



Acceleration of online activities with an AVICII music game, the launch of the Atari Token and an online casino for crypto-currencies

- **Launch of the mobile version of the music game “AVICII Invector” in Q2 2020, which will follow the recently announced games “Mob Empire” and “Atari Combat: Tanks & Puzzles”**
- **Production of 500 initial units of the Atari VCS in late March / early April**
- **Agreement signed for the launch of the Atari Token, following the termination of the license with Infinity Networks, Ltd**
- **Five-year licensing agreement signed for an online casino using crypto-currencies, with a minimum guarantee for Atari of €7.5M over 3 years**

Paris, March 10, 2020 – The Atari Group, one of the world’s most iconic consumer brands and interactive entertainment producers, announces today three major initiatives for its online activities: a music game based on the catalogue of the world renowned artist AVICII, an agreement to launch the Atari Token and a casino for crypto-currencies by September 30, 2020, and provides an update on the progress regarding the manufacturing of the Atari VCS.

"The new music game with AVICII has the potential to become a major title for Atari Games, and the near-term launch of our Atari Token in combination with the casino for crypto-currencies offer new growth opportunities for Atari Partners. Whilst the development of the Atari VCS is clearly being disrupted given the coronavirus health crisis, our 4 business lines - Games, Casino, Atari VCS, Partners - each have their own development and growth dynamics. Their complementary nature in terms of audience and marketing make them an essential asset for the Group's long-term expansion", declared Frédéric Chesnais, CEO of Atari.

Atari Games: Launch of a music game with the “AVICII” catalogue:

In line with its strategy to broaden its portfolio of games, on March 9, 2020, Atari entered into a ten-year agreement with the independent Swedish game development studio Hello There Games. This agreement follows the recently announced launch of “Mob Empire” (already launched in closed beta) and of “Atari Combat: Tanks & Puzzles” (soft launch delayed by a few days from March 2020 to April 2020). The agreement with Hello There Games covers the publishing and distribution of music games primarily for mobile and social platforms based on the world renowned electronic music artist AVICII and other artists to come. Hello There Games will be the developer and Atari will be the publisher of these games. Atari does not have an ownership stake in the studio.

The first game from this agreement is AVICII Invector for mobile platforms and Facebook, scheduled to be released in Q2 2020. This game brings a fast-paced rhythmic experience in the form of a tribute to AVICII, a global icon of electronic dance music, who passed away in 2018. Hello There Games, has already released the game on PS4, Xbox and Steam, and it has received critical acclaim.

In the medium term, the common ambition of Atari and Hello There Games is to develop new games with other artists and extending to other music genres using the *Invector* platform, which is customizable and can be

used for other music games. The agreement also includes access to the full catalog of Atari games and IP, in order to explore the potential to adapt some classic Atari games using the *Invector* platform.

Atari VCS: manufacturing update

To date, taking into consideration the impact of the coronavirus on the supply chain, the Group has confirmed delivery in March 2020 of the last remaining components enabling the production of the first 500 Atari VCS units, but for the moment it has not been able to secure more components for further machines. The situation is different from case to case, for example the Group already has all the necessary AMD microprocessors in stock. As soon as this initial batch of components is received, the first 500 Atari VCS will be assembled in late March / early April 2020, keeping in mind that over 10,000 units have already been ordered. Atari is working with its local partners to secure the necessary supply of components required to continue the manufacturing process at a sustained pace and to deliver the Indiegogo orders as a first priority followed by the commercial launch, with a steady increase in deliveries to distributors. This contingency should have no impact on the results for the current financial year, with the delay in sales being coupled with a delay in the associated costs.

The continued manufacturing process remains dependent on both the supply chain and the progressive resumption of operations of our manufacturing partner. Atari will continue to keep its clients and shareholders informed of the evolution of the situation.

Atari Partners: Launch of the Atari Token

In 2018, the Group had granted an Atari brand license to Infinity Networks, Ltd ("INL"), to develop a blockchain project combining, on the one hand, the creation of a crypto-currency (Atari Token) and, on the other hand, the creation of a decentralized platform giving access to all forms of digital entertainment, a very broad offer ranging from video games to films and music.

As this INL project was not progressing at the speed expected by Atari, the Group had set an objective to recover the rights initially granted. Atari and INL have agreed to terminate this license amicably and with immediate effect, without any additional payment on either side.

Having recovered all its rights, the Group has decided to separate the 2 blockchain projects to give them their own autonomy and more flexibility.

As a consequence, the Atari Token will be issued in partnership with the ICICB Group in successive steps through private placements starting as early as March 2020 with a public sale by September 30, 2020. Atari is also working on the liquidity of the Atari Token by facilitating the registration of this token on the main exchange platforms. The terms of the Atari Token will be announced at the time of the launch, the Atari Group being entitled to 35% of the proceeds from the sale of the Atari Token.

Furthermore, and in contrast to INL, the Group has decided to favor partnerships to maximize the potential use cases of the Atari Token and to favor use cases that are closest to the domain of video games, with priority being given to online casinos that are playable with crypto-currencies (see below). Other projects are being evaluated. As a reminder, the Group is currently developing another digital currency (*Pong Token*) as part of its operator license in Kenya, for local applications.

"The area of blockchain and crypto-currencies is of significant interest to us, especially in the domains of the video game industry and of online payments," declared Frédéric Chesnais, CEO of Atari, SA. "Our objective remains to take strategic positions with limited cash risk in order to maximize the value of Atari's assets and brand."

Atari Casino: Launch of an online casino using crypto-currencies

The objective is to offer casino platforms that allow players to bet with most crypto-currencies. The launch of these casino platforms offering gaming options using crypto-currencies has always been the preferred option for the Group, and this since 2018.

As the Atari Group has recovered all its rights, a non-exclusive license was granted to the ICICB Group to launch a casino using crypto-currencies. This casino website will, in due course, offer the most popular games, including Atari games, and the detailed terms will be announced at launch before September 30, 2020.

The Atari Group is entitled to 50% of the net gaming revenues (amounts wagered minus winnings), and the ICICB Group has guaranteed Atari the payment of an amount of 7.5 million euros to Atari over a period of 3 years.

Disclaimer / Risk factors:

The realization of the plans, and their operational budget and financing plan remain inherently uncertain, and the non-realization of these assumptions may impact their value.

With regards to the Coronavirus (COVID-19), this virus is creating important disruptions in China and by repercussion in the whole world. The Group is exposed to the same risks as all the other actors and remains extremely vigilant to these external events, which can have a temporary impact on the profitability of the current financial year. These disruptions may in fact have an impact, notably with regards to the timetable, on the sourcing, production and shipment of the Atari VCS and of other Atari licensed products commercialized by our partners, as well as on the renewals of these licensing agreements, generators of profits and royalties for the Group. The Group continues to work on the renewal of licensing agreements.

About Atari:

Atari, comprised of Atari SA and its subsidiaries, is a global interactive entertainment and multiplatform licensing group. The true innovator of the video game, founded in 1972, Atari owns and/or manages a portfolio of more than 200 games and franchises, including globally known brands such as Asteroids®, Centipede®, Missile Command® and Pong®. From this important portfolio of intellectual properties, Atari delivers attractive online games for smartphones, tablets, and other connected devices. Atari also develops and distributes interactive entertainment for Microsoft, Sony and Nintendo game consoles. Atari also leverages its brand and franchises with licensing agreements through other media, derivative products and publishing. For more information: www.atari.com and www.atari-investisseurs.fr/en/. Atari shares are listed in France on Euronext Paris (Compartment C, ISIN Code FR0010478248, Ticker ATA), in Sweden on Nasdaq First North Growth Market as Swedish Depositary Receipts (ISIN Code SE0012481232, Ticker ATA SDB) and are eligible for the Nasdaq International program in the United States (OTC - Ticker PONGF).

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This is information that Atari SA. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on March 10, 2020 at 08:00am CET.