

Investor presentation

December
2020





Disclaimer

In this strategic presentation, the terms "Atari" and/or the "Company" mean Atari. The term "Group" means the group of companies belonging to the parent Company and all companies within its consolidation's scope.

This strategic presentation contains statements relating to ongoing or future projects, future financial and operating results and other statements about Atari's managements' future expectations, beliefs, goals, plans or prospects that are based on current expectations, estimates, forecasts and projections about Atari, as well as company's future performance and the industries in which Atari operate will operate, in addition to managements' assumptions. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," variations of such words and similar expressions are intended to identify such forward-looking statements which are not statements of historical facts.

These forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to assess. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. These risks and uncertainties are based upon a number of important factors including, among others: political and economic risks of our respective global operations; changes to existing regulations or technical standards; existing and future litigation; difficulties and costs in protecting intellectual property rights and exposure to infringement claims by others summarized in chapter 5 of the company's annual financial report for the financial year ended March 31, 2020 available on the investor relations website of Atari at www.atari-investisseurs.fr.

For a more complete list and description of such risks and uncertainties, refer to chapter 5 in Atari's annual financial report. Except as required by the rules and regulations of the AMF, Atari disclaims any intention or obligation to update any forward-looking statements after the distribution of this document, whether as a result of new information, future events, developments, changes in assumptions or otherwise.

Any investment in Atari shares which have a highly volatile stock price represents a significant risk.

Speakers



Frédéric
CHESNAIS
C.E.O.

- # Deputy-COO & CFO of the Atari Group from 2001 to 2004, CEO of Atari Interactive until 2007
- # Came back in early 2013 as CEO & shareholder
- # Strong experience in Executive production



Philippe
MULARSKI
C.F.O.

- # Chartered Accountant and Auditor
- # Previously Interim Manager, CFO in Lagardère Group and Accounting Director for Sucres & Denrées Group
- # Joined the Atari Group in 2014



Manfred
MANTSCHÉV
Biz Dev / Strategy

- # Former investment banker at UBS advising a number of video game clients
- # Over 10 years investment experience as portfolio manager and investment professional
- # Strong investment track record and capital markets expertise

» Experienced core team

Michael
ARZT
C.O.O. Atari VCS



- # Former SVP General Manager for Samsung's World Cyber Games
- # Strong experience in Entertainment
- # In charge of the Atari VCS

Jean-Marcel
NICOLAI
C.O.O. Games



- # Former Head of Walt Disney game development studios world
- # Strong experience across all platforms
- # Strong knowledge of the brand (was with Atari from 2000 to 2007)

Christophe
COMPARIN
C.O.O. Casino



- # 30 years experience in the game business
- # Strong experience in project management (delivering projects with Atari, EA, Ubisoft, Google, Microsoft...)
- # 100+ products published over the years



A cultural icon since 1972

 PONG

Launched the video gaming industry as we know it

- # Revolutionized technology, media and game play
- # Defined a generation socially and culturally

 LUNAR LANDER

 BREAKOUT

 CRYSTAL CASTLES

Established a valuable and extensive franchise portfolio

- # Top 10 franchises: **historical revenue over \$2 billion**
- # **Over 200 IPs** with a rich history and iconic images

 CENTIPEDE

 STAR RAIDERS

Benefits from an extensive loyal audience and brand recognition

- # **80% consumer logo recognition**
- # 500,000,000 internet searches / year
- # 30,000,000 unique Atari.com visits
- # 1 out 3 Americans has bought an Atari game
- # 2 out 5 Americans have played an Atari game

 TEMPEST

 ASTEROIDS

 JAWS REVENGE

 NIMBLE COMMAND

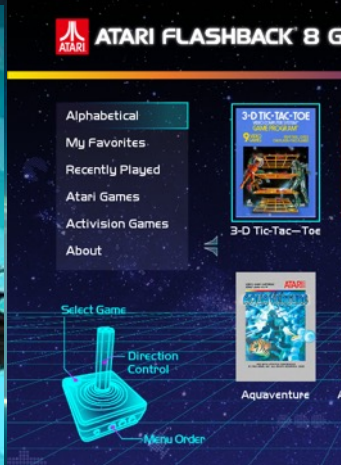
 GRAVITAR

MUCH MORE THAN VIDEOGAMES

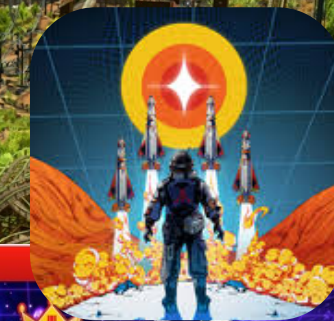
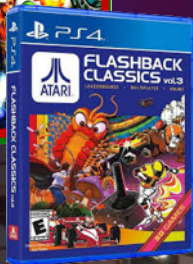
- Hardware: Atari VCS ----
- Merchandising on a broad scale -
 - Fashion, clothing,... --
 - Online casinos ----
 - TV series & game shows --
 - Movies ---
 - Comic books ----
 - Theme Park --
 - Hotels ---

...



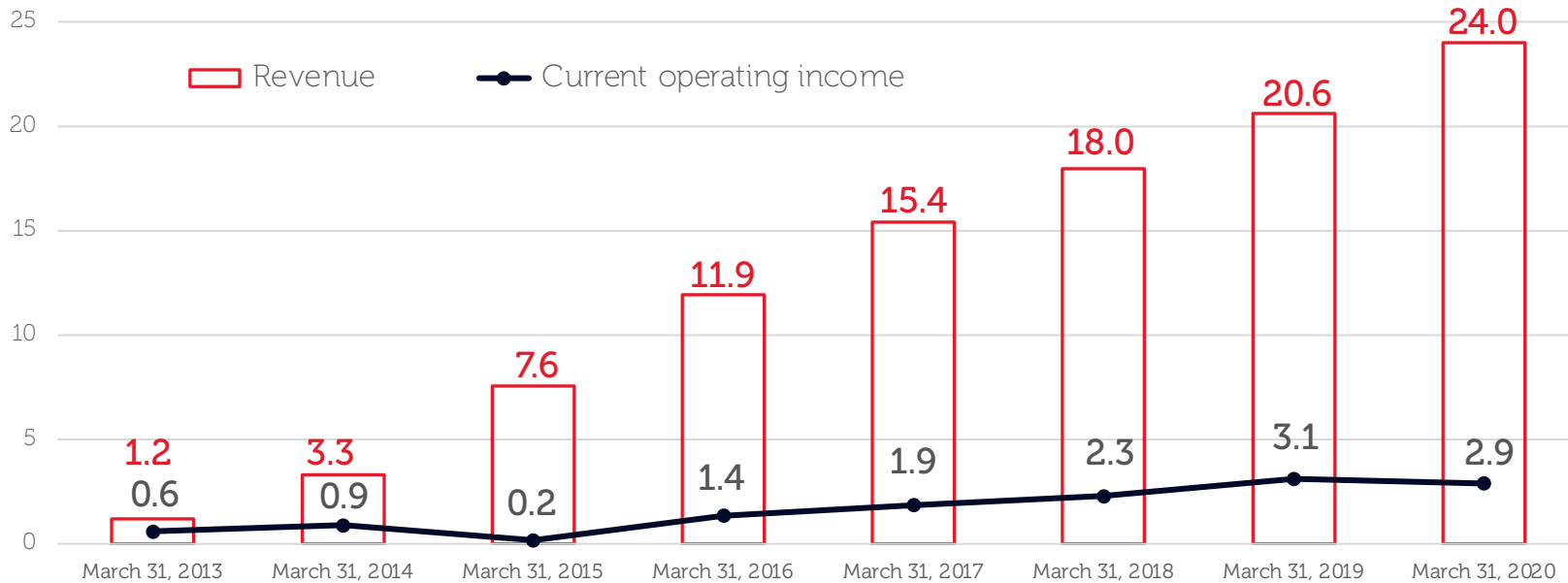


ATARI VCS™



A successful turnaround initiated in 2013

FY2013 > FY2020 Revenues and Current Operating Income,
in millions of €



| | March 31, 2013 | March 31, 2020 |
|---------------------|----------------|----------------|
| Shareholders equity | €(34.9)m | €28.5m |
| Net debt | €(31.4)m | €1.1m |

ORGANIC GROWTH

2013 - 2020

+**53%** REVENUE CAGR

+**25%** COI CAGR

New management conducted a complete reboot of the company, building up on the brand and IPs

- # Relunched games business
- # Reshaped licensing business
- # Expanded in new activities
- # Rebuild organization
- # Erased financial debt



A content production company maximizing the value of its brand and IPs

**STRONG
ASSETS**

200 IP
portfolio

Effective digital
marketing
management

Efficient
production and
operations

Experienced
management
team

TO

**MAXIMIZE
PROFITS**

Fixed costs are
at the lowest
levels and the
production
management
is externalized

Co-investments
are favored with
studios or third
parties

Global digital
distribution
is fully
implemented
and deployed

**DIRECT
EXPLOITATION
OR UNDER
LICENSING**

Audience overlap
/Marketing Synergies

FY 2019-2020

€24m (+16.5%)
Revenues

€9.8m (+32.1%)
R&D expenses

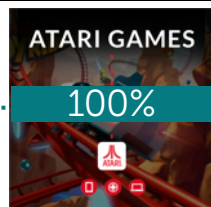
€4.2m (+14.5%)
Sales & Marketing
expenses

€2.9m (+15.2%)
Operating income



A simple organization and solid, managing shareholders

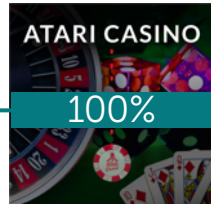
ATARI SA legal structure



100%

Owns the brand
Games and licensing
activities

US incorporated



100%

Casino regulated activities
In Europe and Africa
US Licenses

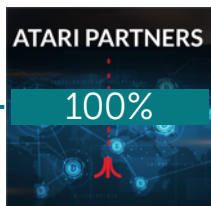
US incorporated



100%

Home entertainment
& multimedia device

US incorporated



100%

Investments in tech ventures
(incl. 50% of Atari Chain Ltd
for Atari Token)

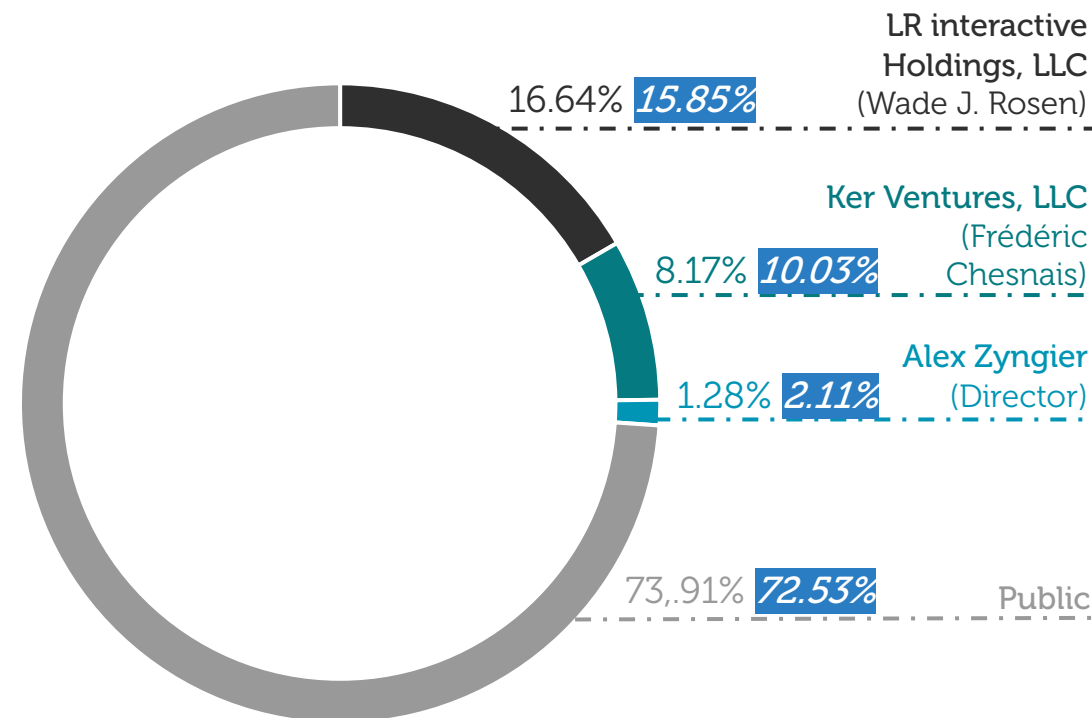
French incorporated

A full-time staff of 28

incl. 16 in the USA, 4 in France, 8 in Africa

Ownership

as of Dec. 10, 2020



Total number of shares: 278,089,392

Total potential shares: 294,026,588

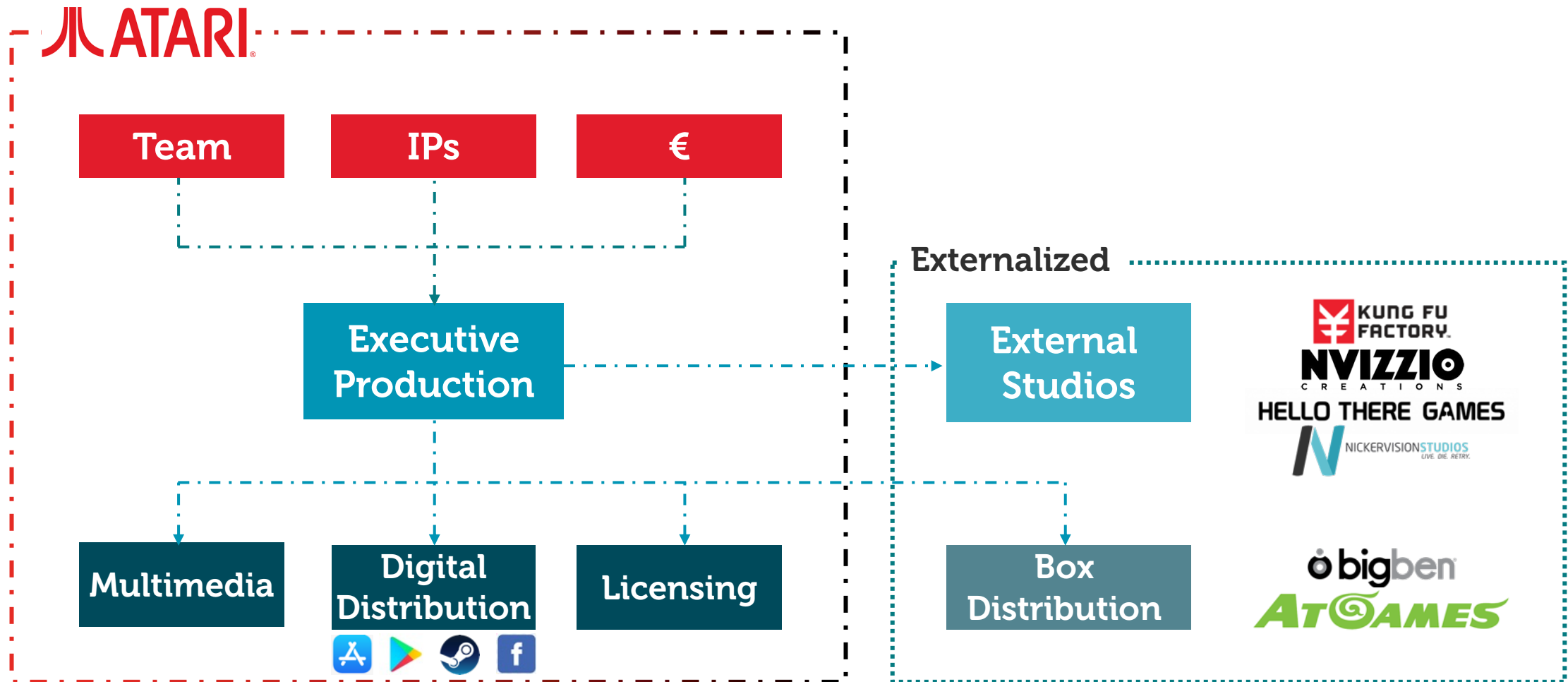
Legend: **diluted participation**



Atari Games

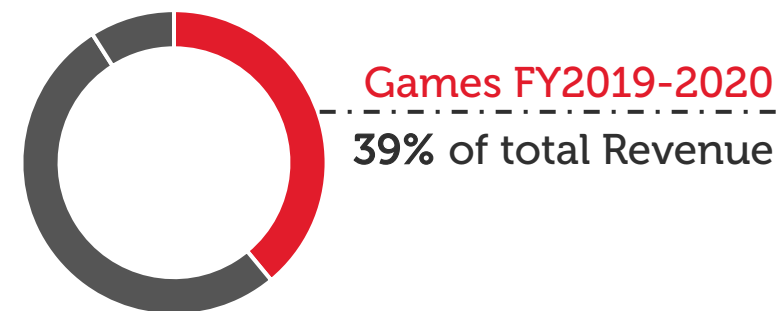


Atari Games value chain



Our DNA, with a differentiated positioning

Atari Games is a video game publisher operating mainly in mobile and digital, partnering with selected studios and powerful distributors



 **ATARI**

DONTNOD
ENTERTAINMENT

FOCUS
HOME INTERACTIVE

 **nacon**

 **UBISOFT**

| | | | | | |
|---------------------------|-------|-------|-------|-------|-----|
| Internal Studios | - - - | ++ | + | ++ | +++ |
| Publishing | +++ | + | +++ | ++ | +++ |
| Physical Distribution | - - - | - - - | +++ | +++ | +++ |
| Digital Distribution | +++ | + | +++ | +++ | +++ |
| PC / Console | + | ++ | ++ | ++ | +++ |
| Mobile F2P | +++ | - - - | - - - | - - - | +++ |
| Licensing / Merchandising | +++ | - - - | - - - | - - - | + |



Atari Games: current products



| Release | 2014 | 2016 | 2017 | 2018/19 | 2020 |
|-----------|-------------|-------------------|---------------|------------|---------------|
| Platforms | iOS/Android | iOS / Android, PC | iOS / Android | Switch, PC | iOS / Android |
| Genre | Sim | Sim | Sim | Sim | Match 3 |



| Release | 2019 | 2020 | 2020 |
|-----------|---------------|-----------------------------|-------------------------|
| Platforms | iOS / Android | iOS / Android PC, Switch | PS4, Xbox Switch, PC |
| Genre | Sim | Arcade | RPG |

Capitized R&D
for games:
FY 2019-2020 :
€6.2m

30million
DOWNLOADS

Focus on mobile and social games

Significant success with simulation games. RollerCoaster Tycoon license extension to 2022

Continued **exploitation of the Atari Classics catalogue** (i.e. Missile Command: Recharged)

New games under development, across multiple platforms, for near-term releases





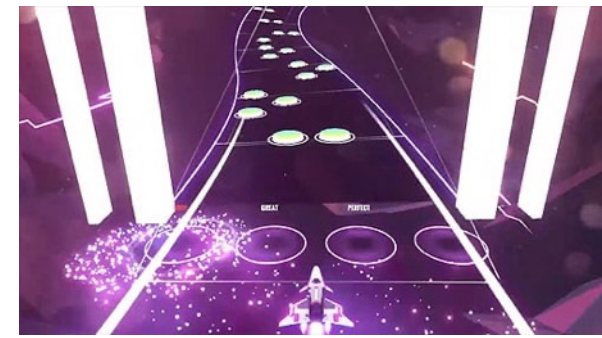
Games: latest and upcoming releases



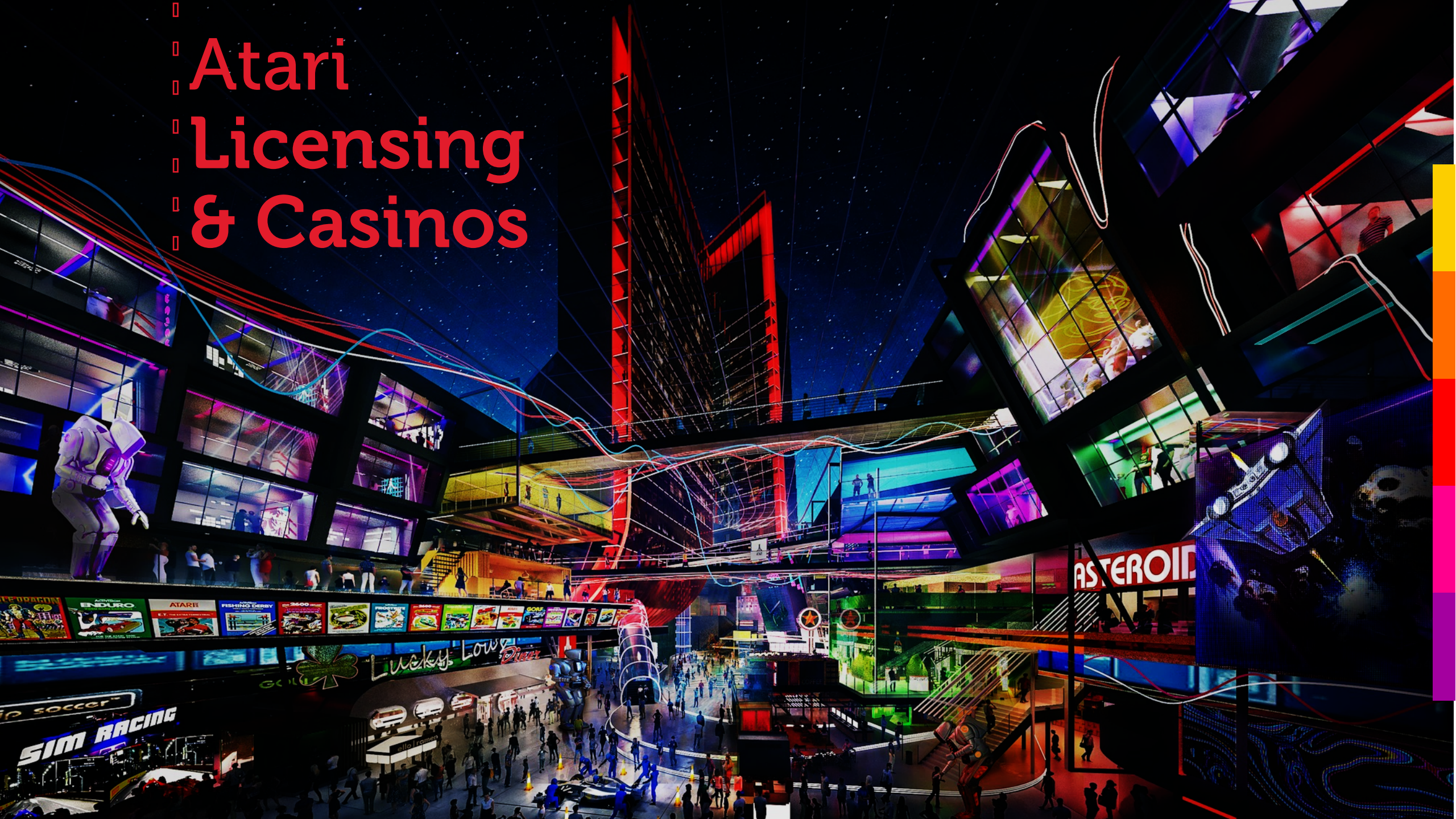
| Release | 2020 | 2020 | 2020 | 2020 |
|-----------|-------------|---------------|---------------|-----------|
| Platforms | iOS/Android | iOS / Android | iOS / Android | Facebook |
| Genre | Music | Match 3 RPG | Sim | Idle Game |



| Release | FY 2020/21 | FY 2020/21 | FY 2020/21 | FY 2020/21 |
|-----------|---------------|---------------|---------------|---------------|
| Platforms | iOS / Android | iOS / Android | iOS / Android | iOS / Android |
| Genre | Sim | Action | Arcade | Arcade |
| Status | Soft Launch | Soft Launch | Soft Launch | Soft Launch |



Atari Licensing & Casinos



Licensing

Powerful brand power
drawing global interest

- . — . — . — Leveraging brand power across multiple channels with recurring revenues
- . — . — . — Reinforcing global trademarks for Atari brand and IP library through integration with national and global brands
- . — . — . — Promoting and defending branded products: successful litigations against infringements



Entertainment devices
Atari Arcade
Atari Flashback



Miscellaneous
goods
& clothing



Multimedia



Casinos



Hotels



Licensing FY2019-2020
52% of total Revenue



Continuously growing product line-up

Atari Flashback

c. 3,000,000
units sold since 2010



SRP: US\$35 to US\$ 100
Partner: ATGames

c. 125,000
units sold since 2018

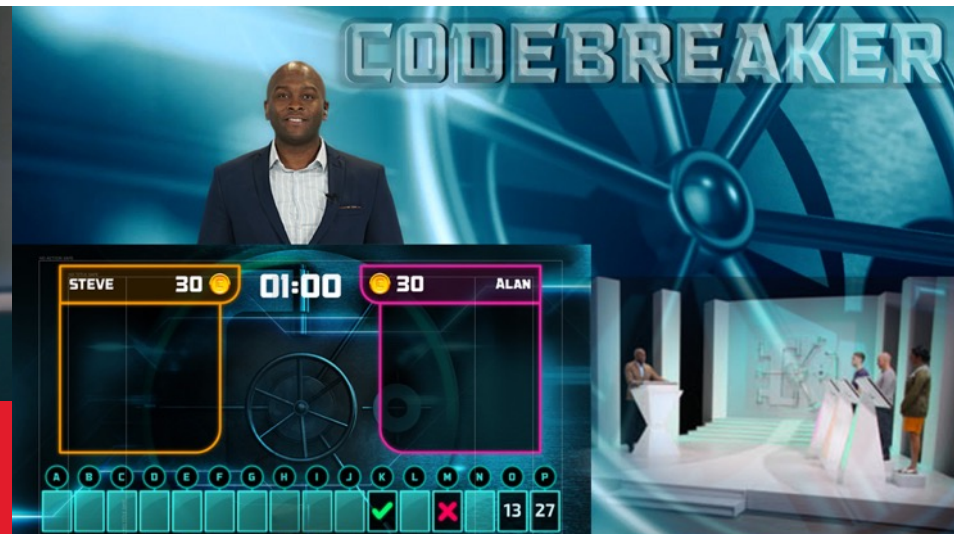
Atari Arcade



SRP: US\$300 to US\$500
Partner: Arcade1Up



Appealing to a wide and diverse audience



SCI DISCOVERY
SCIENCE

TV show
Oct-Dec. 2017



Expanding in casino games

Strategy adapted to each area,
based on existing regulations
and in-house expertise

- Casino and lottery games in virtual currency: primarily licensing
- Casino and lottery games in real money: licensing or direct exploitation
- Casino and lottery games in cryptocurrency: partnership with ICICB
- License to Gametaco for eSports



Ongoing deals

- # **USA: licensing deals only**
Key partner is Next Gaming, manufacturer of slot machines
New opportunities for licensing deals with lottery tickets (initial deal entered into in H1 of 2020-2021)
- # **Europe: initial conversation for licensing deals**
Africa: direct exploitation, first launches slowed down by the pandemic. All licenses renewed, should grow in 2021-2022
- # **Casinos on the blockchain: License to ICICB, Native Gaming**
Final testing scheduled for H2 2020-2021



Licensing development: Atari Hotels

- # License for 8 US cities (Phoenix, Las Vegas, Austin, San Francisco, Chicago, Denver, Seattle, San Jose)
- # Licensing fee of 5% of revenue to Atari
- # Strong global PR exposure from announcement: over 30bn estimated total reach
- # Atari retains the rights to develop similar activities in other cities in the United States and the rest of the world

Non-refundable advance of \$0.6m at signing in January 2020
First hotels to be built in Phoenix and Las Vegas starting in 2021



Atari
VCS





ATARI VCS™

bringing the best of the PC experience to the TV

The Atari Video Computer System combines powerful technical specifications and modern accessories to bring an all-in-one gaming and entertainment platform into the home

- # Games
- # Media Content + Curation/Playlists
- # Connected Products + Accessories
- # Online store

Technological and production partners

- # Processor: AMD
- # Linux OS
- # Manufacturing: Asteelflash (China)

Total investment: \$9.5m as of Sept. 30, 2020

ATARI VCS™



ATARI VCS 800

PLAY

Discover new and classic games on Atari's new open platform, powered by AMD Ryzen™ with Radeon™ Graphics Technology.

STREAM

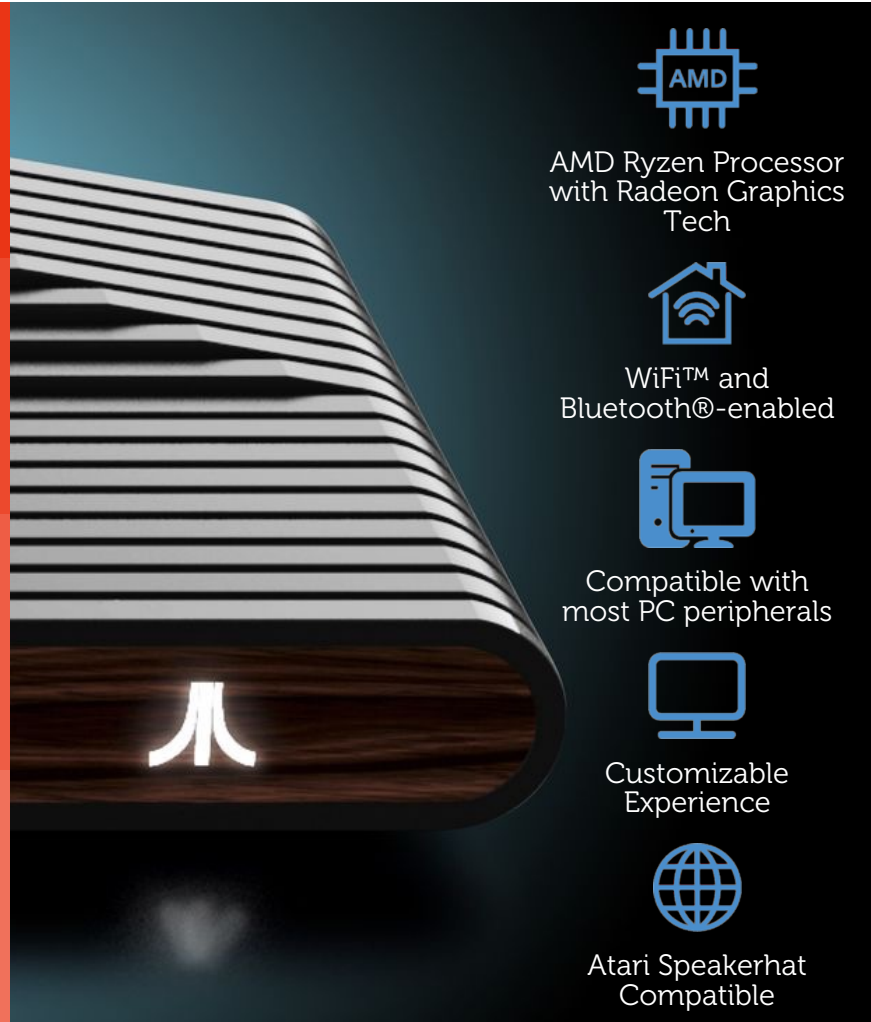
Watch your favorite web-based streaming videos and entertainment, and play games at up to 4K resolution and 60fps.**

CREATE

Develop new TV-based games and apps for yourself, your family, or to share with the Atari VCS community.

CONNECT

Atari's first connected device opens new possibilities to play with friends and publish your creations as part of an expansive community of gamers, fans and devs.



Pre-order



BLACK WALNUT



CARBON ONYX



CARBON GOLD

\$389.99*



GameStop

Walmart



Moving up the value chain



* Indiegogo campaign, all backers did not purchase a full unit.

June 2018

Crowdfunding
Indiegogo campaign

Mid 2017

New hardware project
announced (Ataribox)

June 2019

Distribution
agreement with
Walmart & Gamestop

January 2020

Presales opening on
Walmart.com and
Gamestop.com

June 2020

500 initial units
delivered to the USA

Dec. 2020

Shipping to
Indiegogo backers
starts

Investor presentation | Dec. 20

Multiple revenue streams for Atari and its partners over time

Direct and/or shared revenue streams include:

- # Hardware system and peripherals sales
- # Atari VCS integrated content store
- # Online services and subscriptions
- # Streaming, Cloud storage, Smart home integration
- # Licensed accessory sales
- # Licensed merchandise sales

Manufactured in China

Operating margin in the 7.5-10% range

Expecting progressive growth of SRP based on various models and accessories

Growing distribution and content strategy

Distribution calendar

Q4 2020:

Indiegogo backers

Q1 2021: USA

Atari website

Walmart.com

Microcenter

Gamestop

Major chain being added in the US

Q1 2021: AUSTRALIA

Bluemouth (videogame specialist)

2021/2022: Northern Europe

Content development



Game streaming



Indie games

PLEX

Online TV



Blockchain games



Multiplayer cloud-based video games





Strategy & Outlook

Key accomplishments (FY 2019/2020 / YTD)



Atari Games

RCT crossed 30 million downloads

New games launched:

RollerCoaster Tycoon
Story, Atari Combat Tank
Fury, Beat Legend Avicii,
Missile command
Recharged



Atari Licensing & Casinos

Development of casino activities in Africa

New crypto-casino license for €7.5m over 5 years

Licensing deal for Atari Hotels in 8 US cities for \$0.6m



Atari VCS

Product finalization in time of Covid

Content agreements

Distribution contracts

Arrival in the US of first units



Blockchain & Atari Token

Agreement with Animoca Brands for blockchain versions of Atari Games

Re-launch of the Atari Token project under Atari leadership

Successful private sales and public sale and listing of the Atari Token

Partnerships with blockchain gaming projects (Robot Cache, Ultra.io, Sandbox...)



CORPORATE

Secondary listing in Stockholm: increase investor visibility

€3.3m capital increase (Feb. 2020) to accelerate game and VCS developments

Legalist agreement: €0.9m payment for future litigation proceeds

Arrival and ramp up of new major shareholder, Wade J. Rosen



FY 2020/2021 priorities



Broaden game portfolio and growth potential : expand portfolio to mid-core premium games

Release of new titles mainly on mobile / social platforms

Prepare RCT license renewal



Expand licensing strategy with new & existing partners

Expand in multimedia with Hollywood majors and scripted TV shows

Roll-out of real-money online games in selected countries

Launch of crypto-casino



Optimization of the supply chain

Commercial launch of the VCS, expansion of channels

Addition of new content



Launch and listing on Bitcoin exchange of the Atari Token

Development of use cases

Partnerships to drive adoption



Blockchain & Atari Token

Create an Atari eco-system on the blockchain offering brand marketing and revenue opportunities

- # Games on the blockchain
- # Fees (exchanges, etc...)
- # Investment in other projects (paid in tokens)
- # Sale of tokens

Tools

- # Atari Token (already released)
- # Wallet: final testing in progress
- # Atari Exchange: crypto-currencies, NFTs (early calendar 2021)

Games

- # Casino licenses
- # Animoca license
- # Additional negotiations/developments in progress

Public sale completed in October 2020

- # Maximum supply, lifetime: 77 billion tokens
- # Circulating supply: 69 million tokens
- # Price: between \$0.08 and \$0.25 (strong volatility)

Atari earns 35% of the sale:

- # Contribution in FY 2020/2021





Financials

FY2019-2020



Consolidated P&L

| IFRS in million Euros | March 31, 2020 | March 31, 2019 | Change |
|-------------------------------------|----------------|----------------|-------------|
| REVENUE | 24.0 | 20.6 | +17% |
| Cost of goods sold | (2.4) | (3.9) | -39% |
| GROSS MARGIN | 21.6 | 16.7 | +29% |
| <i>in % of revenues</i> | <i>90%</i> | <i>81%</i> | |
| Research and development expenses | (9.8) | (7.4) | +32% |
| Marketing and selling expenses | (4.2) | (3.7) | +15% |
| General and administrative expenses | (4.7) | (3.9) | +18% |
| Other operating income (expense) | (0.1) | 1.4 | -105% |
| CURRENT OPERATING INCOME | 2.9 | 3.1 | -7% |
| <i>in % of revenues</i> | <i>12%</i> | <i>15%</i> | |
| Other income (expense) | 0.0 | (0.6) | -100% |
| OPERATING INCOME (LOSS) | 2.9 | 2.5 | +15% |
| <i>in % of revenues</i> | <i>12%</i> | <i>12%</i> | |
| Cost of debt | (0.0) | (0.0) | NS |
| Other financial income (expense) | (0.8) | (0.4) | +112% |
| Income tax | (0.1) | 0.6 | -112% |
| NET INCOME | 2.0 | 2.7 | -28% |
| <i>in % of revenues</i> | <i>8%</i> | <i>13%</i> | |
| NET INCOME GROUP SHARE | 2.3 | 2.7 | -16% |
| Minority interests | (0.3) | 0.0 | - |



Consolidated balance sheet: Assets

| ASSETS, IFRS in million Euros | March 31, 2020 | March 31, 2019 | Change |
|----------------------------------|----------------|----------------|-------------|
| Intangible assets | 17.8 | 13.5 | 32% |
| Property, plant and equipment | 0.0 | 0.0 | 1% |
| Rights of use relating to leases | 2.3 | - | |
| Non-current financial assets | 15.7 | 5.4 | 193% |
| Deferred tax assets | 2.1 | 2.0 | 4% |
| NON-CURRENT ASSETS | 38.0 | 20.9 | 82% |
| Inventories | 0.6 | 0.2 | 235% |
| Trade receivables | 2.8 | 3.0 | -9% |
| Current tax assets | 0.0 | 0.0 | 0% |
| Other current assets | 0.7 | 0.7 | -7% |
| Cash and cash equivalents | 1.8 | 8.5 | -79% |
| CURRENT ASSETS | 5.8 | 12.4 | -54% |
| TOTAL ASSETS | 43.8 | 33.3 | 31% |

Intangible assets

- # Licenses: €0.5m
- # Capitalized R&D
 - Game R&D €10.9m
 - VCS R&D €5.3m
 - Audiovisual R&D €0.9m
 - Casino R&D €0.2m

Property: Capitalized leases (IFRS 16)

Financial assets

- # Investments: €3.4m
- # Long-term receivables otherwise

Inventories: AMD chips for Atari VCS





Consolidated balance sheet: Equity & Liabilities

| EQUITY & LIABILITIES, IFRS in million Euros | March 31, 2020 | March 31, 2019 | Change |
|---|----------------|----------------|--------------|
| Capital stock | 2.7 | 2.6 | +5% |
| Share premium | 11.0 | 8.0 | +38% |
| Consolidated reserves | 12.5 | 9.0 | +39% |
| Net income (loss) Group share | 2.3 | 2.7 | -16% |
| SHAREHOLDERS' EQUITY | 28.5 | 22.3 | +28% |
| Minority interests | (0.4) | (0.0) | +981% |
| TOTAL EQUITY | 28.1 | 22.2 | +26% |
| Provisions for non-current contingencies and losses | 0.0 | 0.7 | -98% |
| Non-current financial liabilities | 0.9 | 0.6 | +42% |
| Long term lease liabilities | 2.1 | - | - |
| Other non-current liabilities | 0.8 | 0.2 | +385% |
| NON-CURRENT LIABILITIES | 3.7 | 1.4 | +161% |
| Provisions for current contingencies and losses | 0.1 | 0.1 | -29% |
| Current financial liabilities | 0.6 | 0.1 | +709% |
| Short term lease liabilities | 0.3 | na | |
| Trade payables | 5.7 | 5.3 | 9% |
| Current tax liabilities | 0.0 | - | |
| Other current liabilities | 5.2 | 4.3 | 21% |
| CURRENT LIABILITIES | 11.9 | 9.7 | 23% |
| TOTAL EQUITY AND LIABILITIES | 43.8 | 33.3 | 31% |

Shareholders equity:
+€28.5m

Other current
liabilities: €5.2m

of which €3.0m deferred
revenue (Atari VCS:
€2.5m - Atari Hotel:
€0.5m)

Net cash

| in million Euros | March 31, 2020 | March 31, 2019 |
|--------------------------------------|----------------|----------------|
| OCEANEs 2003-2020 | - | (0.6) |
| IFRS 9 : Legalist | (0.9) | |
| NON CURRENT | (0.9) | (0.6) |
| Commitments on financial instruments | - | (0.1) |
| OCEANEs 2003-2020 | (0.6) | - |
| CURRENT | (0.6) | (0.1) |
| Restatement Legalist debt non cash | 0.9 | - |
| GROSS DEBT | (0.6) | (0.7) |
| Cash and equivalents | 1.8 | 8.5 |
| NET CASH (NET DEBT) | 1.1 | 7.8 |

Cash position: €1.1m

Legalist is not taken into account for the calculation of the net cash position





Deferred tax assets

In France, c. €732 million of tax-loss carryforwards

- # Potential tax savings: c. €205 million, subject to usual applicable limitations
- # Potential tax savings per share : c. €0.80 (based on shares outstanding as of March 31, 2020 less treasury shares).

In the United States, c. \$310 million of tax-loss carryforwards

- # Potential tax savings : c. \$80 million, subject to usual applicable limitations
- # Potential tax savings per share : c. \$0.30 (based on shares outstanding as of March 31, 2019 less treasury shares).



www.atari.com

www.atari-investisseurs.com

www.atarivcs.com

www.casinoatari.com

www.atarichain.com

www.facebook.com/atari/

Contact

- ▣ ATARI SA
- ▣ 25 rue Godot de Mauroy
- ▣ 75009 Paris - France
- ▣ +33 1 83 64 61 57
- ▣ 286 Madison Avenue, 8th Floor
- ▣ New York, NY 10016 - United States
- ▣ +1 (212) 726 6500