

Tapinator Announces Q3 2025 Financial Results

- Revenue Decreases 3% Year-Over-Year to \$1.1 Million
- Bookings* Increase 9% Year-Over-Year to \$1.2 Million
- Net Loss of \$22k Compared to Previous Year Net Loss of \$129k
- Adjusted EBITDA* Increases 37% Year-Over-Year to \$210k
- Basic and Fully Diluted EPS Loss of (\$0.01)

New York, NY – November 6, 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 nine months ended September 30, 2025, and the filing of its quarterly report for the periods ended September 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 September 30, 2025, Tapinator achieved revenue of approximately \$1.1 million, bookings* of approximately \$1.2 million, net loss of approximately \$22,000 and adjusted EBITDA* of approximately \$210,000. The Company’s annual revenue, bookings* and adjusted EBITDA* represent year-over-year change of -3%, 9% and 37%, respectively. For the three-month period, the Company also announced basic and fully diluted net loss of (\$0.01) per share.

For the nine months ended September 30, 2025, Tapinator achieved revenue of approximately \$3.3 million, bookings* of approximately \$3.4 million, net loss of approximately \$49,000 and adjusted EBITDA* of approximately \$540,000. The Company’s annual revenue, bookings* and adjusted EBITDA* represent year-over-year change of -8%, 1% and 30%, respectively. For the nine-month period, the Company also announced basic and fully diluted net loss of (\$0.02) 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			Nine Months Ended		
	September 30			September 30		
	<u>2025</u>	<u>2024</u>	<u>% Ch.</u>	<u>2025</u>	<u>2024</u>	<u>% Ch.</u>
GAAP Results:						
Revenue	\$1,108,955	\$1,144,393	-3%	\$3,296,365	\$3,587,481	-8%
Operating Income (loss)	(\$10,856)	(\$100,621)	NM ⁽¹⁾	(\$85,202)	(\$104,330)	NM ⁽¹⁾
Net Income (loss)	(\$21,694)	(\$128,613)	NM ⁽¹⁾	(\$48,869)	\$17,736	NM ⁽¹⁾
Net Income (loss) margin %	-2%	-11%		-1%	0%	
Net Income (Loss) Per Share - Basic	(\$0.01)	(\$0.05)		(\$0.02)	\$0.01	
Net Income (Loss) Per Share - Diluted	(\$0.01)	(\$0.05)		(\$0.02)	\$0.01	
Weighted avg. common shares outstanding - basic	2,725,439	2,725,439		2,725,439	2,725,439	
Weighted avg. common shares outstanding - diluted	2,725,439	2,725,439		2,725,439	2,725,439	
Non-GAAP Results:						
Bookings:						
Category Leading Games	\$1,154,900	\$1,053,957	10%	\$3,337,754	\$3,262,024	2%
Rapid-Launch Games	5,830	13,294	-56%	19,907	55,411	-64%
Total Bookings	\$1,160,730	\$1,067,251	9%	\$3,357,661	\$3,317,435	1%

Adjusted EBITDA	\$209,703	\$153,560	37%	\$539,513	\$416,019	30%
Adjusted EBITDA Margin %	19%	13%		16%	12%	

(1) Percentage Change Not Meaningful.

Ilya Nikolayev, CEO of Tapinator, commented, "Q3 2025 bookings were up 8% versus the prior year period, however we achieved these levels on a significantly reduced marketing spend resulting in a 37% 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 *Blackjack Live* in Q3 2025 and increased product development in *Video Poker Classic* where we plan to apply some of the successful strategies which we recently executed for *Blackjack Live*.

Additionally, we recently launched a subscription-based gaming companion app called *Beat the House* to take advantage of opportunities we believe may exist at the intersection of AI, gaming and mobile applications. We are working on one additional new product in this area which we now expect to launch in early to mid 2026. Despite modest year-over-year improvement in our results over the past two quarters, we believe our business opportunity is currently limited by the mature nature of both the mobile gaming industry and our flagship game, *Video Poker Classic*, ongoing liquidity constraints and rising marketing costs required to both compete effectively and to generate material growth. As a result, and as we have discussed previously, we continue to evaluate external opportunities that may offer enhanced growth and value creation opportunities for our public shareholders."

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		Nine Months Ended	
	September 30		September 30	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Reconciliation of Revenue to Bookings:				
Revenue	\$1,108,955	\$1,144,393	\$3,296,365	\$3,587,481
Change in deferred revenue	51,775	(77,142)	61,296	(270,046)
Bookings	<u>\$1,160,730</u>	<u>\$1,067,251</u>	<u>\$3,357,661</u>	<u>\$3,317,435</u>
Reconciliation of Net Income to Adjusted EBITDA:				
Net Income (Loss)	(\$21,694)	(\$128,613)	(\$48,869)	\$17,736
Interest expense (income), net	1,643	(392)	3,363	(2,531)
Income tax expense	9,195	2,600	9,195	31,200
Loss on Impairment of digital assets	-	-	-	101,283
Impairment of capitalized software	-	84,082	-	84,082
Amortization of capitalized software development costs	217,950	167,490	616,889	427,495
Depreciation and amortization of other assets	2,609	2,609	7,826	8,772
Gain on sale of digital assets	-	25,784	(48,891)	(252,018)
Adjusted EBITDA	<u>\$209,703</u>	<u>\$153,560</u>	<u>\$539,513</u>	<u>\$416,019</u>

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 efficient with our marketing spend for the remainder of 2025, our plan to apply some of the successful strategies we recently executed for *Blackjack Live* to the increased development of *Video Poker Classic*, our belief that our recently launched subscription-based gaming companion app called *Beat the House* will take advantage of opportunities we believe may exist at the intersection of AI, gaming and mobile applications, our expectation to launch of one additional product in 2026 relating to AI, gaming and mobile applications, our belief that our business opportunity is currently limited by the mature nature of the mobile gaming industry and our flagship game, *Video Poker Classic*, ongoing liquidity constraints and rising marketing costs required to compete effectively and generate significant growth, and our continued evaluation of external opportunities may offer enhanced growth and value creation opportunities for our public shareholders. 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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