

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **March 31, 2026**

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: **001-42525**

**BRAG HOUSE HOLDINGS, INC.**  
(Exact Name of Registrant as Specified in its Charter)

**Delaware**

State or Other Jurisdiction of  
Incorporation or Organization

**87-4032622**

I.R.S. Employer  
Identification No.

**45 Park Street  
Montclair, NJ**

Address of Principal Executive Offices

**07042**

Zip Code

**(413) 398-2845**

Registrant's Telephone Number, Including Area Code

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock	TBH	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The registrant had 24,069,563 shares of its Common Stock, par value \$0.0001, and 6,236 shares of its Series B Convertible Preferred Stock, par value \$0.0001, issued and outstanding as of May 11, 2026.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”). In particular, statements contained in this Quarterly Report on Form 10-Q, including but not limited to, statements regarding the sufficiency of our cash, our ability to finance our operations and business initiatives and obtain funding for such activities; our future results of operations and financial position, business strategy and plan prospects, or costs and objectives of management for future acquisitions, are forward looking statements. These forward-looking statements relate to our future plans, objectives, expectations and intentions and may be identified by words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “seeks,” “goals,” “estimates,” “predicts,” “potential” and “continue” or similar words. Readers are cautioned that these forward-looking statements are based on our current beliefs, expectations and assumptions and are subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified below, under Part II, Item 1A. “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q and those risks identified under Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission on March 31, 2026. Therefore, actual results may differ materially and adversely from those expressed, projected or implied in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason.

**NOTE REGARDING COMPANY REFERENCES**

Throughout this Quarterly Report on Form 10-Q, the terms “Brag House,” “we,” “us,” “our,” “our company,” “Company” and “our business” refer to Brag House Holdings, Inc. and its wholly owned subsidiaries, Brag House Inc. and Brag House Ltd.

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**PART I - FINANCIAL INFORMATION**

**Item 1. Condensed Consolidated Financial Statements (Unaudited)**

**BRAG HOUSE HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>March 31,</b> <b>2026</b>	<b>December 31,</b> <b>2025</b>
	(unaudited)	
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 138,130	\$ 222,572
Prepaid Expenses	430,617	203,389
Notes Receivable - Related Party	8,179,133	8,779,000
Accrued Interest Receivable - Related Party	1,136	92,838
Advances to Related Party	1,144,375	3,365,000
Other Current Assets	15,000	25,500
<b>Total Current Assets</b>	<b>9,908,391</b>	<b>12,688,299</b>
<b>Other Assets:</b>		
Deferred Offering Costs	1,000,000	1,000,000
Investment in Equity Securities	1,424,000	1,100,000
<b>Total Other Assets</b>	<b>2,424,000</b>	<b>2,100,000</b>
<b>Total Assets</b>	<b>\$ 12,332,391</b>	<b>\$ 14,788,299</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 1,715,728	\$ 1,320,617
Accrued Payroll	42,100	44,249
Accrued Liabilities	1,743,143	1,130,208
Share Payable	1,234	1,234
Other Current Liabilities	98,206	98,238
Convertible Debt - Yorkville	1,749,441	3,771,845
Commitment Fee Payable	1,000,000	1,000,000
<b>Total Current Liabilities</b>	<b>6,349,852</b>	<b>7,366,391</b>
<b>Long-Term Liabilities:</b>		
Warrant Liability	3,869,638	3,987,046
<b>Total Long-Term Liabilities</b>	<b>3,869,638</b>	<b>3,987,046</b>
<b>Total Liabilities</b>	<b>10,219,490</b>	<b>11,353,437</b>
<b>Commitments and Contingencies (Note 4)</b>		
<b>Stockholders' Equity</b>		
Series C Preferred Stock, \$0.0001 Par Value - 65 Shares Authorized, no shares Issued and Outstanding as of March 31, 2026 and December 31, 2025	-	-
Series B Preferred Stock, \$0.0001 Par Value - 15,000 Shares Authorized, 6,355 and 8,098 Issued and Outstanding as of March 31, 2026 and December 31, 2025, respectively	1	1
Series A Preferred Stock, \$0.0001 Par Value - 200,000 Shares Authorized, no shares Issued and Outstanding as of March 31, 2026 and December 31, 2025	-	-
Preferred Stock, \$0.0001 Par Value - 24,784,935 Shares Authorized, no shares Issued and Outstanding as of March 31, 2026 and December 31, 2025	-	-
Common Stock, \$0.0001 Par Value - 250,000,000 Shares Authorized, 23,943,237 and 20,951,363 Issued and Outstanding as of March 31, 2026 and December 31, 2025, respectively	2,394	2,095
Additional Paid In Capital	34,196,801	33,986,156
Accumulated Deficit	(32,071,116)	(30,538,211)
Accumulated Other Comprehensive Loss	(15,179)	(15,179)
<b>Total Stockholders' Equity</b>	<b>2,112,901</b>	<b>3,434,862</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 12,332,391</b>	<b>\$ 14,788,299</b>

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

**BRAG HOUSE HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**

	For the Three Months Ended	
	March 31, 2026	March 31, 2025
<b>Revenues:</b>		
Revenues	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cost of Sales</b>		
Cost of Sales	\$ -	\$ -
<b>Total Cost of Sales</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Gross Profit (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Expenses:</b>		
Advertising and Marketing	\$ 36,617	\$ 81,450
Legal and Professional	839,818	138,324
Selling, General and Administrative	652,965	257,159
Software Expense	7,779	64,651
Software Development	62,926	386
Settlement Expense	75,000	-
Stock-Based Compensation	210,944	42,500
<b>Total Operating Expenses</b>	<b>\$ 1,886,049</b>	<b>\$ 584,470</b>
<b>Other (Income) Expense:</b>		
Interest Expense and Amortization of Debt Discount	\$ 158,125	\$ 438,709
Other Income	(1,467)	(1,601)
Interest Income	(108,432)	-
Other Expenses	-	46,406
Foreign Currency Gain	(58)	(311)
Net Unrealized Gain on Equity Securities	(324,000)	-
Change in Fair Value of Warrants and Convertible Debt	(77,312)	-
<b>Total Other (Income) Expense, Net</b>	<b>\$ (353,144)</b>	<b>\$ 483,203</b>
<b>Loss Before Income Taxes</b>	<b>\$ (1,532,905)</b>	<b>\$ (1,067,673)</b>
Provision for Income Taxes	\$ -	\$ -
<b>Net Loss</b>	<b>\$ (1,532,905)</b>	<b>\$ (1,067,673)</b>
<b>Net Loss per Common Share - Basic and Diluted</b>	<b>\$ (0.07)</b>	<b>\$ (0.14)</b>
<b>Weighted Average Shares Outstanding - Basic</b>	<b>21,879,878</b>	<b>7,666,404</b>

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

**BRAG HOUSE HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	<u>Series C Preferred Stock</u>		<u>Series B Preferred Stock</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
<b>Balance on December 31, 2025</b>	-	\$ -	8,098	\$ 1
<b>Conversion of Series B Convertible Preferred Stock to Common Stock</b>	-	-	(1,743)	-
<b>Stock-Based Compensation - Restricted Stock</b>	-	-	-	-
<b>Stock-Based Compensation - Stock Options</b>	-	-	-	-
<b>Net Loss</b>	-	-	-	-
<b>Balance on March 31, 2026</b>	<u>-</u>	<u>\$ -</u>	<u>6,355</u>	<u>\$ 1</u>

	<u>Series C Preferred Stock</u>		<u>Series B Preferred Stock</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
<b>Balance on December 31, 2024</b>	-	\$ -	-	\$ -
<b>Stock-Based Compensation - Restricted Stock Agreements</b>	-	-	-	-
<b>Issuance of Common Stock</b>	-	-	-	-
<b>Offering Costs</b>	-	-	-	-
<b>Conversion of Preferred Stock to Common Stock</b>	-	-	-	-
<b>Conversion of Convertible Debt and Accrued Interest (Note 6)</b>	-	-	-	-
<b>Issuance of Common Stock in Connection with Initial Public Offering and Over-allotment, Net of \$1,176,800 of Offering Costs</b>	-	-	-	-
<b>Underwriter Warrants</b>	-	-	-	-
<b>Issuance of Common Stock for Services</b>	-	-	-	-
<b>Net Loss</b>	-	-	-	-
<b>Balance on March 31, 2025</b>	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

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

**BRAG HOUSE HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED) (CONTINUED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	Series A Preferred Stock		Preferred Stock	
	Shares	Amount	Shares	Amount
<b>Balance on December 31, 2025</b>	-	\$ -	-	\$ -
<b>Conversion of Series B Convertible Preferred Stock to Common Stock</b>	-	-	-	-
<b>Stock-Based Compensation - Restricted Stock</b>	-	-	-	-
<b>Stock-Based Compensation - Stock Options</b>	-	-	-	-
<b>Net Loss</b>	-	-	-	-
<b>Balance on March 31, 2026</b>	-	\$ -	-	\$ -

  

	Series A Preferred Stock		Preferred Stock	
	Shares	Amount	Shares	Amount
<b>Balance on December 31, 2024</b>	-	\$ -	82,096	\$ 420
<b>Stock-Based Compensation - Restricted Stock Agreements</b>	-	-	-	-
<b>Issuance of Common Stock</b>	-	-	-	-
<b>Offering Costs</b>	-	-	-	-
<b>Conversion of Preferred Stock to Common Stock</b>	-	-	(82,096)	(420)
<b>Conversion of Convertible Debt and Accrued Interest (Note 6)</b>	-	-	-	-
<b>Issuance of Common Stock in Connection with Initial Public Offering and Over-allotment, Net of \$1,176,800 of Offering Costs</b>	-	-	-	-
<b>Underwriter Warrants</b>	-	-	-	-
<b>Issuance of Common Stock for Services</b>	-	-	-	-
<b>Net Loss</b>	-	-	-	-
<b>Balance on March 31, 2025</b>	-	\$ -	-	\$ -

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

**BRAG HOUSE HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED) (CONTINUED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	Common Stock		Subscription
	Shares	Amount	Receivable
<b>Balance on December 31, 2025</b>	<b>20,951,363</b>	<b>\$ 2,095</b>	<b>\$ -</b>
Conversion of Series B Convertible Preferred Stock to Common Stock	1,850,318	185	-
Stock-Based Compensation - Restricted Stock	1,141,556	114	-
Stock-Based Compensation - Stock Options	-	-	-
Net Loss	-	-	-
<b>Balance on March 31, 2026</b>	<b>23,943,237</b>	<b>\$ 2,394</b>	<b>\$ -</b>
	Common Stock		Subscription
	Shares	Amount	Receivable
<b>Balance on December 31, 2024</b>	<b>7,033,330</b>	<b>\$ 14,554</b>	<b>\$ (3,700)</b>
Stock-Based Compensation - Restricted Stock Agreements	-	-	-
Issuance of Common Stock	56	-	-
Offering Costs	-	-	-
Conversion of Preferred Stock to Common Stock	82,096	420	-
Conversion of Convertible Debt and Accrued Interest (Note 6)	1,912,176	191	-
Issuance of Common Stock in Connection with Initial Public Offering and Over-allotment, Net of \$1,176,800 of Offering Costs	1,696,250	169	-
Underwriter Warrants	-	-	-
Issuance of Common Stock for Services	-	-	-
Net Loss	-	-	-
<b>Balance on March 31, 2025</b>	<b>10,723,908</b>	<b>\$ 15,334</b>	<b>\$ (3,700)</b>

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

**BRAG HOUSE HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED) (CONTINUED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	Additional Paid-in Capital - Net of Offering Costs	Accumulated Deficit	Accumulated Other Comprehensive Loss
<b>Balance on December 31, 2025</b>	<b>\$ 33,986,156</b>	<b>\$ (30,538,211)</b>	<b>\$ (15,179)</b>
Conversion of Series B Convertible Preferred Stock to Common Stock	(185)	-	-
Stock-Based Compensation - Restricted Stock	117,516	-	-
Stock-Based Compensation - Stock Options	93,314	-	-
Net Loss	-	(1,532,905)	-
<b>Balance on March 31, 2026</b>	<b>\$ 34,196,801</b>	<b>\$ (32,071,116)</b>	<b>\$ (15,179)</b>

	Additional Paid-in Capital - Net of Offering Costs	Accumulated Deficit	Accumulated Other Comprehensive Loss
<b>Balance on December 31, 2024</b>	<b>\$ 6,195,322</b>	<b>\$ (14,647,702)</b>	<b>\$ (15,179)</b>
Stock-Based Compensation - Restricted Stock Agreements	42,500	-	-
Issuance of Common Stock	-	-	-
Offering Costs	(1,427,079)	-	-
Conversion of Preferred Stock to Common Stock	-	-	-
Conversion of Convertible Debt and Accrued Interest (Note 6)	6,611,214	-	-
Issuance of Common Stock in Connection with Initial Public Offering and Over-allotment, Net of \$1,176,800 of Offering Costs	5,608,031	-	-
Underwriter Warrants	130,980	-	-
Issuance of Common Stock for Services	164,647	-	-
Net Loss	-	(1,067,673)	-
<b>Balance on March 31, 2025</b>	<b>\$ 17,325,615</b>	<b>\$ (15,715,375)</b>	<b>\$ (15,179)</b>

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

**BRAG HOUSE HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (UNAUDITED) (CONTINUED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	<b>Total Stockholders' Equity</b>
<b>Balance on December 31, 2025</b>	<b>\$ 3,434,862</b>
Conversion of Series B Convertible Preferred Stock to Common Stock	-
Stock-Based Compensation - Restricted Stock	117,630
Stock-Based Compensation - Stock Options	93,314
Net Loss	(1,532,905)
<b>Balance on March 31, 2026</b>	<b>\$ 2,112,901</b>
	<b>Total Stockholders' Equity (Deficit)</b>
<b>Balance on December 31, 2024</b>	<b>\$ (8,456,285)</b>
Stock-Based Compensation - Restricted Stock Agreements	42,500
Issuance of Common Stock	-
Offering Costs	(1,427,079)
Conversion of Preferred Stock to Common Stock	-
Conversion of Convertible Debt and Accrued Interest (Note 6)	6,611,405
Issuance of Common Stock in Connection with Initial Public Offering and Over-allotment, Net of \$1,176,800 of Offering Costs	5,608,200
Underwriter Warrants	130,980
Issuance of Common Stock for Services	164,647
Net Loss	(1,067,673)
<b>Balance on March 31, 2025</b>	<b>\$ 1,606,695</b>

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

**BRAG HOUSE HOLDINGS, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

	For the Three Months Ended	
	March 31, 2026	March 31, 2025
<b>OPERATING ACTIVITIES</b>		
Net Loss	\$ (1,532,905)	\$ (1,067,673)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>		
Stock-Based Compensation	210,944	42,500
Amortization of Debt Discount	-	100,781
Change in Fair Value of Stock-Based Compensation Liability - Software Expense	-	9,052
Issuance of Common Stock for Services - Software Expenses	-	39,772
Foreign Currency Gain	(58)	(311)
Net Unrealized Gain on Equity Securities	(324,000)	-
Change in Fair Value of Warrants and Convertible Debt	(77,312)	-
<b>Changes in operating assets and liabilities:</b>		
Prepaid Expenses and Other Current Assets	(227,228)	(21,767)
Other Receivable	-	(15,822)
Interest Receivable - Related Party	91,702	-
Other Current Assets	10,500	-
Accounts Payable	395,169	(673,495)
Related Party Payable	-	(21,420)
Accrued Payroll	(2,149)	(204,148)
Accrued Liabilities	612,935	23,637
Accrued Interest	-	(159,333)
Share Payable	-	181,434
Other Current Liabilities	(32)	(220)
<b>Net Cash Flows Used In Operating Activities</b>	<b>\$ (842,434)</b>	<b>\$ (1,767,013)</b>
<b>INVESTING ACTIVITIES</b>		
Repayment of Notes Receivable - Related Party	\$ 599,867	\$ -
Repayment of Advances to Related Party	2,220,625	-
<b>Net Cash Flows Provided By Investing Activities</b>	<b>\$ 2,820,492</b>	<b>\$ -</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from Notes Payable	\$ -	\$ 101,650
Repayment of Notes Payable	-	(273,626)
Repayment of Convertible Debt - December 2024, net	-	(227,500)
Proceeds from Convertible Debt - December 2024, net	-	105,000
Proceeds from the sale of Common Stock in IPO	-	6,785,000
Offering Costs Paid and Netted with IPO Proceeds	-	(1,176,800)
Offering Costs Paid	-	(117,922)
Repayment of Convertible Debt - Yorkville Facility	(2,062,500)	-
<b>Net Cash Flows (Used In) Provided By Financing Activities</b>	<b>\$ (2,062,500)</b>	<b>\$ 5,195,802</b>
<b>Net change in cash</b>	<b>\$ (84,442)</b>	<b>\$ 3,428,789</b>
Cash and Cash Equivalents at the beginning of the period	222,572	29,228
<b>Cash and Cash Equivalents at the end of the period</b>	<b>\$ 138,130</b>	<b>\$ 3,458,017</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for Interest	\$ 158,125	\$ 376,374
<b>NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Conversion of Convertible Debt and Accrued Interest into Common Stock	\$ -	\$ 6,611,405
Issuance of Underwriter Warrants included as Offering Costs	-	130,980
Change in Stock-Based Compensation Liability Capitalized to Implementation Costs	-	35,340
Prepaid Expenses Reclassified to Issuance of Common Stock for Services - Software Expense	-	62
Prepaid Expenses Reclassified to Capitalized Implementation Costs	-	63
Issuance of Common Stock for Capitalized Implementation Costs	-	124,937
Deferred Offering Costs at December 31, 2024 Reclassified to Offering Costs	-	1,219,176
Other Current Assets Reclassified to Other Receivables	-	18,081
Other Current Assets Reclassified to Prepaid Expenses	-	250
Reversal of Deferred Offering Costs Accrued at December 31, 2024	-	115,000
Offering Costs in Accounts Payable	-	74,000
Conversion of Series A Preferred Stock to Common Stock	-	420
Conversion of Series B Preferred Stock to Common Stock	185	-

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



**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 1 — NATURE OF THE ORGANIZATION AND BUSINESS**

*Corporate History*

Brag House Holdings, Inc. (“Brag House” or “BHHI” or the “Company”) was formed as a Delaware corporation on December 3, 2021. The Company’s principal executive offices are located at 45 Park Street, Montclair, NJ 07042.

Brag House, Inc. (“BHI”), the Company’s wholly owned indirect subsidiary, was formed as a Delaware corporation in February 2018. Their principal offices are located at 45 Park Street, Montclair, NJ 07042.

On June 11, 2021, Brag House, Ltd. (“BHL”) was registered in the United Kingdom. Their principal offices are located at 7 – 9 Swallow Street, London W1B 4DE, United Kingdom.

On August 16, 2021, BHL acquired all of the 10,000,000 issued and outstanding BHI shares held by BHI shareholders on a one for 14.07 basis (rounded to the nearest whole number) in exchange for 140,700,000 ordinary shares of £0.0001 in BHL, making BHI a wholly owned subsidiary of BHL (“UK Reorganization”).

Following the UK Reorganization, the board of directors of BHL determined that it was in the best interests of BHL and its shareholders that an initial public offering (“IPO”) in the United States and concurrent listing on Nasdaq be pursued. To effect that proposed initial public offering and listing on Nasdaq, in December 2021, the Company was formed. In connection with this offering, prior to the effectiveness of the registration statement, on February 8, 2022, the Company approved a reorganization, in which the shareholders of BHL would exchange their ordinary shares and preference shares of BHL for a proportionate number of common and preferred shares in the Company on a 21 to 1 basis (“U.S. Reorganization”). Immediately following the U.S. Reorganization, BHL became the wholly-owned subsidiary of the Company, and BHI became the indirect wholly-owned subsidiary of the Company. Management anticipates that BHL will be wound down and dissolved as soon as reasonably practicable.

On June 11, 2024 the Company’s board of directors approved, and on June 13, 2024 the Company’s stockholders approved the original reverse stock split (“Original Reverse Stock Split”). On June 14, 2024 the Company filed the Second Certificate of Amendment to its Certificate of Incorporation to effect the Original Reverse Stock Split, such that every holder of Common Stock and Series A Preferred Stock of the Company received 1 share of Common Stock and 1 share of Series A Preferred Stock for every 5.1287 of a share held. On October 11, 2024 the Company canceled the Original Reverse Split and effected a 1 for 2.43615 consolidation of its issued and outstanding Common Stock and Series A Preferred Stock (the “Reverse Stock Split”). On October 11, 2024, the Company filed the Third Certificate of Amendment to its Certificate of Incorporation to effect the Reverse Stock Split. The Conversion Price of Series A convertible preferred stock, par value \$0.0001 per share (the “Series A Preferred Stock”), will reflect the Reverse Stock Split. All fractional shares created by the 1 for 2.43615 exchange will be paid in cash. The resulting payment amount due for the fractional shares is not material. The Reverse Stock Split had no impact on the par value per share of the Company’s Common Stock and Series A Preferred Stock, all of which remain at \$0.0001.

On February 14, 2025, the Company received its notice of effectiveness from the U.S. Securities and Exchange Commission (“SEC”) and became a public company. On March 5, 2025, the Company entered into a material definitive agreement in the form of an underwriting agreement with Kingswood Capital Partners, LLC (“Kingswood”) as representative of the underwriters named therein, for the offer and sale of 1,475,000 shares of the Company’s common stock at a public offering price of \$4.00 per share for gross proceeds of \$5.9 million, before deducting underwriting discounts and other related expenses totaling \$1.1 million.

On March 6, 2025 the Company’s shares began trading on Nasdaq under the symbol “TBH” and on March 7, 2025, the Company filed its prospectus with the SEC and completed its IPO.

Pursuant to the underwriting agreement, as partial compensation for their services, the Company issued to the underwriters on the closing date of the IPO (the “Closing Date”), warrants (the “Underwriter Warrants”) to purchase an aggregate of 44,250 shares of the Company’s Common Stock, representing 3% of the shares issued on the Closing Date. The Underwriter Warrants will be exercisable, in whole or in part, commencing on September 3, 2025 and expiring on September 9, 2029, at an initial exercise price per share of common stock of \$4.00, which is equal to 100% of the offering price. The terms of the Underwriter Warrants are substantially the same as the terms set forth in the form of such warrant which is filed as Exhibit 4.1 to the report on Form 8-K filed by the Company on March 11, 2025.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 1 — NATURE OF THE ORGANIZATION AND BUSINESS (cont.)**

On March 10, 2025, Kingswood, as representative of the underwriters, exercised in full its option to purchase an additional 221,250 shares of the Company's common stock to cover over-allotments at a public offering price of \$4.00 per share for gross proceeds from the over-allotment exercise of \$885,000, before deducting underwriting discounts and other related expenses totaling \$95,800. The over-allotment exercise closed on March 11, 2025 and, on that same date, the Company issued a press release announcing the closing of the over-allotment exercise.

Brag House Merger Sub, Inc. ("Merger Sub" or "BHMS"), a wholly owned subsidiary of the Company, was formed as a Delaware corporation on October 9, 2025. The Company's principal executive offices are located at 45 Park Street, Montclair, NJ 07042. Please refer to Note 11.

The Company entered into a Merger Agreement dated as of October 12, 2025 (the "Merger Agreement"), by and among the Company, House of Doge Inc., a Texas Corporation ("House of Doge"), and the Merger Sub. The Merger Agreement and the transactions contemplated thereby were unanimously approved by the respective boards of directors of both Brag House and House of Doge. Pursuant to the Merger Agreement, upon the terms and subject to the conditions set forth therein, among other things, House of Doge will merge (the "Merger") with and into Merger Sub, with the House of Doge continuing as the surviving entity and a wholly owned subsidiary of the Company.

The proposed merger is subject to customary closing conditions, including regulatory approvals, filing of required registration statements, shareholder consent, and completion of due diligence. As of the date these financial statements were issued, the Merger had not yet closed. The Company expects the transaction to be finalized during the second quarter of 2026, pending satisfaction of all closing conditions. Please refer to Note 11.

*Nature of the Business*

Brag House is a vertically integrated social network for college gamers. The Company's mission is to create a community which empowers gamers, streamers, and fans to interact with one another. The Company's platform, which focuses on building a centralized gaming experience for non-professional college gamers and their fans, achieves this by allowing college students to compete against one another, support their favorite gamers and teams, and win prizes.

*Liquidity and Going Concern*

The accompanying condensed consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which contemplates realization of assets and the satisfaction of liabilities in the normal course of business. As of March 31, 2026, the Company had an accumulated deficit of \$32,071,116. For the three months ended March 31, 2026, the Company had a net loss of \$1,532,905 and negative cash flows from operations of \$842,434. The Company's financing activities consume the majority of its cash resources. The Company will continue to promote its services to existing and potential customers, but it anticipates that it will continue to incur operating losses as it executes its development plans through 2026, in addition to pursuing other potential strategic and business development initiatives including the contemplated Merger Agreement. In addition, the Company has had, and expects to have, negative cash flows from operations, at least into the near future. The Company previously funded these losses primarily through the sale of equity and infusions of cash from advances by its Chief Executive Officer, and plans to continue funding operations through the sale of equity or issuance of debt instruments. The accompanying consolidated financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern for the next twelve months from the issuance of these condensed consolidated financial statements.

The Company also secured a strategic partnership for tournament and promotional events in 2025 with Learfield Communications, LLC, formerly Learfield IMG College, a billion dollar media company that holds the media rights to hundreds of colleges in the US, including collegiate properties as the NCAA and its 89 championships and NCAA Football. In May 2025, the Company launched the first activation under its strategic partnership with Learfield. This activation was for students and alumni at the University of Florida, one of Learfield's media rights properties. In July 2025, the Company executed the second activation under its strategic partnership with Learfield, expanding on the success of the initial May 2025 event. This activation was conducted virtually and designed to engage students and alumni through a digital tournament centered around EA College Football 26, following the game's national release. The event incorporated university-branded content and featured participation from student-athletes, further aligning with the Company's Name, Image, and Likeness ("NIL") engagement strategy. The Company believes these activations demonstrated its ability to scale digital experiences across collegiate communities and reinforced its commercial model for integrating sponsorship, branded content and messaging, and fan engagement at the intersection of gaming and college sports. The Company believes this partnership positions itself to leverage Learfield's college network to generate sponsorship revenue and brand engagement opportunities while giving the Company access to extensive datasets from diverse college campuses as the Company evolves into a scalable data insight revenue model, where the Company aims to enable brands to gain data insights to create enhanced, personalized and effective marketing campaigns. The Company further believes this partnership will contribute directly to its model through shared sponsorship earnings, while validating its marketing and data strategy for reaching college-aged Gen Z gamers. Through this, the Company plans to scale across Learfield's properties, expanding brand partnerships in the gaming spaces.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 1 — NATURE OF THE ORGANIZATION AND BUSINESS (cont.)**

Management believes this is a strong indicator of continued growth in the coming years for tournament revenue. Until revenue from such tournaments provides sufficient and steady cash flow, management intends to raise funds through equity and debt offerings, and believes that the actions presently being taken to further implement its business plan will enable the Company to continue as a going concern. While the Company believes in its viability to raise additional funds, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and raise additional funds as described.

Although no assurances can be given as to the Company's ability to deliver on its revenue plans or that unforeseen expenses will not arise, management believes that the revenue to be generated from operations, together with equity and debt financing, will provide the necessary funding for the Company to continue as a going concern. However, the Company has earned minimal revenue from its inception through the three months ended March 31, 2026, and management cannot guarantee that any potential debt or equity financing will be available, or if available, on favorable terms. As such, these matters raise substantial doubt about the Company's ability to continue as a going concern for the next twelve months from the issuance of the accompanying condensed consolidated financial statements. If adequate funds are not available on acceptable terms, or at all, the Company will need to curtail operations or cease operations completely.

On July 24, 2025, the Company entered into an agreement to sell an aggregate of 15,000 shares of its Series B Convertible Preferred Stock in a private placement offering for total gross proceeds of \$15,000,000 (the "PIPE Offering"). Please refer to Note 5.

Additionally, on September 2, 2025, the Company invested \$4,000,000 in Pre-Funded Common Stock Purchase Warrants (the "Pre-Funded Warrants") of CleanCore Solutions, Inc., with a purchase price of \$1 per warrant share. The exercise price of the warrants is \$0.0001 per share and each warrant is for one share of Class B Common Stock of CleanCore Solutions, Inc., a publicly traded company. The Pre-Funded Warrants were exercised in full as of December 31, 2025 and are investments in equity securities which are measured at fair value at each reporting period. Please refer to Notes 9 and 10.

On December 4, 2025, the Company, House of Doge and Yorkville entered into the Yorkville Purchase Agreement, whereby the Company has the right, but not the obligation, to sell to Yorkville, and Yorkville is obligated to purchase from the Company, up to \$100,000,000 in the Company's Common Stock. Concurrently with the Yorkville Purchase Agreement, the Company and House of Doge, jointly and severally, authorized the issuance of the Yorkville Convertible Note to Yorkville, in the aggregate original principal amount of up to \$11.0 million. Also, in connection with the aforementioned, the Company issued to Yorkville a warrant (the "*Yorkville Warrant*") to purchase up to 10,173,881 shares of the Company's Common Stock with an exercise price equal to the lower of (i) \$1.50 per share, or (ii) 130% of the average closing price of the Company's Common Stock as reported by Nasdaq for the five trading days ending on the 10th trading day following the closing of the Merger. The Yorkville Warrant was exercisable immediately upon issuance and expires three years from the date of issuance. Please refer to Notes 6 and 9.

On March 20, 2026, an amendment was executed to the Yorkville Convertible Note which extended the maturity date to June 1, 2026 and reduced the amount to be advanced from \$11.0 million to \$3.85 million.

*Emerging Growth Company*

The Company is an "emerging growth company," as defined in Section 2(a)(19) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"), and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a non-binding advisory vote on executive compensation and approval of any golden parachute payments not previously approved. Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's condensed consolidated financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

*Basis of Presentation*

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) and applicable rules and regulations of the SEC regarding interim financial reporting. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting of normal recurring adjustments) and disclosures necessary for a fair statement of the Company’s financial position as of March 31, 2026 and the results of its operations for the three months then ended. The results of operations for the three months ended March 31, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026 or for any other interim period or for any other future year. These interim unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto contained in the Company’s Annual Report within its Form 10-K filing. Interim disclosures generally do not repeat those in the annual statements. The Company and its subsidiaries operate as a single operating segment.

*Principles of Consolidation*

The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

*Segment Reporting*

The Company follows the guidance in ASC Topic 280, “*Segment Reporting*”, for the identification and disclosure of reportable segments. Operating segments are defined as components of an enterprise for which separate financial information is available and evaluated regularly by the Company’s chief operating decision maker (“CODM”) in deciding how to allocate resources and in assessing performance.

The Company’s CODM, who is its Chief Executive Officer, reviews financial information presented on a consolidated basis for purposes of making operating decisions and assessing performance. The Company manages its operations and evaluates financial performance as a single operating segment. Accordingly, the Company has determined that it operates in one reportable segment.

The Company’s operations are currently located in the United States, and substantially all revenues are derived from U.S. customers. Management will continue to evaluate the Company’s operations to determine if, in the future, changes in organizational structure or business activities require the identification of additional reportable segments.

*Use of Estimates*

The preparation of financial statements in conformity with GAAP requires the Company’s management to make estimates and assumptions that affect the reported amounts of assets, liabilities, equity-based transactions and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period.

The Company bases its estimates and assumptions on an ongoing basis using historical experience and other factors, known or expected trends and various other assumptions that it believes to be reasonable. As future events and their effects cannot be determined with precision, actual results could differ from these estimates, which may cause the Company’s future results to be affected.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

*Cash and Cash Equivalents*

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. The Company had cash equivalents totaling \$0 and \$215,000 included in cash as of March 31, 2026 and December 31, 2025, respectively.

*Allowance for Credit Losses*

Trade accounts receivable are stated net of an allowance for credit losses. The Company estimates the credit losses using historical information, current economic conditions and reasonable and supportable forecast information for a reasonable period of time. The Company starts by determining expected credit losses by using historical loss information based on the aging of receivables. An analysis of the current economic conditions along with forecast information is then used to determine any adjustment to the historical loss rates to determine the appropriate rates for future losses and the Company's current expected credit losses for trade receivables.

As of March 31, 2026 and December 31, 2025, the Company had receivables due from House of Doge Inc. ("House of Doge"), a related party, totaling \$9,324,644 and \$12,236,838, respectively, which are included within Notes Receivable – Related Party, Accrued Interest Receivable – Related Party, and Advances to Related Party in the accompanying consolidated balance sheets. House of Doge is a party to the Merger Agreement entered into on October 12, 2025, pursuant to which a subsidiary of the Company will merge with and into House of Doge, with House of Doge surviving as a wholly owned subsidiary of the Company upon completion of the transaction.

The receivables arose primarily from a promissory note and advances provided to House of Doge in connection with activities related to the pending merger and related operational matters. The balance for the note receivable is subject to repayment terms and interest, while the advances are not.

The Company evaluates the collectability of financial assets measured at amortized cost in accordance with ASC 326, Financial Instruments—Credit Losses, which requires the recognition of an allowance for expected credit losses over the contractual life of the financial asset.

Due to the limited number of counterparties and the specific nature of the related-party arrangement, the Company estimates expected credit losses on the House of Doge receivable using a specific identification approach. In developing its estimate of expected credit losses, management considered:

- the financial condition and liquidity of House of Doge;
- historical payment experience between the parties, if any;
- the expected consummation of the merger transaction;
- current economic conditions; and
- other relevant qualitative and forward-looking information available as of the balance sheet date.

Based on its evaluation as of March 31, 2026, the Company determined that no allowance for expected credit losses was required related to these receivables. The Company will continue to monitor the collectability of the receivables and adjust the allowance for credit losses as necessary in future reporting periods.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

*Offering Costs*

Offering costs represent specific incremental costs directly attributable to a proposed or actual offering of securities which may be deferred and charged against the gross proceeds of the offering. The Company incurred legal, accounting and other direct costs related to the IPO, which closed on March 7, 2025. Prior to the close of the IPO, these costs were recognized as deferred offering costs. These offering costs were reclassified to additional paid-in capital from deferred offering costs. These amounts are shown, along with underwriters' fees paid, in the amount of \$1,351,098. Please refer to Note 5 for details.

Further, during the year ended December 31, 2025, additional offering costs of \$1,252,780 were incurred simultaneously with the closing of the IPO. Of this amount, \$190,980 is recorded as offering costs and the remaining \$1,061,800 is displayed as a net amount against the IPO and over-allotment option proceeds on the consolidated statements of changes in stockholders' equity (deficit).

Also, the Company incurred an additional \$3,549,294 in offering costs in connection with the PIPE Offering during the year ended December 31, 2025. Please refer to Note 5 for details.

*Subscription Receivable*

The Company records share issuances at the effective date. If the subscription is not funded upon issuance, the Company records a subscription receivable as an asset on its balance sheet. When subscription receivables are not received prior to the issuance of financial statements at a reporting date in satisfaction of the requirements under Financial Accounting Standards Board (the "FASB") Accounting Standards Codification ("ASC") 505-10-45-2, "Equity" — Other Presentation Matters, the subscription receivable is reclassified as a contra account to stockholders' equity (deficit) on the consolidated balance sheets.

During the year ended December 31, 2025, the Company received \$713 in cash from outstanding subscriptions receivable and wrote off the remaining balance of \$2,987.

*Employee Retention Tax Credit*

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provided an employee retention credit which was a refundable tax credit against certain employment taxes. The Consolidated Appropriations Act (the "Appropriations Act") extended and expanded the availability of the employee retention credit through December 31, 2021. The Appropriations Act amended the employee retention credit to be equal to 70% of qualified wages paid to employees during the 2021 fiscal year. The Company qualified for the employee retention credit beginning in October 2021 for qualified wages through December 2021 and filed a cash refund claim during the year ended December 31, 2023.

During the year ended December 31, 2025, the Company collected \$17,259 of the receivable and wrote off the remaining \$17,408 as an uncollectible amount to bad debt expense.

*Accounts Payable*

Accounts payable consist of amounts due to vendors and service providers for goods and services received in the ordinary course of business. Accounts payable are recognized when the obligation to pay arises, typically upon receipt of goods or services and are recorded at their nominal amounts, which approximate fair value due to their short-term nature.

The Company's standard payment terms with vendors generally range from net 15 to net 60 days. Discounts received from vendors for early payment are recognized when earned. Vendor discounts are recorded as a reduction of the related expense in the accompanying consolidated statements of operations. If such discounts are not clearly associated with a specific expense category, they are recorded as a reduction to cost of goods sold or, if immaterial, may be recognized as other income.

The Company reviews accounts payable regularly to ensure timely payment and to assess the need for accruals for goods or services received but not yet invoiced. At each reporting period, any unbilled amounts are accrued and reflected in accrued liabilities, and estimates are based on historical trends, vendor communication, and other relevant factors.

The Company does not maintain a formal policy for interest on past due payables and generally does not incur material penalties or interest expenses in the normal course of settling vendor obligations.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

*Concentration of Credit Risk*

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents in financial institutions, which, at times, may exceed the Federal Depository Insurance Coverage of \$250,000. As of March 31, 2026 and December 31, 2025, the Company was not exposed to any risks due to having a cash balance in each account which did not exceed the coverage limits. The Company has not experienced any losses in such accounts.

*Advertising and Marketing*

The Company expenses advertising and marketing costs as they are incurred. Advertising and marketing expenses were \$36,617 and \$81,450 for the three months ended March 31, 2026 and 2025, respectively.

*Fair Value Measurements*

As defined in ASC 820, “*Fair Value Measurements and Disclosures*”, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). This fair value measurement framework applies at both initial and subsequent measurement.

- Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reporting date.
- Level 2: Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reported date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies.
- Level 3: Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value. The significant unobservable inputs used in the fair value measurement for nonrecurring fair value measurements of long-lived assets include pricing models, discounted cash flow methodologies and similar techniques.

The carrying value of the Company’s financial instruments: cash and cash equivalents, other receivables, notes receivable, accrued interest receivable, advances, accounts payable and accrued liabilities, and borrowings, approximate their fair values because of the short-term nature of these financial instruments.

*Equity Awards with a Guaranteed Minimum-Value Cash Settlement - Technology Purchase Agreements*

The Company evaluates its stock-based compensation arrangements within the scope of ASC 718, “*Compensation - Stock Compensation*”. The Company has issued an equity award with a guaranteed minimum-value cash settlement in accordance with the terms that were agreed upon by the Company in the Master Services Agreement (“MSA”) with Artemis Ave LLC (“Artemis”) and the Software as a Service Agreement (the “SaaS” Agreement) with EVEMeta, LLC (“EVEMeta”). Subsection ASC 718-10-20 defines these equity awards as combination awards. Under this classification, the share grant is accounted for as an equity-classified award measured at grant-date fair value, and the cash-settled written put option is liability classified and marked to fair value at each reporting period. Compensation costs for the share grant are measured and fixed on the date of grant and recognized over the vesting period, which is consistent with the delivery of goods and services. Compensation costs associated with the cash-settled written put option should be recognized over the vesting period based on the remeasured fair value at each reporting period, which is consistent with the delivery of goods and services from the vendor, until settlement. To value the cash-settled written put option, the Company remeasures the fair market value of the written put option via an appropriate option pricing model in accordance with ASC 718, and records the appropriate liability as of each reporting period with a corresponding adjustment to software expense. The Company determines the fair value of the liability using a Monte Carlo simulation model at each reporting period. On May 12, 2025, the Company amended the Artemis MSA and EVEMeta SaaS agreements and removed the guaranteed minimum-value cash settlement in exchange for cash payments totaling \$250,000 in contemplation of Artemis delivering to the Company the Services and Deliverable to be provided pursuant to the MSA and EVEMeta delivering to the Company the Compression Services to be provided pursuant to the SaaS. This amendment effectively settled the stock-based compensation liability. A valuation was completed as of May 12, 2025, and the fair value measurement of the cash-settled written put option for services provided thus far resulted in an additional stock-based compensation liability of \$72,277, for a total balance of \$116,669. The settlement of the stock-based compensation liability in exchange for a cash payment of \$250,000 resulted in the derecognition of the total liability balance of \$116,669 and an other expense of \$133,331 for the difference. As of May 12, 2025, a stock-based compensation liability no longer exists.

Please refer to Notes 4 and 5 for a detailed explanation of the terms of the technology purchase agreements.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

*Cloud Computing Arrangements - Technology Purchase Agreements*

The Company applies the guidance under ASC 350-40, “*Intangibles – Goodwill and Other-Internal-Use Software*”, when evaluating the applicable accounting treatment for the purchase of technological products and services. The Company has determined that the MSA with Artemis and the SaaS agreement with EVEMeta constitute a cloud computing arrangement (“CCA”). The terms of the agreements provide for software development, which include CCA implementation costs, support and maintenance services, and the use of the EVEMeta compression software. The Company accounts for the CCA implementation costs in a different manner than the support and maintenance services from the Artemis agreement and the terms of the SaaS agreement with EVEMeta.

The Company capitalizes implementation costs associated with its CCA consistent with costs capitalized for internal-use software. The stock-based payments provided in advance for implementation costs are recorded as capitalized implementation costs as the services are rendered. Capitalized implementation costs related to the CCA are included on the consolidated balance sheets. The CCA implementation costs are amortized over the term of the related hosting agreement, including renewal periods that are reasonably certain to be exercised. Amortization will begin only when the software is placed into use and the amortization expense will be recorded as an operating expense. As of December 31, 2024, \$63 was recognized as a non-current prepaid expense asset related to the development services to be provided by Artemis. During the three months ended March 31, 2025, \$160,340 was recognized as capitalized implementation costs related to the Company’s cloud computing arrangements and no amortization expense was recognized as the software was not placed into service. The amount of \$160,340 was a recognition of \$125,000 for services provided, which included the reclassification of the \$63 recorded as a non-current prepaid expense asset as of December 31, 2024, and a portion of the change in fair value of the stock-based compensation liability which equaled \$35,340 during the three months ended March 31, 2025.

The costs associated with the support and maintenance services and the use of the EVEMeta compression software are recorded as software expenses over the service period defined in the respective agreements. During the three months ended March 31, 2025, the Company recorded software expenses of \$39,772 in connection with the EVEMeta compression software, which included the expensing of the \$62 recorded as a non-current prepaid expense asset as of December 31, 2024. The Company sent notices of material breach to both Artemis and EVEMeta regarding the MSA and SaaS Agreements during the year ended December 31, 2025, and all services from Artemis and EVEMeta have remained halted and the project is no longer expected to be completed. As a result, the Company has determined that the previously capitalized implementation costs no longer have probable future economic benefit and have recorded an impairment loss on the total carrying value of \$389,171, which is recorded in software expenses for the year ending December 31, 2025.

*Convertible Debt*

The Company accounts for convertible debt instruments in accordance with the provisions of ASC 470-20, “*Debt with Conversion and Other Options*”. Under this guidance, convertible debt instruments that do not meet the criteria for separation of embedded conversion features from the host contract are accounted for as a single liability. If a convertible debt instrument contains embedded features (e.g., conversion options, redemption rights) that require separate accounting under ASC 815, the Company evaluates such features and bifurcates them as derivative liabilities when applicable. Issuance costs related to convertible debt are presented as a direct deduction from the carrying amount of the liability and are amortized to interest expense over the term of the debt using the effective interest method.

*Shares Payable*

The Company has incurred obligations that are payable in shares of the Company’s equity. If shares are not issued to satisfy those obligations, a short-term liability is recognized as a share payable. The Company has a share payable balance of \$1,234 as of March 31, 2026 and December 31, 2025. Please refer to Note 6 for more detail.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

*Revenue Recognition*

The Company recognizes revenue from the sale of products and services in accordance with ASC 606, “Revenue Recognition” following the five step procedure:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize revenue when or as performance obligations are satisfied

The Company generates revenues mainly from advertising, sponsorship and league tournaments. An insignificant amount of revenue is generated through the operation of its live streaming platform using a revenue model whereby gamers and creators can get free access to certain live streaming of amateur tournaments, and gamers and creators pay fees or subscriptions to compete in league competitions. Streaming revenue amounts are recognized as live-streaming services on the condensed consolidated statements of operations.

*Foreign Currency Translation*

For the Company’s non-U.S. operations where the functional currency is the local currency, the Company translates assets and liabilities at exchange rates in effect at the balance sheet date and record translation adjustments in stockholders’ equity. The Company translates income statement amounts at average rates for the period. Transaction gains and losses are recorded in other (income) expense, net in the condensed consolidated statement of operations.

During the three months ended March 31, 2026, the Company recognized a gain on foreign currency from the fluctuation of payables due in foreign currency totaling \$58. During the three months ended March 31, 2025, the Company recognized a gain on foreign currency from the settlement of a note payable for \$424 and a loss on foreign currency from the fluctuation of payables due in foreign currency totaling \$113, for a total foreign currency gain of \$311. Please refer to Note 6.

*Comprehensive Loss*

The Company reports comprehensive loss and its components in its condensed consolidated financial statements. Comprehensive loss consists of net loss and foreign currency translation adjustments, affecting stockholders’ equity (deficit) that, under U.S. GAAP, is excluded from net loss.

*Net Income (Loss) per Common Share*

The computation of earnings per share (“EPS”) includes basic and diluted EPS in accordance with ASC 260, “*Earnings per Share*”. Basic EPS is measured as the income (loss) available to common stockholders divided by the weighted average common shares outstanding for the period. Diluted income (loss) per share reflects the potential dilution, using the if-converted and treasury stock methods, that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the income (loss) of the Company as if they had been converted at the beginning of the periods presented, or issuance date, if later. In computing diluted income (loss) per share, the treasury stock method assumes that outstanding options and warrants have been exercised, and the proceeds have been used to purchase common stock at the average market price during the period. Options and warrants may have a dilutive effect under the treasury stock method only when the average market price of the common stock during the period exceeds the exercise price of the options and warrants. Potential common shares that have an anti-dilutive effect (i.e., those that increase income per share or decrease loss per share) are excluded from the calculation of diluted EPS. All outstanding convertible promissory notes and convertible preferred stock are considered common stock at the beginning of the period or at the time of issuance, if later, pursuant to the if-converted method. Since the effect of common stock equivalents is anti-dilutive with respect to losses, the shares issuable upon conversion have been excluded from the Company’s computation of net loss per common share for the three months ended March 31, 2026 and 2025.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

The following table summarizes the securities that are excluded from the diluted per share calculation because the effect of including these potential shares is anti-dilutive.

	<b>As of March 31,</b>	
	<b>2026</b>	<b>2025</b>
Convertible Debt	7,273,208	33,660
Unvested Restricted Stock	—	52,336
Shares Payable	355	22,014
Convertible Preferred Stock	7,832,285	—
Warrants	—	10,361
<b>Total</b>	<b>15,105,848</b>	<b>118,371</b>

As of March 31, 2026, no dividends have been declared since inception and all classes of BHHI's stock do not have cumulative dividend features. As such, the Company did not include any adjustment to the net loss for dividends.

The table below represents the calculation for both basic and diluted net loss per share:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
Net Loss	\$ (1,532,905)	\$ (1,067,673)
Weighted-average Shares Outstanding – Basic and Diluted	21,879,878	7,666,404
Loss per share – Basic and Diluted	\$ (0.07)	\$ (0.14)

*Income Taxes*

The Company follows the asset and liability method of accounting for income taxes under ASC 740, *Income Taxes*. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company's temporary differences result primarily from capitalization of certain qualifying research and development expenses, stock-based compensation, and net operating loss carryovers. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recorded for deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% of likely being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

The Company records interest related to unrecognized tax benefits in interest expense and penalties in selling, general and administrative expenses.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

The Company, with stockholder’s consent, elected to be taxed as an “S Corporation” during the years prior to 2021 under the provisions of the Internal Revenue Code under Section 1362(a) and comparable state income tax law. As an S Corporation, the Company is generally not subject to corporate income taxes and the Company’s net income or loss is reported on the individual tax return of the stockholders of the Company. As a result of the UK Reorganization, the Company was no longer eligible to elect an S Corporation status for tax purposes and was subject to tax filings as a C-Corporation for the years ending 2021 through 2023. The Company filed all necessary Federal and State tax returns as a C-Corporation for the years ending 2021 through 2024, and has accrued \$95,000 as of March 31, 2026 and December 31, 2025 for any potential non-compliance penalties that may be incurred as a selling, general and administrative expense.

The Company’s effective tax rate is 0% for the three months ended March 31, 2026 and 2025.

*Stock-Based Compensation*

The Company evaluates its stock-based compensation arrangements within the scope of ASC 718, “*Compensation - Stock Compensation*”. The Company measures and records the expense related to stock-based payment awards based on the fair value of those awards as determined on the date of grant. The Company recognizes stock-based compensation expense over the requisite service period of the grant, generally equal to the vesting period, and uses the straight-line method to recognize stock-based compensation. For stock options with performance conditions, the Company records compensation expense when it is deemed probable that the performance condition will be met. The Company measures the fair value of stock options and warrants granted to employees, directors, and non-employees using option pricing models, including the Black-Scholes-Merton (“Black-Scholes”) option-pricing model and Binomial Lattice models. The determination of the fair value of these instruments requires management to make certain estimates and assumptions that have a material impact on the amount of stock-based compensation expense recognized.

Key assumptions used in these models include expected volatility, expected term, risk-free interest rate, and expected dividend yield. Because the Company has a limited operating history and insufficient historical trading data to estimate expected volatility, the Company bases its volatility assumption on the historical volatilities of a group of comparable publicly traded companies within its industry. The risk-free interest rate is based on the yield of U.S. Treasury securities with maturities consistent with the expected term of the related option or warrant. The expected dividend yield is assumed to be zero, as the Company has not historically declared or paid dividends and does not anticipate doing so in the foreseeable future.

The Company uses the “simplified method” to estimate the expected term for stock options that have exercise prices issued at the money and are considered plain vanilla options, consistent with SEC Staff Accounting Bulletin Topic 14. For stock options with exercise prices that are out of the money, the Company may use a Binomial Lattice model, which incorporates assumptions about future exercise behavior and potential changes in stock price over the life of the award. As an alternate option, the Company may also use the exercise patterns of comparable companies to determine and establish a reasonable estimate for the expected term for stock options.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

The Company issued stock options exercisable into 1,950,000 shares of its Common Stock during the year ended December 31, 2025 and additional stock options exercisable into 250,000 shares of its Common Stock during the three months ended March 31, 2026. The Company has issued warrants convertible into 44,250 shares of its Common Stock to the underwriter in connection with its IPO, warrants convertible into 17,517,203 shares of its Common Stock in connection with the PIPE Offering, and warrants convertible into an additional 10,173,881 shares of its Common Stock in connection with the Yorkville Purchase Agreement and Yorkville Convertible Note as of March 31, 2026. On March 18, 2026, the Company's Board of Directors approved the cancellation of all stock options granted to the Company's CEO and COO and the grant of one restricted stock unit ("RSU") in exchange for each such stock option. In connection therewith, the Company granted an aggregate of 1,141,556 RSUs and all have been issued as of March 31, 2026. Please refer to Notes 1, 5, 6 and 9 for more information.

Stock-based payment awards, such as stock options or restricted stock awards, are valued based on the fair value on the date of grant and amortized ratably over the estimated life of the award. Stock-based payment awards may vest based on the passage of time, or upon occurrence of a specific event or achievement of goals as defined in the grant agreements. In such cases, the Company records compensation expenses related to grants of stock-based payment awards on management's estimates of the probable dates of the vesting events. The Company recognizes forfeitures of stock-based payment awards as they occur.

*Investment in Equity Securities*

Investments in equity securities are accounted for under ASC 321 and reported at their readily determinable fair values as quoted by market exchanges, with changes in fair value recorded in other (income) expense in the condensed consolidated statements of operations. All changes in an equity security's fair value are reported in earnings as they occur. As such, the sale of an equity security does not necessarily give rise to a significant gain or loss. Unrealized gains (losses) due to fluctuations in fair value are recorded in the condensed consolidated statements of operations.

*Newly Adopted Accounting Pronouncements*

On December 14, 2023, the FASB issued Income Taxes (Topic 740) ("ASU 2023-09"). This ASU requires the use of consistent categories and greater disaggregation in tax rate reconciliations and income taxes paid disclosures. These amendments were effective for fiscal years beginning after December 15, 2024. During 2025, the Company adopted the provisions of this updated accounting pronouncement prospectively.

*Recently Issued but not yet Adopted Accounting Pronouncements*

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." The standard requires that public business entities disclose additional information about specific expense categories in the notes to financial statements for interim and annual reporting periods. The standard will become effective for the Company for its fiscal year 2027 annual financial statements and interim financial statements thereafter and may be applied prospectively to periods after the adoption date or retrospectively for all prior periods presented in the financial statements, with early adoption permitted. The Company plans to adopt the standard beginning with the fiscal year 2027 annual financial statements, and management is currently evaluating the impact this guidance will have on the disclosures included in the Notes to the Consolidated Financial Statements.

In July 2025, the FASB issued Accounting Standards Update (ASU) 2025-05, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. This ASU introduces a practical expedient, applicable to all entities, permitting the assumption that current conditions as of the balance sheet date remain unchanged over the remaining life of current accounts receivable and current contract assets arising from transactions under ASC 606. These amendments will become effective for the Company for its annual reporting periods beginning with the Company's fiscal year 2026, including interim periods within those fiscal years, with early adoption permitted. The guidance is to be applied prospectively. The Company is currently evaluating the impact of ASU 2025-05 on its accounting estimates and allowance methodology. At this time, the Company has not yet determined the effect, if any, that adoption of this ASU will have on its consolidated financial position, results of operations, disclosures, or processes.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270) Narrow-Scope Improvements, which is intended to improve the navigability of the guidance in ASC 270 - Interim Reporting and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides interim financial statements and notes in accordance with GAAP. ASU 2025-11 also addresses the form and content of such financial statements, interim disclosure requirements, and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. The new guidance will be effective for the Company for interim reporting periods within annual reporting periods beginning with the Company's fiscal year 2029. Early adoption is permitted. The Company is currently evaluating the impact this standard will have on the financial statement presentation and disclosures.

**NOTE 3 — RELATED PARTY TRANSACTIONS**

The Company follows ASC 850, "*Related Party Disclosures*," for the identification of related parties and disclosure of related party transactions.

As of March 31, 2026, and December 31, 2025, the Company did not have any payables due to related parties.

*Notes Receivable and Accrued Interest – Related Party*

Pursuant to the Merger Agreement, on October 14, 2025, the Company loaned to House of Doge \$8.0 million (the "Loan"), which was evidenced by a secured promissory note (the "Note") that House of Doge issued in favor of the Company. On December 4, 2025, the Company and House of Doge entered into an amendment to the Note to (i) increase the principal amount of the Note to \$10.0 million, (ii) permit the issuance of the Yorkville Convertible Note, as defined below, and (iii) provide for the subordination of the Company's lien over House of Doge securing House of Doge's obligations under the Note to YA II PN, LTD.'s, a Cayman Islands exempted limited partnership ("Yorkville"), with the lien in connection with the Yorkville Agreements discussed below. The Loan accrues interest at an annual rate of 5% and was to mature upon the earlier of (i) April 14, 2026 and (ii) the occurrence of an event of default, as defined in the Note (in most cases, with notice from the Company to House of Doge). During October and November of 2025, the Company loaned House of Doge an additional \$779,000. On April 14, 2026, the Company and House of Doge agreed to amend the Note and extend the maturity date of the Loan to June 30, 2026.

In connection with the Loan, on October 14, 2025, House of Doge and each of its wholly-owned subsidiaries as guarantors entered into a Security and Pledge Agreement in favor of the Company, pursuant to which, among other things, the guarantors granted the Company a first priority lien and security interest in the collateral listed therein. In addition, House of Doge entered into a separate Intellectual Property Security Agreement, dated as of October 14, 2025, in favor of the Company, pursuant to which House of Doge granted to the Company a security interest in certain intellectual property of House of Doge as set forth therein. Further, each of the guarantors executed a Guarantee, dated as of October 14, 2025, in favor of the Company pursuant to which each guarantor guaranteed the full and punctual payment when due and performance of all of House of Doge's and the other guarantors' debts, liabilities and obligations pursuant to the Note and any other documents relating thereto.

As of March 31, 2026 and December 31, 2025, the Company was owed a principal balance of \$8,179,133 and \$8,779,000, respectively, and accrued interest of \$1,136 and \$92,838, respectively. During the three months ended March 31, 2026, the Company recognized interest income totaling \$108,432.

*Advances to Related Party*

In connection with the Yorkville Convertible Note, as described in Note 6, the Company received an advance of funds totaling \$3,465,000. After paying transaction costs totaling \$100,000, the Company advanced to House of Doge a total of \$3,365,000 on December 4, 2025, the closing date of the Yorkville Convertible Note. This advance is non-interest bearing and does not have a maturity date. A balance of \$1,144,375 and \$3,365,000 remained outstanding and collectible as of March 31, 2026 and December 31, 2025, respectively.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 4 — COMMITMENTS AND CONTINGENCIES**

The Company evaluates its business transactions and agreements during the course of business to identify whether any contingencies or commitments exist which would give rise to the recognition of a loss or liability. The Company is currently not involved with or knows of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations and does not have any long-term commitments or guarantees.

*Marketing Agreement*

In March of 2024, the Company entered into a marketing agreement with Outside the Box Capital, Inc. (“OTB Capital”) for marketing services to be provided for the six-month period from May 1, 2024 to October 31, 2024. Compensation for the services consisted of \$100,000 in cash and shares of BHHI Common Stock, priced at the IPO, totaling \$200,000 which equaled 50,000 shares. These shares became due 10 days after the successful completion of the Company’s IPO on March 6, 2025, deemed the listing date (“Listing Date”), and were issued in April of 2025. The balance of \$200,000 increased stockholders’ equity for the issuance of Common Stock for services for the year ended December 31, 2025. Lastly, if within the term of the Company’s agreement with OTB Capital, the Company’s shares achieve a 7-day moving average (calculated using daily VWAP) share price of \$9 or more, the Company would issue an additional 50,000 shares to OTB Capital. This share price threshold was not achieved during the term of the agreement and additional compensation was not due. Services under this contract were not provided during the expected service period of May through October of 2024. A modification of the agreement was negotiated and finalized in November of 2024. Services were amended to begin on December 15, 2024 through June 15, 2025. Services had not yet commenced as of December 31, 2024 and through March 5, 2025. As a result, another modification of the agreement was executed on March 28, 2025. This new agreement revised the dates of service to begin on March 6, 2025 through September 6, 2025. It also revised the terms of compensation and, as a result, the base compensation of \$100,000 became payable in two tranches, the first payment for \$50,000 within 10 business days following the Company’s Listing Date as a publicly traded company and the second and final payment for the remaining amount was due three months from the Listing Date. The first payment of \$50,000 was made in April of 2025 and the final payment was made on June 5, 2025. No accrual for a liability was required or recorded as of December 31, 2024. A total of \$300,000 in advertising and marketing expenses was recognized for the year ended December 31, 2025 in connection with this agreement. No advertising and marketing expenses related to this agreement were recognized during the three months ended March 31, 2025.

*Broncos Sponsorship Agreement*

During 2023, the Company entered into a sponsorship agreement with Stadium Management Company and the Denver Broncos. This resulted in marketing expenses totaling \$305,000 accrued during the year ended December 31, 2023. In September of 2024, the parties terminated the sponsorship agreement and this resulted in a reduction of the payable amount from \$305,000 to \$61,000. The balance of \$61,000 remains outstanding as of March 31, 2026 and December 31, 2025, and is recorded as accounts payable on the balance sheets.

*Cloud Computing Arrangements - Technology Purchase Agreements*

On November 13, 2024 (the “Artemis Effective Date”), the Company entered into a MSA with Artemis, a skilled technology company, whereby Artemis agreed to develop a proprietary machine learning solution for the Company’s platform (the “Software”) and provide certain services. In exchange, the Company agreed to issue 937,500 shares of its Common Stock to Artemis (the “Artemis Stock Consideration”) in December 2024. The Artemis Stock Consideration is subject to a lock-up provision, with shares of the Artemis Stock Consideration to be released in three (3) equal tranches of 312,500 shares each according to the terms outlined in the MSA and the respective Statements of Work (“SOWs”) attached thereto. In connection with the execution of the MSA, on November 13, 2024 (the “EVEMeta Effective Date”), the Company entered into a SaaS Agreement with EVEMeta, an innovative technology company, whereby EVEMeta agreed to license its solution to the Company. In exchange, the Company agreed to issue 312,500 shares of its Common Stock to EVEMeta (the “EVEMeta Stock Consideration” and, collectively, with the Artemis Stock Consideration, the “Stock Consideration”). The 1,250,000 shares granted to Artemis and EVEMeta in exchange for services had a fair market value of \$4.00 per share at the date of grant for a total cost of \$5,000,000. Further, once released from lock up, the Company will provide each vendor with a guarantee of a minimum value for the released shares for 18 months from the date of release. In the event that either vendor is not able to resell the shares at the IPO price of \$4.00 per share, the Company will make additional payments under its minimum value guarantee to the vendor in cash to ensure a total compensation of \$3,750,000 to Artemis and \$1,250,000 to EVEMeta. Those payments will be made in cash and not in additional shares of Common Stock.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 4 — COMMITMENTS AND CONTINGENCIES (cont.)**

The issuances of the Stock Consideration are accounted for as a combination award in accordance with the accounting provisions under ASC 718, “*Compensation - Stock Compensation*” and ASC 350-40, “*Intangibles – Goodwill and Other-Internal-Use Software*” as noted in Note 2, regarding the technology purchase agreements.

The Stock Consideration is classified as a combination of equity awards (referred to herein as Issuance of Common Stock for Services) or liability awards (referred to herein as Stock-Based Compensation Liability) in accordance with GAAP. The fair value of an equity-classified award is determined at the grant date and is either recognized as an expense to software expense, an operating expense, on a straight-line basis over the service period, or is capitalized as an implementation cost and amortized to software expense over the useful life of the cloud computing arrangement once the software is placed in use. Whether the amount is expensed or capitalized is based on the respective statement of work in each agreement, the value attributed to each and the realization of those services. The fair value of a liability-classified award is determined on a quarterly basis beginning at the grant date until final vesting. Changes in the fair value of liability-classified awards are either recorded to software expense, an operating expense, on a straight-line basis over the service period, or capitalized as an implementation cost and amortized to software expense over the useful life of the cloud computing arrangement once the software is placed in use. Changes in the fair value of liability-classified awards do not result in an impact to the Company’s stockholders’ equity (deficit) balance.

The services in accordance with the agreements commenced on the Company’s IPO date, March 7, 2025, and as of March 31, 2025, services have been performed under the agreements and compensation costs for the services rendered has been recognized as a software expense or capitalized to capitalized implementation costs, based on the respective agreements.

The Company recognized the following amounts in total non-employee stock-based compensation costs in relation to the Stock Consideration issued for the technology purchase agreements for the three months ended March 31, 2026 and 2025:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Stock Consideration - Total Expensed	\$ -	\$ 48,824
Stock Consideration - Total Capitalized	\$ -	\$ 160,340

**Equity-Classified Awards**

The Company recognized the following amounts in non-employee equity-classified stock-based compensation costs for the three months ended March 31, 2026 and 2025:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Equity-Classified Awards - Expensed	\$ -	\$ 39,772
Equity-Classified Awards - Capitalized	\$ -	\$ 125,000

As of March 31, 2026, there was no longer a remaining unrecognized compensation cost related to the Company’s equity-classified awards due to Artemis and EVEMeta breaching its contracts with the Company, as referenced above in Note 2 of this filing. During the three months ended March 31, 2025, the Company recorded software expenses of \$39,772 in connection with the services rendered with the support and maintenance services with Artemis and the use of the EVEMeta compression software, which included the expensing of the \$62 previously recorded as a non-current prepaid expense asset and Common Stock as of December 31, 2024, for a total increase to stockholders’ equity of \$39,710. Further, the Company recorded an increase to capitalized implementation costs of \$125,000 in connection with the development services rendered, which included the expensing of the \$63 previously recorded as a non-current prepaid expense asset and Common Stock as of December 31, 2024, for a total increase to stockholders’ equity of \$124,937. As a result, the total increase to stockholders’ equity for the issuance of common stock for services was \$164,647 for the three months ended March 31, 2025, which is the sum of the aforementioned \$39,710 and \$124,937 amounts.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 4 — COMMITMENTS AND CONTINGENCIES (cont.)**

**Liability-Classified Awards**

The Company recognized the following amounts in non-employee liability-classified stock-based compensation costs for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,	
	2026	2025
Liability-Classified Awards - Expensed	\$ -	\$ 9,052
Liability-Classified Awards - Capitalized	\$ -	\$ 35,340

On May 12, 2025, the Company executed an amendment to the MSA with Artemis. The amendment eliminated the minimum share price guarantee, therefore no longer requiring the Company to guarantee a minimum return of \$4 on the sale of each share received in compensation for the MSA. The amendment triggered several considerations, including, but not limited to, a cash payment of \$225,000 by the Company to Artemis. The cash payment, elimination of the \$4 guarantee, and removal of the lock-up provision and gradual release obligations were made in contemplation of Artemis delivering to the Company the Services and Deliverable to be provided pursuant to the MSA.

On the same day, the Company executed an amendment to the SaaS Agreement with EVEMeta. The amendment eliminated the minimum share price guarantee, therefore no longer requiring the Company to guarantee a minimum return of \$4 on the sale of each share received in compensation for the SaaS Agreement. The amendment triggered a cash payment of \$25,000 by the Company to EVEMeta. No shares were released from lock-up provisions for EVEMeta. The cash payment and elimination of the \$4 guarantee were made in contemplation of EVEMeta delivering to the Company the Compression Services to be provided pursuant to the SaaS. The stock-based compensation liability was extinguished as a result of the amendment on May 12, 2025.

**NOTE 5 — STOCKHOLDERS' EQUITY**

*Capital Structure*

On December 3, 2021, BHHI was incorporated and the Company authorized 50,000,000 shares of Common Stock with a par value of \$0.0001 per share and 5,000,000 shares of preferred stock with a par value of \$0.0001 per share. On February 22, 2022, the certificate of incorporation was amended and the Company authorized 250,000,000 shares of Common Stock with a par value of \$0.0001 per share and 25,000,000 shares of preferred stock with a par value of \$0.0001 per share. Further, the Company designated 200,000 shares of preferred stock as Series A Preferred Stock with a par value of \$0.0001 per share. Shares of Convertible Series A Preferred Stock and Common Stock (the "Junior Securities") are entitled to one vote for each share. In order of liquidation rights, distributions will be made to the Series A Preferred holders then to the holders of the other remaining Junior Securities, which are currently Common Stock. The Series A Preferred Stock has a liquidation preference of \$0.50 per share in the event of a liquidation and distribution. Further, each share of Convertible Series A Preferred Stock shall automatically convert into one share of Common Stock upon consummation of an underwritten public offering of Common Stock. The Company completed an initial public offering during March of 2025. Please refer to Note 1 and the following section for the details of the IPO. There were no shares of Series A Preferred Stock issued and outstanding during any period since inception, and no shares of Preferred Stock issued and outstanding as of March 31, 2026 and December 31, 2025, respectively. Further, a total of 23,943,237 and 20,951,363 shares of Common Stock were issued and outstanding as of March 31, 2026 and December 31, 2025, respectively.

In July of 2025, the Company filed a certificate of designation and a subsequent amendment to the certificate of designation with the Secretary of State of the State of Delaware to designate 15,000 shares of the available 24,800,000 shares of Preferred Stock as Series B Convertible Preferred Stock ("Series B Preferred Stock"). Each share is convertible at the option of the holder into shares of Common Stock at a conversion price of \$0.942. The Series B Preferred Stock is not redeemable into cash or other assets and is classified as permanent equity. On July 30, 2025, an amendment was filed to establish that each share of Series B Preferred Stock is non-voting. There were 6,355 and 8,098 shares of Series B Preferred Stock issued and outstanding as of March 31, 2026 and December 31, 2025, respectively. Please refer to the *Private Investment into Public Entity (PIPE)* section below.

On December 11, 2025, the Company filed a certificate of designation of Series C Convertible Preferred Stock, effective as of December 11, 2025, with the Secretary of State of Delaware. The certificate of designation was filed pursuant to Section 7.22 of the Merger Agreement.

The certificate of designation designates 65 shares of the Company's preferred stock, par value \$0.0001 per share, as Series C Convertible Preferred Stock. Each share of Series C Convertible Preferred Stock is convertible into 5,000,000 shares of the Company's Common Stock, par value \$0.0001 per share, subject to certain beneficial ownership limitations.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 5 — STOCKHOLDERS' EQUITY (cont.)**

The Series C Convertible Preferred Stock votes together with the Common Stock on an as-converted basis, subject to the limitations described above, including a 4.99% voting cap on an as-converted basis. Holders of the Series C Convertible Preferred Stock are entitled to receive dividends on an as-converted basis when, as and if dividends are paid on the Common Stock. Upon a liquidation of the Company, the Series C Convertible Preferred Stock ranks senior to the Common Stock, *pari passu* with the Company's existing series of preferred stock, and junior only to securities that are expressly designated as senior securities.

The certificate of designation also contains customary anti-dilution adjustment provisions for stock splits, stock dividends, recapitalizations, and similar corporate transactions. The Series C Convertible Preferred Stock may not be issued other than in accordance with the Merger Agreement or in connection with subsequent rights offerings in which holders of Series C Preferred Stock would be entitled to participate on an as-converted basis.

No shares of Series C Preferred Stock were issued and outstanding as of March 31, 2026 and December 31, 2025, respectively.

*Initial Public Offering*

On February 14, 2025, the Company received its notice of effectiveness from the SEC and became a public company. On March 5, 2025, the Company entered into a material definitive agreement in the form of an underwriting agreement with Kingswood as representative of the underwriters named therein, for the offer and sale of 1,475,000 shares of the Company's Common Stock at a public offering price of \$4.00 per share for gross proceeds, before deducting underwriting discounts and other related expenses, of \$5.9 million. Underwriting discounts and other related expenses totaled \$1.1 million and were recorded as offering costs during the three months ended March 31, 2025, for total net proceeds of \$4.8 million. Payment of those offering costs was made directly from the proceeds of the offering.

On March 6, 2025, the Company's shares began trading on Nasdaq under the symbol "TBH" and on March 7, 2025, the Company filed its prospectus with the SEC and completed its IPO.

On March 10, 2025, Kingswood, as representative of the underwriters, exercised in full its option to purchase an additional 221,250 shares of the Company's common stock to cover over-allotments at a public offering price of \$4.00 per share for gross proceeds from the over-allotment exercise of \$885,000. Underwriting discounts and other related expenses totaled \$95,800, and are recorded as offering costs during the three months ended March 31, 2025 for total net proceeds of \$789,200. Payment of those offering costs was made directly from the proceeds of the offering. Please refer to Note 1 for further detail.

Offering costs represent legal, accounting and other direct costs related to the IPO, which closed on March 7, 2025. Prior to the close of the IPO, these costs were recognized as deferred offering costs. These direct offering costs were reclassified to additional paid-in capital from deferred offering costs. As of March 31, 2025, a total of \$1,351,098 was reclassified from deferred offering costs to offering costs. Further, during the three months ended March 31, 2025, additional offering costs of \$1,252,780 were incurred simultaneously with the closing of the IPO, which includes the underwriter discounts and other related expenses previously described. An accrual of \$115,000 for the IPO costs related to the underwriter discounts and other related expenses was previously recorded as a deferred offering cost as of December 31, 2024 and included in the balance that was netted against total IPO proceeds as of March 31, 2025.

*Incentive Award Plan*

On June 11, 2024, the Company's Board of Directors adopted the 2024 Omnibus Incentive Plan (the "Original Stock Incentive Plan"), which was approved by its stockholders on June 13, 2024. On December 31, 2024 the Company's Board of Directors adopted the amended 2024 Omnibus Incentive Plan (the "Stock Incentive Plan"), which was approved by the Company's stockholders on January 30, 2025. The Stock Incentive Plan became effective on February 13, 2025. The Stock Incentive Plan will provide for the grant of incentive stock options, within the meaning of Section 422 of the Internal Revenue Code ("Code") to the Company's employees, and for the grant of stock options (including incentive stock options ("ISOs") and non-qualified stock options ("NSOs"), SARs, restricted stock, restricted stock units ("RSUs"), and other stock-based and cash-based incentive awards, and other stock-based performance awards to the Company's employees, directors, and consultants (collectively, "Awards").

A total of 2,250,000 shares of common stock will be reserved for issuance pursuant to the Stock Incentive Plan ("Plan Share Reserve"). The Plan Share Reserve shall be increased on the first day of each fiscal year beginning with the 2025 fiscal year, in an amount equal to the lesser of (i) ten percent (10.0%) of the outstanding shares of common stock on the last day of the immediately preceding fiscal year, which was determined to be 2,095,136 for the year ended December 31, 2025, and (ii) an amount determined by the Board of Directors. On January 1, 2026, the Plan Share Reserve automatically increased to a total of 4,345,136 shares of Common Stock.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 5 — STOCKHOLDERS' EQUITY (cont.)**

Shares with respect to which options or SARs are not exercised prior to termination of the option or SAR, shares that are subject to restricted stock units which expire without converting to Common Stock, and shares of restricted stock which are forfeited before the restrictions lapse, shall be available for grants of new Awards under the Stock Incentive Plan. Notwithstanding the foregoing, neither (i) shares accepted by the Company in payment of the exercise price of any option, if permitted under the terms of such option, nor (ii) any shares withheld from a participant, or delivered to the Company in satisfaction of required withholding taxes arising from Awards, nor (iii) the difference between the total number of shares with respect to SAR, shall be available for reissuance under the Stock Incentive Plan.

Awards granted under the Stock Incentive Plan upon the assumption of, or in substitution for, awards authorized or outstanding under a qualifying equity plan maintained by an entity directly or indirectly acquired by the Company will not reduce the shares available for grant under the Stock Incentive Plan. However, any such shares issued in connection with the assumption of, or in substitution for, outstanding options intended to qualify as incentive stock options shall be counted against the aggregate number of shares of Common Stock available for Awards of incentive stock options under the Plan. Subject to applicable stock exchange requirements, available shares under a stockholder-approved plan of an entity directly or indirectly acquired by the Company may be used for Awards under the Stock Incentive Plan and shall not reduce the number of shares of Common Stock available for issuance under the Stock Incentive Plan.

The Compensation Committee of the Company's Board of Directors will administer the Stock Incentive Plan (the "Administrator"). Each Award will be set forth in a separate agreement and will indicate the type and terms and conditions of the Award. Compensation for grants of awards will be determined in accordance with the Company's stock-based compensation policy.

The Company has issued stock options to Executives, an employee, and Directors of the Company during 2025 and the three months ended March 31, 2026 with options reserved in the Stock Incentive Plan and, as of March 31, 2026, a total of 1,058,444 options to purchase shares of Common Stock remained. Please refer to the Stock Options section below.

*Underwriter Warrants*

Pursuant to the underwriting agreement, the Company issued to the underwriters on the closing date of the IPO (the "Closing Date"), warrants (the "Underwriter Warrants") to purchase an aggregate of 44,250 shares of the Company's common stock, representing 3% of the shares issued on the Closing Date. The Underwriter Warrants will be exercisable, in whole or in part, commencing on September 3, 2025, and expiring on September 9, 2029, at an initial exercise price per share of common stock of \$4.00, which is equal to 100% of the offering price. No Underwriter Warrants have been exercised as of March 31, 2026.

The Underwriter Warrants are classified as equity instruments in accordance with ASC 815-40, "*Derivatives and Hedging – Contracts in Entity's Own Equity*". The warrants are considered indexed to the Company's own stock and meet the equity classification criteria under GAAP.

The fair value of the Underwriter Warrants was estimated using the Black-Scholes option pricing model, a Level 3 measurement, with the following assumptions:

- Stock Price: \$4.30
- Risk-free interest rate: 4.00%
- Expected term: 4.5 years
- Expected volatility: 87.00%
- Dividend yield: 0%

The estimated fair value of the Underwriter Warrants on the grant date was approximately \$2.96 per share for a total value of \$130,980 which was accounted for as a cost of issuing equity, in offering costs. Accordingly, it has been recorded as a reduction to the additional paid-in capital in the statement of stockholders' equity (deficit), in accordance with SEC Staff Accounting Bulletin Topic 5.A.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 5 — STOCKHOLDERS' EQUITY (cont.)**

*Stock Options*

As of December 31, 2025, the Company has issued stock options ("Options") to Executives, an employee, and Directors of the Company to purchase a total of 1,950,000 shares of Common Stock. During the three months ended March 31, 2026, the Company issued an additional 250,000 Options to Directors of the Company to purchase shares of Common Stock. Further, on March 18, 2026, the Board of Directors approved the cancellation of the Options held by the CEO and COO of the Company, which totaled 1,141,556 Options. Those Options were replaced with one RSU for every Option and this resulted in incremental costs of \$117,630.

Vesting terms extend from three to four years, with some of the Options vesting immediately. As of March 31, 2026, a total of 1,058,444 Options remained outstanding and 983,444 were vested. The Options carry strike prices ranging from \$0.45 to \$1.00. Stock options issued to purchase 1,302,888 shares of Common Stock were issued with a strike price that was at the money ("at-the-money options") and the remaining Options to purchase 897,112 shares of Common Stock were issued with a strike price that was out of the money ("out-of-the-money options"). The Company uses the "simplified method" to estimate the expected term for stock options that have exercise prices issued at-the-money, consistent with SEC Staff Accounting Bulletin Topic 14, and uses the Black-Scholes option pricing model to determine the fair value of these stock options. For Options with exercise prices at issuance that are out-of-the-money, the Company uses a Binomial Lattice model, which incorporates assumptions about future exercise behavior and potential changes in stock price over the life of the award.

The Options are classified as equity instruments and accounted for in accordance with ASC 718, "*Compensation - Stock Compensation*".

The fair value of the at-the-money Options was estimated using the Black-Scholes option pricing model, a Level 3 measurement, with the following assumptions:

- Stock Price: \$0.45 - \$0.84
- Risk-free interest rate: 3.72% - 4%
- Expected term: 5 - 5.75 years
- Expected volatility: 83.6% - 93.48%
- Dividend yield: 0%

The fair value of the out-of-the-money Options was estimated using the Binomial Lattice option pricing model, a Level 3 measurement, with the following assumptions:

- Stock Price: \$0.73
- Risk-free interest rate: 4.39%
- Expected term: 10 years
- Expected volatility: 82.4%
- Dividend yield: 0%
- Exercise Multiple to Strike Price: 2.2x
- Derived Service Period: 7.35 years

The estimated fair values of the Options on the grant dates were within a range of \$0.38 and \$0.60 per share for a total value of \$920,024. The Company recognized stock-based compensation of \$3,767 for the vested Options for an employee, which was classified as stock-based compensation for the three months ended March 31, 2026. The Company recognized stock-based compensation of \$89,547 for the vested Options for Directors of the Company, which was classified as stock-based compensation for the three months ended March 31, 2026.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 5 — STOCKHOLDERS' EQUITY (cont.)**

The following is an analysis of BHHI Options issued as compensation:

	<b>Nonvested Shares</b>	<b>Weighted Average Exercise Price</b>
Nonvested shares, December 31, 2025	75,000	\$ 0.84
Granted	250,000	\$ 0.49
Vested	(250,000)	\$ 0.49
Forfeited	—	\$ —
Nonvested shares, March 31, 2026	75,000	\$ 0.84
Exercisable at March 31, 2026	983,444	\$ 0.81

*Stock Issuances*

On November 13, 2024, the Company entered into a MSA with Artemis to develop software for the Company and provide certain services. Please refer to Note 4. On March 7, 2025, the services per the SaaS Agreement and MSA began and the Company began recognizing compensation expenses as services were provided.

During the three months ended March 31, 2025, \$125,000 was recognized as capitalized implementation costs, in connection with the software development services in the MSA with Artemis, as the value for the services that were completed as of period end. Amortization of the capitalized implementation costs to software expense did not commence as of March 31, 2025. A total of \$39,772 was also recognized as software expense, in connection with the services and maintenance services in the MSA with Artemis and the SaaS with EVEMeta, as the value for the services that were completed as of period end. Please refer to Notes 2 and 4 for further detail on these technology purchase agreements.

In December of 2024, the Company sold 6,250 shares of Common Stock for total cash proceeds of \$25,000 to the Company's former CFO, Chetan Jindal. The shares of Common Stock were to be issued immediately after the consummation of the IPO, in accordance with the subscription agreement. These shares were issued in April of 2025.

In March of 2025, the Company's Board of Directors issued their unanimous consent to issue shares in connection with several transactions and the Company issued those shares. The Company authorized and issued 56 shares of Common Stock owed in January of 2025. The issuance of these shares did not have an impact on the balance in equity.

In March of 2025, the Company authorized and issued 82,096 shares of Common Stock due to the conversion of each share of preferred stock to one share of Common Stock as a result of the IPO.

In accordance with the Marketing agreement detailed in Note 4, \$200,000 worth of the Company's Common Stock, priced at the Company's IPO price of \$4.00 per share became due within ten business days of the Listing Date. The Company issued the shares, totaling 50,000 shares, in April of 2025, subsequent to the due date of March 20, 2025.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 5 — STOCKHOLDERS' EQUITY (cont.)**

In April of 2025, the Company also issued 1,875 shares of Common Stock in repayment of accrued interest of \$7,500, subsequent to the maturity date of February 15, 2025.

In October of 2025, the Company issued 175,000 shares of Common Stock in connection with services valued at \$210,000. The consideration paid is for services to be provided from November 2025 through April 2026. As such, \$105,000 and \$70,000 has been recognized as an expense for the three months ended March 31, 2026 and the year ended December 31, 2025, respectively, with the remaining amount of \$35,000 included as a prepaid expense on the condensed consolidated balance sheet as of March 31, 2026. On April 13, 2026, the Company entered into an amendment for the existing services to waive required payments and extend the term of the services that were paid for with the shares of Common Stock until August 31, 2026. Please refer to Note 12.

In November of 2025, the Company issued 77,273 shares of Common Stock in connection with marketing services valued at \$82,682.

*Restricted Stock Agreements*

BHI, and therefore the Company, entered into Restricted Stock Purchase Agreements ("RSPA") with various employees and advisors. The share exchanges that occurred during 2021 and 2022 have an effect on the number of restricted shares that are vested and unvested as of the end of each respective reporting period.

During the year ended December 31, 2020, BHI also entered into various RSPAs with an employee and two advisers, pursuant to which BHI sold 225,000 shares of restricted common stock in BHI at par value of \$0.0001 per share for cash proceeds of \$22. The restricted stock vests at varying rates. As of March 31, 2025, the Company had yet to receive proceeds for the restricted common stock issuances, and the \$22 is recorded as contra equity on the March 31, 2025 condensed consolidated balance sheets. As of March 31, 2025, 61,880 shares of Common Stock were considered vested, respectively, and the Company did not recognize additional stock-based compensation expense. All shares were fully vested as of December 31, 2024, and no unamortized stock compensation remained.

On February 10, 2022, the Company issued a restricted stock award to its outside legal counsel for 279,129 shares of common stock (as adjusted for the Reverse Stock Split). The restricted stock vests 25% immediately and 25% over the next three years at each anniversary. As of March 31, 2025, 226,793 shares of common stock were considered vested, and the Company recognized stock-based compensation expense of \$42,500 for the restricted shares that vested during the three months ended March 31, 2025. As of March 31, 2025, unamortized stock compensation of \$127,500 remained. All shares were fully vested and unamortized stock compensation was recognized as of December 31, 2025.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 5 — STOCKHOLDERS' EQUITY (cont.)**

The following is an analysis of BHI and BHHI shares of Common Stock issued as compensation subsequent to the US Reorganization and presented entirely as BHHI Common Stock. All restricted stock shares were vested as of December 31, 2025 and none were granted, vested, or forfeited during the three months ending March 31, 2026:

	<b>Nonvested Shares</b>	<b>Weighted Average Fair Value</b>
Nonvested shares, December 31, 2024	69,782	\$ 2.44
Granted	—	\$ —
Vested	(17,446)	\$ 2.44
Forfeited	—	\$ —
Nonvested shares, March 31, 2025	52,336	\$ 2.44

*Private Investment into Public Entity (PIPE)*

On July 24, 2025, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with twelve accredited investors (the "Investors") for a private investment in public equity (the "PIPE Offering") of 15,000 shares of its Series B Preferred Stock, par value \$0.0001 per share convertible into 15,923,567 shares of Common Stock, par value \$0.0001 per share, at a conversion price of \$0.942 per share of Series B Preferred Stock, and an aggregate of 15,923,567 warrants (the "PIPE Warrants") to acquire up to 15,923,567 shares of Common Stock. The purchase price of the securities was \$1,000 per share of Series B Preferred Stock and accompanying 1,061.5711 PIPE Warrants to acquire up to 1,061.5711 shares of Common Stock, subject to beneficial ownership limitations. The PIPE Warrants issued in the PIPE Offering are exercisable immediately upon issuance at an exercise price of \$0.817 per share and will expire five years from the date of issuance.

The PIPE Offering closed on July 30, 2025, with aggregate gross proceeds totaling \$15 million, before placement agent fees and other expenses which were directly deducted from the proceeds totaling \$1,321,205. In addition to the fees directly deducted from the proceeds, the Company incurred an additional fee of \$635,000, discussed further below, and other fees totaling \$8,500 for total offering costs of \$1,964,705. The Company used the proceeds from the PIPE Offering for general corporate and working capital purposes and made an investment in shares of CleanCore Solutions, Inc. Please refer to Note 10 for more details.

The exercise price and number of shares of Common Stock issuable upon exercise of the PIPE Warrants is subject to appropriate adjustment in the event of stock dividends, stock splits, reorganizations or similar events affecting the Common Stock and the exercise price. Subject to limited exceptions, the Investors may not exercise any portion of the PIPE Warrants to the extent that the Investors would beneficially own more than 4.99% (or, at the election of the holder prior to the date of issuance, 9.99%) of the outstanding Common Stock after exercise. There is no trading market available for the PIPE Warrants on any securities exchange or nationally recognized trading system. The Company does not intend to list the PIPE Warrants on any securities exchange or nationally recognized trading system.

Revere Securities, LLC acted as placement agent (the "Placement Agent") in connection with the PIPE Offering, pursuant to that certain Placement Agent Agreement, dated as of July 24, 2025, between the Company and the Placement Agent, pursuant to which the Company paid the Placement Agent a total of \$1,171,205 in fees, which were recognized as offering costs and included in the above \$1,964,705 amount. Additionally, a total of 1,057,543 warrants were issued to the Placement Agent (the "Placement Agent Warrants") to acquire up to 1,057,543 shares of Common Stock at an exercise price of \$0.942 per share and will expire five years from the date of issuance. These warrants were valued using a Black-Scholes model calculation and were determined to have a fair value of \$791,194, all of which were recognized as offering costs. No Placement Agent Warrants were exercised as of March 31, 2026.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 5 — STOCKHOLDERS' EQUITY (cont.)**

In connection with the PIPE Offering and as a pre-condition to effecting the PIPE Offering through Revere Securities, LLC, the Company entered into an agreement to terminate its exclusive engagement with H.C. Wainwright & Co., LLC for professional services allowing the Company to proceed with the PIPE Offering. As consideration for the termination, the Company issued 536,093 warrants (the "H.C. Wainwright Warrants") to acquire up to 536,093 shares of Common Stock at an exercise price of \$1.884 per share, which will expire five years from the date of issuance. These warrants were valued using a Black-Scholes model calculation and were determined to have a fair value of \$315,195, which was recognized as offering costs. Additionally, a cash payment of \$635,000 was made, which was recognized as offering costs and included in the above \$1,964,705 amount. No H.C. Wainwright Warrants were exercised as of March 31, 2026.

The fair value of the PIPE Warrants, Placement Agent Warrants and H.C. Wainwright Warrants was estimated using the Black-Scholes option pricing model, a Level 3 measurement, with the following assumptions:

- Stock Price: \$1.130
- Risk-free interest rate: 3.92%
- Expected term: 5 years
- Expected volatility: 73.2%
- Dividend yield: 0%

The estimated fair values of the warrants on the grant dates were within a range of \$0.59 and \$0.78 per share for a total value of \$13,498,967. The Company recognized the fair value of the Placement Agent Warrants and the H.C. Wainwright Warrants as offering costs in connection with the PIPE Offering, totaling \$1,106,389 for the year ended December 31, 2025. The fair values attributed to the PIPE Warrants of \$12,392,578 and the Series B Preferred Stock of \$19,108,280 were used to bifurcate the PIPE Offering proceeds using the relative fair value method and resulted in an allocation of the proceeds of the PIPE Offering as \$9,098,933 and \$5,901,067 to the Series B Preferred Stock and PIPE Warrants, respectively, before deducting offering costs.

During the three months ended March 31, 2026 and the year ended December 31, 2025, holders of the Series B Preferred Stock converted a total of 1,743 and 6,902 shares of Series B Preferred Stock into 1,850,318 and 7,327,245 shares of Common Stock, respectively. Further, during the year ended December 31, 2025, a total of 2,099,257 PIPE Warrants were exercised at \$0.817 per warrant for total proceeds of \$1,715,092. As of March 31, 2026, a total of 13,824,310 PIPE Warrants remained exercisable.

*Common Stock Awards - PIPE*

During the year ended December 31, 2025, the Company made two grants for 300,000 and 150,000 totaling 450,000 issued shares of fully vested Common Stock awards in exchange for legal and professional services, which are incremental costs in connection with the PIPE Offering and recognized as offering costs. The fair value of these shares at the date of grant was \$0.73 and \$1.72, respectively, and this resulted in fair values of \$220,200 and \$258,000, respectively, for a total cost of \$478,200.

*Par Value Adjustment - Common Stock*

During the year ended December 31, 2025, the Company recorded a reclassification within stockholders' equity (deficit) to correct the allocation between Common Stock and Additional Paid-In Capital. This adjustment ensured that the Common Stock account reflects the number of shares issued and outstanding multiplied by the par value.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 6 — DEBT**

*Convertible Debt*

The Company issued convertible debt during 2022 through May of 2024 under its initial round of convertible debt. The balance of convertible debt as of December 31, 2024 was \$5,722,511 in outstanding principal and no remaining unamortized debt issuance costs and debt discount. As of December 31, 2024, accrued interest for the notes totaled \$888,894.

During 2024, the Company issued convertible debt in the form of original issue discount convertible promissory notes. These notes provide investors with a 20% discount on their investment amount. To determine the principal amount of the notes, the investment amount is divided by 0.80, reflecting that 20% original issue discount. Concurrent with the issue and sale of the notes, each holder was entitled to receive a number of shares of the Company's Common Stock, par value \$0.0001 per share equal to: (i) in the case of a holder that is a Lead Investor, the quotient resulting when 20% of the Holder's purchase price is divided by a price per share equal to the Valuation Cap divided by the Company Capitalization, (ii) In the case of all other holders, the quotient resulting when 5% of the Holder's purchase price is divided by a price per share equal to the Valuation Cap divided by the Company Capitalization. The purchase price means the product of the principal amount of the note multiplied by 0.80. The Valuation Cap is set at \$20,000,000 and the Company Capitalization means the sum of all equity securities (on an as-converted basis) issued and outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding the notes and all equity securities reserved and available for future grant under any equity incentive or similar plan of the Company.

In connection with the completion of the IPO on March 7, 2025, which was deemed a qualifying financing event, the Company converted the total balance due to all holders of the original issue discount convertible promissory notes. The actual date of conversion of the notes was completed on March 6, 2025. The total amount that was converted was \$6,611,405, which was the total principal of \$5,722,511 and accrued interest of \$888,894 as of December 31, 2024. These were converted into a total of 1,912,176 shares of the Company's Common Stock. An additional accrual of interest through the date of the IPO, March 7, 2025, was recorded as of March 7, 2025 for \$103,101 and this balance is included as a share payable since it was convertible to shares of Common Stock totaling 29,660 as of the date of IPO. In April of 2025, 29,305 of these shares were issued, representing an increase of \$101,867 for an updated total converted amount of \$6,713,272 for the year ended December 31, 2025. The remaining 355 shares are pending to be issued and the balance of the accrued interest for the shares that were not yet issued, \$1,234, is recorded as a share payable balance until issued.

*Notes Payable*

In June of 2024, the Company received a loan in the amount of \$12,198 in United States Dollar which will be payable in the foreign currency of Great Britain Pounds. This loan had no maturity date or interest rate assigned to the loan. It was also unsecured and there were no assets pledged on the loan. This loan was revalued at December 31, 2024 and had a principal balance of \$12,900 in United States Dollar. During the three months ended March 31, 2025, a gain on foreign currency exchange was recognized for \$424 on the revaluation of the loan. This loan was repaid in March of 2025 as part of a confidential release and final agreement, detailed below.

During August and September of 2024, the Company raised \$280,000 in short-term loans that are expected to be repaid within a year, although a maturity date is not specified. These loans have a 100% interest fee that is due at the date of repayment and an additional 100% fee in shares of the Company's Common Stock issued at the current fair market value, which was \$1.41 at the dates of the loans. In September of 2024, the Company issued 198,454 shares of Common Stock in full payment of the \$280,000 amount that was payable in shares of the Company. In the same period, the Company repaid \$25,000 of the short-term loans along with the corresponding \$25,000 interest fee. These loans resulted in a total interest expense of \$560,000 that was recognized during the year ended December 31, 2024. A total principal balance of \$255,000 and accrued interest of \$255,000 remained outstanding as of December 31, 2024. The Company repaid \$175,000 of the principal amount along with \$175,000 of the accrued interest amount as part of a confidential release and final agreement, detailed below. The remaining \$80,000 in principal and \$80,000 in interest, outstanding as of March 31, 2025, was repaid in April of 2025, as detailed below, in connection with a loan repayment agreement that was entered into with a shareholder of the Company on April 2, 2025.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 6 — DEBT (cont.)**

In November of 2024, the Company raised \$30,000 from a short-term loan which carried a 100% interest fee. In addition, the Company requested from the underwriter that they unlock 24,500 shares of common stock currently owned by the lender to be available as freely floating, publicly tradable shares. A total principal balance of \$30,000 and accrued interest of \$30,000 remained outstanding as of March 31, 2025. The noteholder agreed to be repaid a total of \$29,223 for the principal amount and \$29,223 for the accrued interest on the loan. This resulted in a gain on debt extinguishment of \$1,554. The final payment was made on April 1, 2025.

The Company entered into a loan agreement with one of its shareholders on February 5, 2025 for an amount totaling \$9,314 and agreed to pay an interest fee of 200% of the principal loan and an additional 100% in common stock once the Company became a public company. In addition, this shareholder made an additional loan of \$6,186 to the Company on February 10, 2025. The additional loan was not subject to a loan agreement and did not carry any written terms. The Company became a public company on March 6, 2025. On April 2, 2025, the shareholder and the Company agreed on repayment terms for those two loans and a pre-existing loan from August of 2024 (see above) that was owed to this shareholder together with all accrued interest. The total repayment was \$206,617 and it included \$95,500 in principal and \$111,117 in interest. The total principal amount includes the \$15,500 loans from February 2025 and the remaining \$80,000 in principal and \$80,000 in interest from a loan which was made to the Company during August of 2024. The final payment was made in April of 2025.

*Confidential Release and Final Agreement*

From January through March of 2025, the Company borrowed money from shareholders of the Company to pay for expenses in connection with the IPO. Total proceeds of \$86,150 were received by the Company and these borrowed funds did not have a loan agreement or loan terms. These shareholders also had notes payable made to the Company during 2024, which are part of the notes payable totaling \$187,900 in principal as of December 31, 2024.

In March of 2025, the Company entered into a confidential release and final agreement to settle all loan amounts and interest payable to these shareholders with a total payment of \$650,000. The agreement also supersedes all prior loan agreements and settles any future claims for any reason and no longer requires the payment of any shares of equity. The total loans that were paid had a principal amount of \$273,626 and accrued interest of \$175,000. The Company recognized an additional \$201,374 in interest expense. Payment of the settlement amount was made on March 31, 2025.

*Convertible Debt - December 2024*

In December of 2024, the Company raised \$25,000 from a short-term convertible promissory note which is unrelated to the previously issued convertible debt through May of 2024 and carries different terms. This note has a 30% original issue discount that constitutes the interest due on the loan and was added to the principal balance, a payment in equity kicker shares of the Company's common stock having a combined value equaling 30% of the principal amount and a maturity date of February 15, 2025. The number of the shares subject to the equity kicker was calculated based on the Company's anticipated price per share at the IPO, which was at \$4. The original issue discount and the equity kicker shares had values of \$7,500 each for a total discount on debt of \$15,000. During 2024, the Company recognized \$4,219 in amortization of debt discount on the condensed consolidated statements of operations. The issuance of this loan resulted in an additional 1,875 shares of common stock becoming due and were not issued as of December 31, 2024. As such, it resulted in an increase of \$7,500 to the shares payable balance during the year ended December 31, 2024. A total principal balance of \$32,500 and unamortized debt discount of \$10,781 was outstanding as of December 31, 2024. The Company amortized the remaining debt discount amount of \$10,781 to interest expense during the three months ended March 31, 2025.

Loan repayment options included the proceeds of the Company's IPO, which occurred on March 6, 2025 and was the earliest of all other options. The lender had the option to convert the debt into shares of the Company's common stock but, instead, the repayment of the loan principal of \$25,000 and accrued interest of \$7,500 was completed in March of 2025. The 1,875 shares were issued in April of 2025, subsequent to the maturity date of February 15, 2025, and were included in the shares payable balance as of March 31, 2025.

In March of 2025, the Company raised an additional \$150,000 from two short-term promissory notes which have a 30% original issue discount that constitutes the interest due on the loan and was added to the principal balance, a payment in equity kicker shares of the Company's common stock having a combined value equaling 30% of the principal amount and a maturity date of April 10, 2025. The number of the shares subject to the equity kicker was calculated based on the Company's anticipated price per share at the IPO, which was at \$4. The original issue discount and the equity kicker shares had values of \$45,000 each for a total discount on debt of \$90,000. The issuance of this loan resulted in an additional 11,250 shares of common stock becoming due. As such, it resulted in an increase of \$45,000 to the shares payable balance during 2025. The Company repaid the total loan principal of \$150,000 and accrued interest of \$45,000 in March of 2025. The shares in connection with the share payable amount of \$45,000 were issued in April of 2025 and were included in the shares payable balance as of March 31, 2025. The Company amortized the \$90,000 debt discount amount to interest expense during the three months ended March 31, 2025.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 6 — DEBT (cont.)**

***Yorkville Facility***

*Yorkville Purchase Agreement*

On December 4, 2025, the Company, House of Doge and Yorkville entered into the Yorkville Purchase Agreement, whereby the Company has the right, but not the obligation, to sell to Yorkville, and Yorkville is obligated to purchase from the Company, up to \$100,000,000 in the Company's Common Stock, or the lesser of (x) \$100,000,000 in aggregate gross purchase price of newly issued shares of Common Stock ("Equity Line Securities") and (y) 3,957,838 shares of Common Stock ("Yorkville Exchange Cap"), provided that the Yorkville Exchange Cap shall not apply to any shares sold to Yorkville at or above the Base Price. Sales of shares of the Company's Common Stock to Yorkville under the Yorkville Purchase Agreement, and the timing of any such sales, will be determined by the Company from time to time in its sole discretion and will depend on a variety of factors, including, among other things, market conditions, the trading price of the Company's Common Stock, and determinations by the Company about the use of proceeds of such Common Stock sales. The net proceeds from any such sales under the Yorkville Purchase Agreement will depend on the frequency with, and the price at which the shares of the Company's Common Stock are sold to Yorkville.

Upon the initial satisfaction of the conditions to Yorkville's obligation to purchase shares of the Company's Common Stock set forth under the Yorkville Purchase Agreement (the "Commencement"), including that a registration statement registering the resale by Yorkville of the shares of the Company's Common Stock under the Securities Act, purchased pursuant to the Yorkville Purchase Agreement (the "Resale Registration Statement") is declared effective by the SEC and a final prospectus relating thereto is filed with the SEC, the Company will have the right, but not the obligation, from time to time, at its sole discretion and on the terms and subject to the limitations contained in the Yorkville Purchase Agreement, until no later than the first day of the month following the 36-month anniversary of the Commencement Date (as defined in the Purchase Agreement), to direct Yorkville to purchase up to a specified maximum amount of the Company's Common Stock as set forth in the Yorkville Purchase Agreement by delivering written notice to Yorkville prior to the commencement of trading on any trading day. The purchase price of the Company's Common Stock that the Company elects to sell to Yorkville pursuant to the Yorkville Purchase Agreement will be 97% of the volume weighted average price (the "VWAP") of the Company's Common Stock during the applicable purchase date on which the Company has timely delivered a written notice to Yorkville, directing it to purchase its Common Stock under the Yorkville Purchase Agreement.

A commitment fee of \$1,000,000 was earned by Yorkville upon the closing of the Yorkville Purchase Agreement and is payable in cash with 10% of each purchase price paid by Yorkville of Common Stock being withheld as repayment for the fee. In the event that the Yorkville Purchase Agreement is terminated prior to full repayment of the commitment fee, the unpaid balance of the commitment fee will immediately become payable. The Company has recognized a deferred offering cost and commitment fee payable of \$1,000,000 in the consolidated balance sheets as of March 31, 2026 and December 31, 2025 and this balance will be reclassified from a deferred offering cost and recognized as an offering cost as Yorkville purchases the Company's Common Stock and repayment of the commitment fee is made.

The Resale Registration Statement was declared effective by the SEC on January 16, 2026.

The Yorkville Purchase Agreement was determined to be a freestanding financial instrument which did not meet the criteria to be accounted for as a derivative instrument and meets the criteria under ASC 815-40, "*Derivatives and Hedging — Contracts In Entity's Own Equity*" ("ASC 815-40") to be recognized within equity upon the sale of the Company's Common Stock in accordance with the terms of the agreement. As of March 31, 2026, the conditions to Yorkville's obligation to purchase shares of the Company's Common Stock have not been met and no shares have been sold under the Yorkville Purchase Agreement.

*Yorkville Convertible Note*

Concurrently with the Yorkville Purchase Agreement, the Company and House of Doge, jointly and severally, authorized the issuance of the Yorkville Convertible Note to Yorkville, in the aggregate original principal amount of up to \$11.0 million, pursuant to which Yorkville agreed to advance the aggregate principal amount to the Company in two advances (each an "*Advance*"). In respect of each Advance, Yorkville will pay a purchase price equal to 90% of the principal amount of such Advance. The first Advance under the Yorkville Convertible Note in the original principal amount of \$3,850,000 was issued on December 4, 2025.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 6 — DEBT (cont.)**

The Yorkville Convertible Note is convertible into shares of the Company's Common Stock in certain circumstances in accordance with the terms of the Yorkville Convertible Note at a conversion price equal to 95% of the lowest daily VWAP of the Company's Common Stock during the five consecutive trading days immediately preceding the relevant conversion date, subject to adjustment pursuant to the terms of the Yorkville Convertible Note. The Company received net proceeds of \$3,365,000, after the deduction of transaction related expenses, from the closing of the first Advance pursuant to the Yorkville Convertible Note, with the resulting net proceeds being delivered to House of Doge at the direction of the Company and House of Doge. This amount is classified as advances to a related party on the Company's consolidated balance sheet with ending balance of \$1,144,375 and \$3,365,000, as of March 31, 2026 and December 31, 2025, respectively. During the three months ending March 31, 2026, the Company received payments totaling \$2,220,625 against the outstanding balance of advances.

Consistent with certain applicable Nasdaq rules, the Company may not issue to Yorkville more than 3,957,838 Equity Line Securities under the Yorkville Purchase Agreement or the Yorkville Convertible Note, which number of shares is equal to 19.99% of the shares of the Company's Common Stock issued and outstanding immediately prior to the execution of the Yorkville Purchase Agreement, unless the Company obtains stockholder approval to issue shares of its Equity Line Securities in excess of such limit in accordance with applicable rules of Nasdaq.

Moreover, the Company may not issue or sell any Equity Line Securities to Yorkville that, when aggregated with all other shares of the Company's Common Stock then beneficially owned by Yorkville and its affiliates (as calculated pursuant to Section 13(d) of the Exchange Act and Rule 13d-3 promulgated thereunder), would result in Yorkville beneficially owning more than 4.99% of the issued and outstanding shares of the Company's Common Stock.

The Company has elected to account for this convertible debt instrument with the FVO in accordance with ASC 825, "*Financial Instruments*". The Company elected the FVO for the Yorkville Convertible Note due to the complexity of its embedded features, including conversion options and other terms that could otherwise require bifurcation and separate accounting under ASC 815, Derivatives and Hedging. By electing the FVO, the Company accounts for the instrument in its entirety at fair value, which simplifies the accounting and provides more transparent and relevant financial reporting by reflecting the economic characteristics of the instrument as a whole. As such, the Yorkville Convertible Note is required to be measured at fair value at the date of issuance, December 4, 2025, and at subsequent reporting periods.

The fair value of the Yorkville Convertible Note as of March 31, 2026 and December 31, 2025 was \$1,749,441 and \$3,771,845, respectively. During the three months ended March 31, 2026, the Company made payments towards the outstanding principal balance for \$2,062,500 and recorded a loss of \$40,096 related to the change in fair value of the Yorkville Convertible Note liability. For each valuation, the Company used the probability-weighted expected return model ("PWERM"). Please refer to Note 9.

On March 20, 2026, the Yorkville Convertible Note was amended. The original maturity date was the earlier of April 1, 2026, if the Merger had not occurred as of March 31, 2026, or October 30, 2026. Per the amendment, the maturity date was revised to June 1, 2026 and the remaining funding commitment of \$7,150,000 in the Yorkville Convertible Note was terminated.

Under the terms of the original note, the Company and House of Doge were required to make monthly amortization payments beginning February 1, 2026, generally based on the outstanding principal balance, subject to certain adjustments. In the event that the business combination event did not occur as of February 1, 2026, a payment of \$687,500 would be required. The required payment due as of February 1, 2026 was made. In the event that the Merger did not occur as of February 28, 2026, the Company would be required to make a payment as a premium in the amount of 5% of the applicable principal amount, which was determined to be \$158,125. In March of 2026, this payment was made as a result of the merger not closing as of the required date. Consequently, due to the merger not closing and the premium payment of \$158,125 being made, the monthly amortization payment due on March 1, 2026 was no longer required. In accordance with the amendment, the prior monthly amortization payments were revised and the new required payment was \$1,375,000 on April 1, 2026. The new required payment for \$1,375,000 was made in March of 2026. The remaining outstanding principal amount is due on June 1, 2026.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 6 — DEBT (cont.)**

Lastly, the amendment imposed additional collateral and control requirements related to certain equity securities held by the Company and House of Doge, which includes the 4,000,000 shares of CleanCore Solutions, Inc. owned by the Company, via a Securities Account Control Agreement (“SACA”). As a result, the Company and House of Doge are required to deposit those equity securities into an account that will serve as collateral for the Yorkville Convertible Note and any proceeds that result from the sale of such equity securities will be remitted to Yorkville until the Yorkville Convertible Note is fully paid.

*Yorkville Warrant*

Concurrently with the execution of the Yorkville Purchase Agreement and the issuance of the Yorkville Convertible Note, on December 4, 2025, the Company issued to Yorkville a warrant (the “*Yorkville Warrant*”) to purchase up to 10,173,881 shares of the Company’s Common Stock with an exercise price equal to the lower of (i) \$1.50 per share, or (ii) 130% of the average closing price of the Company’s Common Stock as reported by Nasdaq for the five trading days ending on the 10th trading day following the closing of the Merger. The Yorkville Warrant was exercisable immediately upon issuance and expires three years from the date of issuance.

The exercise price and number of shares of the Company’s Common Stock issuable upon exercise of the Yorkville Warrant is subject to appropriate adjustment in the event of stock dividends, stock splits, reorganizations or similar events affecting the Company’s Common Stock and the exercise price. Subject to limited exceptions, Yorkville may not exercise any portion of the Yorkville Warrant to the extent that Yorkville would beneficially own more than 4.99% (or, at the election of the holder prior to the date of issuance, 9.99%) of the outstanding shares of the Company’s Common Stock after exercise. In the event of certain fundamental transactions, the holder of the Yorkville Warrant will have the right to receive the Black Scholes Value (as defined in the Yorkville Warrant) of the Yorkville Warrant calculated pursuant to a formula set forth in the Yorkville Warrant, payable in cash. None of the Yorkville Warrants have been exercised as of March 31, 2026.

The Yorkville Warrant is required to be measured at fair value pursuant to ASC 815, “*Derivatives and Hedging*” at the date of issuance, December 4, 2025, and at subsequent reporting periods. The fair value of the Yorkville Warrant as of March 31, 2026 and December 31, 2025 was \$3,869,638 and \$3,987,046, respectively. The Company used a Monte Carlo simulation model to determine the Yorkville Warrant’s fair value at issuance and the end of each period, March 31, 2026 and December 31, 2025. During the three months ended March 31, 2026, the Company recorded a loss of \$117,408 related to the change in fair value of the Yorkville Warrant. Please refer to Note 9.

At issuance, the aggregate fair value of the Yorkville Convertible Note and the Yorkville Warrant was \$9,068,603, which exceeded the proceeds received from the first Advance under the Yorkville Convertible Note by \$5,218,603. In accordance with ASC 825, ASC 815 and ASC 820, the Company recorded the Yorkville Convertible Note and Yorkville Warrant at their respective fair values at the issuance date. Because the aggregate fair value of these financial instruments exceeded the proceeds received and no other separately identifiable assets or economic benefits were identified that would be recognized under U.S. GAAP, the Company recognized the excess of the fair value of the instruments over the proceeds received as a loss in earnings at issuance.

The estimated fair values of the Yorkville Convertible Note and Yorkville Warrant reflect the prices that would be received to transfer the instruments in an orderly transaction between market participants at the measurement date and incorporate significant assumptions regarding expected volatility of the Company’s common stock, the probability and timing of conversion or exercise, and other market-based inputs. These assumptions resulted in an aggregate estimated fair value of the instruments that exceeded the proceeds received from the initial Advance.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 6 — DEBT (cont.)**

The Company entered into the Yorkville financing to obtain access to capital and additional liquidity to support its operations and strategic initiatives. Management believes that this financing structure provided the Company with access to capital that may not otherwise have been available on acceptable terms given the Company's stage of development, capital requirements and market conditions. The Yorkville financing also provides the Company with potential future access to additional capital through the Yorkville Purchase Agreement equity facility.

The Company believes the transaction was negotiated with an unrelated third-party investor and was conducted on an arm's-length basis. Management evaluated whether any additional rights, services or other economic benefits were obtained in connection with the transaction that would qualify for recognition as separate assets under U.S. GAAP and determined that none met the criteria for separate recognition. As a result, the excess of the fair value of the financial instruments over the proceeds received was recognized as a loss at issuance.

During the year ended December 31, 2025, the Company recognized (i) a loss of \$5,218,603 related to the initial recognition of the excess of the fair value of the instruments over the proceeds received, (ii) a loss of \$44,831 related to the change in fair value of the Yorkville Convertible Note and (iii) a gain of \$1,354,543 related to the change in fair value of the Yorkville Warrant, resulting in a net loss of \$3,908,891 related to the Yorkville financing instruments during the year ended December 31, 2025.

Subsequent to initial recognition, these liability-classified instruments are remeasured at fair value at each reporting date, with changes in fair value recognized in earnings.

**NOTE 7 — REVENUE RECOGNITION**

The Company recognizes revenue from the sale of products and services in accordance with ASC 606, "*Revenue from contracts with Customers*".

The Company generates revenues from advertising, sponsorship and league tournaments, and through the operation of its live streaming platform using a revenue model whereby gamers and creators can get free access to certain live streaming of amateur tournaments, and gamers and creators pay fees or subscriptions to compete in league competitions. The Company enters into contracts which may include combinations of products, support and professional services, which may be accounted for as separate performance obligations with differing revenue recognition patterns.

At the end of March 31, 2026 and December 31, 2025, the Company did not have any contract assets or liabilities arising from contracts with customers. This was due to the fact that all service agreements for tournaments were entered into and completed in the same period.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 7 — REVENUE RECOGNITION (cont.)**

*Performance Obligations*

The Company earns the majority of its revenue from hosting video gaming tournaments. The main performance obligation has been organizing and executing these tournaments. There are many different deliverables that are noted or implied in these contracts with customers including but not limited to, planning the event, identifying vendors and locations, completing administrative tasks, managing the event staff, coordinating the tournaments, and executing sponsorship advertisement. Contracts vary in length and extent of deliverables. Some tournaments are single events, while others require the Company to have qualifiers leading up to a championship event. In the case of contracts for longer tournament deliverables, the Company has identified each qualifier and each championship event as performance obligations. For single event contracts, the performance obligation is the execution of the event. These performance obligations are met once the tournaments are hosted and completed.

In the case of revenue earned from the Twitch Affiliate Program, the Company's performance obligations is to create content and maintain a channel to which (i) customers can subscribe, (ii) ads can be played to viewers by Twitch to generate revenue and (iii) customers can use bits. These performance obligations are monitored by Twitch and the Company receives the revenue from those obligations. On a monthly basis, the Company receives from Twitch its respective portion of the revenue generated by its content. This source of revenue is insignificant and not a main source of income for the Company.

*Judgments and Estimates*

The Company's contracts include commitments to transfer tournament hosting and a gaming community platform service that customers can subscribe to. Judgment is required to allocate the transaction price to each performance obligation. The Company has carefully evaluated the timing of when the completion of performance obligations occurs for tournament hosting revenue and has determined that it occurs at the point in time in which the event has been completed. For single event tournaments, the Company determines the transaction price to be the contracted amount and allocates that price to the single performance obligation. In the case of tournaments with multiple events and performance obligations, the Company evaluates the magnitude of the performance obligations to make an estimate of the allocation of the transaction price (total contract amount) to the multiple performance obligations. It is the Company's judgment that the transaction price for multiple event tournaments is allocated evenly throughout each of the total qualifier and championship match events. The reasoning is because at each event, there is no distinguishable difference in the amount of advertising and/or other obligations that are performed and thus, service that is provided for the customer.

In the case of subscription revenue, which is recognized over time, the Company has determined that the revenue is earned ratably over the period of the subscription. Revenue is recognized evenly over the subscription period because there is no discernable difference in the amount of service that is provided in each of the days within the subscription period.

*Costs to Obtain or Fulfill a Contract*

The revenue recognition standard requires the capitalization of certain incremental costs of obtaining a contract. These typically are represented by commission expenses. Prior to the Company's adoption of the new revenue standard, commission expenses would be recognized in the period incurred. Under the revenue recognition standard, the Company is required to recognize these expenses over the period of benefit associated with these costs. This results in a deferral of certain commission expenses each period. There were no deferred commissions related to contracts that were or were not completed prior to March 31, 2026 and December 31, 2025. The Company recognizes an asset for the incremental costs of obtaining a contract with a customer if the benefit of those costs is expected to be longer than one year.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 8 — SEGMENT REPORTING**

The Company and its subsidiaries manage its business activities on a consolidated basis and operate as a single operating segment (the “Gaming” segment). The Company is a vertically integrated social network for college gaming and its mission is to create a community which empowers gamers, streamers, and fans to interact with one another. The Company’s platform, which focuses on building a centralized gaming experience for non-professional college gamers and their fans, achieves this by allowing college students to compete against one another, support their favorite gamers and teams, and win prizes. The accounting policies of the Gaming segment are the same as those described in Note 2 – Summary of Significant Accounting Policies of our Annual Report on Form 10-K for the year ended December 31, 2025.

The Company’s CODM is our Chief Executive Officer, Lavell Juan Malloy, II. The CODM uses net income (loss), as reported on our condensed consolidated statements of operations, in evaluating performance of the Gaming segment and determining how to allocate resources of the Company as a whole. The CODM does not review assets in evaluating the results of the Gaming segment, and therefore, such information is not presented.

The following table provides the operating financial results of our Gaming segment:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>Total Revenue</b>	\$ —	\$ —
Less: Significant and Other Segment Expenses		
Cost of Sales	—	—
Advertising and Marketing	36,617	81,450
Legal and Professional	839,818	138,324
Selling, General and Administrative	652,965	257,159
Software Expense	7,779	64,651
Software Development	62,926	386
Settlement Expense	75,000	—
Stock-Based Compensation	210,944	42,500
Interest Expense and Amortization of Debt Discount	158,125	438,709
Other Income	(1,467)	(1,601)
Interest Income	(108,432)	—
Other Expenses	—	46,406
Foreign Currency (Gain)	(58)	(311)
Net Unrealized Gain on Equity Securities	(324,000)	—
Change in Fair Value of Warrants and Convertible Debt	(77,312)	—
<b>Segment Net Loss</b>	<b>\$ (1,532,905)</b>	<b>\$ (1,067,673)</b>

**NOTE 9 — FAIR VALUE MEASUREMENTS**

*Cloud Computing Arrangements - Technology Purchase Agreements*

In accordance with ASC 820, “Fair Value Measurements and Disclosures”, the Company uses various inputs to measure the fair value of its stock-based compensation liability resulting from the cash-settled written put options related to the MSA with Artemis and the SaaS with EVEMeta on a recurring basis to determine the fair value of these liabilities. The Company determines the fair value of the stock-based compensation liability using a Monte Carlo simulation.

Further, as of May 12, 2025, the Company completed a fair value measurement for the cash settlement provision of its agreements with Artemis and EVEMeta, the liability classified award, using a Monte Carlo simulation model as a result of the amendment of the agreements and determined a total fair value measurement of \$2,942,136. The Company recognized a stock-based compensation liability from the total fair value only to the extent in which services were provided to the Company through the amendment date, which resulted in partial recognition and was an estimate by the Company as of period end. This resulted in the recognition of a stock-based compensation liability of \$116,669 as of May 12, 2025, of which \$72,277 was recognized as an increase during the period April 1, 2025 to May 12, 2025 to the existing stock-based compensation liability of \$44,392 as of March 31, 2025. Of the total of \$72,277, \$41,331 was capitalized to capitalized implementation costs and \$30,946 was expensed as a software expense. These amounts did not have an impact on the balance of the Company’s stockholders’ equity. Lastly, as a result of the amendment, the stock-based compensation liability was settled and no longer exists as of May 12, 2025. Please refer to Note 2 for further details on the modification and settlement of the stock-based compensation liability.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 9 — FAIR VALUE MEASUREMENTS (cont.)**

The following table presents changes in Level 3 liabilities measured at fair value for the three months ended March 31, 2025. Both observable and unobservable inputs were used to determine the fair value of positions that the Company has classified within the Level 3 category.

	<b>Stock-Based Compensation Liability</b>
<b>Balance as of December 31, 2024</b>	<b>\$ -</b>
<b>Change in fair value - Capitalized Implementation Costs</b>	35,340
<b>Change in fair value - Software Expense</b>	9,052
<b>Balance as of March 31, 2025</b>	<b>\$ 44,392</b>

The key inputs for the Monte Carlo simulation for the stock-based compensation liability as of March 31, 2025 were as follows:

**Stock-Based Compensation Liability: Key Valuation Inputs\***

<b>Valuation Date Stock Price</b>	<b>\$ 6.61</b>
<b>Volatility</b>	90%
<b>Risk-Free Rate</b>	3.95%
<b>Credit Risk Adjusted Rate</b>	11.25%
<b>Time period (years)</b>	5.44

\* The valuation was based on a Monte Carlo simulation analysis of 100,000 iterations.

*Private Investment into Public Entity (PIPE)*

On July 24, 2025, the Company entered into a Securities Purchase Agreement with investors for the PIPE Offering of 15,000 shares of its Series B Preferred Stock and an aggregate of 15,923,567 PIPE Warrants to acquire up to 15,923,567 shares of Common Stock. The PIPE Offering closed on July 30, 2025. Additionally, the Company issued a total of 1,057,543 Placement Agent Warrants to acquire up to 1,057,543 shares of Common Stock at an exercise price of \$0.942 per share, and 536,093 H.C. Wainwright Warrants to acquire up to 536,093 shares of Common Stock at an exercise price of \$1.884 per share.

The fair value of the PIPE Warrants, Placement Agent Warrants and H.C. Wainwright Warrants was estimated using the Black-Scholes option pricing model, a Level 3 measurement. Please refer to the PIPE section in Note 5.

*Pre-Funded Warrants*

On September 2, 2025, the Company invested \$4,000,000 in Pre-Funded Warrants of CleanCore Solutions, Inc. with a purchase price of \$1 per warrant. The exercise price of the warrants is \$0.0001 per share and each warrant is for one share of Class B Common Stock of CleanCore Solutions, Inc., a publicly traded company. The investment is accounted for as an equity security under ASC 321, Investments – Equity Securities, and is measured at the fair value of the consideration that was transferred, which was \$4,000,000 in cash, with changes in fair value recognized in earnings. In November 2025, the Company exercised the pre-funded warrants and received 4,000,000 shares of CleanCore Solutions, Inc Class B Common Stock. As of March 31, 2026 and December 31, 2025, the investment had a carrying value of \$1,424,000 and \$1,100,000, based on the quoted market price of CleanCore’s Class B Common Stock on the NYSE American Exchange, a Level 1 measurement. A net unrealized gain on equity securities was recognized for \$324,000 during the three months ended March 31, 2026. Please refer to Notes 1 and 10.

*Yorkville Convertible Note*

On December 4, 2025, concurrently with the Yorkville Purchase Agreement, the Company and House of Doge, jointly and severally, authorized the issuance of the Yorkville Convertible Note to Yorkville. The Company has elected to account for this convertible debt instrument with the FVO in accordance with ASC 825, “*Financial Instruments*”. Please refer to Note 6 for further details on the Yorkville Convertible Note.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 9 — FAIR VALUE MEASUREMENTS (cont.)**

The following table presents changes in the Level 3 measurement of the convertible debt at fair value for the quarter ended March 31, 2026. Both observable and unobservable inputs were used to determine the fair value of positions that the Company has classified within the Level 3 category.

	<b>Convertible Debt</b>
<b>Balance as of December 31, 2025</b>	<b>\$ 3,771,845</b>
<b>Change in Fair Value</b>	40,096
<b>Payments</b>	(2,062,500)
<b>Balance as of March 31, 2026</b>	<b>\$ 1,749,441</b>

The key inputs for the PWERM for the Yorkville Convertible Note as of March 31, 2026 were as follows:

<b>Convertible Debt: Key Valuation Inputs</b>	
<b>Variable Weighted Average Price for Conversion</b>	\$ 0.2682
<b>Expected Stock Price at Conversion</b>	0.2684
<b>Volatility</b>	87.13%
<b>Risk-Free Rate</b>	3.70%
<b>Credit Risk Adjusted Rate</b>	14.30%
<b>Discount Rate</b>	18%
<b>Probability Merger occurs by May 15, 2026</b>	90%
<b>Probability Merger does not occur by May 15, 2026</b>	5%
<b>Probability of Default</b>	5%

*Yorkville Warrant*

On December 4, 2025, concurrently with the execution of the Yorkville Purchase Agreement and the issuance of the Yorkville Convertible Note, on December 4, 2025, the Company issued the Yorkville Warrant. The Yorkville Warrant is required to be measured at fair value pursuant to ASC 815, “Derivatives and Hedging” (“ASC 815”) at the date of issuance, December 4, 2025, and in subsequent reporting periods.

The following table presents changes in the Level 3 measurement of the warrant liability at fair value for the quarter ended March 31, 2026. Both observable and unobservable inputs were used to determine the fair value of positions that the Company has classified within the Level 3 category.

	<b>Warrant Liability</b>
<b>Balance as of December 31, 2025</b>	<b>\$ 3,987,046</b>
<b>Change in Fair Value</b>	(117,408)
<b>Balance as of March 31, 2026</b>	<b>\$ 3,869,638</b>

The key inputs for the Monte Carlo simulation for the Yorkville Warrant as of March 31, 2026 were as follows:

<b>Warrant Liability: Key Valuation Inputs*</b>	
<b>Valuation Date Stock Price</b>	\$ 0.27
<b>Volatility</b>	87.13%
<b>Risk-Free Rate</b>	3.81%
<b>Time period (years)</b>	2.68

\* The valuation was based on a Monte Carlo simulation analysis of 100,000 iterations.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 10 — INVESTMENTS**

In September 2025, the Company entered into a Securities Purchase Agreement with CleanCore Solutions, Inc. (“CleanCore”), a Nevada corporation, to invest in Pre-Funded Warrants representing the right to acquire shares of CleanCore’s Class B Common Stock at a nominal exercise price of \$0.0001 per share. The Company purchased 4,000,000 warrant shares at a price of \$1.00 for a total investment of \$4,000,000 in cash.

The Pre-Funded Warrants were fully funded upon issuance and exercised on November 10, 2025 at a nominal exercise price for CleanCore’s Class B Common Stock, following the completion of all required corporate approvals, including an amendment to CleanCore’s articles of incorporation authorizing additional shares. The Warrants are non-redeemable and economically equivalent to shares of common stock, with a beneficial ownership limitation of 4.99% (or 9.99% upon election).

The investment is accounted for as an equity security under ASC 321, Investments – Equity Securities, and is measured at the fair value of the consideration that was transferred, with changes in fair value recognized in earnings. As of March 31, 2026 and December 31, 2025, the investment had a carrying value of \$1,424,000 and \$1,100,000, based on the quoted market price of CleanCore’s Class B Common Stock on the NYSE American Exchange, a Level 1 measurement. A net unrealized gain on equity securities was recognized for \$324,000 during the three months ended March 31, 2026.

**NOTE 11 — BUSINESS COMBINATION**

*The Merger Agreement*

The Company entered into a Merger Agreement dated as of October 12, 2025, by and among the Company, House of Doge, and the Merger Sub. The Merger Agreement and the transactions contemplated thereby were unanimously approved by the respective boards of directors of both Brag House and House of Doge. Pursuant to the Merger Agreement, upon the terms and subject to the conditions set forth therein, among other things, House of Doge will merge (the “Merger”) with and into Merger Sub, with House of Doge continuing as the surviving entity and a wholly owned subsidiary of the Company.

In exchange for the outstanding shares of the House of Doge’s common stock and outstanding restricted stock units (“RSUs”), Brag House will issue shares of its Common Stock and a new class of preferred stock (that will be convertible into shares of common stock) and RSUs constituting an aggregate of approximately 663,250,176 shares of its common stock, on a fully diluted basis, to House of Doge’s shareholders and RSU holders, provided that any shares of its common stock that House of Doge issues to non-affiliates in arms-length commercial business transactions it negotiates in good faith in the ordinary course of business prior to the effective time of the Merger (the “Effective Time”) will also be exchanged in the Merger and, therefore, cause the number of shares of common stock that Brag House issues in the Merger to proportionately increase. House of Doge will also issue 9,000,000 shares of its common stock to Lavell Juan Malloy, II, Brag House’s CEO, and Daniel Leibovich, Brag House’s COO. Upon consummation of the Merger, House of Doge will become the majority shareholder of Brag House. Following the Merger, Brag House’s Common Stock shall continue to be listed on The Nasdaq and Brag House will be renamed “House of Doge Inc.”

On November 26, 2025, the Company entered into amendment No. 1 to the Merger Agreement. On February 2, 2026 the Company entered into amendment No. 2 to the Merger Agreement and on March 26, 2026 entered into amendment No. 3 to modify certain provisions of the Merger Agreement, including the extension of the termination date of the agreement to May 29, 2026. On May 11, 2026, the Company entered into amendment No. 4 of the Merger Agreement to extend the termination of the agreement to June 30, 2026.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 11 — BUSINESS COMBINATION (cont.)**

As of March 31, 2026, the pre-requisite conditions to close the Merger have not been achieved and the Merger has not been consummated. The Merger is subject to approval by the Company's shareholders and other customary closing conditions as set forth in the Merger Agreement. The closing date is estimated to occur during June of 2026; however, there is no guarantee that the Merger will take place by this date or at all.

On February 5, 2026, the Company's registration statement for the Merger was declared effective by the SEC.

On April 7, 2026, the Company held its special meeting of stockholders to vote on the Merger Agreement and related matters. Please refer to Note 12 for more details.

**NOTE 12 — SUBSEQUENT EVENTS**

The Company has evaluated events and transactions subsequent to March 31, 2026 through the date these condensed consolidated financial statements were included on Form 10-Q and filed with the SEC. Other than the matters described below, there are no additional subsequent events identified that would require disclosure in the condensed consolidated financial statements.

*The Merger Agreement and Shareholder Approval*

On April 7, 2026, the Company held its special meeting of stockholders to vote on the Merger Agreement and related matters (the "Special Meeting") and a quorum for the transaction of business was present in person virtually or represented by proxy. The Company's stockholders voted on various proposals, which are described in more detail in the Registration Statement on Form S-4 filed jointly by the Company and House of Doge (as amended from time to time, the "Registration Statement") containing a proxy statement/prospectus (such proxy statement/prospectus in definitive form, the "Proxy Statement"), which Registration Statement was declared effective by the Securities and Exchange Commission on February 5, 2026.

Proposal 1 was to approve and adopt the Merger Agreement, pursuant to which the Merger will occur, and to approve the transactions contemplated by the Merger Agreement. On the basis of the submitted votes, each of proposals 1 through 3 and 5 through 7 were approved and the stockholders elected, effective at the effective time of the Merger, the six directors listed in proposal 4 to serve on the Board until the next annual meeting of stockholders, and until their respective successors are duly elected and qualified.

On May 11, 2026, the Company entered into amendment No. 4 to extend the termination of the agreement to June 30, 2026.

*Incentive Awards*

On April 16, 2026, the Company's Board of Directors approved the acceleration of the expiration date for certain awards granted in 2025 to expire on April 25, 2026. The acceleration of the expiration of the awards was agreed to by the affected participants via an executed consent form.

Additionally, on April 16, 2026, the Company granted a total of 1,649,933 fully vested shares of RSU's to its CEO and COO as stock-based compensation valued at a total of \$1,004,809.

On April 27, 2026, the Company granted a total of 975,000 fully vested shares of RSU's as stock-based compensation valued at a total of \$699,075.

*Conversion of Series B Preferred Stock*

On May 4, 2026, a shareholder of Series B Preferred Stock converted 119 shares of Series B Preferred Stock into 126,326 shares of the Company's Common Stock.

*Prepaid Investor Relations Expenses*

On April 13, 2026, the Company entered into an amendment to an agreement for existing prepaid investor relations services which had a balance of \$35,000 as of March 31, 2026. As a result of the amendment, the consultant agreed to waive required monthly payments of \$6,000 from February through April, of which \$12,000 are included in accounts payable as of March 31, 2026, and extend the term of the prepaid services through August 31, 2026. Please refer to Note 5.

*Investor Relations Consulting Agreement*

On April 3, 2026, the Company entered into a consulting agreement for strategic investor relations services for an initial period of six months, subject to automatic renewal of one month unless terminated by either party in accordance with the terms of the agreement. Compensation for these services is \$15,000 per month with an additional grant of 750,000 shares of the Company's Common Stock upon the consummation of the Merger and successful rendering of the services.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 12 — SUBSEQUENT EVENTS (cont.)**

*Securities Purchase Agreement*

On May 4, 2026, the Company, entered into a Purchase Agreement (the “Senior Purchase Agreement”) with certain institutional investors (each, a “Purchaser” and collectively, the “Purchasers”), pursuant to which the Company agreed to issue and sell to the Purchasers, and the Purchasers agreed to purchase from the Company, Senior Secured Convertible Notes, each dated May 4, 2026 (collectively, the “Senior Notes”), in an aggregate original principal amount of \$2,500,000 (the “Senior Offering”). The aggregate subscription amount funded by the Purchasers was \$1,875,000, reflecting a 25% original issue discount. The Senior Notes were offered and sold in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”), and Rule 506 promulgated thereunder.

In connection with the Senior Offering, the Company issued to the Purchasers an aggregate of 3,000,000 shares of the Company’s Common Stock, par value \$0.0001 per share as a commitment fee (the “Commitment Shares”), allocated pro rata based on each Purchaser’s subscription amount relative to the aggregate subscription amounts of all Purchasers. Each Purchaser received 1,000,000 Commitment Shares.

The Senior Purchase Agreement contains customary representations, warranties, and covenants of the Company and the Purchasers. The Company agreed not to undertake a reverse or forward stock split or reclassification of Common Stock without the prior written consent of the holders of at least a majority of the aggregate principal amount of the Senior Notes issued for a period of one year following the Effective Date.

The net proceeds from the Senior Offering will be used for general working capital of House of Doge, Inc. (“House of Doge”).

*Convertible Secured Notes*

On May 4, 2026, pursuant to the Senior Purchase Agreement, the Company issued the Senior Notes to the Purchasers in an aggregate original principal amount of \$2,500,000, with each Purchaser receiving a Senior Note in the original principal amount of \$833,333 (subscription amount of \$625,000 each).

The material terms of the Senior Notes are as follows:

**Maturity Date.** The Senior Notes mature on February 1, 2027.

**Interest Rate.** The Senior Notes bear interest at a rate of 12.0% per annum, computed on the basis of a 360-day year and twelve 30-day months. The Company may elect to pay interest in cash quarterly in arrears or to compound interest quarterly and add it to the outstanding principal balance. Upon the occurrence and during the continuance of an Event of Default (as defined in the Notes), the interest rate increases to 17.5% per annum.

**Original Issue Discount.** Each Senior Note was issued at an original issue discount of 25% (i.e., the issue price of each Senior Note is 75% of its original principal amount).

**Conversion.** The Senior Notes are convertible at the option of the holder at any time after the issuance date into shares of Common Stock, at a conversion price of \$0.7101 per share, subject to adjustment.

**Beneficial Ownership Limitation.** Each Senior Note contains a beneficial ownership limitation providing that the holder may not convert the Senior Note to the extent that such conversion would cause the holder, together with its Attribution Parties (as defined in the Senior Notes), to beneficially own in excess of 4.99% of the number of shares of Common Stock outstanding immediately after giving effect to such issuance.

**Nasdaq Exchange Cap.** Prior to the receipt of stockholder approval in accordance with Nasdaq Listing Rule 5635, the Company shall not issue shares of Common Stock upon conversion of the Senior Notes to the extent that the aggregate number of shares issued or issuable to a holder would exceed such holder’s pro rata portion of 19.99% of the total number of shares of Common Stock outstanding as of the date of the Senior Purchase Agreement.

**Prepayment.** The Company may prepay all or any portion of the outstanding principal at any time prior to the Maturity Date without penalty, premium, additional interest, or fees, subject to providing the holder with at least ten (10) Business Days’ prior written notice, during which period the holder may elect to convert.

**BRAG HOUSE HOLDINGS, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

**NOTE 12 — SUBSEQUENT EVENTS (cont.)**

**Cash Redemption.** Beginning on the date that is six (6) months after the Closing Date, the holder may demand repayment in cash of all or any portion of the outstanding principal plus all accrued and unpaid interest thereon by delivering a written notice to the Company, and the Company shall pay such amount within five (5) Business Days.

**Security.** Pursuant to the Transaction Documents, the Company is obligated to deliver a pledge agreement granting to the collateral agent for the benefit of the holders a second priority perfected security interest in substantially all of the assets of the Company and its subsidiaries. The pledge agreement is a post-closing deliverable, the delivery of which is subject to YA II PN LTD.'s ("Yorkville") consent. Such security interest will be contractually subordinate to the existing indebtedness owed to Yorkville and shall automatically become a first priority security interest upon the full repayment of all obligations owed to Yorkville.

**Guaranty.** Pursuant to the Senior Notes, each existing subsidiary of the Company is required to execute and deliver a global guaranty agreement guaranteeing the full, prompt and unconditional payment and performance of all obligations of the Company under the transaction documents. The global guaranty agreement is a post-closing deliverable, the delivery of which is subject to Yorkville's consent.

**Lock-Up Agreements.** In connection with the Senior Offering, certain individuals who will serve as officers and directors of the Company following the closing of the merger with House of Doge, will be required to enter into Lock-Up Agreements (the "Lock-Up Agreements") restricting the offer, sale, or other disposition of shares of Common Stock and related securities during a restriction period ending on the date that is ninety (90) calendar days after the earlier of (x) such time as one or more registration statements covering the resale of all Registrable Instruments (as defined in the Registration Rights Agreement) has been effective and available for resale or (y) such time as all Registrable Instruments may be sold without restriction or limitation pursuant to Rule 144. The Lock-Up Agreements have not yet been executed and delivered and are a post-closing deliverable.

**Ranking.** All payments due under the Senior Notes rank pari passu with all other Senior Notes and are senior to all other indebtedness of the Company and its subsidiaries, other than existing indebtedness owed to Yorkville.

**Events of Default.** The Senior Notes contain customary events of default, including, among others, failure to pay principal or interest when due, breach of covenants, cross-defaults, bankruptcy events, and failure to maintain trading market listing.

***Registration Rights Agreement***

In connection with the Senior Offering, on May 4, 2026, the Company entered into a Registration Rights Agreement (the "Registration Rights Agreement") with the Purchasers. Pursuant to the Registration Rights Agreement, the Company agreed to file a registration statement (the "Registration Statement") with the Commission covering the resale of all Registrable Instruments, which include shares of Common Stock issuable upon conversion of the Senior Notes and the Commitment Shares.

The Company agreed to file the initial Registration Statement on or prior to the earlier of (a) five (5) trading days following the completion of the audit of the financial statements of House of Doge through December 31, 2025 and (b) June 30, 2026. The Company shall use its best efforts to complete the audit of House of Doge's financials on or before June 15, 2026.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

*The following management’s discussion and analysis is intended as a review of significant factors affecting our financial condition and results of operations for the periods indicated. The discussion should be read in conjunction with our condensed unaudited financial statements and the notes presented herein included in this Form 10-Q and the audited financial statements and the other information set forth in the 2025 Form 10-K. When used, the words “believe,” “plan,” “intend,” “anticipate,” “target,” “estimate,” “expect” and the like, and/or future tense or conditional constructions (“will,” “may,” “could,” “should,” etc.), or similar expressions, identify certain of these forward-looking statements. In addition to historical information, the following Management’s Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve risks and uncertainties including, but not limited to, those set forth below under “Risk Factors” and elsewhere herein, and those identified under Part I, Item 1A of our 2025 Form 10-K. Our actual results could differ significantly from those anticipated in these forward-looking statements as a result of certain factors discussed herein and any other periodic reports filed and to be filed with the Securities and Exchange Commission.*

### Business Overview

Brag House is a mission-driven organization that utilizes a diversified business strategy to operate a media-tech platform designed for casual college gamers to drive community-driven gaming experiences anchored in the college sports culture, while creating authentic pathways for brands to connect with our Gen Z audience. We view our platform as a media-tech engine intended to revolutionize advertising for the Gen Z demographic. According to PricewaterhouseCoopers (“PwC”), digital formats are expected to account for 80% of overall global advertising revenue in 2029 (up from 72% in 2024), with new technologies including AI and hyper-personalization expected to drive this growth. We believe Brag House is positioned to capture this demand by utilizing data insights to offer brands high-value, personalized access to our community.

Brag House is a Delaware corporation formed in December 2021. Our founders developed the idea for the Brag House platform in 2018, when our Chief Executive Officer, Lavell Juan Malloy, II, and our Chief Operating Officer, Daniel Leibovich, recognized a need in the gaming industry for a gaming platform focused specifically on the casual college gamer, and formed our indirect wholly-owned subsidiary, Brag House, Inc. At that time, our co-founders believed that a significant amount of industry resources were focused predominantly on competitive and professional gamers, much to the detriment of casual gamers, generally, and casual college gamers, specifically. In the years ensuing, we have maintained our focus on the casual college gaming segment and believe we are developing a first-of-its-kind digital platform for casual college gamers to compete, support their team, banter in a safe environment and win prizes. Our vertically integrated approach combines gamer recruitment, facilitation of community engagement and content creation, live-stream production and tournament host activities.

We believe that we are creating a new sports entertainment medium for Gen Z to engage through gaming by merging gameplay with school spirit in Brag House and student-led activations and tournaments tied to college rivalries with Brag House features and capabilities such as our Bragging Functionality, Loyalty Tokens reward system, and brand-sponsored content and prizes. The growth of our platform since our inception is encouraging, and we believe we are strongly positioned to capitalize on a large portion of the available gaming market. We experienced strong community growth since we launched through May 1, 2026, reaching nearly 1,400,000 video views of our Brag House Content on video platforms including X (formerly known as Twitter), TikTok, Meta, Twitch and YouTube. From inception through May 1, 2026, the Company’s video views increased by 131% year-over-year. We have also generated nearly 9.0 million impressions and video views since inception through May 1, 2026. From 2020 through 2025, the Company’s impressions increased by 46% year-over-year. The Company expects that its video views and impressions will continue to grow in 2026, potentially at a rate comparable to or exceeding prior years; however, actual results could differ materially from these expectations. Additionally, since 2022, Brag House spectators who viewed live streams remained on the platform for 19 minutes per live stream across over 300,000 live views, which represents nearly a 1.75X increase compared to the industry benchmark of 11 minutes. We believe that our digital properties, including our website, provide an authentic and differentiated channel for advertisers to access the Gen Z demographic at scale. We believe that this differentiation stems from our platform’s design as a media-tech engine built for active engagement, not just passive consumption. Furthermore, we believe that live, in-person activations are a critical source of connection that augments our core digital experience. These live events, such as on-campus tournaments and activations tied to major college rivalries, allow us to bring our digital community together physically. We believe that this “digital-plus-physical” dynamic, coupled with our personalized experiential framework, offers an authentic and differentiated channel for advertisers, making the otherwise elusive Gen Z and Millennial demographic accessible at scale through multiple touchpoints.

We are focused on creating an organic and inclusive community that facilitates personalized experiences. We believe that our experiential framework offers a more authentic and differentiated channel for advertisers to utilize, making the otherwise elusive demographic of gamers and streamers accessible at scale to ourselves and our partners. We do this by offering brand sponsors and advertisers an exclusive marketing channel to reach Gen Z and Millennial gamers and creators, while offering players ways to access exclusive tournaments and programming.

In May 2025, we launched the first activation under our strategic partnership with Learfield Communications, LLC (“Learfield”). This activation was for students and alumni of the University of Florida, one of Learfield’s media rights properties.

In July 2025, we executed the second activation under our strategic partnership with Learfield, expanding on the success of our initial May 2025 event. This activation was conducted virtually and designed to engage students and alumni through a digital tournament centered around EA College Football 26, following the game’s national release. The event incorporated university-branded content and featured participation from student-athletes, further aligning with our Name, Image, and Likeness (NIL) engagement strategy.

We believe these activations demonstrated our ability to scale digital experiences across collegiate communities on our platform at the intersection of gaming and college sports, as well as through universities’ assets with pricing and value delivery defined through a structured commercial model, all of which reinforces our commercial model for integrating sponsorship, branded content and messaging, and fan engagement.

We further believe that this partnership positions us to scale across Learfield's college network of nearly 200 universities and gain access to their media rights and assets that will enable both physical and digital activations and drive sponsorship revenue and brand engagement opportunities, while giving us access to extensive datasets across diverse college campuses as we evolve into a scalable data insights revenue model tailored to college-aged Gen Z gamers.

Additionally, we are advancing a data monetization strategy. The goal is to develop a proprietary machine learning-based software-as-a-service ("SaaS") platform designed to offer anonymized predictive data insights into Gen Z behavior for brand clients to create enhanced, personalized and effective marketing campaigns, which will validate our marketing and data strategy for reaching college-aged Gen Z gamers. We began development of this platform in March 2025 and expect to have a beta version ready by the third quarter of 2026.

## Organization

We were formed as a Delaware corporation in December 2021.

Brag House, Inc. ("BHI"), the Company's wholly owned indirect subsidiary and the entity through which our operations are primarily conducted, was formed as a Delaware corporation in February 2018.

On June 11, 2021, Brag House, Ltd. ("BHL") was registered in the United Kingdom. Their principal offices are located at 7 – 9 Swallow Street, London W1B 4DE, United Kingdom.

On August 16, 2021, BHL acquired all of the 10,000,000 issued and outstanding BHI shares held by BHI shareholders on a one for 14.07 basis (rounded to the nearest whole number) in exchange for 140,700,000 ordinary shares of £0.0001 in BHL, making BHI a wholly owned subsidiary of BHL ("UK Reorganization").

Following the UK Reorganization, the board of directors of BHL determined that it was in the best interests of BHL and its shareholders that an initial public offering in the United States and concurrent listing on The Nasdaq Stock Market ("Nasdaq") be pursued. To effect that proposed initial public offering and listing on Nasdaq, in December 2021, the Company was formed. On February 8, 2022, the Company approved a reorganization, in which the shareholders of BHL would exchange their ordinary shares and preference shares of BHL for a proportionate number of common and preferred shares in the Company on a 21 to 1 basis ("U.S. Reorganization"). Immediately following the U.S. Reorganization, BHL became the wholly-owned subsidiary of the Company, and BHI became the indirect wholly-owned subsidiary of the Company.

We anticipate that BHL will be wound down and dissolved as soon as reasonably practicable.

We effected a 1 for 5.1287 consolidation of our issued and outstanding Common Stock and Preferred Stock on June 14, 2024, (the "Original Reverse Split"). On October 11, 2024, we canceled the Original Reverse Split and filed an amendment to our certificate of incorporation, as amended, with the Secretary of State of the State of Delaware to effect a 1 for 2.43615 consolidation of our issued and outstanding Common Stock and Preferred Stock (the "Reverse Split"). Any future redemption of stock options or warrants for options or warrants that were granted prior to October 11, 2024 will also reflect the Reverse Split. The Company began the process to pay for the Fractional Shares, which total \$85.81, to its shareholders that were affected by the Reverse Split. This Quarterly Report gives effect to the cancellation of the Original Reverse Split and the effectiveness of the Reverse Split. Except where otherwise indicated, all share and per share data in this Quarterly Report have been retroactively restated to reflect the Reverse Split.

On July 25, 2025, the Company filed a certificate of designation with the Secretary of State of the State of Delaware to designate 15,000 shares of the available 25,000,000 shares of Preferred Stock as Series B Preferred Stock. On July 30, 2025, the Company closed its PIPE Offering and issued all 15,000 shares of Series B Preferred Stock.

On October 9, 2025, Brag House Merger Sub, Inc. ("Merger Sub" or "BHMS"), a wholly owned subsidiary of the Company, was formed as a Delaware corporation.

Our principal executive offices are located at 45 Park Street, Montclair, NJ 07042 and our telephone number is 413-398-2845. Our website address is [www.braghouse.com](http://www.braghouse.com). The investor relations portion of our website is available at [corp.braghouse.com](http://corp.braghouse.com). The references to our website addresses do not constitute incorporation by reference of the information contained at or available through our websites, and you should not consider it to be a part of this Quarterly Report. We have included our website addresses in this Quarterly Report solely as inactive textual references.

## Recent Developments

### *Resignation of Chief Financial Officer and Appointment of Acting Chief Financial Officer*

Effective February 5, 2026, Chetan Jindal resigned from his position as Chief Financial Officer of the Company. The Company agreed to payments totaling \$75,000 in accordance with the separation agreement. In connection with Mr. Jindal's resignation, the Company entered into a Settlement and Release Agreement, dated March 13, 2026, with Mr. Jindal (the "Settlement Agreement"), a copy of which is attached as Exhibit 10.1 to this Quarterly Report on Form 10-Q. Under the Settlement Agreement, the parties exchanged mutual releases of all claims arising out of or relating to Mr. Jindal's employment and the termination thereof, and the Company agreed to pay Mr. Jindal \$75,000 in total consideration, payable in installments over a 90-day period following the effective date of the agreement, subject to acceleration upon receipt by the Company of certain financing proceeds. As of March 31, 2026, the Company made payments totaling \$12,500 towards the balance of \$75,000 and \$62,500 remained outstanding.

Effective February 5, 2026, the Brag House Board appointed Rene Rodriguez as the Company's Acting Chief Financial Officer. Mr. Rodriguez, age 42, has served as the Company's Controller since March 1, 2025, and prior to that as an independent contractor providing finance and accounting services to the Company from June 1, 2022 until February 28, 2025.

### ***Nasdaq Deficiency - Minimum Bid Requirement***

On January 6, 2026, the Company received a deficiency letter (the “Notice”) from the Listing Qualifications Department of The Nasdaq Stock Market LLC (“Nasdaq”) notifying the Company that, based upon the closing bid price of the Company’s Common Stock for the last 30 consecutive business days, the Company is not currently in compliance with the requirement to maintain a minimum bid price of \$1.00 per share for continued listing on The Nasdaq Capital Market, as set forth in Nasdaq Listing Rule 5550(a)(2) (the “Minimum Bid Requirement”).

The Notice has no immediate effect on the continued listing status of the Common Stock on The Nasdaq Capital Market, and, therefore, the Company’s listing remains fully effective.

In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company is provided a compliance period of 180 calendar days from the date of the Notice, or until July 6, 2026, to regain compliance with the Minimum Bid Requirement. To regain compliance, the closing bid price of the Common Stock must meet or exceed \$1.00 per share for a minimum of ten consecutive business days prior to July 6, 2026.

If the Company is not in compliance with the Minimum Bid Requirement by July 6, 2026, the Company may be afforded a second 180 calendar day compliance period. To qualify for this additional compliance period, the Company will be required to meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for The Nasdaq Capital Market, with the exception of the Minimum Bid Price requirement.

The Company intends to actively monitor the closing bid price of the Common Stock and will evaluate available options to regain compliance with the Minimum Bid Requirement. However, there can be no assurance that the Company will regain compliance with the Minimum Bid Requirement during the 180 day compliance period, secure a second period of 180 days to regain compliance, or maintain compliance with the other Nasdaq listing requirements. If the Company does not regain compliance within the allotted compliance period, including any extensions that Nasdaq grants, Nasdaq will provide notice that the Common Stock will be subject to delisting. The Company would then be entitled to appeal that determination to a Nasdaq hearings panel.

As of the date of this Quarterly Report, the deficiency has not been cured.

### ***The Merger Agreement and Shareholder Approval***

On October 12, 2025, the Company entered into the Merger Agreement, by and among the Company, Merger Sub and House of Doge. Upon the terms and subject to the conditions set forth in the Merger Agreement, among other things, Merger Sub will merge with and into House of Doge, resulting in House of Doge as the surviving corporation of the Merger and a direct, wholly owned subsidiary of the Company. In connection with the consummation of the Merger, the Company will be renamed “House of Doge Inc.” The Merger Agreement provides that the Company’s current officers will continue their function as senior management personnel of the Company in roles, functions and other management capacities with respect to the Brag House Legacy Business, which House of Doge agreed will operate or continue to operate as a division or out of a subsidiary of House of Doge after the Closing. We expect, however, that the Brag House Legacy Business will continue to operate out of the Company’s existing Brag House, Inc. subsidiary, and that the Company’s current Chief Executive Officer, Lavell Juan Malloy, II, will continue to serve as Chief Executive Officer of such subsidiary.

In exchange for the House of Doge Common Stock and restricted stock units, the Company will issue shares of the Brag House Common Stock and a new class of preferred stock (that will be convertible into shares of common stock) and restricted stock units constituting an aggregate of approximately 663,250,176 shares of its common stock, on a fully diluted basis, to holders of House of Doge’s shares of common stock and restricted stock units, provided that any shares of common stock that House of Doge issues to non-affiliates in arms-length commercial business transactions it negotiates in good faith in the ordinary course of business prior to the Effective Time will also be exchanged in the Merger and, therefore, cause the number of shares of common stock that the Company issues in the Merger to proportionately increase. House of Doge will also issue 9,000,000 shares of its common stock to Lavell Juan Malloy, II, the Company’s Chief Executive Officer, and certain other individuals or representatives of the Company to be identified by the Company prior to the Closing. Upon consummation of the Merger, House of Doge will become the majority shareholder of the Company. Following the Merger, the Company’s common stock shall continue to be listed on Nasdaq. The Merger is subject to customary closing conditions, including regulatory approvals, filing of required registration statements, shareholder consent, and completion of due diligence.

On November 26, 2025, the Company entered into amendment No. 1 to the Merger Agreement. On February 2, 2026, the Company entered into amendment No. 2 to the Merger Agreement and on March 26, 2026, the Company entered into amendment No. 3 to modify certain provisions of the Merger Agreement, including the extension of the termination date of the agreement to May 29, 2026. On May 11, 2026, the Company entered into amendment No. 4 to extend the termination of the agreement to June 30, 2026.

As of the date of this Quarterly Report, the Merger had not yet closed. The Company expects the Merger to be finalized by June 30, 2026, pending satisfaction of all closing conditions.

On April 7, 2026, the Company held its special meeting of stockholders to vote on the Merger Agreement and related matters and a quorum for the transaction of business was present in person virtually or represented by proxy. The Company's stockholders voted on various proposals, which are described in more detail in the Registration Statement on Form S-4 filed jointly by the Company and House of Doge (as amended from time to time, the "Registration Statement") containing a proxy statement/prospectus, which Registration Statement was declared effective by the Securities and Exchange Commission on February 5, 2026.

Proposal 1 was to approve and adopt the Merger Agreement, pursuant to which the Merger will occur, and to approve the transactions contemplated by the Merger Agreement. On the basis of the submitted votes, each of proposals 1 through 3 and 5 through 7 were approved and the stockholders elected, effective at the effective time of the Merger, the six directors listed in proposal 4 to serve on the Board until the next annual meeting of stockholders, and until their respective successors are duly elected and qualified.

### ***Incentive Awards***

On April 16, 2026, the Company's Board of Directors approved the acceleration of the expiration date for certain awards granted in 2025 to expire on April 25, 2026. The acceleration of the expiration of the awards was agreed to by the affected participants via an executed consent form.

Additionally, on April 16, 2026, the Company granted a total of 1,649,933 fully vested shares of RSU's to its CEO and COO as stock-based compensation valued at a total of \$1,004,809.

On April 27, 2026, the Company granted a total of 975,000 fully vested shares of RSU's as stock-based compensation valued at a total of \$699,075.

### **Emerging Growth Company Status**

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the JOBS Act, and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

### **Results of Operations**

*Three Months Ended March 31, 2026 as Compared to the Three Months Ended March 31, 2025*

#### Revenue

Revenue for the three months ended March 31, 2026 and 2025 was \$0. The lack of revenue was mainly attributable to no revenue-generating tournament activity or live streaming services in the three months ended March 31, 2026 and 2025.

#### Operating Expenses

Operating expenses for the three months ended March 31, 2026 and 2025 were \$1,886,049 and \$584,470, respectively, and in the three months ended March 31, 2026, consisted mainly of selling, general and administrative expenses of \$652,965, legal and professional fees of \$839,818, stock-based compensation of \$210,944, advertising and marketing costs of \$36,617, software expenses of \$7,779, software development expenses of \$62,926 and settlement expenses of \$75,000. In the three months ended March 31, 2025, the Company's operating expenses consisted mainly of selling, general and administrative expenses of \$257,159, legal and professional fees of \$138,324, stock-based compensation of \$42,500, advertising and marketing costs of \$81,450, software expenses of \$64,651 and software development expenses of \$386. This represents an increase of \$395,806 in selling, general and administrative expenses, an increase of \$701,494 in legal and professional fees, an increase of \$168,444 in stock-based compensation, a decrease of \$44,833 in advertising and marketing costs, a decrease of \$56,872 in software expenses, an increase of \$62,540 in software development expenses and an increase in settlement expenses of \$75,000. The increase in operating expenses during the three months ended March 31, 2026 was mainly attributed to increased spending in operations due to reporting obligations, investor relations spending and transaction costs related to the Merger.

### Other Income and Expenses

Other income and expenses for the three months ended March 31, 2026 and 2025 were net other expenses of \$2,856 and \$483,203, respectively. In the three months ended March 31, 2026, the Company's other income and expense consisted mainly of interest expense and amortization of debt discount of \$158,125, interest income of \$108,432, net unrealized gain on equity securities of \$324,000 and a change in fair value of warrants and convertible debt representing a gain of \$77,312. In the three months ended March 31, 2025, the Company's other income and expense consisted mainly of interest expense and amortization of debt discount of \$438,709 and other expenses of \$46,406. This represents a decrease of \$280,584 in interest expense and amortization of debt discount, an increase of \$108,432 in interest income, a decrease of \$46,406 in other expenses, an increase of \$324,000 in net unrealized gain on equity securities, and an increase of \$77,312 in net gains on the changes in fair value of warrants and convertible debt.

### **Liquidity and Capital Resources**

As of March 31, 2026 and December 31, 2025 the Company had \$138,130 and \$222,572 in cash and cash equivalents, respectively, and a working capital surplus of \$3,558,539 and surplus of \$5,321,908, respectively. The Company's liquidity needs up to March 31, 2026 were satisfied through proceeds from the sale of equity in the Company's IPO, convertible debt, notes payable, bridge loans, PIPE Offering in which it sold shares of Series B Preferred Stock and issued warrants, and the Yorkville Convertible Note.

The accompanying financial statements have been prepared on the basis that the Company will continue as a going concern, which contemplates realization of assets and the satisfaction of liabilities in the normal course of business. At March 31, 2026 and December 31, 2025, the Company had an accumulated deficit of \$32,071,116 and \$30,538,211, respectively. For the three months ended March 31, 2026 and 2025 the Company had a net loss of \$1,532,905 and \$1,067,673, respectively, and negative cash flows from operations of \$842,434 and \$1,767,013, respectively. The Company's operating activities consume the majority of its cash resources. The Company will continue to build out its software technology to resume revenue producing activities to achieve profitability in the future, but it anticipates that it will continue to incur operating losses as it executes its development plans through 2026, as well as other potential strategic and business development initiatives. In addition, the Company has had and expects to have negative cash flows from operations, at least into the near future. The Company previously funded and plans to continue funding these losses primarily through the sale of equity and loans. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

Brag House secured a strategic partnership for tournament and promotional events in 2025 with Learfield Communications, LLC, formerly Learfield IMG College, a billion dollar media company that holds the media rights to hundreds of colleges in the United States, including collegiate properties as the NCAA and its 89 championships and NCAA Football. While the agreement does not guarantee revenue, nor obligate Learfield or its affiliates to provide data access or support beyond the sales representation scope, we believe that it does position Brag House to leverage Learfield's college network to generate sponsorship revenue, ensuring brand engagement opportunities, and gives Brag House access to extensive datasets from diverse college campuses as we evolve into a scalable data insight revenue model, where we aim to enable brands to gain data insights to create enhanced, personalized and effective marketing campaigns. Therefore, we believe that this partnership will contribute directly to Brag House's revenue model through marketing and advertising earning such as sponsorships, while validating Brag House's marketing and data strategy for reaching college-aged Gen Z gamers. Through this, the Company plans to scale across Learfield's properties, expanding brand partnerships in the gaming spaces.

Management believes that its strategic partnership with Learfield is a strong indicator of growth in the coming years for tournament revenue. While the Company believes in its viability to raise additional funds, however, there can be no assurances to that effect. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan. The Company has earned minimal revenue from its inception through the three months ended March 31, 2026.

As such, these matters raise substantial doubt about the Company's ability to continue as a going concern for the next twelve months from the issuance of the accompanying consolidated financial statements. If adequate funds are not available on acceptable terms, or at all, the Company will need to curtail operations or cease operations completely.

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Cash Flows Used In Operating Activities	\$ (842,434)	\$ (1,767,013)
Cash Flows Provided By Investing Activities	2,820,492	-
Cash Flows (Used In) Provided By Financing Activities	(2,062,500)	5,195,802
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ (84,442)</b>	<b>\$ 3,428,789</b>

#### *Cash Flows Used In Operating Activities*

For the three months ended March 31, 2026, we used \$842,434 of cash in our operating activities, which was mainly attributable to increases in prepaid expenses and the payment of expenses related to the pending Merger. For the three months ended March 31, 2025, we used \$1,767,013 of cash in our operating activities, which was mainly attributable to the payment of accounts payable, accrued payroll, accrued liabilities, and deferred offering costs.

#### *Cash Flows Provided By Investment Activities*

For the three months ended March 31, 2026, we received payments on the Company's note receivable and advances due from a related party totaling \$2,820,492.

#### *Cash Flows (Used In) Provided By Financing Activities*

For the three months ended March 31, 2026, we reduced our cash position by making payments towards the outstanding balance owed on the convertible debt due to Yorkville totaling \$2,062,500. For the three months ended March 31, 2025, we received \$6,991,650 from the issuance of notes payable, original issue discount convertible loans, and the sale of Common Stock. We reduced our cash position by repaying notes payable and original issue discount convertible loans, net of debt discounts and debt issuance costs for \$501,126. Also, we reduced our cash position with the payment of offering costs in connection with the sale of Common Stock totaling \$1,294,722.

#### **Off-Balance Sheet Arrangements**

We did not have any off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of Regulation S-K promulgated under the Exchange Act.

#### **Contractual Obligations and Commitments**

We did not have any contractual obligations or commitments which would have an impact on our financial statements for the three months ending March 31, 2026 and 2025.

## **Internal Control Over Financial Reporting**

Prior to our IPO, we had been a private company with limited accounting and financial reporting personnel and other resources to address our internal control and procedures. In connection with the review of our consolidated financial statements as of March 31, 2026, we have identified control deficiencies in our financial reporting process that constitute material weaknesses in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis. We have material weaknesses related to the review and approval of cash disbursements, officer expense reimbursements, and related journal entries for operating, legal and payroll-related expenses incurred, including the failure to maintain readily accessible executed versions of significant agreements entered into by the Company or board approval of certain stock-based compensation awarded. Additionally, we have a material weakness over the reconciliation and approval of general ledger accounts, and the review and approval of related journal entries. Due to the lack of formal documentation maintained around the review and approval of these types of transactions, it was determined that we did not adhere to established controls around our cash disbursement process, nor the review and approval of related journal entries recorded. Additionally, we have a material weakness related to the lack of controls over our income tax related accounts and disclosures. In the absence of such formal documentation related to our management's review and approval of such processes, potential material misstatements may go undetected. Additionally, the Company has a material weakness related to its ability to record and disclose complex transactions with debt and/or equity features. Lastly, the Company has a material weakness related to the lack of cybersecurity policies and procedures in place. In the absence of cybersecurity controls, Company operations may be negatively impacted, as all Company activities take place online.

As defined in the standards established by the Public Company Accounting Oversight Board, or the PCAOB, of the United States, a "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

We have taken a number of measures to address the internal control deficiencies that have been identified, including hiring a full-time chief financial officer and contracting an outside public accounting firm, CohnReznick LLP, with extensive public-company reporting and technical accounting experience to provide additional financial reporting oversight and review, expanding our existing accounting and financial reporting personnel, as well as establishing effective monitoring and oversight controls. We believe these measures will assist us with meeting the compliance requirements and improving our overall internal control. We cannot assure you, however, that these measures will fully address the material weaknesses in our internal control over financial reporting or that we may conclude that they have been fully remediated.

If we fail to remediate these material weaknesses or fail to otherwise maintain effective internal control over financial reporting in the future, such failure could result in loss of investors' confidence in our financial statements, limit our ability to raise capital and have a negative effect on the trading price of our Common Stock. Additionally, failure to remediate the material weaknesses or otherwise maintain effective internal control over financial reporting may also negatively impact our operating results and financial condition, impair our ability to timely file our periodic and other reports with the SEC, subject us to additional litigation and regulatory actions and cause us to incur substantial additional costs in future periods relating to the implementation of remedial measures.

As a company with less than \$1.235 billion in revenue for our last fiscal year, we qualify as an "emerging growth company" under the Exchange Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002, in the assessment of the emerging growth company's internal control over financial reporting.

## **Recent Accounting Pronouncements**

See Note 2 of the notes to our consolidated financial statements for a comprehensive list of new accounting pronouncements.

## **Critical Accounting Estimates**

We prepare our consolidated financial statements in accordance with U.S. GAAP, which require our management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet dates, as well as the reported amounts of revenues and expenses during the reporting periods. To the extent that there are material differences between these estimates and actual results, our financial condition or results of operations would be affected. We base our estimates on our own historical experience and other assumptions that we believe are reasonable after taking account of our circumstances and expectations for the future based on available information. We evaluate these estimates on an ongoing basis.

We consider an accounting estimate to be critical if (i) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and (ii) changes in the estimate that are reasonably likely to occur from period to period or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations.

### *Cloud Computing Arrangements - Technology Purchase Agreements*

We consider the accounting for our technology purchase agreements with Artemis and EVEMeta to be a critical accounting estimate due to the significant judgment required in valuing and recognizing related stock-based compensation as software expense and capitalized implementation costs. In November 2024, we issued an aggregate of 1,250,000 shares of Brag House Common Stock (valued at \$5.0 million at grant date) in exchange for software development, software usage and support and maintenance services. The original agreements included a guaranteed minimum-value cash settlement provision, which required liability classification and periodic fair value measurement using a Monte Carlo simulation model under ASC 718.

On May 12, 2025, we amended the agreements to remove the minimum-value provision in exchange for \$250,000 in cash payments, resulting in settlement of a \$116,669 liability and recognition of \$133,331 in other expenses. For the year ended December 31, 2025, we recognized \$588,260 of expense and \$0 of capitalized implementation costs related to these agreements.

Subsequent to the amendment, we continued to estimate the recognition of stock-based compensation as capitalized implementation costs in connection with the services provided by estimating the percentage of completion of the statements of work for the software development. Also, for the software usage and support and maintenance services, we recognized stock-based compensation costs as software expense equally over the established time frame for those statements of work.

The valuation of the liability component prior to amendment involved significant assumptions, including volatility, expected term, and discount rates. Changes in these assumptions, or in the estimated service periods, could materially affect the amount and timing of expense recognition.

During the year ended December 31, 2025, the Company sent notices of material breach to both Artemis and EVEMeta regarding the MSA and the SaaS Agreement, and all services from Artemis and EVEMeta have remained halted. Accordingly, no additional software expenses or capitalized assets were recognized in relation to the MSA and the SaaS Agreement and all capitalized implementation costs were impaired and written off as software expense.

### *Stock Options and Warrants*

During the three months ended March 31, 2026 and the year ended December 31, 2025, the Company issued stock options and warrants in connection with our initial public offering, the PIPE Offering, and as compensation of Director, employee and Executives of the Company. The Company measures the fair value of warrants and stock options granted to employees, directors, and non-employees using option pricing models, including the Black-Scholes and Binomial Lattice models. The determination of the fair value of these instruments requires management to make certain estimates and assumptions that have a material impact on the amount of stock-based compensation expense recognized.

Key assumptions used in these models include expected volatility, expected term, risk-free interest rate, and expected dividend yield. Because the Company has a limited operating history and insufficient historical trading data to estimate expected volatility, the Company bases its volatility assumption on the historical volatilities of a group of comparable publicly traded companies within its industry. The risk-free interest rate is based on the yield of U.S. Treasury securities with maturities consistent with the expected term of the related option or warrant. The expected dividend yield is assumed to be zero, as the Company has not historically declared or paid dividends and does not anticipate doing so in the foreseeable future.

The Company uses the “simplified method” to estimate the expected term for stock options that have exercise prices issued at-the-money, consistent with SEC Staff Accounting Bulletin Topic 14. For stock options with exercise prices that are out-of-the-money, the Company uses a Binomial Lattice model, which incorporates assumptions about future exercise behavior and potential changes in stock price over the life of the award. As an alternate option, the Company used the exercise patterns of comparable companies to determine and establish a reasonable estimate for the expected term for stock options.

Because these valuation assumptions involve significant judgment and are based on estimates, changes in these assumptions could materially affect the fair value of stock options and warrants, and the related stock-based compensation expense recognized in future periods. Management reviews its assumptions on an ongoing basis and updates them as appropriate.

#### ***Yorkville Convertible Note and Yorkville Warrant***

During the year ended December 31, 2025, the Company, House of Doge and Yorkville entered into the Yorkville Convertible Note and the Yorkville Warrant. Both instruments are classified as liabilities and the Company has elected to account for the Yorkville Convertible Note with the Fair Value Option (“FVO”) in accordance with ASC 825, “Financial Instruments”. As such, the Yorkville Convertible Note is required to be measured at fair value at the date of issuance, December 4, 2025, and at subsequent reporting periods. The Yorkville Warrant is also required to be measured at fair value pursuant to ASC 815, “Derivatives and Hedging” at the date of issuance, December 4, 2025, and in subsequent reporting periods. For each valuation of the Yorkville Convertible Note and the Yorkville Warrant, the Company uses a probability-weighted expected return model (“PWERM”) and a Monte Carlo Simulation, respectively.

Key assumptions used in these models include a variable weighted average price for conversion, expected stock price at conversion, credit risk adjusted rate, expected volatility, expected term, risk-free interest rate, discount rate, and probability assumptions. Because the Company has a limited operating history and insufficient historical trading data to estimate expected volatility, the Company bases its volatility assumption on the historical volatilities of a group of comparable publicly traded companies within its industry. The risk-free interest rate is based on the yield of U.S. Treasury securities with maturities consistent with the expected term of the related option or warrant. The expected dividend yield is assumed to be zero, as the Company has not historically declared or paid dividends and does not anticipate doing so in the foreseeable future.

Because these valuation assumptions involve significant judgment and are based on estimates, changes in these assumptions could materially affect the fair value of the Yorkville Convertible Note and Yorkville Warrant, and the related gain or loss from the change in fair value recognized in future periods. Management reviews its assumptions on an ongoing basis and updates them as appropriate.

For a detailed discussion of our significant accounting policies and related judgments, see Note 2 of the Notes to Consolidated Financial Statements in this report.

#### **Going Concern and Management’s Liquidity Plans**

The independent auditors’ report accompanying our December 31, 2025 financial statements contain an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern. As of March 31, 2026, we have incurred recurring losses from operations and have not generated net income since our inception. We have funded our operations primarily through debt and equity financings, including the proceeds received in connection with our IPO on March 6, 2025, via the PIPE Offering, exercises of the PIPE warrants and the Yorkville Convertible Note. While these capital raises have provided us with the resources necessary to begin executing our business plan, we anticipate that we will continue to incur operating losses and negative cash flows from operations for the foreseeable future.

We are in the development stage of our platform and related software, and we do not expect to generate sufficient revenue to achieve net income during the next twelve months. Our business plan includes the ongoing development of our software platform, strategic marketing initiatives, and the organization of several gaming activations during the upcoming fiscal year to increase user engagement and brand visibility.

Although we believe that our current cash and cash equivalents, including the funds raised in our initial public offering and PIPE Offering, will be sufficient to fund our operations through at least the next twelve months, our operating plan anticipates continued investment in product development, infrastructure, and customer acquisition to realize sufficient revenue to cover operating expenses. These conditions raise substantial doubt about our ability to continue as a going concern within one year after the date that the Form 10-Q is filed.

Accordingly, the accompanying financial statements have been prepared in conformity with U.S. GAAP, which contemplates continuation of the Company as a going concern and the realization of assets and the satisfaction of liabilities in the normal course of business. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk.**

We do not hold any derivative instruments and do not engage in any hedging activities.

### **Item 4. Controls and Procedures.**

#### *Disclosure Controls and Procedures*

We maintain “disclosure controls and procedures,” as that term is defined in Rule 13a-15(e), promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in our Company’s reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer to allow timely decisions regarding disclosure. Our management, with the participation of our principal executive officer and principal financial officer, evaluated our Company’s disclosure controls and procedures as of the end of the period covered by this Form 10-Q. Based on this evaluation, our principal executive officer and principal financial officer concluded that as of March 31, 2026, our disclosure controls and procedures were not effective. The ineffectiveness of our disclosure controls and procedures was due to material weaknesses related to the review and approval of cash disbursements, officer expense reimbursements, and related journal entries for operating, legal and payroll-related expenses incurred, including the failure to maintain readily accessible executed versions of significant agreements entered into by the Company or board approval of certain stock-based compensation awarded. Additionally, we have a material weakness over the reconciliation and approval of general ledger accounts, and the review and approval of related journal entries. Due to the lack of formal documentation maintained around the review and approval of these types of transactions, it was determined that we did not adhere to established controls around our cash disbursement process, nor the review and approval of related journal entries recorded. Additionally, we have a material weakness related to the lack of controls over our income tax related accounts and disclosures. In the absence of such formal documentation related to our management’s review and approval of such processes, potential material misstatements may go undetected. Additionally, the Company has a material weakness related to its ability to record and disclose complex transactions with debt and/or equity features. Lastly, the Company has a material weakness related to the lack of cybersecurity policies and procedures in place. In the absence of cybersecurity controls, Company operations may be negatively impacted, as all Company activities take place online.

#### **Management’s Quarterly Report on Internal Control Over Financial Reporting**

As required by SEC rules and regulations implementing Section 404 of the Sarbanes-Oxley Act, our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with GAAP. Our internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our company,
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors, and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect errors or misstatements in our financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree or compliance with the policies or procedures may deteriorate. Management assessed the effectiveness of our internal control over financial reporting at March 31, 2026. In making these assessments, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework (2013).

Based on our assessments and those criteria, management determined that we did not maintain effective internal control over financial reporting as of March 31, 2026 due to the material weaknesses in the design or operation of internal controls which could adversely affect our ability to record, process, summarize, and report financial data, which includes:

- lack of cybersecurity policies and procedures in place.
- lack of review and approval of cash disbursements, officer expense reimbursements, and related journal entries for operating, legal, and payroll-related expenses incurred, including the failure to maintain readily accessible executed versions of significant agreements entered into by the Company or board approval of all stock-based compensation awarded.
- Lack of reconciliation and approval of general ledger accounts, and the review and approval of related journal entries.
- lack of controls over our income tax related accounts and disclosures.
- lack of ability to record and disclose complex transactions with debt and/or equity features.

Following the identification of the material weaknesses, we plan to take remedial measures including:

- hiring more qualified accounting personnel with relevant GAAP and SEC reporting experience and qualifications to strengthen the financial reporting function and to set up a financial and system control framework;
- implementing regular and continuous U.S. GAAP accounting and financial reporting training programs for our accounting and financial reporting personnel.

During the three months ended March 31, 2026, the Company has continued to take measures to address the material weaknesses that have been identified but believe that, as of March 31, 2026, such material weaknesses in our internal control over financial reporting have not been remediated. These actions included the hiring of a full-time chief financial officer and the contracting of outside public accounting firm, CohnReznick LLP, with extensive public-company reporting and technical accounting experience to provide additional financial reporting oversight and review, expanding our existing accounting and financial reporting personnel, as well as establishing effective monitoring and oversight controls.

This Quarterly Report on Form 10-Q does not include an attestation report of internal controls from our independent registered public accounting firm due to our status as an emerging growth company under the JOBS Act.

#### **Changes in Internal Control Over Financial Reporting**

There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the fiscal quarter ended March 31, 2026, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II-OTHER INFORMATION

### Item 1. Legal Proceedings.

There are no actions, suits, proceedings, inquiries or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our Company, our common stock, any of our officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

### Item 1A. Risk Factors.

#### *Nasdaq Deficiency - Minimum Bid Requirement*

On January 6, 2026, the Company received a deficiency letter (the “Notice”) from the Listing Qualifications Department of The Nasdaq Stock Market LLC (“Nasdaq”) notifying the Company that, based upon the closing bid price of the Company’s Common Stock for the last 30 consecutive business days, the Company is not currently in compliance with the requirement to maintain a minimum bid price of \$1.00 per share for continued listing on The Nasdaq Capital Market, as set forth in Nasdaq Listing Rule 5550(a)(2) (the “Minimum Bid Requirement”).

The Notice has no immediate effect on the continued listing status of the Common Stock on The Nasdaq Capital Market, and, therefore, the Company’s listing remains fully effective.

In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company is provided a compliance period of 180 calendar days from the date of the Notice, or until July 6, 2026, to regain compliance with the Minimum Bid Requirement. To regain compliance, the closing bid price of the Common Stock must meet or exceed \$1.00 per share for a minimum of ten consecutive business days prior to July 6, 2026.

If the Company is not in compliance with the Minimum Bid Requirement by July 6, 2026, the Company may be afforded a second 180 calendar day compliance period. To qualify for this additional compliance period, the Company will be required to meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for The Nasdaq Capital Market, with the exception of the Minimum Bid Price requirement.

The Company intends to actively monitor the closing bid price of the Common Stock and will evaluate available options to regain compliance with the Minimum Bid Requirement. However, there can be no assurance that the Company will regain compliance with the Minimum Bid Requirement during the 180 day compliance period, secure a second period of 180 days to regain compliance, or maintain compliance with the other Nasdaq listing requirements. If the Company does not regain compliance within the allotted compliance period, including any extensions that Nasdaq grants, Nasdaq will provide notice that the Common Stock will be subject to delisting. The Company would then be entitled to appeal that determination to a Nasdaq hearings panel.

As of the date of this Quarterly Report, the deficiency has not been cured.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

***(A) Unregistered Sales of Equity Securities***

There were no sales of equity securities sold during the period covered by this Quarterly Report that were not registered under the Securities Act and were not previously reported in a Current Report on Form 8-K filed by the Company.

***(B) Use of Proceeds***

Not applicable.

***(C) Issuer Purchases of Equity Securities***

Not applicable.

**Item 3. Defaults Upon Senior Securities.**

Not applicable

**Item 4. Mine Safety Disclosures (Removed and Reserved)**

Not applicable.

**Item 5. Other Information.**

**Director and Officer 10b5-1 Trading Plans (“Rule 10b5-1 Plans”)**

During the fiscal quarter ended March 31, 2026, none of our directors or officers informed us of the adoption or termination of a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408, except as described below:

On August 18, 2025, Daniel Leibovich, our Chief Operating Officer, entered into a Rule 10b5-1 Plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act (the “Leibovich Rule 10b5-1 Plan”). The Leibovich Rule 10b5-1 Plan provides for the potential sale (beginning on August 18, 2025) of 399,500 shares of the Company’s Common Stock. The Leibovich Rule 10b5-1 Plan expires on August 18, 2027, or upon the earlier completion of all the transactions authorized thereunder.

On August 18, 2025, Lavell Juan Malloy, II, our Chief Executive Officer, entered into a Rule 10b5-1 Plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act (the “Malloy 10b5-1 Plan”). The Malloy Rule 10b5-1 Plan provides for the potential sale (beginning on August 18, 2025) of 574,989 shares of the Company’s Common Stock. The Malloy Rule 10b5-1 Plan expires on August 18, 2027, or upon the earlier completion of all the transactions authorized thereunder.

## Item 6. Exhibits

The exhibit index set forth below is incorporated by reference in response to this Item 6.

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed or Furnished Herewith
		Form	Exhibit	Filing Date	
2.1	<a href="#">Amendment No. 3 to Merger Agreement by and among Brag House Holdings, Inc., Brag House Merger Sub, Inc. and House of Doge Inc., dated as of March 26, 2026.</a>	8-K	2.1	04/01/2026	
3.1	<a href="#">Certificate of Incorporation of Brag House Holdings, Inc.</a>	S-1	3.1	06/18/2024	
3.2	<a href="#">Certificate of Designation of Series A Convertible Preferred Stock</a>	S-1/A	3.2	07/10/2024	
3.3	<a href="#">Certificate of Amendment to Certificate of Incorporation of Brag House Holdings, Inc.</a>	S-1	3.2	06/18/2024	
3.4	<a href="#">Second Certificate of Amendment to Certificate of Incorporation of Brag House Holdings, Inc.</a>	S-1	3.3	06/18/2024	
3.5	<a href="#">Third Certificate of Amendment to Certificate of Incorporation of Brag House Holdings, Inc.</a>	S-1/A	3.5	02/04/2025	
3.6	<a href="#">Bylaws of Brag House Holdings, Inc.</a>	S-1	3.4	06/18/2024	
3.7	<a href="#">Second Amended and Restated Bylaws of Brag House Holdings, Inc.</a>	S-1/A	3.7	02/11/2025	
3.8	<a href="#">Certificate of Designation of Series B Preferred Stock</a>	8-K	3.1	07/30/2025	
10.1	<a href="#">Settlement and Release Agreement</a>				X
31.1	<a href="#">Certification of Chief Executive Officer Required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>				X
31.2	<a href="#">Certification of the Chief Financial Officer Required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>				X
32.1	<a href="#">Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 #</a>				X
32.2	<a href="#">Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 #</a>				X
101.INS	XBRL Instance Document+				X
101.SCH	XBRL Taxonomy Extension Schema Document+				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document+				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document+				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document+				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document+				X
104	Cover Page Interactive Data File - The cover page iXBRL tags are embedded within the inline XBRL document.				X

# This certification is being furnished and shall not be deemed “filed” with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**BRAG HOUSE HOLDINGS, INC.**

By: /s/ Lavell Juan Malloy, II  
Name: **Lavell Juan Malloy, II**  
Title: Chief Executive Officer  
(Principal Executive Officer)

Dated: May 15, 2026

By: /s/ Rene Rodriguez  
Name: **Rene Rodriguez**  
Title: Acting Chief Financial Officer  
(Principal Financial and Accounting Officer)

Dated: May 15, 2026

**SETTLEMENT AND RELEASE AGREEMENT**

**THIS SETTLEMENT AND RELEASE AGREEMENT** (this “Agreement”), dated as of March 13, 2026, is made by **BRAG HOUSE HOLDINGS, INC.**, a Delaware corporation (“Brag House” and, together with its past or present parents, subsidiaries, affiliates, successors and assigns, the “Company”) and **CHETAN JINDAL** (“Executive”). Each of the Company and Executive may be referred to herein as a “Party” and, collectively, as the “Parties.”

Capitalized terms used herein but not otherwise defined, if any, shall have the respective meanings ascribed to them in the Employment Agreement (defined below).

**RECITALS**

**WHEREAS**, Brag House and Executive are parties to a certain Employment Agreement, dated as of December 30, 2024, providing for employment of Executive as Chief Financial Officer of the Company (the “Employment Agreement”);

**WHEREAS**, Executive has determined to resign his position as Chief Financial Officer of the Company and the Company has determined to accept such resignation; and

**WHEREAS**, except as otherwise expressly set forth herein, the Parties intend that this Agreement shall, among other things, terminate the Employment Agreement and effect full settlement, satisfaction and release of all claims and obligations between the Parties as further described herein.

**NOW, THEREFORE**, in consideration of the foregoing, the promises, the mutual covenants of the Parties hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**AGREEMENT**

1. **Effectiveness; Effective Date.** Executive shall have seven (7) calendar days from the date of his execution of this Agreement to revoke this Agreement (“Revocation Period”). In the event that Executive executes and returns this Agreement to the Company prior to expiration of the Revocation Period, this Agreement will become effective, enforceable, and irrevocable immediately following expiration of such Revocation Period, on the eighth day from the date of his execution (the “Effective Date”). In the event that Executive revokes this Agreement, this Agreement shall automatically, with no further action on the part of any Party, be null and void, and of no force or effect whatsoever.

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2. **Executive's Resignation.** The Company hereby confirms its acceptance of Executive's resignation, effective as of February 5, 2026, at which time, the Executive's services to and employment with the Company ceased (the "**Resignation Date**"). In addition, each Party hereby acknowledges that, as of the Resignation Date, the Company did not owe Executive any: (a) bonus, (b) reimbursement for any business expenses, or (c) vacation or paid time off/leave. Executive further confirms that, as of the Resignation Date, he owned (and as of the Effective Date will own) 6,250 shares of the Company's common stock and options to purchase 278,647 shares of the Company's common stock, and was not, as of the Resignation Date (and as of the Effective Date, will not be) entitled to receive from the Company any additional shares of the Company's common stock or options therefor. The Parties further acknowledge that, upon resignation, Executive retained all rights and entitlements that he had as of the Resignation Date to his then-vested employee benefits, fringe benefits, and the above-referenced equity awards, in each case, in accordance with the Company's policies, the underlying benefit plan documents, and applicable law. Executive further confirms that the payments expressly set forth below in Clauses a. and b. (which shall be paid to Executive in addition to the Consideration, as defined in Section 3 below) on the Effective Date and shall represent the Company's full satisfaction of any and all of its obligations to Executive in respect of the foregoing:

a. Health and Dental Coverage.

- i. Payment in the amount of \$1,167.82 for ConnectiCare (health coverage) and Anthem (dental coverage) for the month of January 2026, payable to Executive within 5 business days upon receipt by the Company of invoices and/or receipts evidencing such coverage, which must be electronically submitted to [\*\*\*] for verification.
- ii. Payment in the amount of \$208.54, representing the prorated portion of ConnectiCare (health coverage) and Anthem (dental coverage) for the period from February 1 through February 5, 2026 (calculated as \$1,167.82 divided by 28 days multiplied by 5 days), payable to Executive within 5 business days upon receipt by the Company of invoices and/or receipts evidencing such coverage, which must be electronically submitted to [\*\*\*] for verification.

b. Accrued Salary.

- i. Payment in the amount of \$3,076.92, representing salary earned by Executive for the period from February 1 through February 5, 2026 (calculated as \$200,000 divided by 2080 hours, which stands for 40 hours a week multiplied 52 weeks, multiplied by 32 hours, the equivalent of the four working day through Thursday, February 5, 2026), which shall be processed through Paychex, the Company's Professional Employer Organization, on or before February 20, 2026 .

3. **Consideration.** As consideration for the Parties' agreement to settle their disputes and enter into this Agreement to memorialize the same, the Parties have agreed to provide the mutual releases hereinafter set forth and the Company has agreed to payment to the Executive of \$75,000 as follows (the "**Consideration**"):

(a) \$60,000 payable in four increments of \$10,000, \$10,000, \$20,000 and \$20,000 to Executive by wire transfer of immediately available funds to an account designated by Executive in writing at least three days prior to each such payment, on each of the Effective Date, and then the thirtieth, sixtieth and ninetieth day, respectively, following the Effective Date, subject in each instance, to customary lawful withholdings by the Company for federal, state, and local taxes; and

(b) \$15,000 payable, as has been instructed by Executive, directly to Cohen & Buckmann P.C., Executive's legal counsel, in four increments of \$2,500, \$2,500, \$5,000 and \$5,000 by wire transfer of immediately available funds to an account designated by such legal counsel in writing at least three days prior to each such payment on the each of the Effective Date, and then the thirtieth, sixtieth and ninetieth day, respectively, following the Effective Date, in respect of legal fees as contemplated by Section 17 below. Such payments shall be made concurrently with the payments provided for in Subsection 3(a) above and may be treated by Executive as a business expense reimbursement to Executive. The Company shall not withhold income tax or other withholdings from such payment; to the extent, however, that any such amounts are or otherwise become subject to taxation, the responsibility for remission of any and all such taxes to the proper authority shall be the sole responsibility of Executive.

Notwithstanding the payment schedule set forth in Subsections 3(a) and 3(b) above, the balance remaining outstanding and payable to Executive thereunder shall be accelerated and become promptly due and payable to Executive and his counsel, as applicable, upon the Company's receipt of the proceeds, whichever is received first, of either (x) its offering of its common stock to YA II PN, LTD. pursuant to that certain Common Stock Purchase Agreement with YA II PN, LTD., or (y) that certain promissory note in favor of YA II PN, LTD., each dated as of December 4, 2025.

4. **Executive's Release.** Executive, for himself, Executive's spouse, heirs, administrators, children, representatives, executors, successors, assigns, and all other individuals and entities claiming through Executive, if any (collectively, the "Executive Releasers"), does hereby release, waive, and forever discharge the Company and each of its respective agents, subsidiaries, parents, affiliates, related organizations (including but not limited to House of Doge Inc. or its affiliates and related companies), employees, officers, directors, attorneys, successors, and assigns in their capacities as such (collectively, the "Company Releasees") from, and does fully waive any obligations of Company Releasees to Executive Releasers for, any and all liability, actions, charges, causes of action, demands, damages, or claims for relief, remuneration, sums of money, accounts or expenses (including attorneys' fees and costs) of any kind whatsoever, whether known or unknown or contingent or absolute, which heretofore has been or which hereafter may be suffered or sustained, directly or indirectly, by Executive Releasers in consequence of, arising out of, or in any way relating to: (a) Executive's employment with the Company; (b) termination of Executive's employment with the Company; (c) the Employment Agreement; or (d) any events occurring on or prior to the Effective Date. The foregoing release and discharge, waiver and covenant not to sue includes, but is not limited to, all waivable claims and any obligations or causes of action arising from such claims, under common law including wrongful or retaliatory discharge, breach of contract (including but not limited to any claims under the Employment Agreement other than claims for unpaid severance benefits, bonus or Salary earned thereunder) and any action arising in tort including libel, slander, defamation or intentional infliction of emotional distress, and claims under any federal, state or local statute including the Age Discrimination in Employment Act ("ADEA"), Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866 and 1871 (42 U.S.C. § 1981), the National Labor Relations Act, the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Americans with Disabilities Act of 1990, the Rehabilitation Act of 1973, or the discrimination or employment laws of any state or municipality, and/or any claims under any express or implied contract which Executive Releasers may claim existed with Company Releasees. This also includes a release of any claims for wrongful discharge and all claims for alleged physical or personal injury, emotional distress relating to or arising out of Executive's employment with the Company or any of its subsidiaries or affiliates or the termination of that employment; and any claims under the WARN Act or any similar law, which requires, among other things, that advance notice be given of certain work force reductions. Notwithstanding anything contained in this Agreement to the contrary, nothing contained herein shall constitute a release by any Executive Releaser of any of his, her or its rights or remedies available to him, her or it, at law or in equity, related to, on account of, in connection with or in any way pertaining to the enforcement of the rights, if any, of Executive: (i) to indemnification, advancement of legal fees or directors and officers liability insurance coverage existing under the constituent documents of the Company or applicable state corporate statutes or pursuant to any agreement, plan or arrangement; (ii) to the receipt of employee benefits which vested on or prior to the Resignation Date; (iii) to continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act; (iv) under this Agreement or any of its terms or conditions; (v) as an equity holder of the Company or any of its affiliated entities; or (vi) Executive's right, if any, to claim and receive unemployment insurance benefits, disability insurance, workers' compensation benefits, Medicaid, or other public benefits notwithstanding his resignation.

5. **Company's Release.** The Company, for itself, its administrators, agents, subsidiaries, parents, affiliates, related organizations, employees, officers, directors, attorneys, successors, and assigns in their capacities as such, if any (collectively, the "Company Releasers"), does hereby release, waive, and forever discharge Executive, for himself, Executive's spouse, heirs, administrators, children, representatives, executors, successors, assigns, and all other individuals and entities claiming through Executive, if any (collectively, the "Executive Releasees") from, and does fully waive any obligations of Executive Releasees to Company Releasers for, any and all liability, actions, charges, causes of action, demands, damages, or claims for relief, remuneration, sums of money, accounts or expenses (including attorneys' fees and costs) of any kind whatsoever, whether known or unknown or contingent or absolute, which heretofore has been or which hereafter may be suffered or sustained, directly or indirectly, by Company Releasers in consequence of, arising out of, or in any way relating to: (a) Executive's employment with the Company; (b) termination of Executive's employment with the Company; (c) the Employment Agreement; or (d) any events occurring on or prior to the Effective Date. The foregoing release and discharge, waiver and covenant not to sue includes, but is not limited to, all waivable claims and any obligations or causes of action arising from such claims, under common law including wrongful or retaliatory discharge, breach of contract (including but not limited to any claims under the Employment Agreement other than claims for unpaid severance benefits, bonus or salary earned thereunder) and any action arising in tort including libel, slander, defamation or intentional infliction of emotional distress. Notwithstanding anything contained in this Agreement to the contrary, nothing contained herein shall constitute a release by any Company Releaser of any of his, her or its rights or remedies available to him, her or it, at law or in equity, related to, on account of, in connection with or in any way pertaining to the enforcement of: (i) any acts by Executive which are adjudicated by a court of competent jurisdiction to have constituted knowing, willing and intentional violation by Executive of applicable law (it being acknowledged by each of the Company and Executive that Executive is not aware of any such violation), and (ii) any breach by Executive of this Agreement or any of its terms or conditions.

6. **Exclusions.** Excluded from the releases and waivers set forth above are any claims that cannot be waived by applicable law, including but not limited to the right to file a charge or complaint with, or participate in an investigation or proceeding conducted by, the Equal Employment Opportunity Commission, the Department of Labor, the Occupational Safety and Health Administration, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, the U.S. Department of Justice or any other government agency (each, a "Governmental Agency"). To the extent permitted by applicable law, Executive does, however, waive Executive's right to any monetary recovery should any Governmental Agency pursue any claims on Executive's behalf. Executive represents and warrants that Executive has not filed any complaint, charge, or lawsuit against any of the Company Releasees with any Governmental Agency or any court. Nothing in this Agreement prevents Executive from: (a) communicating with any Governmental Agency; (b) providing documentation or other information to any Governmental Agency; or (c) from exercising any protected rights, including under Section 7 of the National Labor Relations Act.

7. **Executive Forbearance.** Executive agrees never to seek personal recovery from any Company Releasee in any forum for any claim covered by the above waiver and release language, except that Executive may bring a claim under the ADEA to challenge the release set forth herein. If Executive violates the release set for the herein by suing a Company Releasee (excluding any claim by Executive under the ADEA or as otherwise set forth herein), then Executive shall be liable to the Company Releasee so sued for such Company Releasee's reasonable attorneys' fees and other litigation costs incurred in defending against such a suit. Nothing in this Agreement is intended to reflect any Party's belief that Executive's waiver of claims under ADEA is invalid or unenforceable, it being the intent of the Parties that such claims are waived.

8. **Termination of Employment Agreement(s)**. Effective as of the Effective Date, (a) the Employment Agreement shall be and shall be deemed to be, for all intents and purposes, terminated, null and void, and of no further force or effect whatsoever, without any additional action on the part of person or entity, except that Section 7 (Indemnification), Section 9.1 (Confidentiality), and Section 9.3 (Injunctive Relief) of the Employment Agreement shall survive such termination indefinitely, and (b) that certain employment agreement dated December 11, 2025 (and executed by Executive on December 12, 2025) and intended to become effective upon the effective time of the reverse merger of Doge House, Inc. with and into a wholly-owned subsidiary of Brag House shall be and shall be deemed to be, for all intents and purposes, terminated, null and void, and of no further force or effect whatsoever, without any additional action on the part of any person or entity.

9. **No Admissions**. The Parties agree that nothing set forth in this Agreement, nor the furnishing of the consideration therefor, shall be deemed or construed at any time to be an admission of any improper or unlawful conduct on the part of the Company Releasees or the Executive Releasees.

10. **No Pending Actions**. Each of the Parties represents to the other and agrees that he or it, as applicable, has neither filed nor authorized the filing on his or its behalf of any claims against any of the respective releasees hereunder with any state, federal, or local agency or court or in any other forum or tribunal with respect to anything that has happened up through the Effective Date. Should any government agency or other third party pursue any actions or other claims on behalf of a Party, such Party hereby agrees to waive any right to recovery or monetary award from such actions or proceedings, except to the extent, if any, such waiver is prohibited by applicable law.

11. **Representation by Legal Counsel; Complete and Full Understanding**. Executive acknowledges and recites that he has:

(a) executed this Agreement knowingly and voluntarily;

(b) had a reasonable opportunity to carefully consider the terms and conditions of this Agreement;

(c) read in its entirety and fully understands this Agreement;

(d) been advised and directed orally and in writing (and this Subsection 11 (d)) constitutes such written direction) to seek legal counsel and any other advice he wishes with respect to the terms and conditions of this Agreement prior to executing it; and

(e) been represented by legal counsel and has relied solely on his own judgment, belief and knowledge, and the advice he received from such legal counsel.

12. **Voluntary Nature of Agreement**. Executive acknowledges and agrees that (a) his execution of this Agreement has not been forced by any employee or agent of the Company, and Executive has had an opportunity to negotiate the terms hereof; and (b) he has been offered twenty-one (21) calendar days following receipt hereof to consider its terms before executing it. As provided hereinabove, Executive shall have the right to revoke his consent to this Agreement (including his waiver of any ADEA claims) prior to the expiration of the Revocation Period by providing written notice of the revocation to the Company before the end of such 7-day period. If Executive exercises the right to revoke hereunder, Executive shall forfeit his right to receive any of the benefits provided for herein, and to the extent such payments have already been made, Executive agrees that he will immediately reimburse Company for the amounts of such payment.

13. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which shall together constitute one and the same instrument. Each counterpart may be delivered by facsimile transmission or e-mail (as a .pdf, .tif or similar un-editable attachment), which transmission shall be deemed delivery of an originally executed counterpart hereof.

14. **Severability**. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Agreement which can be given effect without the invalid provisions or application and to this end the provisions of this Agreement are declared to be severable.

15. **Entire Agreement**. Each of the Parties agrees that this Agreement sets forth the entire agreement between them regarding the subject matter hereof and supersedes any written or oral understanding, promise, or agreement directly or indirectly related to the subject matter hereof, which is not referred to and incorporated in this Agreement. No other promises or agreements shall be binding unless made in writing and signed each of the Parties.

16. **Arbitration of Disputes; Waiver of Jury Trial**. The Parties waive their respective rights to seek remedies in court, including any right to a jury trial, relating to any dispute relating to this Agreement. The Parties agree that any dispute arising out of or relating to this Agreement, Executive's employment with the Company, or any termination of such employment, shall be resolved by binding arbitration to be conducted in New York in accordance with the Commercial Arbitration Rules (and not the National Rules for Resolution of Employment Disputes) of the American Arbitration Association. Judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

17. **Legal Fees**. The Parties acknowledge and agree that any payment in respect of Executive's legal fees and costs is included within, and not in addition to, the Consideration described above. The Company's total payment obligation under this Agreement, in respect of Executive's legal fees is \$15,000. Executive hereby confirms that notwithstanding any provision of the Employment Agreement to the contrary, the Company is not and shall not be responsible for any other cost or expense of Executive's legal fees in connection with the matters addressed herein. Except as expressly set forth herein, each Party shall bear its own costs and expenses incurred by it in connection with the negotiation and execution of this Agreement. Each Party further agrees that, in the event that a contest or dispute relating to this Agreement arises hereafter, each such Party shall bear its own costs and expenses in connection therewith.

18. **Governing Law; Venue**. This Agreement shall be deemed to have been executed and delivered within the State of New York, and the rights and obligations of the Parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of New York without regard to principles of conflict of laws.

19. **Non-Disparagement**. Each Party agrees and covenants to refrain from making any statements or references, either directly or indirectly, or in the form of oral or written statements, to any third party that disparages, depreciates, ridicules, deprecates, condemns, criticizes or maligns the other Party. The Parties further acknowledge that this non-disparagement provision is a material term of this Agreement and that the breach thereof will be a material breach of this Agreement and that there would not be an adequate remedy for the aggrieved party such that immediate injunctive relief may be granted by a court of competent jurisdiction. Nothing contained in this Agreement, including, without limitation this section, shall preclude either Party from disclosing the historical facts of Executive's affiliation with the Company, that he served as the Chief Financial Officer of the Company, the dates of such affiliations, or the fact that Executive has voluntarily resigned from the Company.

20. **Cooperation.** Executive agrees that following the Resignation Date, the Executive will assist the Company, if requested, in the defense of any claims or potential claims that may be made or threatened to be made against it in any action, suit or proceeding, whether civil, criminal, administrative, or investigative (“Proceeding”), and will assist the Company in the prosecution of any claims that may be made by the Company in any Proceeding, to the extent that such claims may relate to Executive’s services provided to the Company or are within Executive’s knowledge. Executive agrees, unless precluded by law, to promptly inform the Company if Executive is asked to participate (or otherwise become involved) in any Proceeding. Executive also agrees, unless precluded by law, to promptly inform the Company if Executive is asked to assist in any investigation (whether governmental or private) of the Company (or its actions), regardless of whether a lawsuit has then been filed against the Company with respect to such investigation.

21. **Breach.** Executive acknowledges and agrees that, notwithstanding any other provision of this Agreement, in the event Executive materially breaches any of his obligations under this Agreement, Executive will forfeit his rights to receive the payments set forth in Section 3 of this Agreement to the extent not theretofore paid to Executive as of the date of the breach and, if already paid as of the time of breach, Executive agrees to reimburse Company, immediately, for the amount of such payments on a pre-tax basis.

22. **Notices.** All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly given: (a) upon personal delivery; (b) one (1) business day after deposit with a nationally recognized overnight courier service; (c) five (5) business days after deposit in the United States mail, postage prepaid, certified or registered mail, return receipt requested; or (d) upon transmission by email if a confirmation of receipt is obtained, addressed as follows:

If to Company:

Brag House Holding, Inc.

45 Park Street  
Montclair, NJ 07042  
Attn: Lavell Juan Malloy, II

Email: [\*\*\*]  
Attn: Daniel Leibovich  
Email: [\*\*\*]

with a copy to:

Lucosky Brookman LLP  
101 Wood Avenue South, 5<sup>th</sup> Floor  
Iselin, New Jersey 08830  
Attn: Joseph Lucosky, Esq.  
Email: [\*\*\*]  
Attn: Victoria Baylin, Esq.  
Email: [\*\*\*]

If to Executive:

Chetan Jindal  
50 Sound View Drive, Apt 1S  
Greenwich, CT 06830-6567  
Attn: Chetan Jindal  
Email: [\*\*\*]

with a copy to:

Cohen & Buckman P.C.  
Attention: Sandra Cohen, Sherrone Torres  
100 Park Avenue - 16th Floor  
New York, NY 10017  
Attn: Sandra Cohen  
Email: [\*\*\*];  
Attn: Sherrone Torres  
Email: [\*\*\*]

or to such other address as either Party may designate by written notice to the other Party in accordance with this Section 22.

23. **Interpretation.** The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the Parties. This Agreement has been negotiated by and between attorneys for the Parties and shall not be construed against the “drafter” of this Agreement. This document shall be interpreted and construed as having been drafted jointly by the Parties without regard to or consideration as to which Party or its counsel actually drafted any specific provision or provisions hereof.

24. **Authorization.** Each Party represents and warrants that he or it, as applicable, is duly authorized to execute this Agreement, and to enter into the arrangements described herein. Further, each Party represents that no undertaking or obligation contained herein conflicts with any contracts to which he or it, as applicable, is a party, or with any other obligation he or it may have. Each Party further represents that no promises, inducement, warranty, statements, or representations of any kind has been made or relied upon by him or it, as applicable, as a reason or inducement to enter into this Agreement, other than as expressly recited herein, and that this Agreement is the free and informed act and deed of such Party.

[Balance of Page Intentionally Left Blank; Signature Page(s) Follow(s)]

IN WITNESS WHEREOF, each of Executive and the Company has executed this Agreement as of the respective dates set forth below.

**THE COMPANY**

**BRAG HOUSE HOLDINGS, INC.**

By: /s/ Lavell Juan Malloy II  
Lavell Juan Malloy II, Chief Executive Officer

Date: March 13, 2026

**EXECUTIVE**

/s/ Chetan Jindal  
Chetan Jindal

Date: March 13, 2026

**AGREED TO AND ACCEPTED**, as of the date set forth below, for the sole purpose of agreement to Section 8(b) hereof:

**BRAG HOUSE, INC.**

By: /s/ Daniel Leibovich  
Daniel Leibovich, Chief Operating Officer

Date: March 13, 2026

[Signature Page to C. Jindal Settlement Agreement]

## SECTION 302 CERTIFICATION

I, Lavell Juan Malloy, II, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended on March 31, 2026, of Brag House Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on Brag House Holdings, Inc.'s most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (of persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: May 15, 2026

By: /s/ Lavell Juan Malloy, II  
Lavell Juan Malloy, II  
Chief Executive Officer

## SECTION 302 CERTIFICATION

I, Rene Rodriguez, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended on March 31, 2026, of Brag House Holdings, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on Brag House Holding, Inc.'s most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (of persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: May 15, 2026

By: /s/ Rene Rodriguez  
Rene Rodriguez  
Acting Chief Financial Officer  
*(Principal Financial and Accounting Officer)*

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Brag House Holdings, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2026 (the "Report") I, Lavell Juan Malloy, II, Chief Executive Officer of the Company, certify, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 15, 2026

By: /s/ Lavell Juan Malloy, II

Lavell Juan Malloy, II  
Chief Executive Officer

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Brag House Holdings, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2026 (the "Report") I, Rene Rodriguez, Acting Chief Financial Officer of the Company, certify, pursuant to 18 USC Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 15, 2026

By: /s/ Rene Rodriguez

Rene Rodriguez  
Acting Chief Financial Officer  
**(Principal Financial and Accounting Officer)**

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.