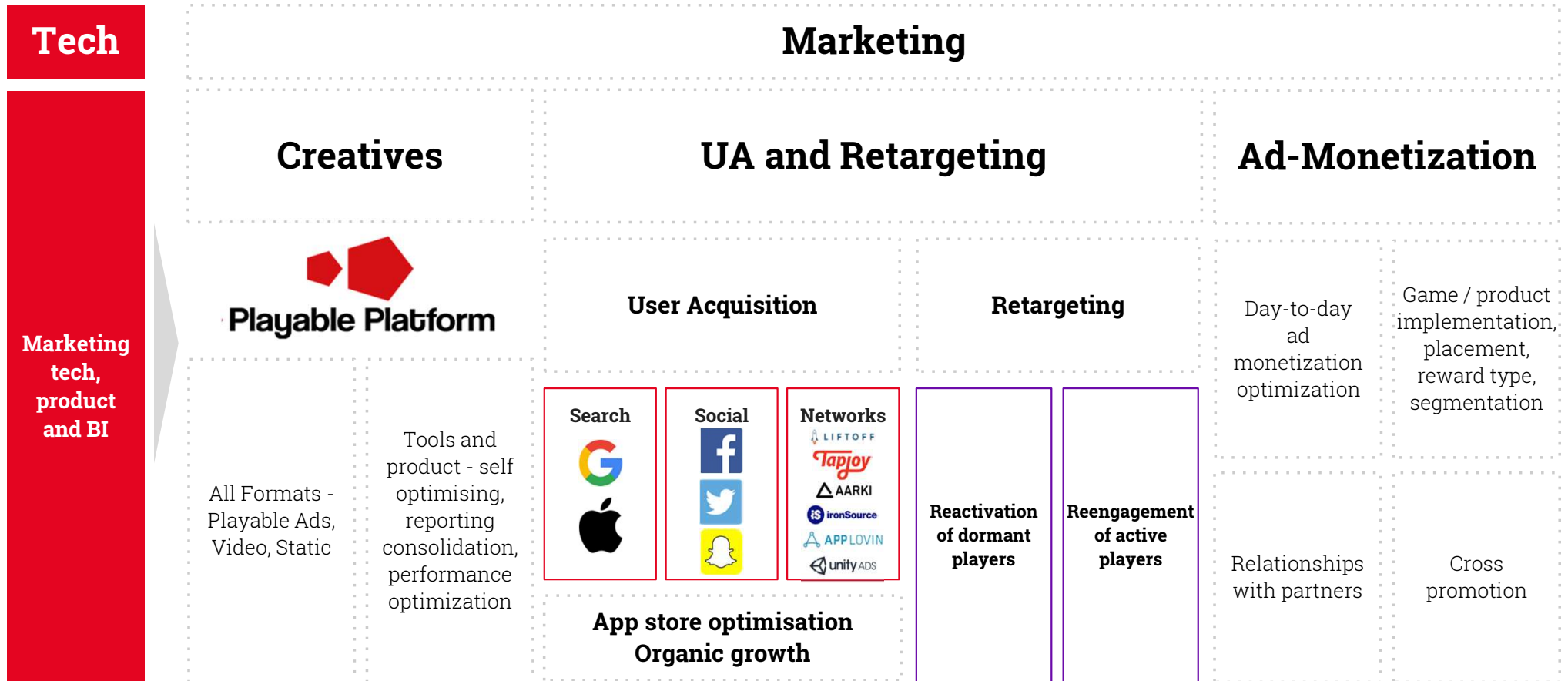
ARPD<sup>1</sup>AU<sup>1</sup> across our core portfolio materially exceeds that of our closest competitors, driven by our loyal and active player base who are attracted by our social centric games

Source: Company data; Eilers & Krejcik; Peer set shown for core franchise only

Note: <sup>1</sup>Average Revenue Per Daily Active User; <sup>2</sup>Average revenue per user shown (ARPU); Company 9M 2020 operational data has neither been reviewed or audited



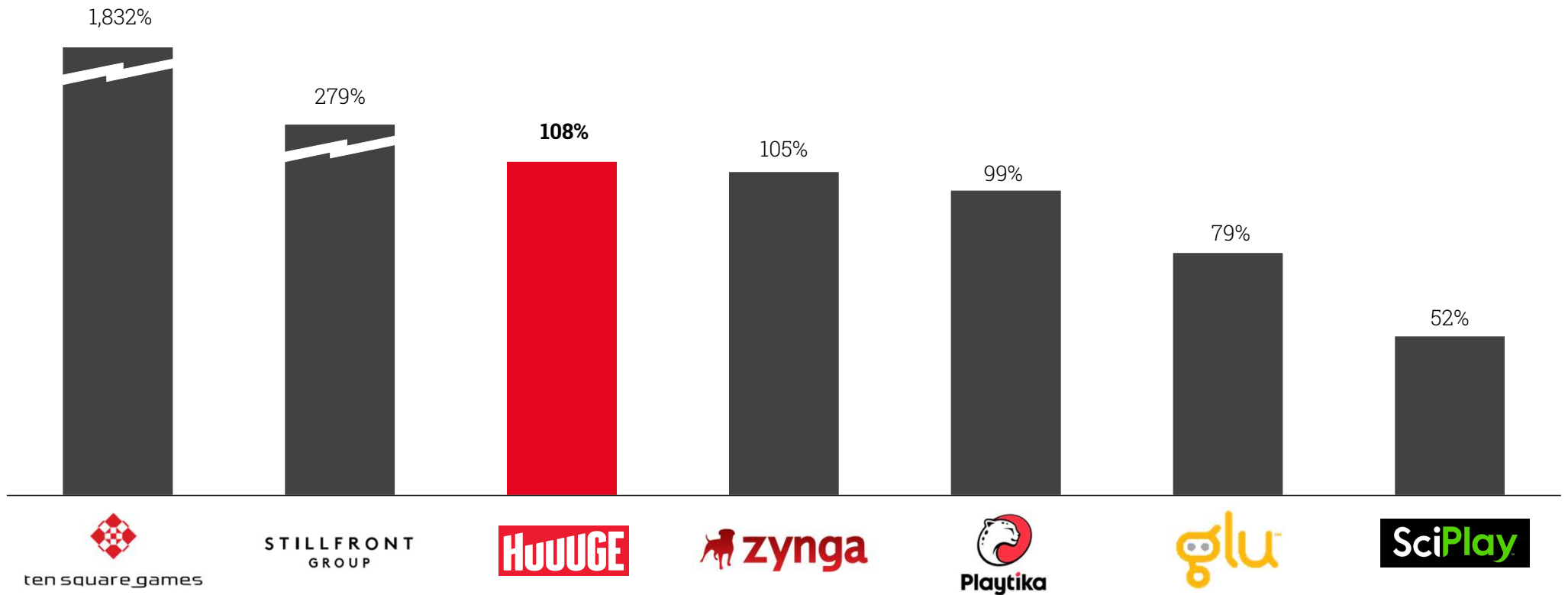
# 3 HUUUGE marketing overview and strategy



4

# Huuuge Games' financial performance is strong vs. global peers

'17A<sup>1</sup> – LTM 30-Sep-20 revenue increase (%)

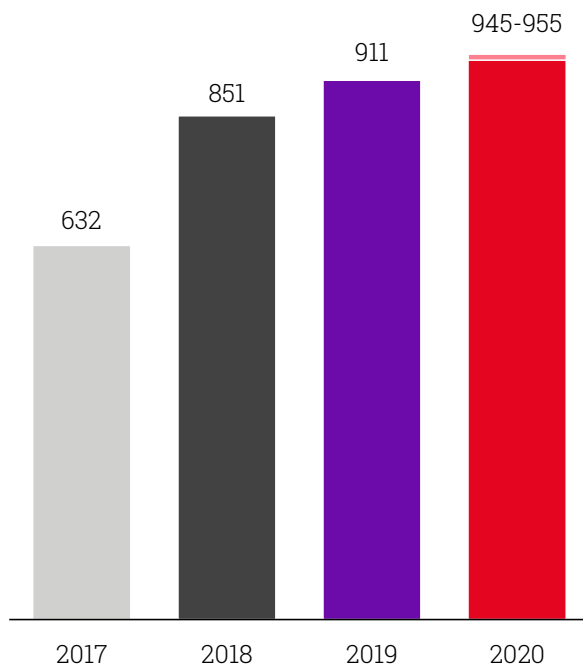


Source: Company data  
Note: <sup>1</sup>Calendarised to December end

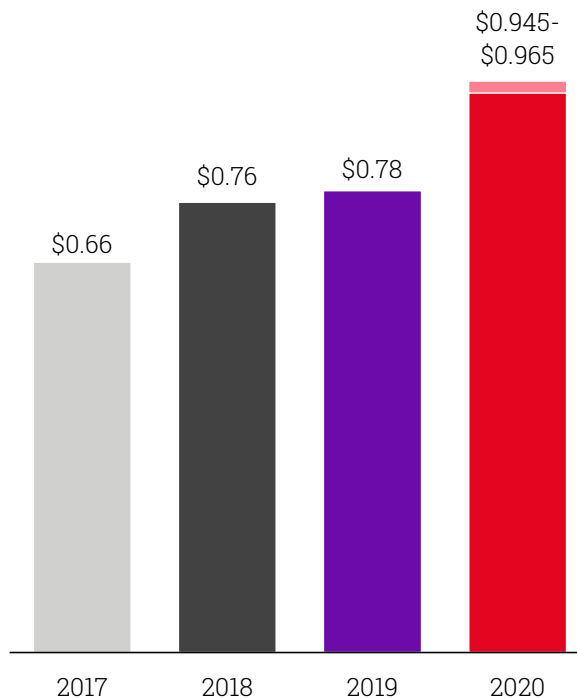
# Trading update

## Overall company<sup>1</sup>

### DAU (Thousands)



### ARPPDAU (\$)



## Commentary

- **Continued acceleration and momentum**
- Monetisation has **continued to improve** and December trends are encouraging
- **Strong performance of new franchises**, achieving **upper-end of single digit percent share** of total revenue in Q4 2020 and achieving **double digit percentage share** in December 2020
- Also held **successful, popular live events** related to Black Friday, Christmas and New Year's Eve
- **Organic uplift** in Trolls Pop due to Google Play award
- **Bytedance** has offered to extend our Bow Land China deal
  - Initial launch in Jan 2021 on Douyin, the top short-form video sharing network in China (600+ million DAU)
- **Significant growth** of Brave division and **strong December performance** particularly for Traffic Puzzle and Dominoes given **UA spend ramp up**

Source: Company data




Note: <sup>1</sup> Blend of core portfolio, new franchises and other

DAU: Daily Active Users; ARPPDAU: Average Revenue Per Daily Active User

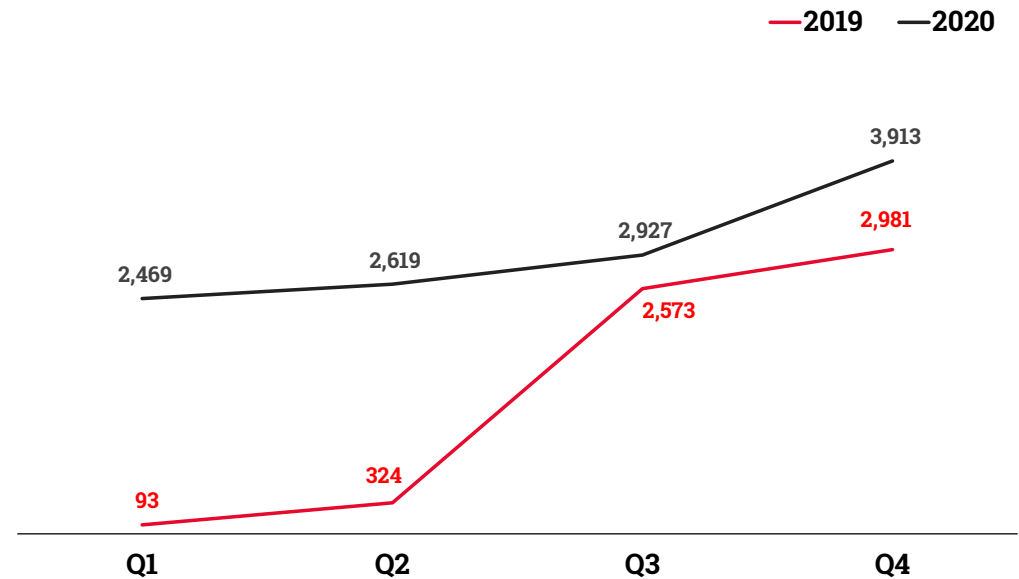
4

## Our new franchises portfolio continues to exhibit strong momentum

### Snapshot of key new game launches

Game	Global launch	Key highlights
<b>Traffic Puzzle</b> 	April 2019	<ul style="list-style-type: none"> <li>→ DAU more than doubled for 2020 vs. 2019</li> <li>→ 4Q20 gross bookings exceeded 2Q20 and 3Q20 combined</li> </ul>
<b>Coffee Break Games</b> 	2019 - 2020	<ul style="list-style-type: none"> <li>→ 10.1m installs (Since Feb-19)</li> <li>→ 1.1 m MAUs<sup>1</sup> (Dec-20)</li> <li>→ DAU<sup>2</sup> more than doubled for 2020 vs. 2019</li> </ul>
<b>Stars Slots</b> 	January 2020	<ul style="list-style-type: none"> <li>→ 2.7m installs (since Jan-20)</li> <li>→ MAUs<sup>1</sup> up ~97% from launch to Dec 2020</li> </ul>

### New franchises daily paying users quarterly trend



We continue to see strong growth and momentum across our new franchises portfolio as we scale and invest in each title!

Source: Company data

Note: <sup>1</sup> Monthly Active Users; <sup>2</sup> Daily Active Users; Operational data has neither been reviewed or audited

4

# Traffic Puzzle case study

The Publishing studio's debut title proved to be an early success, and is still full of potential

## WHAT

MAKES IT DIFFERENT?

- Unique **casual puzzle game** inspired by the **top-grossing match-3** mechanics
- **Innovative matching game play** unseen in competitor titles
- An **appealing, under-utilised theme** (automotive) positions Traffic Puzzle away from "Home Ownership" and food-themed incumbents

## WHY

DOES IT EXIST?

- Strong **long-term retention**
- Encouraging **development progress** and **ability to scale** the product via paid user acquisition
- The company's first foray into the large, **high-value puzzle game market**

## HOW

DO WE GROW IT?

- **User segmentation** and personalised offers
- Smart **ad-monetisation**
- Time-limited events with **different rules and visuals**

### Rapid ramp-up and strong performance

We more than doubled Traffic Puzzle daily revenue in Q4 2020

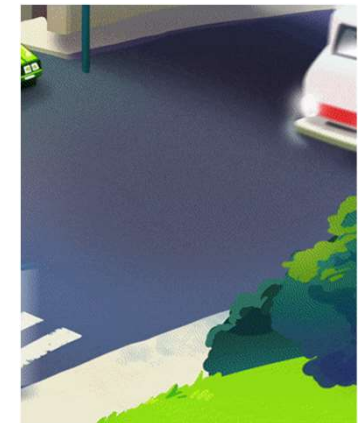


October 2020

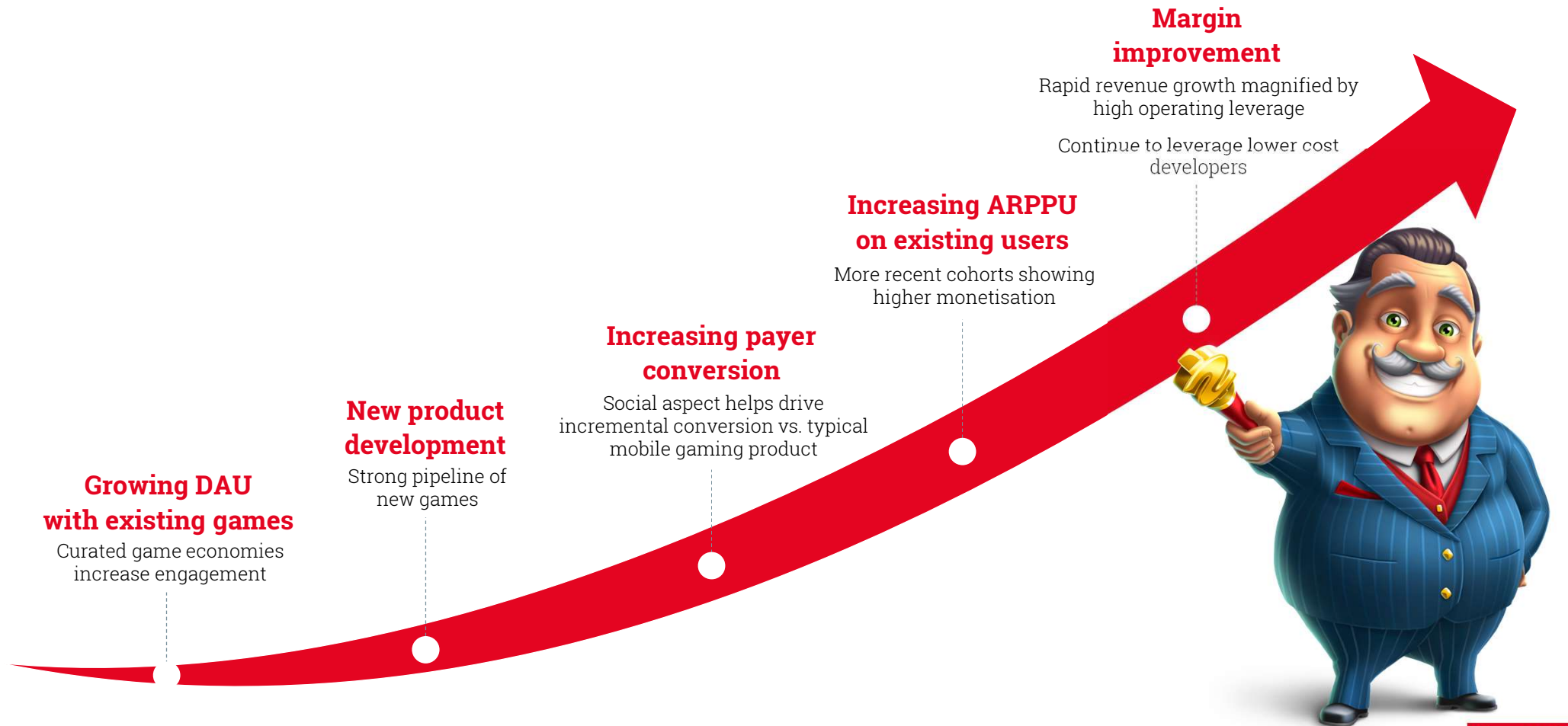


December 2020

- Achieved via **high-end playables** and Huuuge's **self-optimising creative engine**



# Multiple organic growth avenues across products and operations



## Clear M&A roadmap

Highly accretive deal structures and targets complementary to Huuuge's company strategy

### Targets

#### Financial profile



Consistent revenue growth



EBITDA generative



Proven revenue stream(s)

#### Location



Flexible, with a preference for Western & Central Europe

#### Valuation ranges



##### Primary targets

**\$20m - \$300m** EV, based on our target profile



##### Secondary targets

**\$0.5m - \$20m** EV acquisitions via publishing channel



##### Other targets

**\$0.5m - \$10m** EV with additive competencies or technology

#### Earn-out framework



Conceptually aligned with Huuuge's studio bonus plan

#### Publishing agreements



Call option style terms commonly baked into our publishing agreements give Huuuge the flexibility to acquire exciting and proven games

## Recently completed transactions

### TreasureHunt GmbH



Developer of casual, F2P mobile games. Developer of *Trolls Pop!* and following the acquisition, of *Huuuge Bubble Pop Story*.

The assets of TreasureHunt were acquired, and the team hired into our existing Berlin Studio.

**Deal Status** Closed, February '20

**Consideration** < \$5.0M

**Deal Source** Inbound

**Location** Berlin



### Playable Platform B.V.



Advertising technology company focused on the creation of interactive, or “playable” advertisements.

Acquiring Playable Platform meant internalising a valuable service provider to Huuuge and previously, our competitors.

**Deal Status** Closed, June '20

**Consideration** < \$5.0M

**Deal Source** Marketing Partner

**Location** Amsterdam



### Double Star Oy



Developer of casual, F2P mobile games, founded by early Rovio employees behind Angry Birds: one of the most successful mobile games to-date.

Developer of *Bow Land*, our Publishing studio's fourth product.

**Deal Status** Closed, July '20

**Consideration** < \$35.0M

**Deal Source** Publishing Partner

**Location** Helsinki





5

# The HUUUGE team has an extensive history of successfully executing and integrating transactions



Anton **Gauffin** ▾



Jon **Bellamy** ▾



Elad **Kushnir** ▾



Maciej **Hebda** ▾



Tal **Shoham** ▾

**LPs**

VGAMES spintop ventures  
PLAY BRAGIEL BROTHERS

**Acquisitions**

Playable Platform by HUUUGE  
GAMELIION by BIG BETS

**Sellsides**

GAMELIION to BLStream  
BLStream to [World Map]  
SUMOING to kuu hubb  
DATA TIGER to Apple

**Minority Investments**  
(30+ in total)

reworks AppOnboard GAMEJAM  
GIGANTIC SKUNK WORKS StarBerry  
Book a Way DREAM BIG GAMES Matchmade

**Acquisitions**

Playable Platform by HUUUGE  
DOUBLE STAR by HUUUGE

**Sellsides**

JAGEX to FU HONG INTERACTIVE  
plexchat to WB  
PLAYRAVEN to ROVIO  
sensible object to NIANTIC  
GUMBUG to Voodoo

**Minority Investments**

AppOnboard sensible object BETADWARF  
tiny bytes MITOSIS SINGULARITY  
REACH BUNCH PIXION KNEEK  
ROBOTICS coda

**LPs**

VGAMES

**Acquisitions**

Pacific Interactive by CAESARS ENTERTAINMENT  
BIG BLUE PARROT by Playtika  
t.x by HUUUGE  
Playable Platform by HUUUGE

**Sellsides**

Playtika to GIANT STRATEGY

**Acquisitions**

Playable Platform by HUUUGE

**Advisory**

BOOMBIT

**Minority Investments**

KR KOOLEPLAY

**Acquisitions**

Playable Platform by HUUUGE

**Sellsides**

supersonic to ironSource

**Minority Investments**

ironSource

The team has executed 15+ acquisitions, 25+ investments and 4 listings totalling \$7bn+ in transacted value to date

# 6 Founder-led, entrepreneurial and truly global team



600+ team members from around the world



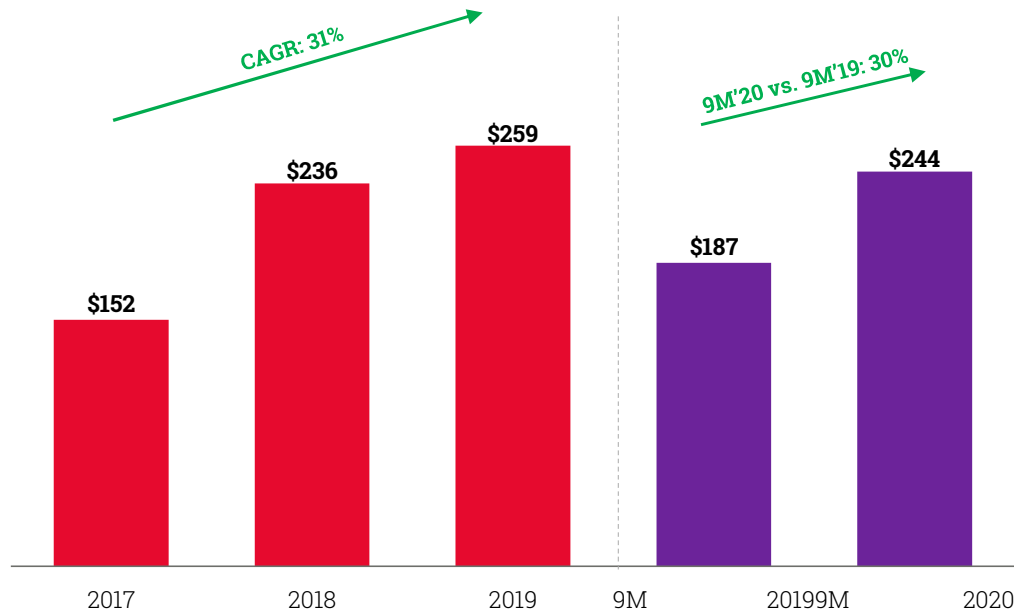
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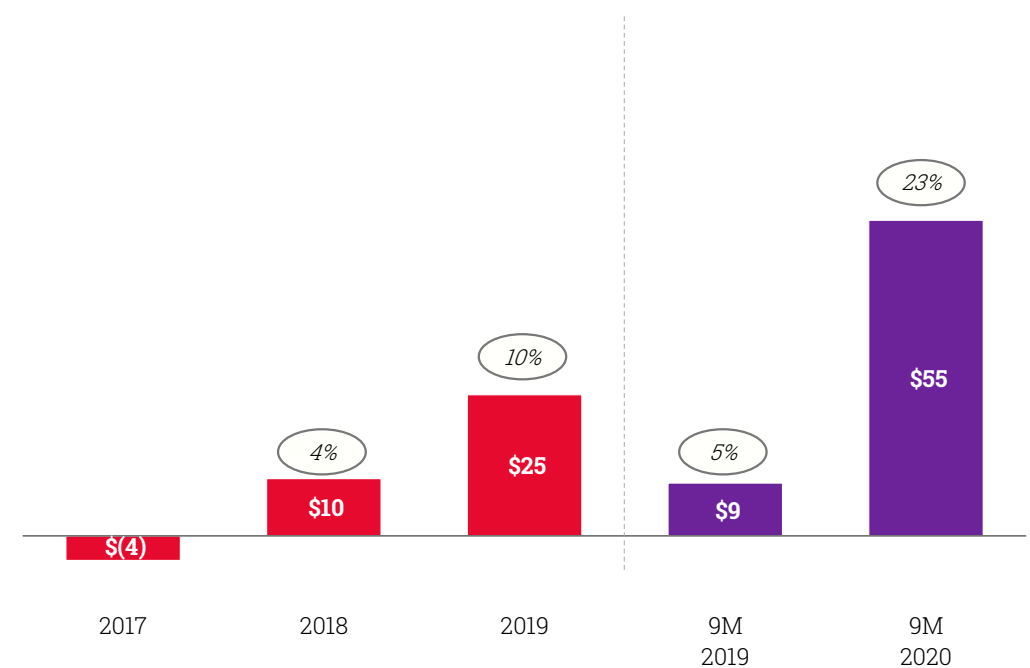


# Huuuge's strong track record of revenue growth across franchises has led to substantially improved EBITDA performance

Revenue (\$m)



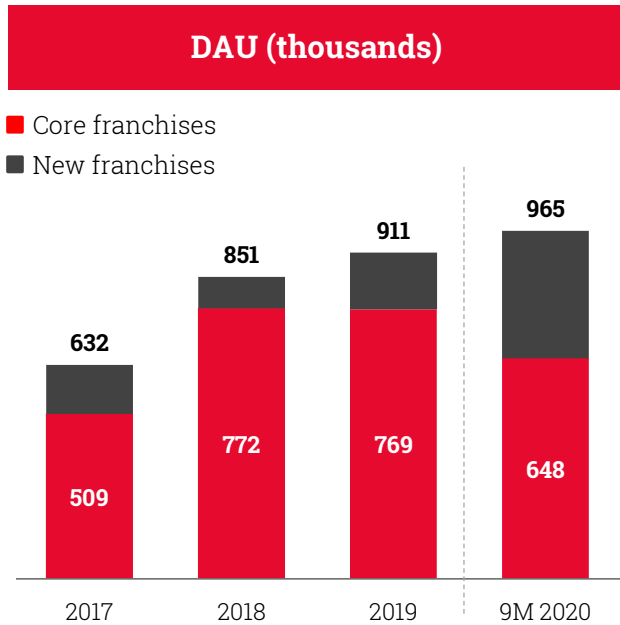
Adj. EBITDA and % margin (\$m)



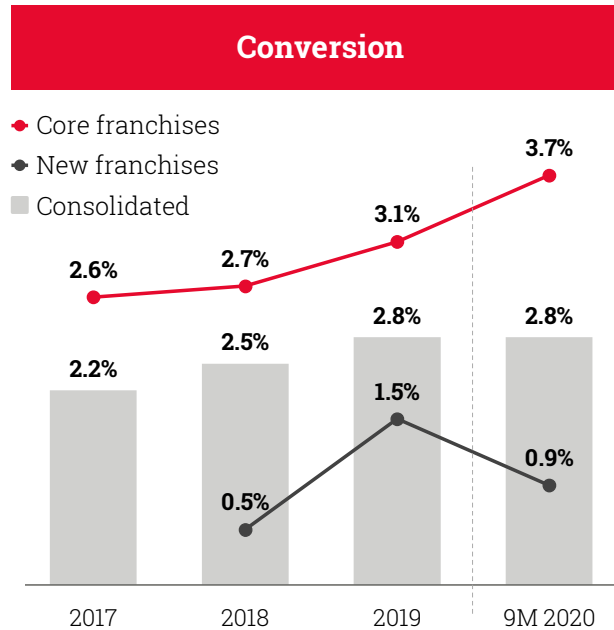
Source: Company information, audited financials.

Note: 9 months ended 30-Sept-19 and 9 months ended 30-Sept-20 financials are based on management's unaudited reports

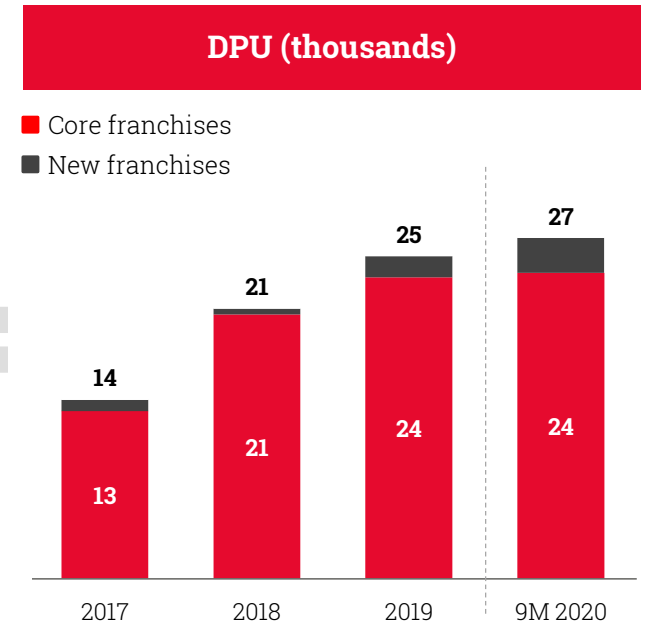
# Our franchises continue to attract new users while our ability to convert customers into payers drives top-line performance



Focused investments in **higher value gamers...**



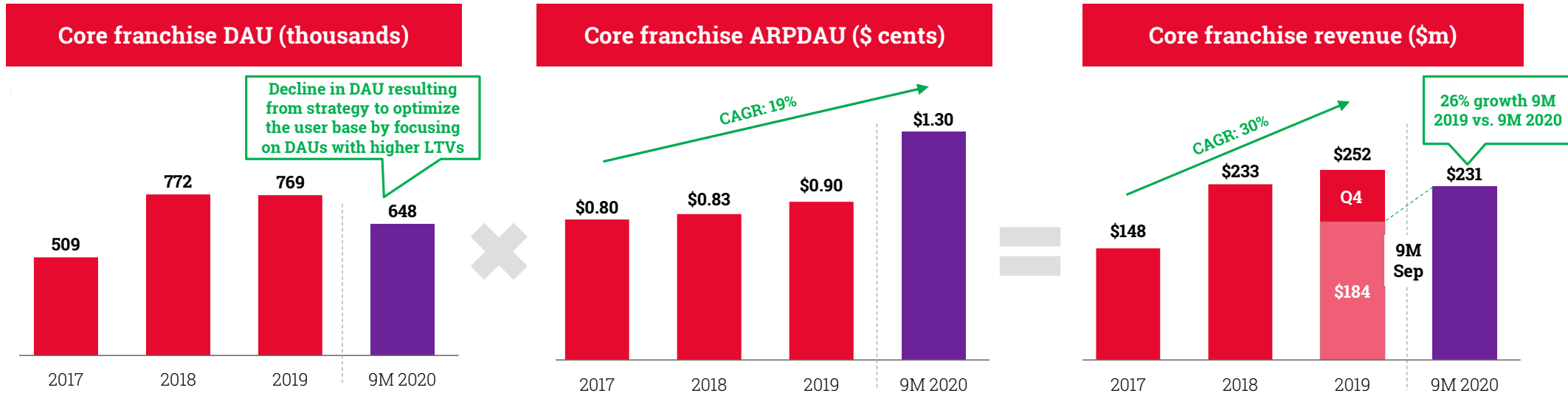
...and Huuuge's **ability to improve** users' in-game experiences and **monetisation...**



...generates **continued growth in the number of paying users**

DAU: Daily Active Users; Conversion: DPU/DAU; DPU: Daily Paying Users  
 Note: Core franchises includes Huuuge Casino and Billionaire Casino; consolidated figures represent the blend of core franchises, new franchises and other

# Improving monetization drives growth in our core franchises



Significant improvements in targeting since 2019 have led to longer sessions, better monetization and improved long-term user retention

- Focus is on **optimizing** the core franchise **user base**
- For IAP focused games, **DPU**s drive growth
- **Huuuge is investing in higher ROI users**, not just users
- Leveraging **data analytics improves targeting**
- **DPU**s and conversion rates **are increasing**

**Product and operations drive longer sessions**  
 ---Live ops and new features---

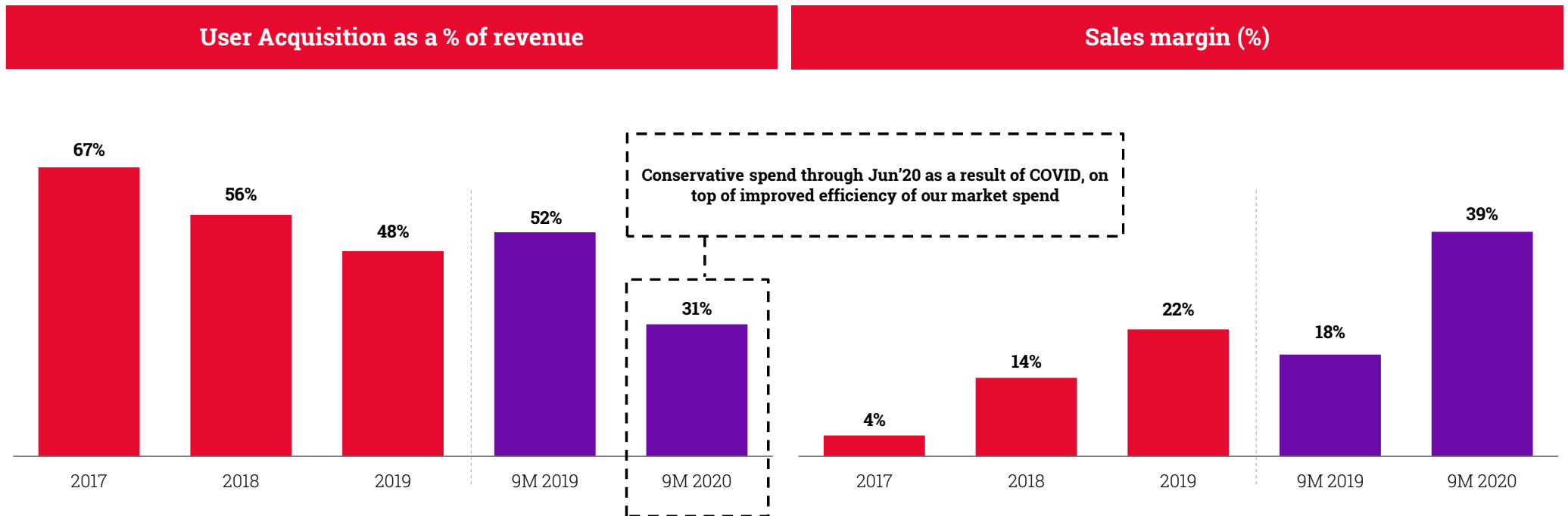
**Marketing opportunities to propel growth**  
 ---Retargeting---  
 ---Expand iOS share---  
 ---Increase US market penetration---

- **Social connectivity** enhances **productivity**
- **85%** of paying users **interact with other players** via club systems, chats and leagues
- **73%** of paying users are **part of one or more clubs**
- 43% of MAUs are part of a club

ARPDAA: Average Revenue Per Daily Active User  
 Source: Company data Note: Core franchises includes Huuuge Casino and Billionaire Casino; 9 months ended 30-Sept-20 financials are based on management's unaudited reports

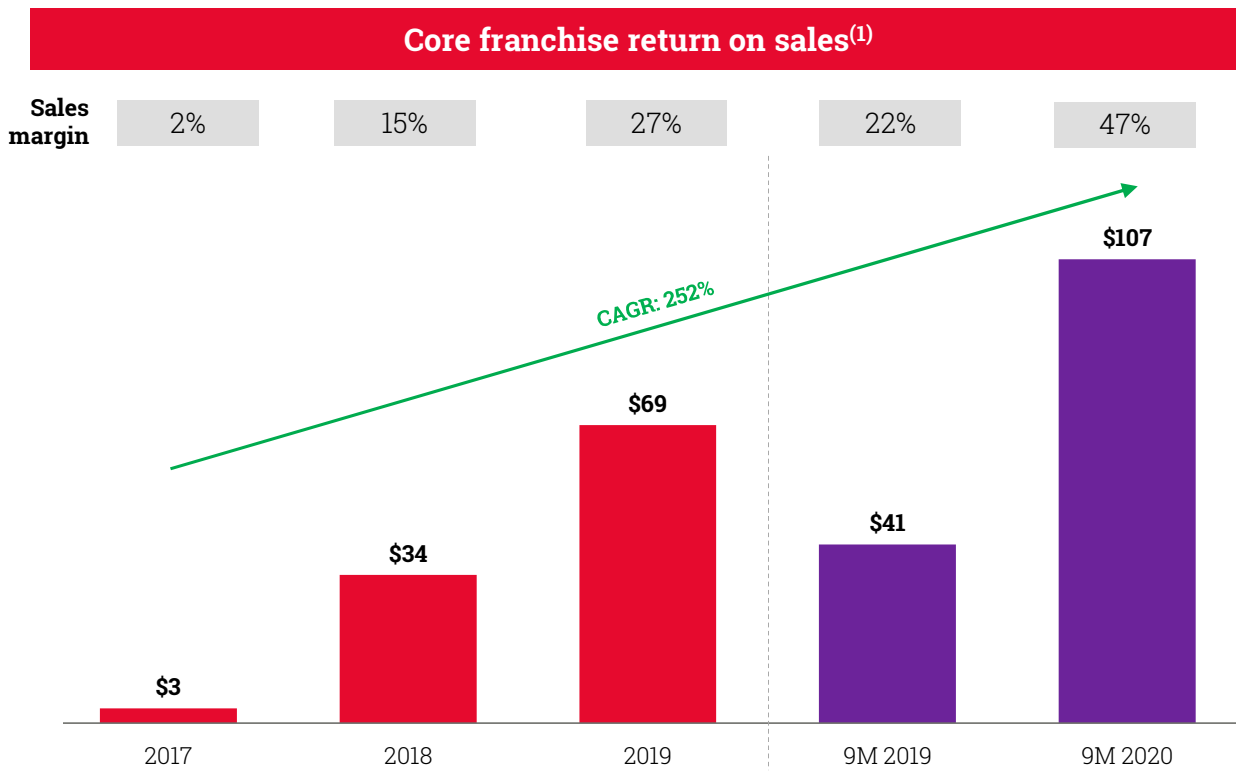
# Franchise growth and operating scale is fueling our expanding profitability

- Historical investments in user acquisition have **converted** into **additional payers** and **improved top-line**
- Improved user acquisition spend as a percentage of revenue is **complimented by better targeting and reactivation of existing users**
- Huuuge benefits from **operating leverage** as the core franchises continues to scale and UA dollars invested in new franchises



Sales margin: Ratio of the return on sales and revenue. Return on sales: gross profit / (loss) from the sales less the cost of external marketing and sales services  
Note: 9 months ended 30-Sep-19 and 9 months ended 30-Sep-20 financials are based on management's unaudited reports

# Core return on sales growth enhances cash generation and the ability to scale new franchises



- Enhanced monetization of existing cohorts results in meaningful result on sales growth
- Stable growth in core franchises enables investment to scale new and high growth franchises
- New franchises require time to implement networking effects and scale
- New franchise installs up 218% YoY through 9 months ended 30-Sep-20

<sup>1</sup>Return on sales: Gross profit / (loss) from the sales less the cost of external marketing and sales services

Note: 9 months ended 30-Sep-19 and 9 months ended 30-Sep-20 financials are based on management's unaudited reports. Cost of external marketing implied based on core franchise eCPI and total installs



# 2020E guidance

	9M 2020	FY2020E	Commentary
Revenue	\$244m	→	<ul style="list-style-type: none"> <li>→ Total core bookings in Q4 in line with Q1-Q3 average due to continued, successful monetisation of core franchises</li> <li>→ Incremental contribution from new franchises during Q4 as UA accelerates installs and DAU metrics</li> <li>→ New franchise revenue to account for a high single digit percent share of total revenue</li> <li>→ Improved ARPDAU and conversion across franchises</li> </ul>
Core DAU	648k	625-635k	<ul style="list-style-type: none"> <li>→ Slight decline in DAU a result of lower value players leaving cohorts and modest decrease in UA spend through H1'20</li> <li>→ UA spend in core franchises anticipated to increase to a more normalized rate for the remainder of the 2020</li> </ul>
Core ARPDAU	\$1.30	\$1.32-1.36	<ul style="list-style-type: none"> <li>→ Full year ARPDAU reflects a slight increase vs 9M 2020 due to incremental monetization in Q4</li> <li>→ Continued trend of improving monetization across core and new franchises</li> </ul>
Core UA spend as a % of core revenue	23%	24-27%	<ul style="list-style-type: none"> <li>→ Reflects increase in UA spend during Q4'20 relative to 9M 2020 to capitalize on continued high ROI acquisition opportunities in context of continuously improving customer retargeting and monetisation</li> </ul>
Total UA spend as of % of revenue	31%	33-36%	<ul style="list-style-type: none"> <li>→ Lower overall UA spend in first half of 2020 partially offset with increased spend in Q3'20 and in Q4'20</li> <li>→ Core franchises anticipated to account for 70-75% of UA spend</li> </ul>
Adj. EBITDA margin <sup>1</sup>	23%	→	<ul style="list-style-type: none"> <li>→ Full year margin projected to be below 20%, in the mid-to-high teens, commensurate with the increase in UA spend as a percentage of revenue as the company allocates incremental UA dollars to high ROI retargeting and acquisition opportunities during Q4</li> </ul>

Note: <sup>1</sup> Adjusted for add-back of share-based payments

# Mid-term guidance

## Commentary

Revenue		<ul style="list-style-type: none"> <li>→ Annual growth anticipated to be in line with 2020E</li> <li>→ Continued growth in monetisation across the full portfolio through both IAP and IAA initiatives</li> <li>→ More than half of the company's growth is anticipated to be generated from new franchises, with a significant acceleration in DAUs</li> <li>→ New franchise revenue expected to grow from high teens percent of total revenue in near-term to high twenties in the mid-term</li> </ul>
Core DAU	575-625k	<ul style="list-style-type: none"> <li>→ Modest annual decline in DAUs as the company leverages data science capabilities to focus on targeting &amp; retargeting higher LTV players</li> </ul>
Core ARPDAU	\$1.60-1.80	<ul style="list-style-type: none"> <li>→ Low- to mid-teen growth in line with recent improvements as core franchises recognize superior monetisation of aging cohorts</li> <li>→ Emphasis on converting DAUs to DPUs and data driven enhanced monetisation lead to further improvements in ARPDAU</li> </ul>
Core UA spend as a % of core revenue	25-28%	<ul style="list-style-type: none"> <li>→ Core UA spend targets in line with 2020 spend as a % of core revenue as the company shifts incremental investment towards new franchise growth</li> <li>→ 2021E investment is anticipated to be approximately 200-300 bps higher than mid-term as the company focuses on high ROI retargeting UA initiatives</li> </ul>
Total UA spend as of % of total revenue	32-35%	<ul style="list-style-type: none"> <li>→ Total spend anticipated to remain in line with 2020 targets as a percent of total gross bookings, with slightly higher level in 2021 to support the ramp up of new fast-growing franchises</li> <li>→ Spend on new games growing from approximately 1/3 of total UA spend in 2021 to approximately 1/2 in mid-term as new games scale, with total spend for 2021 at the high end of the range</li> <li>→ New franchise return on sales is expected to break-even for 2021, then grow as new games scale in the mid-term</li> </ul>
Adj. EBITDA margin <sup>1</sup>		<ul style="list-style-type: none"> <li>→ Near-term margins anticipated to be in line with 2020E due to incremental public company costs and increased investment in UA for 2021</li> <li>→ Margins are anticipated to be lower during the first half of 2021 than the second half of 2021 due to our planned weighting of both core and new franchise UA spend to the first part of the year, which should also result in revenue acceleration in H2, especially for new franchises</li> <li>→ Improving sales margin on new franchises driving a mid-term margin target above 20%, closer to 9M 2020 margins</li> </ul>

Note: <sup>1</sup> Adjusted for add-back of share-based payments



**HUUUGE**

Play Together.

THANK YOU!