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Atari Closes the Acquisition of Nightdive Studios

PARIS, FRANCE (May 15, 2023 - 8.00 am CET) - [Atari®](#) (the “Company”) — one of the world's most iconic consumer brands and interactive entertainment producers — is pleased to announce the closing of the acquisition of Night Dive Studios Inc. (“**Nightdive**”), a full service game development and publishing company based in Vancouver, Washington, USA and organized under the laws of the same state, announced on March 22, 2023.

With this acquisition Atari will enrich its large library of owned IP, be able to leverage Nightdive’s proprietary technology, and utilize Nightdive’s publishing capabilities in order to support Atari’s retro-focused growth strategy.

“Our shared passion for preservation and innovation in retro gaming makes Atari the ideal partner, and our team is excited to take this next step,” said Stephen Kick, CEO of Nightdive. *“Atari’s support is going to allow us to grow our business and expand our reach.”*

“Nightdive has a tremendously talented team and they’ve earned their reputation as leaders in retro gaming,” said Wade Rosen, Chairman and CEO of Atari. *“Like the rest of their fans, I’m looking forward to their upcoming releases, and I am confident we will help their business flourish.”*

The purchase price of Nightdive consists of (i) an initial consideration of US\$9.5 million, paid in cash for US\$4.5m (€ 4.1m)¹ and in newly issued Atari shares for US\$5.0m (€4.55 M)², 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 Nightdive.

The contribution by Nightdive's founders and Wade Rosen³ of 1,912,500 common shares of Nightdive resulted in the issuance of 38,129,423 new Atari shares. As a result, Nightdive's founders together hold upon completion of the contribution 7.9% of Atari's share capital and 7.8% of its voting rights, while Wade

¹ Financed by a shareholder loan made available by Irata LLC (a company controlled by Wade Rosen), to be refinanced with the €30 million Convertibles Bonds issuance (see below).

² Based on the 20-day volume weighted average price of the Atari share on Euronext Growth as of April 28, 2023 (i.e., 0.1194 euro per share), in accordance with the transaction documentation.

³ Through Wade J. Rosen Revocable Trust U/A/D August 18, 2010, as amended, registered under US laws.

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Rosen holds upon completion of the contribution 27.7% of Atari's share capital and 27.5% of its voting rights⁴.

Nightdive's founders have agreed to a 6-month lock-up on their Atari shares as from the completion of the contribution⁵.

The cash portion of the purchase price will be partially refinanced by the issuance of the €30 million Convertibles Bonds announced on March 22, 2023 whose terms and conditions will be released in the coming weeks, subject to the Autorité des marchés financiers (AMF) approval on the prospectus.

Details on the contribution in kind	
Contributors	Nightdive's founders - Mr. Stephen Kick and Mr. Lawrence Kuperman - and Wade J. Rosen Revocable Trust U/A/D August 18, 2010, as amended
Beneficiary	The Company
Contributed shares	1,912,500 common shares of Nightdive
Total value of the contributed shares	4,553,319.37 euros (rounded figure), based on a multi-criteria valuation approach
Number of new Atari shares	38,129,423 ordinary shares, representing a share capital increase of the Company of 381,294.23 euros and having the same rights and bearing the same obligations as the existing Atari shares
Share capital premium	The difference between the total value of the contribution, i.e., 4,553,319.37 euros, and the nominal amount of the capital increase, i.e., 381,294.23 euros, will constitute a share capital premium (<i>prime d'apport</i>) of 4,172,025.14 euros. The share capital premium will be adjusted (as the case may be to deduct expenses related to the contribution and where applicable, to bring Atari's legal reserve to the legal minimum following the contribution) and allocated as determined by the shareholders' meeting of the Company or its Board of directors in accordance with applicable laws
Date of the contribution / legal framework	The contribution was approved as of the date hereof by the Board of directors of Atari pursuant to the authorization granted by the eighteenth resolution of Atari's shareholders' meeting of September 27, 2022
Contribution auditors	In accordance with Articles L. 225-147, R. 22-10-7 and R. 225-136 of the French Commercial Code, the President of the Commercial Court of Paris has appointed, by order dated March 30, 2023, Sorgem Evaluation represented by Mr. Thomas Hachette, as well as Mr. François Pinault, as contribution

⁴ Shares held by Wade J. Rosen Revocable Trust U/A/D 18 August 2010, as amended being deemed held by Wade Rosen

⁵ No shareholders' agreement having been entered into between them or with Wade Rosen in the context of the transaction.

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	<p>auditors (<i>commissaires aux apports</i>) (the “Contribution Auditors”), for the preparation of the reports referred to in Articles L. 225-147 and R. 22-10-7 of the French Commercial Code and the AMF recommendation n° 2020-06.</p> <p>The reports of the contribution auditors on the value of the contributions and on the remuneration of the contributions have been posted on the Company's website.</p> <p>These reports conclude that: (i) the value of the contributions is not overvalued and, consequently, that it corresponds at least to the nominal value of the ordinary shares to be issued by the Company, beneficiary of the contributions, increased by the contribution premium and (ii) the exchange ratio is favorable to the shareholders of the Company.</p>
Dilution	<p>Based on a share capital composed of 382,534,286 shares and 385,229,626 theoretical voting rights as of April 30, 2023, a shareholder holding 1% of the Company's share capital and 1% of the Company's theoretical voting rights prior to the issuance of the new Atari shares has seen his/her/its shareholding reduced to approximately 0.91% of the Company's share capital and 0.91% of the Company's theoretical voting rights as a result of the contribution</p>

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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