



Completion of the capital increase with preferential subscription rights: 3.26M€ raised

- **Fundraising of 3.26M€ with preferential subscription rights**
- **Subscription price per New Share: 0.28 euros**

Paris, March 17, 2020 – The Atari Group (Euronext compartment C Paris: FR0010478248 – ATA, eligible PEA-PME), one of the world's most iconic consumer brands and interactive entertainment producers, announces that it has raised 3.26M€ during its capital increase with preferential subscription rights through the issuance of 11,665,590 New Shares at a price of 0.28 euros per share, a successful outcome in the context of the market conditions of these past weeks.

The demand for subscriptions amounted to 11,665,590 shares, or 91% of the initial amount, broken down as follows:

- 2,472,027 shares on an irreducible basis
- 9,193,563 shares on a reducible basis

All the subscriptions, on an irreducible and reducible basis, have been filled.

The gross amount of the transaction is 3.26M€, of which 2.28M€ through offsetting of receivables, resulting in the creation of 11,665,590 new shares at a price of 0.28€ per share. The share capital of the Company post capital increase amounts to 2,677,820.50 €, divided in 267,782,050 shares with a nominal value of 0.01 € each.

Settlement of the capital increase and admission to trading of the new shares on Euronext compartment C in Paris is expected on March 19, 2020. These shares will be assimilated to the existing shares of Atari already trading on Euronext compartment C under the ISIN code FR0010478248 – ticker ATA.

The dilution for a shareholder, who did not subscribe to the capital increase is less than 5% and is summarized in the table below.

Reminder on the use of proceeds

This capital increase is part of the growth strategy of the Group and its objective is to finance the launch of new games and at the same time it will allow to strengthen the marketing budget allocated to the Atari VCS. Atari is grateful to its partners, investors, shareholders who have contributed to the success of this transaction.

DILUTION

Impact of the issue on consolidated shareholders' equity per share

	Share of equity per share (in euros)	
	Undiluted basis*	Diluted basis**
Before issuance of the new shares resulting from this capital increase	0.091€	0.112€
After the issue of 11,665,590 new shares resulting from the current capital increase	0.099€	0.119€

* : based on shareholders' equity of 23.4M€ as of 30/09/2019

** : As of 31/12/2019 24,062,726 shares can be potentially issued upon exercise of stock options and warrants

Impact of the issue on shareholder participation

	Shareholder participation (in %)	
	Undiluted basis	Diluted basis**
Before issuance of the new shares resulting from this capital increase	1.00%	0.914%
After the issue of 11,665,590 shares resulting from the current capital increase	0.956%	0.877%

** : As of 31/12/2019 24,062,726 shares can be potentially issued upon exercise of stock options and warrants

The breakdown of shares and voting rights is as follows

Shareholder	Before Capital Increase		After Capital Increase	
	Shares	Voting rights	Shares	Voting rights
Ker Ventures / F. Chesnais	47 065 781	62 884 112	48 065 781	63 884 112
Alexandre Zyngier	9 951 540	9 951 540	9 951 540	9 951 540
Pure Capital	0	0	714 286	714 286
Kung Fu Factory	0	0	2 800 000	2 800 000
Nvizzio Creations	0	0	5 803 002	5 803 002
Public	199 099 139	198 938 340	200 447 441	200 286 642
Total	256 116 460	271 773 992	267 782 050	283 439 582

As of 20/02/2020, 15,937,121 shares carry double voting rights

Shareholder	Before Capital Increase		After Capital Increase	
	Shares	Voting rights	Shares	Voting rights
Ker Ventures / F. Chesnais	18.38%	23.14%	17.95%	22.54%
Alexandre Zyngier	3.89%	3.66%	3.72%	3.51%
Pure Capital	0.00%	0.00%	0.27%	0.25%
Kung Fu Factory	0.00%	0.00%	1.05%	0.99%
Nvizzio Creations	0.00%	0.00%	2.17%	2.05%
Public	77.74%	73.20%	74.85%	70.66%
Total	100.00%	100.00%	100.00%	100.00%

Legal framework of the operation

This capital increase by issuing New Shares with preferential subscription rights was decided on February 17th, 2020 by the Chief Executive Officer on sub-delegation from the Board of Directors of February 13th, 2020 using the delegations granted under the 16th resolution adopted by the combined general meeting of shareholders on September 30th, 2019.

Warning

Pursuant to the provisions of article 1, 5. a) of European Regulation 2017/1129 ("Prospectus Regulation") and of articles L.411-2 of the Monetary and Financial Code and, 211-2 of the general regulations of the Autorité des Marchés Financiers (AMF), this issue will not give rise to a Prospectus reviewed by the AMF, the latter representing less than 20% of the number of shares of the same category already admitted to the regulated market and a total offer of between € 100,000 and less than € 8,000,000.

A notice to shareholders relating to this transaction was published on February 21st, 2020 in the Bulletin des Annonces Légales et Obligatoires (BALO).

Euroland Corporate is advising the company on this transaction and Midcap Partners acts as an Investment Services Provider.

Risk factors

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 and on the timetable for the Atari VCS.

Investors are invited, before making their investment decision, to pay attention to the risks described in the 2019 Universal Registration Document in Chapter 5 Risk factors, available on the Atari website, Investors area, section 2018-2019 Financial Information.

Partners of the operation



Financial advisor



Corporate Broker

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).

Contacts

Atari - Philippe Mularski, CFO
Tel +33 1 83 64 61 57 - pm@atari-sa.com

Redeye AB (Certified Adviser) – Catharina Prämhall
Tel: +46 8 121 576 90 – certifiedadviser@redeye.se

Calyptus - Marie Calleux
Tel + 33 1 53 65 68 68 – atari@calyptus.net

Mangold Fondkommision AB – Henric Malm
Tel: +46 8 5030 1552 – henric.malm@mangold.se

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 17, 2020 at 08:00am CET.