



Atari launches an offering of bonds convertible into new ordinary shares of Atari maturing in 2026 with a 6.50% coupon for a nominal amount of approximately 30 million euros

- Issuance of bonds convertible into ordinary shares without shareholders' preferential subscription rights, by way of a public offering and with a four-day priority subscription period, on an irreducible and reducible basis
- Public subscription period and priority subscription period: from May 25, 2023 to May 30, 2023 (included) at 5:00 p.m. (Paris time)
- Subscription price set at 0.15 euro per convertible bond
- Subscription commitment of Irata LLC to subscribe for 100% of the Offering
- Key financial information as of March 31, 2023

PARIS, FRANCE (May 25, 2023 - 7:45 am CET) - [Atari®](#) (the "Company") — one of the world's most iconic consumer brands and interactive entertainment producers — announced today the launch of an offering of senior unsecured bonds convertible into new ordinary shares maturing on July 31, 2026 (the "**Convertible Bonds**"), for a nominal amount of approximately 30 million euros, without shareholders' preferential subscription rights, by way of a public offering in France and with a priority subscription period for shareholders to subscribe for the bonds on a reducible and irreducible basis (the "**Offering**").

Legal framework of the Offering

The Offering is being carried out by way of a public offering in France, except offerings as defined in paragraph 1 of article L.411-2 of the French Monetary and Financial Code, without preferential subscription rights for shareholders with a priority subscription period, in accordance with the 13th and 23rd resolutions adopted by the combined general meeting of shareholders of the Company held on September 27, 2022.

A priority subscription period of four business days, from May 25, 2023 to May 30, 2023 (included), is granted to the shareholders whose shares are registered in their account on May 24, 2023, which will enable them to subscribe in priority to the Convertible Bonds (i) on an irreducible basis up to the amount of their share in the share capital of the Company and (ii) on a reducible basis to a number of Convertible Bonds higher than the number to which they can subscribe on an irreducible basis, allocated in proportion to their irreducible applications and, in any event, up to the limit of their demand. This priority period is neither transferable nor negotiable.

Convertible Bonds not subscribed for, on an irreducible or reducible basis, within the priority subscription period by shareholders will be offered to the public in the context of a public offering in France, it being specified that the Offering is subject to a subscription commitment by Irata LLC (“**Irata**”) for the entire amount of the convertible bond offering during the subscription period (the “**Subscription Commitment**”). Any orders received within the public offering are therefore likely not to be served.

The subscription price of the Convertible Bonds under the priority subscription period will be equal to the subscription price of the Convertible Bonds in the public offering and is set at 0.15 euro per share. The subscription price per Convertible Bond shall be equal to the nominal value of each Convertible Bond, to be fully paid up in cash and/or by way of set-off of claims at the time of subscription. On the basis of the closing price of the Company's shares on May 23, 2023, *i.e.* 0.1304 euro, the subscription price of one Convertible Bond of 0.15 euro represents a premium of 15%.

Subscription commitment

Irata, a 27.73% shareholder of the Company and held by Wade Rosen, chairman and CEO of Atari, has irrevocably undertaken in the Subscription Commitment to subscribe to the Offering during the priority subscription period of the Offering, on an irreducible basis, up to the amount of its stake in the Company's share capital (*i.e.* a total number of 55,460,000 Convertible Bonds) and on a reducible basis, up to the balance of the total amount of the Offering not subscribed by it on an irreducible basis, *i.e.* up to a maximum total amount (including conversion premium) of 21,681,000 euros (*i.e.*, up to 144,540,000 Convertible Bonds). Moreover, in the event that at the end of the subscription period of the Offering, the subscriptions do not represent 100% of the amount of the Offering, Irata has irrevocably and unconditionally undertaken to subscribe for the Convertible Bonds which will have not been fully paid by the subscribers, allowing for full subscription of this threshold of 100% of the principal amount of this convertible bonds offering, *i.e.* up to a maximum of 200,000,000 Convertible Bonds for an amount of 30 million euros.

The amount of the Subscription Commitment will be paid, in priority, by way of set-off against due claims that Irata holds on the Company in respect of shareholders' loans previously granted, for an aggregate amount of €16,333,740.68 and the balance in cash.

In addition, Irata has agreed not to convert the Convertible Bonds prior to June 30, 2025 (date on which the triggering threshold for a mandatory tender offering on the Company's shares is raised from 30% to 50% of the shares and/or the voting rights), provided that in the event of a tender offer on Atari's securities filed by a third party prior to June 30, 2025, Irata will have the option to convert its Convertible Bonds prior to such date. As from January 1, 2024, Irata also retains the right to convert its Convertible Bonds upon clearance by AMF (*décision de conformité*) of a tender offer on the Company's securities filed by Irata (or an affiliate).

Use of proceeds

On the basis of 100% of the Offering, the gross proceeds from the Offering will amount to approximately 30 million euros and the net proceeds will amount to 29 million euros, it being specified that Irata's subscription

to the Offering will be made by way of debt set-off in respect of the repayment of shareholder loans up to its current amount of €16,333,740.68, thus reinforcing the balance sheet of the Company.

The balance of the proceeds from the Offering will enable the Company to increase its financial flexibility and general corporate purposes in the context of the development of its transformation strategy:

- Continued investment in growth initiatives, notably with the on-going development of more than 12 new games that are expected to be launched in the next 18 months; and
- Seize additional acquisition of opportunities that may arise, including intellectual property rights and direct minority investment in companies offering value-added solutions for the Group.

Prior to the Offering, the Company does not have sufficient consolidated net working capital to meet its current obligations for the next (12) months, including the expected contribution of Night Dive Studios. Based on current and planned development projects, notably given the expenses incurred for the ongoing development of new games, the Company will be able to fund its operations until the end of the month of June 2023, without taking into account the proceeds from the Offer. The net amount of additional cash required by the Company to meet its needs over the next 12 months amounts to around 4.5 million euros.

Although the Company currently benefits from the continued financial support of its principal shareholder Irata through September 2023, the Offering is the preferred solution for the Company to finance its activity, it being specified that this transaction is subject to the firm and irrevocable Subscription Commitment by Irata covering 100% of the Offering amount. In the event of completion of the Offering, the Company will have sufficient consolidated net working capital to meet its cash requirements over the next twelve (12) months.

Date of issue and interest

The Convertible Bonds shall be issued at par and will bear interest from June 5, 2023 (the "**Issue Date**") at a rate of 6.50% per annum, payable semi-annually in arrears on July 31 and January 31 of each year (or if such date is not a business day the following business day), and for the first time on January 31, 2024, being 0.00975 euro per Convertible Bond per year.

Conversion Right

Holders of Convertible Bonds will be granted a conversion right into new shares of the Company (the "**Conversion Right**") that they are entitled to exercise at any time from the Issue Date (included) until the seventh business day (included) preceding the Maturity Date, or the relevant early redemption date, as the case may be.

The conversion ratio is set at one share per Convertible Bond, subject to customary adjustments, as described in the terms and conditions of the Convertible Bonds in the Securities Note.

The new shares potentially delivered will be fully fungible with the existing shares of the Company, and shall bear, in any case, current dividend from the date of their delivery and shall be admitted to trading on the Euronext Growth market in Paris ("**Euronext Growth**") (ISIN: FR0010478248).

Redemption of Convertible Bonds

Unless previously converted, redeemed or repurchased and cancelled, the Convertible Bonds will be redeemed at par on July 31, 2026 (or the following business day if such date is not a business day) (the "**Maturity Date**").

The Convertible Bonds may be redeemed prior to the Maturity Date, at the Company's option, and at the holders' option, under certain conditions.

In particular, the Convertible Bonds may be redeemed early in full at par plus accrued and unpaid interest at the option of the Company at any time on or after August 21, 2025 and until the Maturity Date, subject to at least 30 (but not more than 60) calendar days' prior notice, if the arithmetic average calculated over a period of 20 consecutive trading days selected by the Company from among the 40 consecutive trading days preceding the date of publication of the notice of early redemption, of the daily product of (i) the volume-weighted average price of the Company's shares on Euronext Growth on each trading day during the considered period and (ii) the applicable conversion ratio in effect on each of these dates exceeds 130% of the nominal value of the Convertible Bonds.

The Convertible Bonds may also be redeemed early in full at par plus accrued and unpaid interest at the option of the Company at any time if the amount of the Convertible Bonds outstanding is equal or less than 20% of the total amount of the Offering.

In the event of a change of control of the Company, the holders of the Convertible Bonds may request the early redemption of their Convertible Bonds prior to the Maturity Date at par plus accrued and unpaid interest.

Admission to trading

Application will be made for the Convertible Bonds to be listed on Euronext Growth before 5 July, 2023 at the latest.

Dilution

For information purposes, based on a 30 million euros Offering and a 0.15 euro conversion price, the impact of the issuance on the shareholding of a shareholder holding 1% of the Company's share capital prior to the issue and not subscribing to it would be as follows:

	Ownership interest (in %)	
	On a non-diluted basis	On a diluted basis ⁽¹⁾
Prior to Offering	1.00%	0.97%
Following the Offering and conversion into shares of 200,000,000 Convertible Bonds resulting from the present transaction (100% completion)	0.68%	0.66%

(1) After issuance of a maximum total number of 14,354,103 ordinary shares resulting from the exercise or conversion of all existing dilutive instruments (BSA, options, free shares).

Indicative timetable

May 15, 2023	Company's Board of Directors meeting authorizing the launch of the Offering and delegating to the Chief Executive Officer the powers to set its main characteristics
May 23, 2023	Chief Executive Officer decision to launch the Offering and to set its main characteristics
May 24, 2023	Publication of the amendment to the URD and approval of the AMF of the Prospectus Record date at the end of which the holders of existing shares registered in the accounts are deemed to be able to participate in the Offering within the priority subscription period
May 25, 2023 (before opening of the Euronext Paris markets)	Publication of a press release by the Company (i) announcing that it has obtained the approval of the AMF, (ii) the launch and terms of the Convertible Bonds and (iii) the availability of the Prospectus
May 25, 2023	Publication of the Euronext notice relating to the Offering Opening of the priority subscription period of the Convertible Bonds Opening of the public offering
May 30, 2023	Closing of the priority subscription period of the Convertible Bonds (5pm) Closing of the public offering (5pm)
May 31, 2023	Deadline for financial intermediaries to communicate the subscriptions to Uptevia (10am)
June 1, 2023	Publication of a press release by the Company announcing the final terms of the Convertible Bonds (after closing of Euronext Paris markets) Publication by Euronext of the notice of admission of the Convertible Bonds
June 5, 2023	Issuance and settlement-delivery of the Convertible Bonds
July 5, 2023 at the latest	Admission of the Convertible Bonds to trading on Euronext Growth

Provision of the prospectus

The prospectus (the "**Prospectus**") comprises (i) the Company's universal registration document approved by the AMF on July 27, 2022 under number D.22-0661 (the "**Universal Registration Document**"), (ii) an amendment to the Universal Registration Document filed with the AMF on May 24, 2023 under number D.22-0661-A01 (the "**Amendment**") and (iii) a securities note (including the summary of the Prospectus as set forth in the appendix to this press release) (the "**Securities Note**") and is made available to the public after the approval of the Prospectus by the AMF under number 23-180 on May 24, 2023.

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Copies of the Prospectus will be available free of charge at the Company's registered office, 25 rue Godot de Mauroy, 75009 Paris, France. The Prospectus will also be available on the Company's website (<https://www.atari-investisseurs.fr>) as well as on the AMF's website (www.amf-france.org).

The attention of investors is drawn to the risk factors described in section 5 "Risk factors" of the Universal Registration Document, in section 4 "Risk factors" of the Amendment and in section 2 "Risk factors relating to the offer" of the Securities Note. The realization of some or all of these risks could have a negative impact on the business activity, situation, financial results or objectives of the Group.

Key financial information as of March 31, 2023 (unaudited)

For the fiscal year ended March 31, 2023, the revenues of the Group for the year are expected to stand at around €10M, a decrease of around 30% compared to previous fiscal year. Financial information as of March 31, 2023 for the four business lines of the Group:

- **Games** - Games revenues are expected to reach around €7.0M, compared to revenues of €5.7M for the last financial year.
- **Hardware** - Hardware revenues for the period are expected to reach around €0.8M, compared to revenues of €3.1M for the last financial year.
- **Licensing** - Licensing revenues for the period are expected to be around €1.2M, compared to €1.3M for the last financial year.
- **Web3** - Web3 revenues for the period are expected to be around €0.8M, a decrease compared to previous period which accounted for exceptional sales of certain digital assets.

ABOUT ATARI

Atari is an interactive entertainment company and an iconic gaming industry brand that transcends generations and audiences. The company is globally recognized for its multi-platform, interactive entertainment and licensed products. Atari owns and/or manages a portfolio of more than 200 unique games and franchises, including world-renowned brands like *Asteroids*®, *Centipede*®, *Missile Command*®, *Pong*®, and *RollerCoaster Tycoon*®. Atari has offices in New York and Paris. Visit us online at www.atari.com.

Atari shares are listed in France on Euronext Growth Paris (ISIN Code FR0010478248, Ticker ALATA) and OTC Pink Current (Ticker PONGF).

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FORWARD-LOOKING STATEMENTS

This press release contains certain non-factual elements, including but not restricted to certain statements concerning its future results and other future events. These statements are based on the current vision and assumptions of Atari's leadership team. They include various known and unknown uncertainties and risks that could result in material differences in relation to the expected results, profitability and events. In addition, Atari, its shareholders and its respective affiliates, directors, executives, advisors and employees have not checked the accuracy of and make no representations or warranties concerning the statistical or forward-looking information contained in this press release that is taken from or derived from third-party sources or industry publications. If applicable, these statistical data and forward-looking information are used in this press release exclusively for information.

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With respect to the member states of the European Economic Area other than France, no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to herein requiring a publication of a prospectus in any relevant member state. As a result, the securities may not and will not be offered in any relevant member state except in accordance with the exemptions set forth in Article 1 (4) of the Prospectus Regulation or under any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Regulation and/or to applicable regulations of that relevant member state.

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Appendix - Summary of the Securities Note

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SUMMARY

Section 1 - Introduction

Name and international securities identification number (ISIN) of the securities

- ISIN code of convertible bonds: FR001400HY17
- ISIN code of ordinary shares: FR0010478248- ticker of ordinary shares: ALATA

Identity and contact details of the issuer

- Atari, 25 rue Godot de Mauroy – 75009 Paris, France (the “Company”)
- Legal Entity Identifier (LEI): 969500EY082T9MF5R336

Identity and contact details of the competent authority approving the Prospectus: *Autorité des marchés financiers* (AMF), 17, place de la Bourse, 75082 Paris Cedex 02

Date of the approbation of the Prospectus by the AMF: 24 May 2023

Warning: The summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital in the event of a decline in the Company's share price. When a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law of a member state of the European Union or a member state of the European Economic Area (“EEA”), have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

Section 2 – Key Information on the Issuer

Point 2.1 – Who is the issuer of the securities?

Headquarters / Legal form / LEI / Applicable law / Country of incorporation

- Headquarters: 25 rue Godot de Mauroy – 75009 Paris, France
- Legal form: société anonyme à conseil d'administration
- LEI : 969500EY082T9MF5R336
- Applicable law: French law
- Country of incorporation: France

Main activities

Atari is an interactive entertainment company and iconic gaming industry brand that transcends generations and audiences. The Company is globally recognized for its multi-platform, interactive entertainment, and licensed products. Atari owns and/or manages a portfolio of more than 200 unique games and franchises, including world-renowned brands like Pong®, Breakout®, Asteroids®, Missile Command®, Centipede®, and RollerCoaster Tycoon®.

Atari's strategy is to develop, directly or through licensing agreements, video games, hardware, consumer products and media content at the crossroads of interactive entertainment, the digital world, and web3 to generate revenue by monetizing its portfolio of intellectual property. Atari does this both directly, with revenues generated from video game commercialisation on the Atari VCS, PC, consoles, mobile or multimedia platforms, and indirectly, with licensing agreements granted to third parties who are then responsible for product manufacturing in exchange for royalties paid to Atari under multi-year contracts.

The Group's organization is structured around four main lines of business: Games, Hardware, Licensing, and Web3.

For the fiscal year ending 31 March 2022, the Group's revenues are expected to be 14.9 million Euros, compared to 18.9 million Euros in 2021, and a net loss of 23.8 million Euros in 2022. As of 30 September 2022, the Group's revenues amounted to 4.3 million Euros compared to 6 million Euros as of September 30, 2021.

On 22 March 2023, Atari announced that it had entered into an agreement to acquire 100% of Night Dive Studios Inc. (“**Night Dive**”), a full service game development and publishing company based in Vancouver, Washington, USA (the “**Acquisition**”). The purchase price of Night Dive consists of (i) an initial consideration of US\$9.5 million payable in cash and in Atari shares (i.e., 38,129,423 shares issued on 12 May 2023) plus (ii) an earn-out of up to US\$10 million, payable in cash over the next three years based on the future performance of Night Dive. The Acquisition has been completed on 12 May 2023.

Major shareholders

As of the date of this Prospectus, the share capital is of 4,206,637.09 euros divided into 420,663,709 ordinary shares each with a par value €0.01 and the all allocation of the Company's shareholders is, on the basis of information brought to the Company's attention, as follows:

Shareholders	Shares	% capital	Theoretical voting rights	% theoretical voting rights	Exercisable voting rights	% exercisable voting rights
Irata LLC ⁽¹⁾	116,634,518	27.73%	116,634,518	27.55%	116,634,518	27.76%
Actionnaires de Night Dive	-	-	-	-	-	-
Stephen Kick	31,463,004	7.48%	31,463,004	7.43%	31,463,004	7.49%
Lawrence Kuperman	1,682,180	0.40%	1,682,180	0.40%	1,682,180	0.40%
Subtotal	33,145,184	7.88%	33,145,184	7.83%	33,145,184	7.89%
M. Alexandre Zyngier	3,779,778	0.90%	3,779,778	0.89%	3,779,778	0.90%
Treasury shares	3,253,426	0.77%	3,253,425	0.77%	-	-
Public	263,850,803	62.72%	266,546,144	62.96%	266,546,144	63.45%
Total⁽²⁾	420,663,709	100.00%	423,359,049	100.00%	420,105,624	100.00%

(1) IRATA LLC is the holding company owned by Wade Rosen, Chairman of the Board of Directors and Chief Executive Officer of the Company. Following the closing of the Acquisition on May 12, 2023, Wade Rosen Revocable Trust has transferred 4,984,238 shares in the context of the contribution, received to Irata.

(2) 2,695,340 shares have double voting rights

Key managing directors

- Wade Rosen, Chairman of the Board of Directors and Chief Executive Officer of the Company

Statutory auditors

Deloitte & Associés (member of the Regional Association of Auditors of Versailles and Centre), represented by Benoit Pimont, Signatory Partner, 6, place de la Pyramide, 92908 Paris La Défense Cedex.

B.E.A.S. SARL (member of the Regional Association of Auditors of Versailles and Centre), 6, place de la Pyramide, 92908 Paris La Défense Cedex.

Point 2.2 What is the key financial information regarding the issuer?

Historical key financial information

The tables below present selected financial information of the Company derived from its financial statements as of 31 March 2020, 2021 and 2022 and from its half-annual financial statements as of 30 September 2021 and 2022.

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Selected financial information from the Company's income statement:

(M€)	31 March 2022	31 March 2021	31 March 2020	30 September 2022	30 September 2021
CURRENT OPERATING INCOME (LOSS)	(2.3)	(3.4)	2.9	(4.2)	(2.8)
OPERATING INCOME (LOSS)	(23.0)	(11.6)	2.9	(5.2)	(2.8)
NET INCOME (LOSS)	(23.8)	(11.9)	2.0	(5.4)	(3.5)

Selected financial information from the Company's balance sheet:

ASSETS (M€)	31 March 2022	31 March 2021	31 March 2020	30 September 2022	30 September 2021
Non-current assets	18.9	31.3	38	22.0	30.4
Current assets	7.0	9.1	5.8	6.7	9.5
Total assets	26.0	40.4	43.8	28.7	39.9
EQUITY & LIABILITIES (M€)					
Total equity	4.4	24.1	28.1	12.9	23.9
Non-current liabilities	8.0	2.3	3.7	4.6	3.3
Current liabilities	13.6	13.9	11.9	11.2	12.7
Total equity and liabilities	26.0	40.4	43.8	28.7	39.9

Selected financial information from the Company's cash flow statement:

(M€)	31 March 2022	31 March 2021	31 March 2020	30 September 2022	30 September 2021
Net cash (used)/generated in operating activities	(5.8)	(4.6)	1.1	(7.1)	(3.3)
Net cash (used)/generated in investing activities	(4.3)	(3.1)	(9.6)	(2.6)	(1.8)
Net cash provided (used in) by financing activities	7.6	7.8	1.5	9.4	3.4
Other cash flows	0.7	0.6	0.2	2.2	(0.1)
Net change in cash and cash equivalent	(1.8)	0.7	(6.7)	1.9	(1.7)

Pro forma information

On May 12, 2023, ATARI completed the acquisition of 100% of Night Dive. In this context, the Company has prepared unaudited pro forma consolidated financial information taking into account the Acquisition, a summary of which is presented below on a voluntary basis. The pro forma consolidated financial position of Atari as of September 30, 2022 has been prepared to illustrate the impact of the Acquisition and the related financing with retroactive effect to September 30, 2022. The pro forma consolidated income statement of the Atari Group for the six-month period ended September 30, 2022 has been prepared assuming that the Acquisition and its financing were completed on April 1, 2022. The unaudited pro forma consolidated financial information is based on a number of assumptions that Atari believes are reasonable as of the date of this document and in the context of the Acquisition. A detailed post-acquisition analysis may reveal differences in accounting principles that have not been taken into account in the preparation of the pro forma financial information. The pro forma financial information has not been audited by Atari's statutory auditor and is based, in addition to the corresponding audited consolidated financial statements of Atari, on information prepared by Night Dive for the period ended on September 30, 2022. In addition, the financial information of Night Dive used for the preparation of the pro forma financial information has not been audited and are not being audited in the United-States. As a result, undue reliance should not be placed on the unaudited pro forma financial information set forth in this Prospectus, which, beyond their illustrative nature, may not accurately reflect the current or future performance of the combined entity.

Key unaudited pro forma financial information from the combined balance sheet as at 30 September 2022

In '000s €	ATARI SA Consolidated financial statements	Night Dive Actuals	Adjustments	Night Dive Restated	Business Combination IFRS 3	Financing	Pro forma Consolidated information
Goodwill					6,807		6,807
Intangible Assets License and IP(*)	1,924	175	559	734			2,658
Intangible Assets R&D Capitalized(*)	5,327	0	4,331	4,331			9,658
Intangible Assets Digital Assets(*)	1,143	0	0	0			1,143
Property, Plant and Equipment	0	0	0	0			0
Rights of use relating to leases	1,577	0	0	0			1,577
Other non-current assets	9,792	2,855	-2,855	0			9,792
Deferred tax assets	2,272	0	0	0			2,272
Total Non-current assets	22,035	3,030	2,035	5,065	6,807		33,907
Inventories	603	0	0	0			603

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Trade receivables	2.389	0	360	360			2.749
Cash and cash equivalents	2.493	190	0	190	-4.747	4.747	2.683
Other current assets	1.206	55	0	55			1.261
Assets held for sale	0	0	0	0			0
Total current assets	6.691	245	360	605	-4.747	4.747	7.296
Total Assets	28.726	3.275	2.395	5.670	2.060	4.747	41.203
Shareholders' equity	12.934	3.177	38	3.215	2.060.		18.209
Non-current financial liabilities	2.472	0	0	0		4.747	7.219
Long term lease liabilities	1.288	0	0	0			1.288
Other non-current liabilities	841	98	-98	0			841
Total non-current liabilities	4.601	98	-98	0		4.747	9.348
Provision for current contingencies and losses	435	0	0	0			435
Current financial liabilities	97	0	0	0			97
Short-term rental debts	402						402
Trade payables	5.290	0	228	228			5.518
Other current liabilities	4.841	0	2.227	2.227			7.068
Liabilities held for sale	126						126
Total current liabilities	11.191	0	2.455	2.455	0		13.646
Total Equity and liabilities	28.726	3.275	2.395	5.670	2.060	4.747	41.203

(*) The "Intangible assets" line in Atari's balance sheet has been disaggregated into three separate lines "License and IP", "R&D Capitalized", and "Digital Assets". This distinction is applied only for pro forma reporting purposes and has no impact on Atari's future financial statements.

Key unaudited pro forma financial information from the combined income statement for the six-month period ended 30 September 2022

In '000s €	ATARI SA Consolidated Financial Statements	Night Dive Actuals	Adjustments	Night Dive Restated	Financing	Pro forma Consolidated information
Total Revenues	4.341	1.560	-24	1.536		5.877
Cost of goods sold	-1.025	-1.015	439	-576		-1.601
Gross Margin	3.316	545	415	960		4.276
Research and Development expenses	-2.297	-130	-149	-279		-2.576
Marketing and Selling expenses	-303	-127	4	-123		-426
General and administrative expenses	-4.905	-221	14	-207		-5.112
Current operating income (loss)	-4.189	67	284	351		-3.838
Other income (expenses)	-980	1	0	1		-979
Operating income (loss)	-5.169	68	284	352		-4.817
Cost of debt	-108	0	0	0	-190	-298
Other financial income (expense)	-94	0	0	0		-94

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Share of net operating profit of equity affiliates	0	0	0	0	0	0
Income tax	-7	0	0	0		-7
Net income from Continuing operations	-5.378	68	284	352	-190	-5.216
Profit (Loss) from discontinued operations	-64	0	0	0		-64
Net income (Loss)	-5.442	68	284	352	-190	-5.301
Minority interests	0	0	0	0		0
Net income group share	-5.442	68	284	352	-190	-5.280

The pro forma financial information does not reflect the earn-out (up to \$10 million) that may be paid in cash over the next three years. This will be estimated and recorded in Atari SA's consolidated financial statements as of September 30, 2023, based on Atari's estimates.

Key financial information as of 31 March 2023 (unaudited)

For the fiscal year ended March 31, 2023, the revenues of the Group for the year is expected to stand at around €10 M, a decrease of around 30% compared to previous fiscal year. Financial information as of 31 March 2023 for the four business lines of the Group:

- **Games** - Games revenues are expected to reach around €7.0 M, compared to €5.7 M in previous period.
- **Hardware** - Hardware revenues for the period are expected to reach around €0.8 M, compared to €3.1 M in previous financial year.
- **Licensing** - Licensing revenues for the period are expected to be around €1.2 M, compared to €1.3 M in previous financial year.
- **Web3** - Web3 revenues for the period are expected to be around €0.8 M, in decrease compared to previous period which accounted for exceptional sales of certain digital assets.

Point 2.3 What are the key risks that are specific to the issuer?

Main risks specific to the Company: risks are classified according to three levels of materiality (low, moderate, high).

- **Risks related to the future results of operations and financial condition presented in the pro forma financial information (moderate):** The pro forma financial information has not been audited by Atari's auditor and is based, in addition to Atari's corresponding audited consolidated financial statements, on information prepared by Night Dive for the period ended September 30, 2022. In addition, the financial information of Night Dive used in the preparation of the pro forma financial information is unaudited and unaudited in the United States.
- **Risks related to Night Dive's development process and delayed releases of games (high):** Night Dive has experienced development delays for its products in the past which caused it to delay or cancel release dates. Any failure to meet anticipated production or release schedules likely would result in a delay of revenue and/or possibly a significant shortfall in Atari's revenue, increase its development and/or marketing expenses, harm its profitability, and cause its operating results to be materially different than anticipated.
- **Risk associated with expansion into new business sectors (high):** The Group intends to expand its operations beyond video game publishing activity, which requires new technological, technical and commercial expertise. Difficulties encountered in the development of these new projects, in their timing or in the level of competition in those new business sectors may challenge the commercial success of the Group in those new projects.
- **Risk associated with liquidity and going concern (moderate):** As at September 30, 2022, the Company reported a net loss of €5.4M (compared with €3.5M as of September 30, 2021). Shareholders' equity was €13.0M as of September 30, 2022, compared to €4.4M as of March 31, 2022. As of March 31, 2023 net debt stood at €6.8M compared to a net debt of €4.6M in previous year, and includes 2.0M € of cash and 8.9 M€ of financial debt. The Company conducted a review of its liquidity risk based on projections of all of its four activities: Gaming, Hardware, Licensing and Web3. The net amount of additional cash required by the Company to meet its needs over the next 12 months amount to around EUR 4.5 M. Based on current and planned development projects and including the contribution from Night Dive, the Company will be able to fund its operations until the end of the month of June 2023. The Company currently benefits from the continued financial support of its principal shareholder Irata LLC through September 2023, and could benefit from the financial flexibility provided by the Offering, that is subject an irrevocable Subscription Commitment by Irata LLC covering 100% of the Offering amount, to meet its cash requirements over the next twelve (12) months.
- **Risk associated with the success of games (high):** The main risks intrinsic to video game publishing concern the lifetime of a given game and changes in technologies. The commercial success of games depends on the public's response, which is not always predictable and may negatively impact Group's revenues and future earnings.
- **Risk associated with development process of games and delayed releases of games (high):** Atari may have to delay the launch of a video game for several reasons. Delays in launch or termination of games and their release could negatively impact the Group's revenues, income and future earnings. Any failures in production may also result in increased development costs.
- **Risk related to litigation (moderate):** The Group is subject to regular threats of litigation in the ordinary course of business related to its commercial operations and will vigorously defend any such cases if filed.
- **Risk related to piracy (moderate):** Highly organized pirate operations in the video game industry have been expanding globally. In addition, the proliferation of technology designed to circumvent the protection measures integrated into games, the availability of broadband access to the Internet and the ability to download pirated copies of games from various Internet sites all have contributed to ongoing and expanded piracy. These illegal activities could adversely affect the Group's business.

Section 3 – Key information on the securities

Point 3.1 – What are the main features of the securities?

Class and number of securities to be admitted to trading

The offering (hereinafter, the "Offering") relates to 200,000,000 bonds convertible into new ordinary shares of the Company, to be issued without shareholders' preferential subscription rights with a priority subscription period and maturing 31 July 2026 (the "Convertible Bonds").

The centralization of the financial service of the Convertible Bonds (payment of interest, centralization of requests for redemption of the Convertible Bonds, etc.) will be performed by Uptevia (12, place des Etats-Unis, CS 40083, 92549 MONTROUGE CEDEX). The initial calculation agent will be Conv-Ex Advisors Limited (30 Crown Place, London EC2A 4EB, United Kingdom).

The shares likely to be issued upon conversion of the Convertible Bonds will all be of the same nominal value and class as the existing shares of the Company. They will be admitted to trading on the multilateral trading facility of Euronext Growth in Paris, on the same listing line as the existing shares of the Company under the same ISIN code FR0010478248.

Currency, denomination, nominal value, number of offered securities and maturity

Currency: euro.

Number of securities to be offered: 200,000,000 Convertible Bonds of €0.15 nominal value each

Maturity: 31 July 2026.

Rights attached to the securities

Seniority of the Convertible Bonds: Exclusively in the event of security interests granted by the Company and/or Atari US Holding Inc. for the benefit of holders of other bonds or other negotiable financial instruments representing debt securities issued or guaranteed by the Company.

Interest rate: The Convertible Bonds will bear interest from the issue date, which is 5 June 2023 (the “**Issue Date**”) according to the indicative timeline, at a nominal rate of 6.50% per annum, payable semi-annually in arrears on 31 July and on 31 January of each year (or if such date is not a business day the following business day) beginning on 31 January 2024 (each, an “**Interest Payment Date**”), being 0.00975 euros per Convertible Bond per year. It being precised that the amount paid to Bondholders will be rounded to two decimals (€0.01).

Maturity date and term of the loan: The term of the loan is three years and two months from the Issue Date. Thus, the Convertible Bonds will mature on 31 July 2026 inclusive (the “**Maturity Date**”).

Conversion right: Each holder of Convertible Bonds (the “**Bondholders**”) will have the right to convert all or part of its Convertible Bonds into shares of the Company during the conversion period.

Conversion Period and Conversion Ratio: From the Issue Date until including the seventh business day preceding the Maturity Date, the Bondholders will be entitled to exercise, at any time, their conversion right for all or part of the Convertible Bonds they hold (the “**Conversion Right**”), subject to the preservation of the rights of the Bondholders and the settlement of fractional shares, at a ratio of one (1) new Atari share for one (1) Convertible Bond (the “**Conversion Ratio**”).

In the event of a share capital increase or issuance of new shares or securities conferring rights to receive shares or any other financial transactions conferring preferential subscription rights (including in the form of subscription warrants) or reserving a priority subscription period for the benefit of the shareholders, and in the event of a merger or a spin-off (*scission*), the Company shall be entitled to suspend the exercise of the Conversion Right for a period not exceeding three (3) months or such other period as may be established by applicable regulations. The Conversion Ratio may also be adjusted (see “Maintenance of the rights of the Bondholders” below).

Terms of redemption of the Convertible Bonds:

Normal redemption: Subject to early redemption at the option of the Company, in cash in full on the Maturity Date by redemption at par plus interests.

Early redemption of the Convertible Bonds at the option of the Company:

- At any time, without limitation as to price or quantity, either by way of repurchase on or off-market, or by way of tender or exchange offers or otherwise;
- By redemption on or after 21 August 2025 and until maturity of the Convertible Bonds, subject to at least 30 calendar days' prior notice, at a price equal to the Early Redemption Price, if the arithmetic mean, calculated in respect of 20 consecutive trading days during which the shares of the Company are listed, chosen by the Company among the period of 40 consecutive trading days immediately preceding the day of the publication of the early redemption notice, of the daily product of (i) the volume weighted average price of the Company's shares on Euronext Growth on each trading day and (ii) the Conversion Ratio applicable on each such dates exceeds 130% of the nominal value of the Convertible Bonds.
- At the Early Redemption Price, if the amount of the Convertible Bonds outstanding is equal or less than 20 % of the total amount of the issue.

The “**Early Redemption Price**” shall be equal to par plus accrued interest from the last Interest Payment Date to the date of scheduled redemption.

Early Redemption at the Option of the Noteholders: In cash in the event of a Change of Control.

A “**Change of Control**” means the fact, for one or more natural persons or legal entities, acting alone or in concert (other than Irata LLC), to acquire control of the Company, it being specified that the notion of “**control**” means, for the purposes of this definition, the fact of holding (directly or indirectly through companies controlled by the person or persons concerned) (x) a majority of the voting rights attached to the Company's shares or (y) more than 40% of such voting rights if no other shareholder of the Company, acting alone or in concert, holds (directly or indirectly through companies controlled by such shareholder or shareholders) a percentage of the voting rights greater than that so held.

Early Redemption: possible in cash, at the Early Redemption Price.

Rights of Bondholders to interest on the Convertible Bonds: In the event of exercise of the Conversion Right, no interest will be paid to the holders of Convertible Bonds in respect of the period between the last Interest Payment Date, or, as the case may be, the Issue Date, and the date on which delivery of the shares occurs.

Maintenance of the rights of the Bondholders: the Conversion Ratio will be adjusted in the event of a reduction in the Company's capital and in the event of financial transactions of the Company, in particular in the event of the distribution of a dividend.

Representative of the body of Bondholders: Aether Financial Services.

Description of the underlying shares: As of the date of this Prospectus, the Issuer's shares are admitted to trading under the denomination “ALATA” on Euronext Growth (ISIN code FR0010478248). The shares are denominated in euro. The new ordinary shares issued upon conversion of the Convertible Bonds will carry current dividend rights. A double voting right is granted to shares held in registered form for at least two years by the same shareholder.

Relative seniority of the securities in the issuer's capital structure in the event of insolvency

The Convertible Bonds and interest thereon constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and rank equally (*pari passu*) among themselves and (subject to exceptions provided by law) rank equally with all unsecured and unsubordinated indebtedness and payment obligations of the Company, present or future.

Restrictions on the free transfer of securities

None

Dividend policy

The Company has not distributed any dividends in the last three fiscal years and does not intend to propose any dividend payment for fiscal year ended 31 March 2023.

Point 3.2 – Where will the securities be traded?

The Convertible Bonds will be admitted to trading on Euronext Growth within thirty (30) days following settlement and delivery.

Point 3.3 - Is there a guarantee attached to the securities

Not applicable

Point 3.4 – What are the key risks that are specific to the securities?

Main risk factors related to the securities

Bondholders are advised to consider the main key securities risks listed hereinafter:

- (i) **It is not certain that a market will develop for the Convertible Bonds:** The Convertible Bonds will be admitted to trading on Euronext Growth within thirty (30) days following settlement and delivery. However, no assurance can be given that an active market for the Convertible Bonds will develop or that Bondholders will be able to sell their Convertible Bonds on such market at satisfactory price and liquidity, in particular given the fact that the main shareholder has undertaken to subscribe to 100% of the of the Convertible Bonds. In addition, if such a market were to develop, it cannot be excluded that the market price of the Convertible Bonds would be subject to significant volatility. If an active market does not develop, the liquidity and price of the Convertible Bonds will be affected. Finally, there is no obligation to make a market in the Convertible Bonds and the Company has not mandated any intermediary to ensure the liquidity of the Convertible Bonds.
- (ii) **The Company may not be able to pay the interest or redeem the Convertible Bonds:** The Company may not have sufficient financial capacity to pay the interest or redeem the Convertible Bonds. The Company's ability to pay interest and to redeem the Convertible Bonds will depend, among other things, on its financial situation at the time of payment of interest or redemption and may be limited by applicable law, by the terms of its indebtedness and, if applicable, by the terms of any new financing in place at that time that may replace, increase or modify the Company's existing or future debt.
- (iii) **The market price of the Company's shares may fluctuate and fall below the conversion price of the Convertible Bonds:** The Company's shares may be traded at a price below the market price prevailing on the date of determination of the conversion price of the Convertible Bonds. The Company cannot provide any assurance that the Company's share market price will not fall below the such price. The Company's cannot provide any assurance that, subsequent to the conversion of the Convertible Bonds, investors will be able to sell their shares at a price at least equal to or greater than such price.
- (iv) **The conversion of the Convertible Bonds or the sale of the shares resulting from the conversion of the Convertible Bonds on the market by bondholders is likely to have an adverse impact on the market price of the shares:** The conversion of the Convertible Bonds or the sale of the shares resulting from the conversion of the Convertible Bonds by Bondholders is likely to have an adverse impact on the market price of the Company's shares. The Company cannot foresee the possible effects of these events on the market price of the shares.
- (v) **Bondholders have limited anti-dilution protection:** The Conversion Ratio applicable in the event of conversion into new shares of the Convertible Bonds will only be adjusted in limited circumstances. Therefore, the Conversion Ratio will not be adjusted in all cases where an event relating to the Company or any other event would be likely to affect the value of the Company's shares or, more generally, to have a dilutive impact.
- (vi) **The early redemption of the Convertible Bonds is subject to the approval of the Bondholders' meeting:** In the event notably (i) of a breach by the Company of its obligations under the Convertible Bonds, (ii) cross default, (iii) preventive or collective insolvency proceeding or (iv) delisting of the Company's shares, the early redemption of the Convertible Bonds may

only be triggered if a majority of the Bondholders have approved the request. Given Irata's subscription commitment and the significant holding of Convertible Bonds that could result, there is no guarantee that a vote in favor of early redemption will be obtained.

- (vii) **Risk related to meetings and vote of Noteholders, modification and waivers:** Certain provisions permit in certain cases defined majorities to bind all Bondholders including Bondholders who did not attend (or were not represented) and vote at the relevant general meeting. Bondholders who voted in a manner contrary to the majority and Bondholders who did not respond to, or rejected, the relevant resolution. If a decision is adopted by a majority of Bondholders and such modifications were to impair or limit the rights of the Bondholders, this may have a negative impact on the market value of the Convertible Bonds and hence Bondholders may lose part of their investment.

Section 4 – Key information on the admission to trading

Point 4.1 – Under which conditions and timetable can I invest in these securities?

Structure of the Offering: the offer of the Convertible Bonds is carried out by way of a public offering, without preferential subscription rights for shareholders with a priority subscription period of four business days, which will enable them to subscribe in priority to the Convertible Bonds (i) on an irreducible basis up to the amount of their share in the share capital of the Company and (ii) on a reducible basis to a number of Convertible Bonds higher than the number to which they can subscribe on an irreducible basis, allocated in proportion to their irreducible applications and, in any event, up to the limit of their demand.

Convertible Bonds not subscribed for, on an irreducible or a reducible basis, within the priority subscription period by shareholders will be offered to the public in a public offering in France (the “Public Offering”), it being specified that Irata commits to subscribe the Offering for the entire Offering during the priority subscription period. The orders received within the Public Offering are therefore likely not to be served. The Offering is made under the 13th and 23rd resolutions adopted by the combined general meeting of the Company's shareholders held on 27 September 2022 (the “Offering”).

Priority subscription period: a priority subscription period of four consecutive trading days, from 25 May 2023 to 30 May 2023 (included), is granted to the shareholders whose shares are registered in their account on 24 May 2023. This priority subscription period is neither transferable nor negotiable.

Subscription price of the Convertible Bonds: 0.15 euro per Convertible Bond, equal to the nominal value of each Convertible Bond, to be fully paid up by payment in cash (in cash and / or by debt setoff) at the time of subscription. On the basis of the closing price of the Company's shares on 23 May 2023, i.e. 0.1304 euros, the subscription price of one Convertible Bond of 0.15 euros represents a premium of 15%.

Amount of the offer: the total amount of the offer amounts to 30 million euros, by issue of 200,000,000 Convertible Bonds.

Revocation of subscription orders: subscription orders are irrevocable.

Notifications to the subscribers of the Convertible Bonds: the subscribers having placed subscription orders on an irreducible basis are assured, subject to the effective completion of the Offering, to receive the number of Convertible Bonds they will have subscribed for within the applicable deadlines. Subscribers who have placed orders to subscribe for the Convertible Bonds on a reducible basis and within the Public Offering will be informed of their allocation by their financial intermediary.

Subscription intent of the Company's main shareholders or members of its administrative or management bodies or of any other person intending to subscribe for more than 5%: Irata LLC (the “Irata”), a 27.73% shareholder of the Company and held by Mr. Wade Rosen, has irrevocably undertaken to subscribe to the Offering (the “Subscription Commitment”) during the priority subscription period of the offering of the Convertible Bonds, on an irreducible basis, up to the amount of its stake in the Company's share capital (i.e. a total number of 55,460,000 Convertible Bonds) and on a reducible basis, up to the balance of the total amount of the Offering not subscribed by it on an irreducible basis, i.e. up to a maximum total amount (including issue premium) of 21,681,000 euros (i.e., up to 144,450,000 Convertible Bonds). Moreover, in the event that at the end of the subscription period of the Offering, the subscriptions do not represent 100% of the amount of the Offering, Irata has irrevocably and unconditionally undertaken to subscribe for the Convertible Bonds, which will have not been fully paid by the subscribers, allowing for full subscription of this threshold of 100% of the principal amount of this convertible bonds offering, i.e. up to a maximum of 200,000,000 Convertible Bonds for an amount of 30 million euros.

The amount of the Subscription Commitment will be paid, in priority, by way of set-off against certain, determined in quantum and due debts that Irata holds on the Company in respect of shareholders' loans previously granted, for an aggregate amount of EUR 16,333,740.68 and the balance in cash. All the debts arising from the Irata loans granted to the Company will be cleared either by this subscription by way of debt set-off, depending on the amount subscribed to Irata, or by the proceeds of the Offering.

In addition, Irata has agreed not to convert the Convertible Bonds prior to 30 June 2025 (date on which the triggering threshold for a mandatory public offering on the Company's shares is raised from 30% to 50% of the shares and/or the voting rights)¹, provided that in the event of a tender offer on Atari's securities filed by a third party prior to 30 June 2025, Irata will have the option to convert its Convertible Bonds prior to such date. As from 1 January 2024, Irata also retains the right to convert its Convertible Bonds upon clearance by AMF (*décision de conformité*) of a tender offer on the Company's securities filed by Irata (or an affiliate).

Countries in which the offer will be open to the public: the Offering will be open to the public only in France.

Restrictions applicable to the offering: the distribution of the Prospectus and the subscription for the Convertible Bonds may, in certain countries, in particular in the United States of America, the United Kingdom, Canada, Australia, Japan or South Africa, be subject to specific regulations.

Methods of payment of funds and financial intermediaries:

Holders of administered registered shares or bearer shares: subscriptions for the Convertible Bonds and payments of funds by subscribers whose existing shares are held in administered registered form or bearer form will be received by their financial intermediaries holding the accounts until 30 May 2023 inclusive in accordance with the indicative timetable.

Pure registered shareholders: subscriptions for the Convertible Bonds and payments of funds by subscribers whose existing shares are held in pure registered form will be received by Uptevia up to and including 30 May 2023 in accordance with the indicative timetable.

Payment of the subscription price: each subscription must be accompanied by the payment of the subscription price. Subscriptions for which payments have not been made will be cancelled by operation of law without any need for a formal notice.

Centralizing institution : Uptevia.

Guarantee: the Offering will not be subject to a guarantee.

Settlement and delivery of the Convertible Bonds: according to the indicative timetable, the Convertible Bonds are expected to be book-entry only and tradable as of 5 June 2023. The Convertible Bonds will be the subject of an application for admission to trading by Euroclear France, which will be responsible for the settlement of the Convertible Bonds between account holders and custodians. Application will also be made to Euroclear Bank S.A./N.V. and Clearstream Banking SA and an application for admission to trading on the multilateral trading facility of Euronext Growth in Paris will be made.

Indicative timetable of the transaction:

15 May 2023	Company's Board of Directors meeting authorizing the launch of the Offering and delegating to the Chief Executive Officer the powers to set its main characteristics
23 May 2023	Chief Executive Officer decision to launch the Offering and to set its main characteristics
24 May 2023	Publication of the amendment to the URD and approval of the AMF of the Prospectus
	Record date at the end of which the holders of existing shares registered in the accounts are deemed to be able to participate in the Offering within the priority subscription period

¹ Atari has moved from a listing on the regulated market to a listing on Euronext Growth on June 30, 2022. However, the threshold for a mandatory public offering at 30% is not automatically increased to 50% as a result of its transfer to Euronext Growth and therefore the 30% threshold remains applicable for three years (i.e. until 30 June 2025).

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25 May 2023 (before opening of Euronext Paris markets)	Publication of a press release by the Company (i) announcing that it has obtained the approval of the AMF, (ii) the launch and terms of the Convertible Bonds and (iii) the availability of the Prospectus
25 May 2023	Publication of the Euronext notice (<i>avis d'émission des obligations</i>) Opening of the priority subscription period of the Convertible Bonds Opening of the public offering
30 May 2023	Closing of the priority subscription period of the Convertible Bonds (5pm) Closing of the public offering (5pm)
31 May 2023	Deadline for financial intermediaries to communicate the subscriptions to Uptevia (10am)
1 June 2023	Publication of a press release by the Company announcing the final terms of the Convertible Bonds (after closing of Euronext Paris markets) Publication of the Euronext notice (<i>avis d'admission des obligations</i>)
5 June 2023	Issuance and settlement-delivery of the Convertible Bonds
5 July 2023 at the latest	Admission of the Convertible Bonds to trading on Euronext Growth

The public will be informed, if necessary, of any change in the above indicative timetable by means of a press release issued by the Company and posted on its website and a notice issued by Euronext.
Company's lockup: not applicable.

Lockup agreements: not applicable.

Amount and percentage of dilution

Impact of the issue on the share of shareholder's equity

For information purposes, the impact of the issuance and conversion into new shares only of all the Convertible Bonds on the Group's share of equity per share (calculated on the basis of the consolidated equity attributable to the Group as of 31 March 2022 and the number of shares comprising the Company's share capital as of the date of this Prospectus after deduction of treasury shares) would be as follows:

	Shareholders' equity per share (in euros)	
	Non diluted basis	Diluted basis ⁽¹⁾
Prior to the Offering	0.10 €	0.10 €
After the Offering and conversion into shares of 200,000,000 Convertible Bonds resulting from the present transaction (100% completion)	0.12 €	0.11 €

(1) After issuance of a maximum total number of 14,354,103 ordinary shares to be issued upon exercise or conversion of all existing dilutive instruments (warrants, options, bonus shares).

Theoretical impact of the transaction on the shareholder's situation

On an indicative basis, the impact of the issue on the ownership interest (calculations based on a number of 420.663.709 shares making up the Company's share capital as of the date of the Prospectus and without taking into account treasury shares) of a shareholder holding 1% of the Company's share capital prior to the issue and not subscribing to it, is as follows:

	Ownership interest (in %)	
	On a non-diluted basis	On a diluted basis ⁽¹⁾
Prior to the Offering	1.00%	0.97%
Following the Offering and conversion into shares of 200,000,000 Convertible Bonds (100% completion)	0.68%	0.66%

(1) After issuance of a maximum total number of 14,354,103 ordinary shares resulting from the exercise or conversion of all existing dilutive instruments (BSA, options, free shares).

Impact on the distribution of the company's capital and voting rights

Following issuance and conversion into shares of 200,000,000 Convertible Bonds resulting from the present transaction, the allocation of the Company's capital (on a non-diluted basis) will be as follows (assuming subscription at 100% by Irata):

Shareholders	Shares	% of capital	Theoretical voting rights	% theoretical voting rights	Exercisable voting rights	% exercisable voting rights
Irata LLC ⁽¹⁾	316,634,518	51.02%	316,634,518	50.79%	316,634,518	51.06%
Night Dive shareholders	-	-	-	-	-	-
Stephen Kick	31,463,004	5.07%	31,463,004	5.05%	31,463,004	5.07%
Lawrence Kuperman	1,682,180	0.27%	1,682,180	0.27%	1,682,180	0.27%
<i>Subtotal</i>	33,145,184	5.34%	33,145,184	5.32%	33,145,184	5.35%
M. Alexandre Zyngier	3,779,778	0.61%	3,779,778	0.61%	3,779,778	0.61%
Treasury shares	3,253,425	0.52%	3,253,425	0.52%	-	-
Public	263,850,803	42.51%	266,546,143	42.76%	266,546,143	42.98%
Total	620,663,709	100.00%	623,359,049	100.00%	620,105,624	100.00%

(1) IRATA LLC is the holding company owned by Wade Rosen, Chairman of the Company's Board of Directors. Following the closing of the Acquisition on May 12, 2023, Wade Rosen Revocable Trust has transferred 4,984,238 shares received to Irata.

(2) 2,695,340 shares have double voting rights

Estimate of the total expenses of the offer: On an indicative basis, total expenses related to the issuance (remuneration of financial intermediaries and administrative legal fees) are approximately 1M euros. No fees will be borne by the investor.

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Point 4.2 – Why is this Prospectus being produced?

Use and estimated net amount of proceeds:

On the basis of 100% of the Offering, the gross proceeds from the Offering will amount to €30M and the net proceeds will amount to €29M, it being specified that Irata's subscription to the Offering will be made by way of debt set-off in respect of the repayment of shareholder loans up to its current amount of 16 million euros, thus reinforcing the balance sheet of the Company.

The balance of the proceeds from the Offering will enable the Company to increase its financial flexibility and general corporate purposes in the context of the development of its transformation strategy:

- Continued investment in growth initiatives, notably with the on-going development of more than 12 new games that are expected to be launched in the next 18 months ;
- Seize additional acquisition of opportunities that may arise, including of intellectual property rights and direct minority investment in companies offering value-added solutions for the Group ;
- Satisfy general corporate purposes;

Underwriting Agreement: The Offering is not subject to an underwriting agreement.

Description of any material conflicts of interest relating to the offering or admission to trading described in the prospectus: Irata, principal shareholder of the Company, and represented by Mr. Wade Rosen, also Chairman and CEO of the Company, has undertaken to irrevocably subscribe for up to 100% of the amount of the Offering.