

## Tapinator Announces Q2 2025 Financial Results

- Revenue Decreases 11% Year-Over-Year to \$1.1 Million
- Bookings\* Increase 3% Year-Over-Year to \$1.1 Million
- Net Income of \$231 Compared to Previous Year Net Income of \$2.2k
- Adjusted EBITDA\* Increases 45% Year-Over-Year to \$173k
- Basic and Fully Diluted EPS of \$0.00

New York, NY – August 11, 2025 – Tapinator, Inc. (OTC: TAPM) (“Tapinator,” the “Company,” “we,” “our” or “us”), a developer and publisher of category leading games for mobile platforms, today announced unaudited financial results for the three and six months ended June 30, 2025, and the filing of its quarterly report for the periods ended June 30, 2025 and 2024.

The quarterly report and financial statements have been published on OTC Markets and may be found at <http://www.otcmarkets.com/stock/TAPM/disclosure>. The results provided below replace, in their entirety, any guidance or projections previously issued by the Company.

For the three months ended June 30, 2025, Tapinator achieved revenue and bookings\* of approximately \$1.1 million, net income of \$231 and adjusted EBITDA\* of approximately \$173,000. The Company’s annual revenue, bookings\* and adjusted EBITDA\* represent year-over-year change of -11%, 3% and 45%, respectively. For the three-month period, the Company also announced basic and fully diluted net income of \$0.00 per share.

For the six months ended June 30, 2025, Tapinator achieved revenue and bookings\* of approximately \$2.2 million, net loss of approximately \$27,000 and adjusted EBITDA\* of approximately \$330,000. The Company’s annual revenue, bookings\* and adjusted EBITDA\* represent year-over-year change of -10%, -2% and 26%, respectively. For the six-month period, the Company also announced basic and fully diluted net loss of (\$0.00) per share.

\*A table has been included in this press release with non-GAAP adjustments to the Company’s revenue resulting in bookings (a non-GAAP measure) and non-GAAP adjustments to the Company’s net income, resulting in adjusted EBITDA (a non-GAAP measure) for the relevant periods.

### Financial Highlights

	Three Months Ended June 30			Six Months Ended June 30		
	<u>2025</u>	<u>2024</u>	<u>% Ch.</u>	<u>2025</u>	<u>2024</u>	<u>% Ch.</u>
<b>GAAP Results:</b>						
Revenue	\$1,076,613	\$1,207,804	-11%	\$2,187,410	\$2,443,088	-10%
Operating Income (loss)	(\$31,150)	(\$25,126)	NM <sup>(1)</sup>	(\$74,346)	(\$3,709)	NM <sup>(1)</sup>
Net Income (loss)	\$231	\$2,226	NM <sup>(1)</sup>	(\$27,175)	\$146,349	NM <sup>(1)</sup>
Net Income (loss) margin %	0%	0%		-1%	6%	
Net Income (loss) Per Share - Basic	\$0.00	\$0.00		(\$0.01)	\$0.05	
Net Income (loss) Per Share - Diluted	\$0.00	\$0.00		(\$0.00)	\$0.05	
Weighted avg. common shares outstanding - basic	2,725,439	2,725,439		2,725,439	2,725,439	
Weighted avg. common shares outstanding - diluted	2,993,013	2,725,439		2,725,439	2,725,439	
<b>Non-GAAP Results:</b>						
Bookings:						
Category Leading Games	\$1,114,046	\$1,066,583	4%	\$2,172,382	\$2,208,067	-2%
Rapid-Launch Games	6,021	17,437	-65%	24,552	42,117	-42%
Total Bookings	<u>\$1,120,067</u>	<u>\$1,084,020</u>	<u>3%</u>	<u>\$2,196,934</u>	<u>\$2,250,184</u>	<u>-2%</u>
Adjusted EBITDA	\$172,740	\$118,724	45%	\$329,810	\$262,459	26%

Adjusted EBITDA Margin %	16%	10%	15%	11%
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(1) Percentage Change Not Meaningful.

Ilya Nikolayev, CEO of Tapinator, commented, "Q2 2025 bookings were up modestly at 4% versus the prior year period, however we achieved these levels on a significantly reduced marketing spend resulting in a 45% improvement in Adjusted EBITDA for the quarter. We plan to continue to be efficient with our marketing spend for the remainder of 2025. At the same time, we continued our heavy investment in our *Blackjack Live* product in Q2 2025 which has contributed to what we believe to be a truly outstanding and unique product in the marketplace. In the second half of the year, we intend to shift our development focus back to *Video Poker Classic* where we plan to apply some of the successful strategies we recently developed and implemented for *Blackjack Live*.

Additionally, we continue to believe there are substantial opportunities at the intersection of AI, gaming and mobile applications and are actively working on opportunities in this area. We expect to launch two new products related to this area in 2025."

### **Non-GAAP Financial Measures\***

We have provided in this release the non-GAAP financial measures of Bookings and adjusted EBITDA as a supplement to the measures of Revenue and Operating which are prepared in accordance with United States generally accepted accounting principles ("GAAP"). Management uses Bookings and adjusted EBITDA internally in analyzing our financial results to assess operational performance and liquidity. The presentation of Bookings and adjusted EBITDA is not intended to be considered in isolation or as a substitute for the financial information prepared in accordance with GAAP. We believe that both management and investors benefit from referring to Bookings and adjusted EBITDA in assessing our performance and when planning, forecasting, and analyzing future periods. We believe Bookings and adjusted EBITDA are useful to investors because it allows for greater transparency with respect to key financial metrics we use in making operating decisions and because our investors and analysts use them to help assess the health of our business. Below, we have provided reconciliations between our historical Bookings and adjusted EBITDA to the most directly comparable GAAP financial measures. Some limitations of Bookings and adjusted EBITDA are as follows:

- *Bookings do not reflect that we defer and recognize online game revenue over the estimated life of durable virtual goods;*
- *Adjusted EBITDA does not include the impact of stock-based expense, impairment of previously capitalized software or intangible assets previously acquired, gain on digital asset dividends & airdrops, gain on sale of digital assets and gain on sale of investments;*
- *Adjusted EBITDA does not reflect income tax expense;*
- *Adjusted EBITDA does not include other income or expenses, which includes foreign exchange gains and losses, interest income or expense, and gain on extinguishment of debt;*
- *Adjusted EBITDA excludes depreciation and amortization of intangible assets and impairment of capitalized software. Although depreciation, amortization, and impairment of capitalized software are non-cash charges, the assets being depreciated, amortized, or impaired may have to be replaced in the future; and*
- *Other companies, including companies in our industry, may calculate adjusted EBITDA differently or not at all, which will reduce their usefulness as a comparative measure.*

Because of these limitations, you should consider Bookings and adjusted EBITDA, along with other financial performance measures, including Revenue, Net Income (Loss), Basic and Diluted Net Income (Loss) Per Share, Cash Flow from Operations, Operating Income (Loss), and our other financial results presented in accordance with GAAP.

### **Reconciliation of GAAP to Non-GAAP Results**

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Reconciliation of Revenue to Bookings:</b>				
Revenue	\$1,076,613	\$1,207,804	\$2,187,410	\$2,443,088

Change in deferred revenue	43,454	(123,784)	9,524	(192,904)
Bookings	\$1,120,067	\$1,084,020	\$2,196,934	\$2,250,184

### Reconciliation of Net Income to Adjusted EBITDA:

Net income (loss)	\$231	\$2,226	(\$27,175)	\$146,349
Interest expense (income), net	1,169	(1,133)	1,720	(2,139)
Income tax expense	-	11,100	-	28,600
Loss on Impairment of digital assets	-	-	-	101,283
Amortization of capitalized software development costs	201,282	140,899	398,939	260,005
Depreciation and amortization of other assets	2,608	2,951	5,217	6,163
Gain on sale of digital assets	(32,550)	(37,319)	(48,891)	(277,802)
Adjusted EBITDA	\$172,740	\$118,724	\$329,810	\$262,459

### About Tapinator

Tapinator Inc. (OTC: TAPM) develops and publishes *Category Leading Games* for mobile platforms. Tapinator's library includes more than 300 titles that, collectively, have achieved over 500 million mobile downloads, including notable properties such as *Video Poker Classic*, *Keno Vegas*, and *Blackjack Live Casino*. We generate revenues from our mobile games via consumer transactions, including in-app purchases and subscriptions, and through the sale of branded advertisements. Founded in 2013, we are headquartered in New York, with product teams located in North America and Europe.

### Forward Looking Statements

To the extent that statements contained in this press release are not descriptions of historical facts regarding Tapinator, they are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as “believe,” “goal,” “seek,” “plan,” “feel,” “focus,” “hope,” “opinion,” “may,” “will,” “expect,” “anticipate,” “estimate,” “intend,” “target,” and similar expressions (as well as other words or expressions referencing future events, conditions, or circumstances) are intended to identify forward-looking statements. These forward-looking statements include, among other things, our plan to continue to be more efficient with our marketing spend for the remainder of 2025, our intention to shift our development focus back to *Video Poker Classic* where we plan to apply some of the successful strategies we recently developed and implemented for *Blackjack Live*, our continued belief that there are substantial opportunities at the intersection of AI, gaming and mobile applications as we continue to explore opportunities in this area and our expectation to announce the launch of two new products in 2025 relating to AI, gaming and mobile applications. Forward-looking statements are subject to risks and uncertainties that could cause our future results, performance, or achievements to differ significantly from those expressed or implied by the forward-looking statements. Except as required by law, Tapinator undertakes no obligation to update or revise any forward-looking statements. The quoting and trading of the Company's common stock on the OTC Marketplace is often thin and characterized by wide fluctuations in trading prices, due to many factors that may have little to do with the Company's operations or business prospects. As a result, there may be volatility in the market price of the shares of the Company's common stock for reasons unrelated to operating performance. Moreover, the OTC Marketplace is not a stock exchange, and trading of securities on it is often more sporadic than trading of securities listed on a national securities exchange. Accordingly, stockholders may have difficulty reselling any of their shares. For a further description of the [risks and uncertainties](#) that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of the Company, please see the Company's Supplemental Information Report as filed with the OTC Markets on October 20, 2021 and as updated from time to time.

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