



ATARI: Atari Gaming repositioning on premium games

Increased selectivity in free-to-play games and the discontinuation of non-core activities, aimed at refocusing resources on the market for premium games with higher added value, generates an impairment loss of approximately EUR 5 million and a revision of guidance for the financial year ending March 31, 2021

Paris, July 5, 2021 – Atari, one of the world's most iconic consumer brands and interactive entertainment producers, today announced the implementation of a new strategy for Atari Gaming, the division covering games, VCS and licensing, aimed in particular at devoting new resources to the development of higher value-added premium games. This change in strategy was adopted by the Board of Directors on July 1, 2021, after conducting an in-depth review of the assets and opportunities of the Atari Gaming division.

For Wade J. Rosen, CEO and largest shareholder of the Group : *"Our intent with any gaming experience is to provide accessible and joyful moments of meaningful play. That's the core of Atari and what binds our history with our future. To that end, we feel that premium gaming is better representative of this type of gaming experience and the Atari DNA. Despite this new focus on premium gaming, we remain committed to growing and expanding our successful free-to-play games that we have in the market. These changes will impact our 2020/21 financials and will generate a 5 million euro write-off for the financial year ending March 31st 2021. This reorientation will give Atari a unique opportunity to be the bridge between the past and the future of video games, and I look forward to driving these changes."*

Atari intends to shift its video game portfolio to premium games for consoles and PC. While the competitive and marketing environment is weighing on the free-to-play business model, five free-to-play games will be discontinued or sold (RCT Stories, Crystal Castles, Castles & Catapults, Ninja Golf, Atari Combat: Tank Fury). Successful games with a loyal user base are not affected. In the area of premium games, Atari intends to leverage its catalog of 200 proprietary games to build a strong pipeline of premium games on all platforms. The first titles are currently in development and the first releases are planned for the financial year 2021/22. This offering will progressively strengthen the content offered on the Atari VCS, whose commercial rollout is ramping up (see press release of June 8, 2021).

In order to efficiently allocate its resources to the success of this new strategy, Atari has decided to exit its direct operations of Atari Casino in Africa. With respect to the TV show business, the Group has taken the decision to focus on licensing agreements and consequently to write down the assets corresponding to TV shows previously produced by Atari. As we approach the closing of the financial statements for the financial year 2020/21, the global review of games and non-core activities resulting from the implementation of the new strategy will generate an impairment of approximately EUR 5 million. As such, Atari is withdrawing its positive net result guidance for the financial year 2020/21. Excluding the accounting impact of these impairments linked to the change in strategy, consolidated net income for 2020/21 would have been positive, as anticipated in the press release of April 6, 2021. The annual results for the financial year 2020/21 will be published by July 31, 2021 at the latest.

Disclaimer:

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.

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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