



Successful completion of Atari's private placement to accelerate development of the Atari VCS as well as new video game partnerships

Paris, December 22, 2020 – 08h30 – ATARI (ISIN : FR0010478248 - ATA, PEA-PME eligible), one of the world's most iconic consumer brands and interactive entertainment producers, today announces the successful completion of its capital increase without preferential subscription rights in the form of a private placement, conducted through an accelerated bookbuild, primarily in France and the rest of the European Union with a limited number of investors or qualified investors, in accordance with article L. 411-2 I of the French Monetary and Financial Code.

The Company has placed 18,163,337 new shares with a nominal value of 0.01€ at a price of 0.32€ per share, including share issue premium, for a total amount of 5.81 million euros (or 6.09% of the share capital of the Company post transaction), an oversubscription relative to the initially planned amount of 5 million euros.

As announced in the press release for the launch of the private placement on December 21, 2020, LR Interactive Holding has subscribed for 1.25 million euros in cash, Ker Ventures LLC for 0.6 million euros in cash, and Nvizzio Creations Inc. for 1.042 million euros by way of offsetting of receivables.

With the funds raised, Atari will accelerate the development of the Atari VCS in order to reach its run-rate production rhythm, currently planned for the first quarter of 2021, earlier, notably by consolidating its supplies of critical components, and to facilitate the ramp up of the distribution networks in the United States and internationally. Furthermore, Atari will strengthen its video game production efforts with development partners, in particular for indie PC games, which will also be available on the Atari VCS.

On an indicative basis, the participation of a shareholder previously holding 1% of the share capital of the Company will be reduced to 0.94%.

The transaction was implemented through a decision of the CEO dated December 21, 2020 acting under the sub-delegation of authority granted by the Board of Directors on December 21, 2020, in accordance with the 23rd and 24th resolutions of the combined general meeting of shareholders dated September 30,

2019, at a price representing a discount of 19.87% to the weighted average share price over the twenty trading days preceding its determination and a discount of 18.16% relative to the closing share price of December 21, 2020.

The capital increase was implemented through the issuance of new shares without preferential subscription rights in the form of a private placement. Settlement-delivery of the new shares issued in connection with the capital increase and their admission to trading on Euronext Paris is expected to occur on December 28, 2020. The new shares will carry current rights and will be admitted to trading on Euronext Paris under ISIN code FR0010478248 - ATA.

Atari's share capital will be composed of 298,152,729 shares following the settlement of the transaction. Following the capital increase, the breakdown of the share capital is as follows:

Shareholder	Nr of shares	% of capital
LR Interactive Holdings	50'509'252	16.94%
Ker Ventures (F. Chesnais - CEO)	24'757'755	8.30%
Alexandre Zyngier (Director)	3'574'476	1.20%
Public	219'261'411	73.54%
Treasury shares	49'835	0.02%
Total	298'152'729	100%

Louis Capital Market LLP / Midcap Partners has acted as Lead Manager and Bookrunner of the Transaction. EuroLand Corporate has acted as financial advisor on the Transaction.

In accordance with article 211-3 of the general regulations of the Autorité des Marchés Financiers (AMF), the offer of the Company's shares in the context of this capital increase conducted in the form of a private placement has not given rise to a prospectus subject to review by the AMF.

Detailed information regarding the Company, in particular regarding its business activity, its results and corresponding risk factors is included in the Universal Registration Document filed with the AMF on October 28, 2020 under the number D.20-0906, including the annual financial report 2019-2020, which can be accessed, together with other regulated information and all of the press releases of the Company, on its website (www.atari-investisseurs.fr).

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).

Disclaimer

In France, the aforementioned offer of Atari shares will be made exclusively through a private placement, in accordance with article L. 411-2 of the French Monetary and Financial Code and the applicable regulatory provisions. It does not constitute a public offering within the meaning of article L. 411-1 of the French Monetary and Financial Code. Accordingly, no prospectus will be published or reviewed by the Autorité des marchés financiers.

Concerning the Member States of the European Economic Space having transposed Directive 2003/71/EC of the European Parliament and Council dated November 4, 2003 (as modified in particular by Directive 2010/73/EU, insofar as this directive was transposed in each of the Member States of the European Economic Space) (the “Prospectus Directive”), no actions have been or will be undertaken to enable a public offering of the marketable securities that are the subject of this press release, making it necessary to publish a prospectus in any of the Member States.

This press release and the information contained herein do not constitute an offer to subscribe or purchase, nor a solicitation of an order to purchase or subscribe, Atari's shares in the United States or in any other jurisdiction in which the transaction may be subject to restrictions. Marketable securities may not be offered or sold in the United States without being registered or exempt from registration under the US Securities Act of 1933 as modified (the “US Securities Act”), it being specified that Atari's share has not been and will not be registered under the US Securities Act and that Atari has no intention of making a public offering of Atari shares in the United States, nor in any other jurisdiction.

In certain countries, the dissemination of this press release may be subject to specific regulations. Persons in possession of this press release should inquire about and comply with possible local restrictions.

Contacts

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

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

Redeye AB (Certified Adviser)
Tel: +46 8 121 576 90 – certifiedadviser@redeye.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 December 22, 2020 at 08:30am CET.