

January 17, 2022



SEMI-ANNUAL FINANCIAL REPORT 2022
FOR THE SIX-MONTH PERIOD
FROM APRIL 1, 2021 TO SEPTEMBER 30, 2021

Note to the reader: The English version of this report is a free translation from the original, which was prepared in French and is available on the company's corporate French website. In the event of any inconsistencies between the original language version of the document in French and this English translation, the French version will take precedence.

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1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2021)



French *société anonyme* (corporation) with capital of €3,060,274.29
Corporate headquarters: 25 rue Godot de Mauroy 75009 PARIS
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SEMI-ANNUAL REPORT
FIRST HALF OF THE 2021/2022 FINANCIAL YEAR
(Six months ended September 30, 2021)

NOTES

In this document, the terms "Atari" or the "Company" refer to Atari SA. The term "Group" refers to the group of companies formed by the Company and its consolidated subsidiaries. The term "Universal Registration Document" refers to Atari's universal registration document, filed with the AMF on November 8, 2020 under the number D21-0916.

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CONSOLIDATED INCOME STATEMENT

(M€)		Sept 30, 2021	Sept 30, 2020
Revenue	Note 14	6,0	7,8
Cost of goods sold		(2,6)	(1,5)
GROSS MARGIN		3,3	6,3
Research and development expenses	Note 15	(3,5)	(4,0)
Marketing and selling expenses	Note 15	(0,6)	(1,5)
General and administrative expenses	Note 15	(2,1)	(2,0)
Other operating income (expense)	Note 15	-	0,0
CURRENT OPERATING INCOME (LOSS)		(2,8)	(1,2)
Other income (expense)		-	-
OPERATING INCOME (LOSS)		(2,8)	(1,2)
Cost of debt	Note 18	(0,0)	(0,1)
Other financial income (expense)	Note 18	0,2	(0,3)
Share of net operational profit of equity affiliates	Note 17	(0,1)	
Income tax	Note 19	(0,0)	(0,0)
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		(2,8)	(1,5)
Net income (loss) from discontinued operations		(0,7)	-
NET INCOME (LOSS) FOR THE YEAR		(3,5)	(1,5)
Group share		(3,5)	(1,4)
Minority interests		(0,0)	(0,1)
Basic earnings per share (in euro)	Note 1.3	-0,011	-0,005

The notes are an integral part of the interim financial statements.

STATEMENT OF COMPREHENSIVE INCOME

(M€)	Sept. 30, 2021	Sept. 30, 2020
CONSOLIDATED NET INCOME	(3,5)	(1,5)
Elements directly incurred in net equity:		
Translation adjustments	0,5	(1,4)
Financial assets valued at fair value through the other comprehensive income	(0,0)	-
Other transactions	-	-
Total result directly recognised in equity	0,5	(1,4)
COMPREHENSIVE INCOME	(3,0)	(2,9)
Of which: Group	(3,0)	(2,8)
Of which: Minority interests	(0,0)	(0,1)

CONSOLIDATED BALANCE SHEET

ASSETS (M€)		Sept 30, 2021	March 31, 2021
Intangible assets	Note 3	11,0	11,6
Property, plant and equipment		0,0	0,0
Rights of use relating to leases		1,7	1,9
Equity affiliates	Note 5	0,0	0,0
Non-current financial assets	Note 4	15,8	15,8
Deferred tax assets	Note 19	1,9	1,9
Non-current assets		30,4	31,3
Inventories	Note 6	1,6	2,5
Trade receivables	Note 7	4,2	3,3
Current tax assets		0,0	0,0
Other current assets	Note 8	2,8	0,6
Cash and cash equivalents		0,8	2,5
Assets held for sale	Note 9	0,0	0,3
Current assets		9,5	9,1
Total assets		39,9	40,4

The notes are an integral part of the interim financial statements.

EQUITY & LIABILITIES (M€)		Sept 30, 2021	March 31, 2021
Capital stock		3,1	3,0
Share premium		21,4	19,1
Consolidated reserves		2,9	14,0
Net income (loss) Group share		(3,5)	(11,9)
Shareholders' equity	Note 10	23,9	24,2
Minority interests		(0,0)	(0,0)
Total equity		23,9	24,1
Provisions for non-current contingencies and losses		0,0	0,0
Non-current financial liabilities	Note 11	1,1	-
Long term lease liabilities	Note 12	1,5	1,6
Other non-current liabilities	Note 13	0,7	0,7
Non-current liabilities		3,3	2,3
Provisions for current contingencies and losses		-	-
Current financial liabilities	Note 11	-	-
Short term lease liabilities	Note 12	0,3	0,3
Trade payables	Note 13	6,9	7,3
Current tax liabilities	Note 13	-	-
Other current liabilities	Note 13	5,2	6,3
Liabilities held for sale	Note 9	0,2	-
Current liabilities		12,7	13,9
Total equity and liabilities		39,9	40,4

CONSOLIDATED STATEMENT OF CASH FLOWS

(M€)	Sept 30, 2021	March 31, 2021
Net income (loss) for the year	(3,5)	(11,9)
Non cash expenses and revenue	-	-
Charges to (reversals of) depreciation, amortization and provisions for non current assets	2,1	12,6
Cost of (revenue from) stock options and related benefits	0,3	0,8
Losses (gains) on disposals	(0,0)	0,1
Other non cash items	(0,3)	(2,6)
Cost of debt	0,1	-
Income taxes (deferred and current)	-	-
CASH FLOW BEFORE NET COST OF DEBT AND TAXES	(1,3)	(1,0)
Income taxes paid	-	-
Changes in working capital	-	-
Inventories	0,9	(1,9)
Trade receivables	(1,0)	(1,3)
Trade payables	(0,0)	1,2
Other current & non current assets and liabilities	(1,9)	(1,5)
NET CASH USED IN OPERATING ACTIVITIES	(3,3)	(4,6)
Purchases of / additions to :		
Intangible assets	(1,8)	(4,6)
Property, Plant & equipment	-	(0,0)
Non current financials assets	(0,0)	(0,1)
Disposals / repayments of :		
Intangible assets	-	-
Property, Plant & equipment	-	-
Non current financials assets	0,0	1,7
NET CASH USED IN INVESTING ACTIVITIES	(1,8)	(3,1)
Net funds raised from :		
Share issues	2,4	8,4
Loans	1,1	-
Changes in treasury shares	-	-
Net funds disbursed for :		
Interest and other financial charges	-	-
Debt repayment	-	(0,6)
Changes in treasury shares	-	-
Changes in loans or other financial items	-	-
Other cash flows from financing activities	(0,1)	-
NET CASH PROVIDED (USED IN) BY FINANCING ACTIVITIES	3,4	7,8
Impact of changes in exchange rates	0,1	0,6
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,7)	0,7
(M€)	Sept 30, 2021	March 31, 2021
Net opening cash balance	2,5	1,8
Net closing cash balance	0,8	2,5
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,7)	0,7
Net closing cash balance		
Cash and cash equivalents	0,8	2,5
Bank overdrafts (including current financial debts)	-	-

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

The change in consolidated shareholders' equity is as follows:

(M€)	Capital	Share premium	Treasury shares	Consolidated reserves	Cumulative translation adjustments	Shareholders equity	Minority interests	Total equity
At March 31, 2020	2,7	11,0	(0,2)	17,7	(2,8)	28,4	(0,3)	28,1
Net income (loss) for the period				(11,9)		(11,9)	(0,0)	(11,9)
Translation adjustments					(1,1)	(1,1)	-	(1,1)
Other comprehensive income				(0,2)		(0,2)		(0,2)
Comprehensive income				(12,1)	(1,1)	(13,2)	(0,0)	(13,2)
Share issues	0,3	8,1		(0,0)		8,4		8,4
Treasury shares transactions	-	-	0,1	-	-	0,1		0,1
Others changes	-	-		0,5		0,5	0,3	0,7
At March 31, 2021	3,0	19,1	(0,1)	6,1	(3,9)	24,2	(0,0)	24,1
Net income (loss) for the period				(3,5)		(3,5)	(0,0)	(3,5)
Translation adjustments				-	0,5	0,5	-	0,5
Other comprehensive income				(0,0)		(0,0)	-	(0,0)
Comprehensive income				(3,5)	0,5	(3,0)	(0,0)	(3,0)
Share issues	0,1	2,3	-	-	-	2,4		2,4
Treasury shares transactions	-	-	0,0	-	-	0,0		0,0
Others changes	-	-	0,1	0,3	-	0,3		0,3
At September 30, 2021	3,1	21,4	-	2,8	(3,4)	23,9	(0,0)	23,9

NOTE 1 - BASIS OF PREPARATION OF THE SEMI-ANNUAL REPORT

Atari (the “Company” or the “Group”) is a French company whose securities are listed on the Euronext Paris market, compartment C (ISIN code: FR0010478248, ticker: ATA).

Atari is an interactive entertainment production group that manages an intellectual property portfolio focused on the Atari brand, Atari Classics games and intellectual property assets and licenses such as RollerCoaster Tycoon.

The Group is organized around two main divisions:

(i) Atari Gaming, focused on games and specifically the growing market for retro games. To do this, the Gaming division is focusing on its three key pillars: games, VCS and licensing;

(ii) Atari Blockchain, which encompasses all of the Group’s blockchain-related activities, including the development and marketing of non-fungible tokens (NFTs) and the development of the ecosystem around the Atari Token.

The Group’s business model is based on directly or indirectly monetizing its rights, in the broadest possible sense. Direct monetization includes revenue earned from games played on mobile, PC, online, console, or multimedia platforms. Such direct monetization also includes the final sale of rights under an ongoing arbitrage policy concerning the Company’s intellectual property portfolio. Indirect monetization covers licensing agreements granted to third parties, who are then responsible for manufacturing and producing products or applications in exchange for royalties paid to Atari, under multi-year contracts. In general, any transaction concerning such rights, whatever their legal nature, is considered part of the Company’s current business activity and contributes to its revenue and/or current operating income.

The Atari brand is known worldwide and is associated with the entertainment sector and video games in particular.

The Company’s registered office is at 25 rue Godot de Mauroy, 75009 Paris (France).

1.1. PRINCIPLES APPLIED TO THE SEMI-ANNUAL FINANCIAL STATEMENTS

Preparation of the Financial Statements

The condensed consolidated financial statements of the Group as of September 30, 2021 have been prepared:

- In accordance with IAS/IFRS and their interpretations, as approved by the European Union. This standard is available on the website of the European Commission: http://ec.europa.eu/finance/company-reporting/index_fr.htm;
- In accordance with IAS 34—Interim Financial Reporting.
- Applying the same principles and accounting methods as those applied as of March 31, 2021, with the exception of the standards, amendments and interpretations which have been applied for the first time for financial years beginning after April 1, 2021.

In the case of condensed financial statements, they do not include all the information required by IFRS for annual financial statements. They must therefore be read in conjunction with the Group’s consolidated financial statements for the year ended March 31, 2021, as presented in the universal registration document filed with the AMF on November 8, 2021 under number D21-0916.

The accounting principles selected to draw up the condensed consolidated financial statements as of September 30, 2021 are in accordance with those selected for the consolidated financial statements for the financial year ended March 31, 2021.

The Group opted against the early application of the standards, amendments and interpretations adopted or not yet adopted by the European Union, but eligible for early adoption and scheduled to come into force after April 1st, 2021. This primarily concerns the following standards and amendments:

- Amendments to IFRS 9, IAS 39, IFRS 7 – Interest Rate Benchmark Reform - Phase 2
- Amendments to IFRS 3 – Definition of a Business

- Amendments to IAS 16 – Proceeds before Intended Use,
- Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments of Annual Improvements 2018-2020 (IFRS 1, IFRS 9)
- IFRIC Agenda Decision - Configuration or Customization costs in a Cloud Computing Arrangement (IAS38)
- IFRIC Agenda Decision – Hedging Variability in Cash Flows due to Real Interest Rates (IFRS 9)

These amendments and interpretations did not have any significant impact on the consolidated accounts at September 30, 2021.

The Group consolidated financial statements have been established on a historical cost basis, with the exception of the following assets and liabilities, which are evaluated at fair value: financial derivative instruments, financial assets and liabilities measured at fair value through profit and loss and financial assets and liabilities measured at fair value through other comprehensive income (OCI) that cannot be reclassified.

The Group financial statements are presented in millions of euros with one decimal place, unless indicated otherwise. Rounding to the nearest thousand euros may, in certain cases, lead to non-material discrepancies at the level of the totals and sub-totals of certain tables.

Use of estimates

Preparing the consolidated financial statements in accordance with IFRS as adopted by the EU requires the Group to use estimates and assumptions that it considers reasonable and realistic. These estimates and assumptions affect the amount reported in the financial statements.

Estimates may be revised if the circumstances on which they were based change, or as a result of new information, the current extraordinary health emergency related to Covid-19 making estimates more difficult. Actual results may differ from these estimates and assumptions.

There are always inherent uncertainties in achieving objectives, the operating budget and the financing plan, and the non-realization of assumptions may have an impact on the valuation of the Group's assets and liabilities.

In the course of the preparation of the condensed interim consolidated financial statement, the judgements exercised by the Group in its application of accounting methods and in its analysis of the main sources of uncertainty related to the estimates is identical to those described in the financial statements for the financial year ended March 31, 2021.

Methods of Consolidation

All the companies in which the Group exercises control, that is, in which it has the power to govern their financial and operating policies in order to obtain benefits from their activities, are fully consolidated. Only the company Atari Chain Ltd, which is 50% owned, is consolidated using the equity method.

Scope of Consolidation

During the first half of 2021-2022, the Group consolidation perimeter remained unchanged.

Company	Fiscal year end	Country	% control		% interest	
			30.09.2021	31.03.2021	30.09.2021	31.03.2021
Active subsidiaries						
Atari Partners S.A.S.	March 31	France	100,00	100,00	100,00	100,00
Alpha Chain SA	March 31	France	100,00	100,00	100,00	100,00
Atari Chain Ltd	March 31	Gibraltar	50,00	50,00	50,00	50,00
Atari US Holdings Inc.	March 31	United States	100,00	100,00	100,00	100,00
Atari Inc.	March 31	United States	100,00	100,00	100,00	100,00
Atari Interactive Inc	March 31	United States	100,00	100,00	100,00	100,00
Atari Studios Inc	March 31	United States	100,00	100,00	100,00	100,00
Atari Games Corp	March 31	United States	100,00	100,00	100,00	100,00
AITD Productions LLC	March 31	United States	100,00	100,00	100,00	100,00
Cubed Productions LLC	March 31	United States	90,72	90,72	90,72	90,72
RCTO Productions LLC	March 31	United States	100,00	100,00	100,00	100,00
Atari Connect LLC	March 31	United States	100,00	100,00	100,00	100,00
Atari Casino LLC	March 31	United States	100,00	100,00	100,00	100,00
Atari VCS LLC	March 31	United States	100,00	100,00	100,00	100,00
Atari Hotels Corp	March 31	United States	100,00	100,00	100,00	100,00
Atari Music LLC	March 31	United States	100,00	100,00	100,00	100,00
Inactive and undergoing liquidation						
Atari Productions LLC	March 31	Etats-Unis	100,00	100,00	100,00	100,00
Atari Burundi Su	March 31	Burundi	100,00	100,00	100,00	100,00
Atari Japan KK	March 31	Japon	100,00	100,00	100,00	100,00
Infogrames Entertainment GmbH	March 31	Allemagne	100,00	100,00	100,00	100,00
Infogrames Interactive GmbH	March 31	Allemagne	100,00	100,00	100,00	100,00
Atari Lotto Ireland Ltd	March 31	Ireland	100,00	100,00	100,00	100,00
Atari Lotto Ireland Ltd	March 31	Ireland	100,00	100,00	100,00	100,00
Atari Entertainment Africa Ltd	Dec 31	Mauritius	100,00	100,00	100,00	100,00
Atari Gaming Ltd	March 31	Kenya	59,90	59,90	59,90	59,90
Atari Liberia Inc	March 31	Liberia	100,00	100,00	100,00	100,00
Atari RDC Eurl	March 31	RDC	100,00	100,00	100,00	100,00
Atari Lifestyle Ltd	March 31	Nigeria	99,00	99,00	99,00	99,00
Atari Entertainment Ghana Ltd	March 31	Ghana	90,00	90,00	90,00	90,00
Atari Entertainment Uganda Ltd	March 31	Uganda	100,00	100,00	100,00	100,00
Atari Entertainment Tanzania Ltd	March 31	Tanzania	100,00	100,00	100,00	100,00
Atari Guinée SA	March 31	Guinea	100,00	100,00	100,00	100,00

1.2. APPLICATION OF THE GOING CONCERN PRINCIPLE

Over the course of the last financial years, the Group's shareholder equity and net cash position have evolved as follows:

- At March 31, 2020, shareholders' equity (Group share) amounted to +28.5 million euros. At the same date, the Group's net cash amounted to +1.1 million euros.
- At March 31, 2021, shareholders' equity (Group share) amounted to +24 million euros. At the same date, the Group's net cash amounted to 2.5 million euros.
- At September 30, 2021, shareholders' equity (Group share) amounted to +23.9 million euros. At the same date, the Group's net cash amounted to -0.2 million euros.

Cash and cash equivalents amount to 0.8 million euros and gross financial debt amounts to 1.2 million euros. This debt is made up of shareholder loans in an amount of 1.2 million USD, of which 0.7 million USD granted by Irata LLC, a company controlled by Wade Rosen, with an effective interest rate of 8%.

The Company conducted a specific review of its liquidity risk and it considers that the working capital requirements linked to the ramping up of VCS production and the implementation of the gaming division's new strategy will require additional financing, that could take the form of external financing or a capital markets transaction whose form is currently being examined. Benefiting from the support of its new principal shareholder and Chairman & CEO, the Atari Group considers that it is in a position to meet its future payments, irrespectively of the realization of any external financing or capital market

transaction, thus confirming the application of the going concern principle in the preparation of the financial statements as at September 30, 2021.

The cash-flow projections prepared by the Group are based on:

- forecasts for the business activities (games, licensing, multimedia production, Atari VCS and Atari Blockchain) generating positive cash-flows,
- an additional loan granted by Irata LLC in an amount of \$1.4M in October 2021,
- the sale of land NFTs in the blockchain based virtual world Sandbox in November 2021 for an amount of \$4.3M;
- external financing based on market conditions.

By their nature, these forecasts rely on assumptions whose timing is uncertain as to their realization, it being specified that the Group is developing new activities, for which no historical comparison base exists (Atari VCS, Atari Blockchain), that could guarantee the assumptions retained.

1.3. EARNINGS PER SHARE

The Group presents basic earnings per share and diluted earnings per share.

Earnings per share correspond to the net income of the Group compared to the weighted average number of shares outstanding during the financial year, fewer treasury shares, if any.

Number of shares used to calculate earnings per share: 303 559 091

NOTE 2 – HIGHLIGHTS OF THE PERIOD

The highlights of the first half of the 2021/2022 financial year are:

- **April 2021: Appointment of Wade J. Rosen as Chief Executive Officer – Resignation of Frédéric Chesnais :** The Board of Directors on March 31, 2021, acknowledging the resignation of Mr Frédéric Chesnais from his position as Chief Executive Officer with effect from April 6, 2021, decided to replace him with Mr Wade J. Rosen, who had served as Chairman of the Board of Directors since April 2020.
- **Atari Token’s divisibility / Award brought forward :** During their meeting on April 1, 2021, the managers of the company Atari Chain decided to replace the existing ATRI token with a new ATARI token, divisible to 18 decimals, through an exchange. The remaining ATRI tokens in the cash account were replaced with the new ATARI token. The managers also decided to award the new ATARI token to the Company and ICICB Limited in accordance with the proportions set in the licensing agreement entered into with Atari Chain on February 27, 2020. These new tokens were transferred on April 12, 2021.
- **June 2021: Licensing agreement signed with Crypto Blockchain Industries SA (CBI) - Resignation of Frédéric Chesnais from his position as a director :** In connection with its developments through NFTs and virtual worlds, Atari Interactive Inc granted a license on June 4, 2021 to CBI, the company founded and managed by Frédéric Chesnais, for the development of a virtual world incorporating blockchain technology. To avoid conflicts of interest, Frédéric Chesnais indicated that he intended to resign from his position as a director of Atari SA on this same date, effective June 6, 2021, while continuing to act as a consultant for the licensing activities (Atari Gaming division) until March 31, 2022.
- **Withdrawal from casino operations in Africa :** During its meeting on July 1, 2021, the Board of Directors defined a new strategy for the Group and conducted a general review of its assets. To effectively allocate its resources to ensure the success of this new strategy, it was decided to withdraw from directly-operated casino activities in Africa.

- **Financing through current account contributions** : So as not to impact the Group's cash position in the context of its requirements to source components for the Atari VCS, the Company was granted two loans in July, August and October 2021, by two shareholders, for a total of USD 2.6M. Irata LLC, a company controlled by Wade Rosen, contributed USD 2.1M to this operation.

NOTE 3 – INTANGIBLE FIXED ASSETS

At September 30, 2021, intangible fixed assets break down as follows:

Gross value (M€)	Video Games Casino Games	Audiovisual production	Licenses	Atari VCS	Tokens	Total
March 31, 2020	25,2	1,9	0,8	6,2	1,7	35,7
Acquisitions	1,3	-	0,1	0,4	0,4	2,2
Disposals / Retirements	(0,2)	-	(0,3)	-	(1,0)	(1,5)
Translation adjustments	0,3	0,0	0,0	0,1	-	0,4
September 30, 2021	26,6	1,9	0,5	6,7	1,1	36,8

Amortization & provisions (M€)	Video Games Casino Games	Audiovisual production	Licenses	Atari VCS	Tokens	Total
March 31, 2020	(21,3)	(1,9)	(0,5)	(0,4)		(24,1)
Amortization / Provisions	(1,3)	-	(0,0)	(0,7)		(2,0)
Disposals / Retirements	0,2	-	0,3	-		0,5
Translation adjustments	(0,3)	(0,0)	(0,0)	(0,0)		(0,3)
September 30, 2021	(22,7)	(1,9)	(0,2)	(1,1)		(25,8)

The net values break down as follows:

Net value (M€)	Video Games Casino Games	Audiovisual production	Licenses	Atari VCS	Tokens	Total
March 31, 2020	3,8	(0,0)	0,3	5,8	1,7	11,6
September 30, 2021	3,9	(0,0)	0,3	5,6	1,1	11,0

At each closing, the Group assesses the future economic benefits it will receive from this asset by using the principles set out in IAS 36—Impairment of Assets. These assets are valued according to a minimum budget. If a deviation from this budget is noted, and depending on how significant this deviation is, the depreciation/amortization plan is accelerated, or the asset is depreciated/amortized in full.

3.1. GAMES

Video game development costs are, in principle, amortized over three years on a straight-line basis from the product's launch. For certain products that encounter difficulties at launch, depreciation/amortization over a shorter period is applied and the Group carries out an analysis of projected cash flows. At the end of the financial year, the residual net book value is compared to the future sales prospects to which the terms of the contract are applied. If these sales prospects are not sufficient, a provision for additional impairment is recorded accordingly.

3.2. AUDIOVISUAL PRODUCTIONS

Audiovisual productions are reviewed on a case-by-case basis, based on the unique features of each project, following specific rules for audiovisual productions. The amortization methods are either straight-line or pro-rata based on net revenues over the financial year. If the net value of a project turns out to exceed the projected net revenues, an additional impairment is recognized.

3.3. ATARI VCS

The Atari VCS development costs are amortized, from its release date, in December 2020, over five years on a straight-line basis. Software developments capitalized since April 1, 2021 are amortized on a straight-line basis over 3 years.

3.4. LICENSES

Licenses are rights acquired from third-party publishers.

At the end of the financial year, the residual net book value is compared to the future sales prospects to which the terms of the contract are applied. If these sales prospects are not sufficient, a provision for additional impairment is recorded accordingly.

3.5. TOKENS

As part of the commitments for Atari Tokens to be issued by Atari Chain, the Atari Group received 683.7 million Atari Tokens. As there is no active market as defined by IFRS 13, these Atari Tokens are only valued when they give rise to a sale or an award.

At September 30, 2021, Atari SA held 494.6 million Atari Tokens, with 57.7 million of them, allocated to a future service, valued at 0.3M€.

The other tokens held represent €0.8M and are based on the following cryptocurrencies: 1.0 million Chain Games tokens (CHAIN), 2.5 million Tower tokens (TOWER), 4.7 million Lympo tokens (LYM) and 156.43 Ether (ETH).

NOTE 4 – NON CURRENT FINANCIAL ASSETS

Non-current financial assets break down as follows as of September 30, 2021:

(M€)	Sept 30, 2021	March 31, 2021
Financial assets measured at fair value through OCI	0,0	0,2
Financial assets measured at fair value through profit & loss	1,4	1,2
Financial assets measured at amortized cost	14,4	14,5
Non-current financial assets	15,8	15,8

The financial assets are initially measured at fair value plus any transaction costs directly related to the acquisition in the case of a financial asset not measured at fair value through profit or loss. Acquisition costs for financial assets measured at fair value through profit or loss are recorded through the profit and loss statement.

The Group classifies its financial assets into the three following categories:

- amortized cost;
- fair value through other comprehensive income (FVTOCI);
- fair value through profit or loss (FVTPL).

The classification depends on the business model of the entity holding the asset defined by the Group and the cash flow characteristics of the financial instruments.

Financial assets at amortized cost

Financial assets are measured at amortized cost when they are not designated as FVTPL, when they are held in order to collect the contractual cash flows, and their cash flows are solely payments of principal and interest ("SPPI" criterion)?

Financial assets at fair value through other comprehensive income (OCI)

This category comprises debt and equity instruments.

- Debt instruments are measured fair value through OCI if they are not designated as fair value through profit or loss and if they are held in order to both collect the contractual cash flows and sell the financial asset and if their cash flows are solely payments of principal and interest ("SPPI" criterion). Interest received, exchange rate profit or loss and impairments are recognized in profit or loss. Other net profit or loss is recognized in OCI. Upon de-recognition, all cumulative gains or losses are then recognized in net earnings.
- Equity investments that are not held for trading can be measured fair value through OCI. The Group can make an irrevocable election in that respect for each individual investment. Dividend income is then recognized in the profit or loss unless it clearly corresponds to a partial repayment of the initial investment cost. Other profit or loss is recognized in OCI and never reclassified as profit or loss.

Financial assets at fair value through profit and loss

All financial assets that are not designated as measured at amortized cost or as FVTOCI are measured at fair value through profit and loss. The net profit or loss, including interest or dividend income, is recognized as profit or loss.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

They mainly consist of:

- Kizzang securities; a company that offers an online casino gaming model with real money jackpots and no initial outlay. The fair value of these securities has been 0 since FY 2018-2019.
- LGBT Media securities: in April 2017 the Group sold the Pridefest game to LGBT Media in exchange for a 22% stake in LGBT Media, a US company developing an application for the LGBTQ community. During FY 2018-2019, the Group entered into an agreement allowing it to ultimately own 42% of the company for an additional investment of \$165,000. The company is still controlled by its two founders; the Atari Group is not on the board of directors and has no notable influence on this company. The fair value of these securities was 0 at September 30, 2021; the fair value adjustment for the period represents €0.05M.
- Infinity Network Limited ("INL") securities: in February 2018, Atari granted a license to INL for the development of a blockchain platform and an Atari Token. As this project with INL was not progressing at the pace expected by Atari, the Group canceled this license during FY 2019-2020. Atari retains its participation in INL, with a fair value of 0.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

They mainly consist of:

- Stock warrants from Roam, an innovative company specializing in audio accessories. The fair value is 0.
- Shares from convertible promissory notes for \$1.4M, issued by Bayside Games, Inc., a company that develops tournament games, giving access to approximately 15% of the capital of this company. These convertible bonds had been received in FY 2017-2018 in exchange for a licensing agreement granted by the Group.
- A "Simple Agreement For Future Equity" giving access to securities in Portal One, for €0.2M. Portal One is a US company that produces TV shows mixing games and virtual reality, including with licenses for Atari games. Portal One securities are unlisted. Atari holds a participation that is not material of less than 5% of the share capital.

FINANCIAL ASSETS MEASURED AT AMORTIZED COST

Non-current financial assets measured at amortized cost are primarily made up of:

- security deposits relating to the leases for the various offices;
- trade receivables, with a maturity over one year, recognized using the effective interest rate method. At September 30, 2021, they represented €14.2M, including €7.4M for receivables with a bank guarantee related to the ICICB agreement, €3.7M for receivables on the Wish Holding agreements, and €1.7M for receivables relating to the hotel agreement with ICICB.

NOTE 5 – EQUITY AFFILIATES

The accounts of Atari Chain Ltd (Gibraltar) are consolidated on an equity basis in the Group's accounts. This company, created in March 2020, is jointly owned and controlled by Atari SA and ICICB Limited with a 50% stake each. The objective of Atari Chain, Ltd is to issue the Atari Tokens (ATRI), collect revenues and allocate the corresponding revenues.

A maximum of 7,771,000,000 Atari Tokens has been created. These tokens can be sold, with the Atari Group receiving 35% of the income from sales (10% for the brand license and 25% for compensation for services) and 65% is allocated to ICICB. Atari Token (ATRI) prices are available on various sites, including coingecko.com and coinmarketcap.com.

For the semester ended September 30, 2021, Atari Chain recorded €0.4M of revenues and a €0.1M net loss. The share of the loss attributed to Atari, €0.06M, was deducted from the current account advances granted by the Group to Atari Chain.

NOTE 6 – INVENTORIES

As of September 30, 2021, the value of inventory amounts to nearly 1.6 M€ and corresponds to produced units of the Atari VCS and components for the Atari VCS. As of March 31, 2021, the value of inventory amounted to 2.5 M€.

NOTE 7 – TRADE ACCOUNTS RECEIVABLE

At September 31, 2021, and March 31, 2021, the balance of trade accounts receivable corresponds to receivables from distributors, collected with a term of 30 to 60 days, in addition to receivables from online casino licenses. The Group does not use factoring.

The item "Trade accounts receivable", after deducting sales returns and other future trade discounts, is analyzed as follows:

(M€)	Sept 30, 2021	March 31, 2021
Trade receivables	5,8	4,8
Provisions for impairment in value	(1,6)	(1,6)
Receivables invoices to be established	0,0	0,0
Trade receivables net value	4,2	3,3

Trade and other receivables relating to operating activities are recognized at their amortized cost, which corresponds in most cases to their nominal value, less potential impairments recorded in a specific impairment account. As receivables have a maturity of less than one year, they are not discounted. In accordance with IFRS 9, the Group uses the simplified impairment model for trade receivables based on the analysis of expected losses over the receivable's lifespan.

The limited number of customers enables the Company to regularly review trade receivables. When a payment delay is noted, an analysis is carried out, notably concerning the age of the receivable, the

customer's financial position, the possibility of negotiating a payment plan, guarantees received and possibly credit insurance to determine the recoverable amount. Any difference between the book value and the recoverable value is recognized under current operating income via an allowance for provisions. Impairment is considered final when the receivable itself is considered to be permanently irrecoverable and is then recognized as a loss.

Provisions for impairment mainly consist of an impairment of the \$1.8M Film On receivable, linked to a TV show distribution agreement signed in FY 2019-2020. As the first instalments relating to this receivable were not respected, a provision for risk of non-payment was recorded for the full amount of the receivable during the financial year ended March 31, 2021.

NOTE 8 – OTHER CURRENT ASSETS

Other current assets break down as follows:

(M€)	Sept 30, 2021	March 31, 2021
Receivables from employees	0,0	0,0
Prepaid and recoverable taxes	0,1	0,2
Current financial assets	-	-
Prepaid expenses	2,6	0,3
Other	0,0	0,2
Other current assets	2,8	0,6

Prepaid and recoverable taxes essentially correspond to VAT receivables.

Prepaid expenses in an amount of €2.5M correspond to advance invoices for the Atari VCS production.

NOTE 9 – ASSETS HELD FOR SALE

On July 1, 2021, the Board of Directors defined a new strategy for the Group and therefore carried out a full review of its assets. To effectively allocate its resources to ensure the success of this new strategy, the Group decided to withdraw from the directly-operated casino activities in Africa.

As of September 30, 2021, the discontinuation of the African activities has led the Group to present them separately in the line item "assets held for sale" of the balance sheet, in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". The liabilities related to these assets are also presented separately on the balance sheet under "liabilities related to assets held for sale".

NOTE 10 – SHAREHOLDERS' EQUITY

At September 30, 2021, shareholders' equity is made up of 306,027,429 common shares, versus 298,680,249 shares on March 31, 2021, fully paid-up with a nominal value of €0.01 each.

All shares are of the same class and may be held, at the option of the holder, in the form of Identifiable Bearer Securities (Titres au Porteur Identifiable, TPI) or registered shares. Each share entitles the holder to one vote on each of the resolutions submitted to the shareholders. A double voting right is attached to all the existing paid-up shares held by the same shareholder for a minimum of two years, as well as to any shares subsequently acquired by the same shareholder through the exercise of the rights attached to these registered shares.

Changes in equity for the period ended September 30, 2021 are presented below:

Equity as at March 31, 2021 (M€)	24,1
Net income (loss) for the period	(3,5)
Translation adjustments	0,5
Others changes	(0,0)
Comprehensive income	(3,0)
Share issues	2,4
Treasury shares transactions	0,0
Others changes	0,3
Equity as at September 30, 2021 (M€)	23,9

10.1. STOCK OPTIONS

The Company may grant stock options to its executives and senior management, as well as to other employees, for their contribution to the Group's performance. At the grant date, the exercise price of the fixed option shall be close to the price at which the Company's shares are exchanged. The options granted generally have a duration of eight years and a vesting period of between three and four years.

As of September 30, 2021, four stock option plans are in effect:

- Plan No. 23 approved by the General Meeting on September 30, 2014, with 321,746 options outstanding, entitling beneficiaries, in accordance with the conversion ratios, to subscribe for 328,503 shares at September 30, 2021;
- Plan No. 24 approved by the General Meeting on September 30, 2016, with 205,239 options outstanding, entitling beneficiaries, in accordance with the conversion ratios, to subscribe for 207,702 shares at September 30, 2021;
- Plan No. 25 approved by the General Meeting on September 29, 2017, with 1,875,933 options outstanding, entitling beneficiaries, in accordance with the conversion ratios, to subscribe for 1,889,065 shares at September 30, 2021;
- Plan No. 26 approved by the General Meeting on September 30, 2019, with 1,625,000 options outstanding, entitling beneficiaries to subscribe for 1,625,000 shares at September 30, 2021;

At September 30, 2021, the total number of shares for which existing options could be exercised represented, given the conversion ratios, 1.36% of the Company's share capital at that date. The main characteristics of all outstanding Atari stock options are summarized in the 4 tables below:

Option plan in effect	Plan N°23-1	Plan N°23-2	Plan N°23-3	Plan N°23-4
Date of Shareholders' Meeting	September 30, 2014			
Date of Board of Directors Meeting	May 9, 2014	June 29, 2015	Jan. 4, 2016	Jan. 27, 2016
Number of Stock Options granted	5 104 000	469 139	144 000	2 378 528
<i>Of which to the Board of Directors</i>	<i>4 000 000</i>			<i>1 650 000</i>
Expiration date of stock option	Oct. 29, 2022	August 31, 2023	Jan. 3, 2024	May 31, 2024
Exercise price of stock options (in euros) (1)	0,20 €	0,20 €	0,16 €	0,17 €
Vesting of stock options granted	1/3 per year	1/3 per year	1/3 per year	1/3 per year
Stock options granted during FY 2014/2015	4 575 000	-	-	-
Stock options granted during FY 2015/2016	-	469 139	144 000	-
Stock options granted during FY 2016/2017	-	-	-	2 378 528
Stock options granted during FY 2017/2018	-	-	-	-
Stock options cancelled during FY 2017/2018	-	(36 139)	-	(33 000)
Stock options exercised during FY 2018/2019	(392 308)	(210 059)	-	(72 349)
Stock options cancelled during FY 2018/2019	(1 036)	(2 002)	-	(552)
Stock options exercised during FY 2019/2020	-	-	-	-
Stock options cancelled during FY 2019/2020	(1 657)	(939)	(144 000)	(461)
Stock options exercised during FY 2020/2021	(4 097 728)	(31 000)	-	(1 926 666)
Stock options cancelled during FY 2020/2021	-	(15 000)	-	(5 000)
Stock options exercised during HY1 2021/2022	(82 272)	(137 753)	-	(55 000)
Stock options cancelled during HY1 2021/2022	-	-	-	-
Total number of stock options outstanding on September 30, 2022	0	36 247	0	285 500

(1) The exercise price of the options is determined based on the weighted average quoted price over the twenty trading sessions prior to the award of the options, with or without a discount.

Option plan in effect	Plan N°24-1	Plan N°24-2	Plan N°24-3
Date of Shareholders' Meeting	September 30, 2016		
Date of Board of Directors Meeting	July 12, 2017	October 20, 2017	January 15, 2018
Number of Stock Options granted	5 935 805	316 667	2 300 000
<i>Of which to the Board of Directors</i>	<i>3 680 000</i>		
Expiration date of stock option	July 11, 2025	October 19, 2025	January 14, 2026
Exercise price of stock options (in euros) (1)	0,280 €	0,350 €	0,458 €
Vesting of stock options granted	1/3 per year	1/3 per year	1/3 per year
Stock options granted during FY 2017/2018	5 935 805	950 000	2 300 000
Stock options cancelled during FY 2017/2018	-	(633 333)	-
Stock options exercised during FY 2018/2019	(318 147)	-	-
Stock options cancelled during FY 2018/2019	(247 032)	(316 667)	(2 100 000)
Stock options exercised during FY 2019/2020	-	-	-
Stock options cancelled during FY 2019/2020	(459)	-	-
Stock options exercised during FY 2020/2021	(4 031 588)	-	-
Stock options cancelled during FY 2020/2021	(95 000)	-	-
Stock options exercised during HY1 2021/2022	(1 038 340)	-	(200 000)
Stock options cancelled during HY1 2021/2022	-	-	-
Total number of stock options outstanding on September 30, 2022	205 239	0	-0

(1) The exercise price of the options is determined based on the weighted average quoted price over the twenty trading sessions prior to the award of the options, with or without a discount.

Option plan in effect	Plan N°25-1	Plan N°25-2	Plan N°25-3
Date of Shareholders' Meeting	September 29, 2017		
Date of Board of Directors Meeting	July 16, 2018	July 16, 2018	
Number of Stock Options granted	5 935 805	316 667	370 000
<i>Of which to the Board of Directors</i>	<i>3 680 000</i>		
Expiration date of stock option	July 31, 2026	July 31, 2026	January 17, 2027
Exercise price of stock options (in euros) (1)	0,280 €	0,350 €	0,270 €
Vesting of stock options granted	1/3 per year	1/3 per year	1/3 per year
Stock options granted during FY 2018/2019	6 405 000	2 000 000	370 000
Stock options cancelled during FY 2018/2019	-	-	-
Stock options exercised during FY 2019/2020	-	-	-
Stock options cancelled during FY 2019/2020	-	-	(20 000)
Stock options exercised during FY 2020/2021	(494 444)	-	(59 583)
Stock options cancelled during FY 2020/2021	(95 000)	(1 500 000)	-
Stock options exercised during HY1 2021/2022	(4 480 040)	-	(250 000)
Stock options cancelled during HY1 2021/2022	-	-	-
Total number of stock options outstanding on September 30, 2022	1 335 516	500 000	40 417

(1) The exercise price of the options is determined based on the weighted average quoted price over the twenty trading sessions prior to the award of the options, with or without a discount.

Option plan in effect	Plan N°26-1		
Date of Shareholders' Meeting	Sept. 30, 19		
Date of Board of Directors Meeting	July 14, 20		
Number of Stock Options granted	3 725 000		
<i>Of which to the Board of Directors</i>	<i>2 000 000</i>		
Expiration date of stock option	July 13, 28		
Exercise price of stock options (in euros) (1)	0,228 €		
Vesting of stock options granted	1/4 per year		
	-		
Stock options granted during FY 2018/2019	3 750 000		
Stock options cancelled during FY 2018/2019	(25 000)		
Stock options exercised during HY1 2021/2022	-		
Stock options cancelled during HY1 2021/2022	(2 100 000)		
Total number of stock options outstanding on September 30, 2022	1 625 000	0	0

(1) The exercise price of the options is determined based on the weighted average quoted price over the twenty trading sessions prior to the award of the options, with a discount.

10.2. FAIR VALUE OF OPTIONS GRANTED DURING THE PERIOD

In accordance with the requirements of IFRS 2 "Share-based Payment", stock subscription or purchase options granted to employees are recognized in the consolidated accounts as they are acquired and in accordance with the following methods: the fair value of the options granted, estimated to be the fair value of the services rendered by the employees in consideration for the options received, are determined at the grant date. The fair value of the stock options is determined using the Black-Scholes model. This model makes it possible to take into account the characteristics of the plan (exercise price, exercise period), market data at the time of allocation (risk-free rate, stock price, volatility, expected dividends) and a behavioral assumption of the beneficiaries, such as whether they will exercise of the options before the end of the exercise period.

Subsequent changes in the fair value of the instrument are not considered

The expense recognized as of September 30, 2021 is 0.3 M€.

NOTE 11 – NET DEBT

The Group's net debt position amounts to 0.2 M€ and breaks down as follows:

(M€)	Sept 30, 2021	March 31, 2021
Cash and cash equivalents	0,8	2,5
Non-current financial liabilities	(1,1)	-
Current financial liabilities	-	-
Net cash (net debt)	(0,2)	2,5

Non-current financial liabilities are made up of shareholder loans in an amount of 1.1 M€ (1.2 MUSD), of which 0.6 M€ (0.7 MUSD) granted by Irata LLC, a company controlled by Wade Rosen, with an effective interest rate of 8%.

NOTE 12 – LEASE LIABILITIES - CURRENT AND NON-CURRENT

The Group applies the standard IFRS 16 – *Leases*, which foresees a single lessee accounting model with the recognition on the balance sheet of a liability corresponding to the present value of future payments using a discount rate of 3% determined by the Group. The maturities of the lease liabilities break down as follows:

(M€)	Sept 30, 2021	March 31, 2021
Lease liabilities between 1 and 5 years	0,0	1,4
Lease liabilities after 5 years	0,0	0,2
Non current lease liabilities	0,0	1,6
Lease liabilities less than 1 year	1,4	0,3
Current lease liabilities	1,4	0,3
Lease liabilities	1,4	2,0

NOTE 13 – OTHER CURRENT AND NON-CURRENT LIABILITIES

Other liabilities break down as follows:

(M€)	Sept 30, 2021	March 31, 2021
Other non-current liabilities	0,7	0,7
Other non-current liabilities	0,7	0,7
Current financial debt	0,3	0,3
Trade payables	6,9	7,3
Tax liabilities	-	-
Other current liabilities	5,2	6,3
Liabilities held for sale	0,2	-
Other current liabilities	12,7	13,9

- “Other non-current liabilities” are related to uncertain tax positions and include estimated risks, disputes and likely litigation relating to the calculation of income taxes. All Group entities may be subject to tax audits or requests for rectification from local tax authorities. These tax reassessments, as well as uncertain tax positions identified by the Group, give rise to a liability, the amount of which is regularly reviewed in accordance with IFRIC 23 – Uncertainty over Income Tax Treatments.

Following the application of IFRIC 23, provisions for tax risks have been classified as current tax liabilities since April 1, 2019. These provisions amounted to 0.9M€ as at September 30, 2021 and cover a potential uncertainty over the utilization of tax-loss carryforwards in the United States.

The tax loss carry-forwards in the United States come from Atari's historic operations in the United States over the period from 1999 to 2016, and are used in the Group's US tax consolidation. All of the US companies are fiscally consolidated, with the perimeter being determined by tax advisors. The method for determining the fiscal perimeter has been unchanged since the final exit from the Chapter 11 proceedings in June 2014. Nonetheless, there is still a risk that the tax authorities could at some future point question the balance of tax losses or their past utilization, whether due to how the consolidation perimeter was determined, how the tax was calculated, and/or the amount of losses that can be utilized.

No other significant tax uncertainty has been identified.

- The amount of trade payables remains material and mainly relates to invoices from suppliers received at the end of the period and concerning the Atari VCS.
- At September 30, 2021, the item "Other current liabilities" mainly relates to deferred revenue of 3.7M€ with the following breakdown:
 - Deferred revenue for the sales and allocations of the Atari Token, whose recognition is deferred in an amount of 2.5M€
 - Deferred revenue for pre-orders of the Atari VCS in the process of being fulfilled for 0.4M€
 - Deferred revenue for hotel licensing revenues of 0.8M€

NOTE 14 – REVENUE FROM ORDINARY ACTIVITIES & SEGMENT INFORMATION

IFRS 8 defines an operating segment as a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and
- for which discrete financial information is available.

In April 2021, the Group announced its new organization around two main divisions:

(i) Atari Gaming, focused on games and specifically the growing market for retro games. To do this, the Gaming division is focused on its three key pillars: games, VCS and licensing;

(ii) Atari Blockchain, which encompasses all of the Group's blockchain-related activities, including the development of the ecosystem around the Atari Token, as well as the development and marketing of non-fungible tokens (NFTs).

Atari's business is currently understood to be fully contained within a single operating segment representative of its cash-generating unit (CGU). The performance indicators regularly tracked by the chief operating decision maker ('CODM') are the Group's revenue for each division and consolidated net income.

For the first half ended September 30, 2021, the Atari Group recorded revenue of 6.0 M€, compared to 7.8 M€ for the same period of the previous financial year. The Group's revenues can be broken down as follows for each division:

(M€)	Sept 30, 2021	Sept 30, 2020
Atari Games	2,6	5,2
Atari TV shows	-	0,0
Atari VCS	2,3	0,0
Atari Licensing	0,7	2,6
Atari Gaming	5,6	7,8
Atari Blockchain	0,4	-
Total Revenue	6,0	7,8

The decrease, -23.8% at current exchange rates and -20.3% at constant exchange rates, is linked to the contraction in the licensing business, down by almost 73%, held back significantly by the effects of the health crisis, as well as the slowdown in revenues from the video game business, down 51%; faced with the increase in user acquisition costs, it was decided to optimize marketing spending.

Over the period, sales of the Atari VCS represented 2.3M€.

Revenues relating to the new activities developed on the blockchain represented 0.4M€, corresponding to income from NFT sales under a licensing agreement.

NOTE 15 – CURRENT OPERATING EXPENSES

For the purposes of comparison with other companies in the sector, Atari presents its consolidated income statement by function.

Research and development expenses

Research and development expenses amount to 3.5 M€ compared to 4.0 M€ for the previous financial year.

Research & development expenses are analyzed as follows:

(M€)	Sept 30, 2021	Sept 30, 2020
R&D expenditures	3,2	3,9
R&D capitalized	(1,6)	(2,0)
Amortization	1,9	2,1
Research and development expenses	3,5	4,0

Marketing and sales expenses

Marketing and sales expenses amounted to 0.6 M€ compared to 1.5 M€ for the same period of the previous financial year. This significant reduction reflects the optimization of the video game activity's target profitability, by restricting and targeting its new user acquisition campaigns more effectively.

General and administrative expenses

General and administrative expenses remained stable over the period, registering a slight increase of 0.1 M€ for the period ended September 30, 2021.

Other operating income and expenses

At September 30, 2021, there was no movement in the net change in other operating income and expenses.

NOTE 16 – OPERATING EXPENSES BY NATURE

The table below summarizes the nature of the current operating expenses in accordance with the information required by IAS 1.104:

(M€)	Sept 30, 2021	Sept 30, 2020
Personnel costs (1)	(0,7)	(1,1)
Depreciation, amortization and provisions	(1,9)	(2,1)
Other income and expenses	(0,8)	(0,7)
Research and development expenses	(3,5)	(4,0)
Personnel costs (2)	(0,2)	(0,1)
Depreciation, amortization and provisions	-	-
Other income and expenses	(0,4)	(1,4)
Marketing and selling expenses	(0,6)	(1,5)
Personnel costs & Director fees (3)	(1,2)	(1,2)
Depreciation, amortization and provisions	(0,0)	(0,0)
Other income and expenses	(1,0)	(0,8)
General and administrative expenses	(2,1)	(2,0)
Personnel costs	-	(0,0)
Depreciation, amortization and provisions	-	0,1
Other income and expenses	-	-
Other operating income (expenses)	-	0,0

(1) Of which €0.2m for the valuation of stock options

(2) Of which €0.0m for the valuation of stock options

(3) Of which €0.1m for the valuation of stock options

NOTE 17 – INCOME FROM EQUITY AFFILIATES

At September 30, 2021, income from equity affiliates is comprised of 50% of the share of Atari SA in the income of the company Atari Chain during the first half of the financial year.

NOTE 18 – NET FINANCIAL INCOME

(M€)	Sept 30, 2021	Sept 30, 2020
Interest on bond debt	(0,0)	-
Interest expenses on lease liabilities (IFRS 16)	(0,0)	(0,0)
Other		(0,1)
Cost of debt	(0,0)	(0,1)
Foreign exchange result	0,1	0,0
Securities fees	(0,0)	(0,0)
Nasdaq Stockholm listing fees	(0,1)	(0,1)
Impairment on long term receivables	0,2	
Sales on non consolidated investments	0,0	
Other	(0,0)	(0,2)
Other financial income (expense)	0,2	(0,3)

At September 30, 2021, the cost of debt is not material.

For the first half ended September 30, 2021, other financial income and expenses are mainly related to the accretion of long-term receivables for +€0.2M and secondary listing costs on the Nasdaq Stockholm market for -€0.1M.

NOTE 19 – INCOME TAX

19.1. ANALYSIS OF THE TAX CHARGE

Given its results and tax loss carry-forwards, the Group did not have any significant tax expense for the period that ended September 30, 2021.

19.2. ANALYSIS OF DEFERRED TAXES

At September 30, 2021, the Group's tax loss carry-forwards were about €736 million in France and close to US\$274 million in the United States. In France, tax losses may be carried forward indefinitely. In the United States, losses incurred before January 1, 2018 can only be carried forward for 20 years.

As a result of the significant tax savings of the US entities over the previous financial years, the Group is recognizing a deferred tax asset for the US entities as well as for the French entities, as their recovery is likely over the validity period of the deferred tax assets. The forecast period chosen to determine the recovery window is a two-year horizon.

The Group's tax loss carry-forwards in the United States come from Atari's historic operations in the United States over the period from 1999 to 2016, and are used in the Group's US tax consolidation. All of the US companies are consolidated for tax purposes, with the scope being determined by tax advisors. The method for determining the fiscal scope has been unchanged since the final exit from the Chapter 11 proceedings in June 2014. Nonetheless, there is still a risk that the tax authorities could at some future point question the balance of tax losses or their past utilization, whether due to how the consolidation scope was determined, how the tax was calculated, and/or the amount of losses that can be utilized. Given these circumstances, to cover any uncertainty, a provision is recognized.

NOTE 20 – PROVISIONS AND CONTINGENT LIABILITIES

In the normal course of business, Group companies may be involved in a number of legal, arbitration, administrative and tax proceedings.

During the period ended September 30, 2021, no significant movement has been registered in the provisions for contingencies and losses.

NOTE 21 – OFF-BALANCE SHEET COMMITMENTS

21.1. COMMITMENTS GIVEN

Under the agreement with Legalist, where the latter has paid \$1.0M to Atari Interactive in exchange for a share of future profits to be received by Atari in six ongoing copyright infringement lawsuits, Legalist has a priority entitlement to 100% of the first million USD of proceeds related to these lawsuits. During FY 2020-2021, four of these lawsuits had been settled in the Group's favor, leading to a payment of \$1.0M to Legalist according to the agreement. Legalist is entitled to a variable percentage of the proceeds from the two outstanding lawsuits in the event of a favorable outcome for Atari of the remaining lawsuits.

21.2. COMMITMENTS RECEIVED

Under the agreement with ICICB, Atari has received a bank guarantee over 7.5 M€ covering the ICICB receivable due March 31, 2023.

NOTE 22 – RELATED-PARTY TRANSACTIONS

The Group's related parties are the companies over which the Group has exclusive control, joint control or a significant influence, the shareholders who have joint control over the Group's joint ventures, the Group's corporate officers, executives and directors, as well as the companies over which the latter have control, joint control or a significant influence. Transactions with the subsidiaries over which the Group has control are eliminated in the consolidated accounts.

The parent company Atari SA invoices the Group for holding services, administrative services, and interest on cash advances. Atari Inc. also charges fees for administrative services in the United States.

Between April 1, 2021 and the date of this Half-Year Financial Report, the following agreements were entered into:

- Agreement for a USD 2.1M loan granted by Irata LLC, a company controlled by Wade Rosen, to Atari SA, with 8% interest, so as not to impact the Group's cash position in connection with its requirements to source components for the Atari VCS. This loan was granted in three tranches: an initial USD 600,000 tranche on June 25, 2021, a second tranche for USD 100,000 on July 14, 2021 and a third tranche for USD 1,400,000 on October 4, 2021. This loan can be redeemed through conversion into Company securities.

NOTE 23 – SUBSEQUENT EVENTS

November 2021 – Change in leadership at Atari Chain : Appointment of Matthew Burnett, succeeding Frédéric Chesnais, as Director and Chief Executive Officer of the subsidiary Atari Chain, Limited, which manages all operations related to Atari's cryptocurrency.

November 2021 – Sale of land NFTs in The Sandbox to Republic Realm : Atari completed the sale of certain non-fungible token parcels of land in the blockchain based virtual world The Sandbox to the US investment fund Republic Realm for a cash payment of US\$4,284,000.

November 2021 – Investment in Antstream / Purchase option for Mobygames : US\$3.5 Million strategic investment in Antstream Limited and a related option to purchase the assets of Mobygames, Limited, including the Mobygames website and database. The investment in Antstream Limited was made pursuant to a convertible loan agreement that can be converted into equity of Antstream Limited in a future financing, with an initial investment of US\$500,000. The option to purchase the assets of Mobygames is at a purchase price of US\$1.5 Million and may be concluded by the end of March, 2022.

2. SEMI-ANNUAL ACTIVITY REPORT (SIX MONTHS ENDED SEPTEMBER 30, 2021)

2.1. ENVIRONMENT

Atari is an interactive entertainment production group that manages an intellectual property portfolio focused on the Atari brand, Atari Classics games and intellectual property assets and licenses such as RollerCoaster Tycoon.

The Group is organized around two main divisions:

(i) Atari Gaming, focused on games and specifically the growing market for retro games. To do this, the Gaming division is focusing on its three key pillars: games, VCS and licensing;

(ii) Atari Blockchain, which encompasses all of the Group's blockchain-related activities, including the development and marketing of non-fungible tokens (NFTs) and the development of the ecosystem around the Atari Token.

The Group's business model is based on directly or indirectly monetizing its rights, in the broadest possible sense. Direct monetization includes revenue earned from games played on mobile, PC, online, console, or multimedia platforms. Such direct monetization also includes the final sale of rights under an ongoing arbitrage policy concerning the Company's intellectual property portfolio. Indirect monetization covers licensing agreements granted to third parties, who are then responsible for manufacturing and producing products or applications in exchange for royalties paid to Atari, under multi-year contracts. In general, any transaction concerning such rights, whatever their legal nature, is considered part of the Company's current business activity and contributes to its revenue and/or current operating income.

2.2. ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS

2.2.1. Condensed consolidated income statement

(M€)	Sept. 30, 2021		Sept. 30, 2020		Variation	
Revenue	6,0	100%	7,8	100%	(1,9)	-23,8%
Cost of goods sold	(2,6)	-44%	(1,5)	-19%	(1,1)	72,7%
GROSS MARGIN	3,3	56%	6,3	81%	(3,0)	-47,1%
Research and development expenses	(3,5)	-58%	(4,0)	-51%	0,5	-13,4%
Marketing and selling expenses	(0,6)	-10%	(1,5)	-19%	0,9	-61,4%
General and administrative expenses	(2,1)	-35%	(2,0)	-25%	(0,1)	6,1%
Other operating income (expenses)	-	0%	0,0	0%	(0,0)	
CURRENT OPERATING INCOME (LOSS)	(2,8)	-47%	(1,2)	-15%	(1,7)	-143,6%
Other income (expense)	-	0%	-	0%	-	
OPERATING INCOME (LOSS)	(2,8)	-47%	(1,2)	-15%	(1,7)	-143,6%

• Consolidated Revenue

For the period ended September 30, 2021, Atari recorded revenue of 6.0M€, compared to 7.8M€ for the period ended September 30, 2020. The decrease, -23.8% at current exchange rates and -20.3% at constant exchange rates, is linked to the contraction in the licensing business, down by almost 73%, held back significantly by the effects of the health crisis, as well as the slowdown in revenues from the video game business, down 51%; faced with the increase in user acquisition costs, it was decided to optimize marketing spending.

Over the period, sales of the Atari VCS represented 2.3M€, the VCS did not contribute to revenue in the first half of the previous financial year.

Revenues relating to the new activities developed on the blockchain represented 0.4M€, corresponding to income from NFT sales under a licensing agreement.

- **Gross margin**

The evolution of the level of gross margin level at 56% of revenue compared to 81% for the period ended September 30, 2020 takes into account the deliveries of the Atari VCS, whose margin is lower than that of the other businesses of the Group.

- **Operating expenses**

R&D expenses are 13.4% lower due to a reduction in the amortization expenses related to R&D capitalized in previous years but also due to reduced investments in the production of new games.

Marketing and sales expenses amounted to 0.6M€ for the first half of the financial year 2021-2022. This significant reduction of 61% reflects the optimization of the video game activity's target profitability, by restricting and targeting its new user acquisition campaigns more effectively.

General and administrative expenses amounted to 2.1M€ and remained stable compared to the previous period.

At September 30, 2021, there was no movement in the net change in other operating income and expenses.

- **Current operating income**

In this context, the Atari Group recorded current operating income of -2.8 M€ during the first half of 2021-2022, compared to -1.2 M€ in the first half of 2020-2021.

OTHER INCOME STATEMENT ITEMS

(M€)	Sept. 30, 2021		Sept. 30, 2020		Variation	
OPERATING INCOME (LOSS)	(2,8)	-47,2%	(1,2)	-14,8%	(1,7)	-143,6%
Cost of debt	(0,0)	-0,6%	(0,1)	-1,2%	0,1	-57,6%
Other financial income (expense)	0,2	2,7%	(0,3)	-3,3%	0,4	-161,4%
Share of net operational profit of equity affiliates	(0,1)	-1,0%	0,0	0,2%	(0,1)	
Income tax	(0,0)	-0,1%	(0,0)	-0,5%	0,0	-91,5%
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	(2,8)	-46,2%	(1,5)	-19,5%	(1,2)	-80,4%
Profit (Loss) from discontinued operations	(0,7)	-12,0%	-	0,0%	(0,7)	
NET INCOME	(3,5)	-58,2%	(1,5)	-19,5%	(1,2)	-80,4%
Minority interests	(0,0)	0,0%	(0,1)	-1,6%	0,1	-99,9%
NET INCOME GROUP SHARE	(3,5)	-58,2%	(1,4)	-17,9%	(1,4)	-96,5%

- **Cost of debt**

At September 30, 2021, the cost of debt is not material. It mainly comprises calculated costs on lease liabilities resulting from the application of IFRS 16.

- **Other financial income and expenses**

For the first half ended September 30, 2021, other financial income and expenses are mainly related to the accretion of long-term receivables for +€0.2M and secondary listing costs on the Nasdaq Stockholm market for -€0.1M.

- **Income tax**

The Atari Group is utilizing its deferred tax losses and has not recorded any tax expense for the period.

- **Results of discontinued operations**

On July 1, 2021, the Board of Directors defined a new strategy for the Group and therefore carried out a full review of its assets. To effectively allocate its resources to ensure the success of this new strategy, the Group decided to withdraw from the directly-operated casino activities in Africa.

As of September 30, 2021, the discontinuation of the African activities has led the Group to present separately in the line item "Results of discontinued operations" of the income statement the expenses linked to the wind-down of these entities in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". These expenses amounted to 0.7M€ for the period ended September 30, 2021.

- **Net income (Group share)**

Net income for the first half of 2021-2022 shows a loss of 3.5M€, compared to the period ended September 30, 2019 which showed a loss of 1.4M€.

- **Segment Information**

Atari now operates in two main operating segments:

(i) Atari Gaming, focused on games and specifically the growing market for retro games. To do this, the Gaming division is focused on its three key pillars: games, VCS and licensing;

(ii) Atari Blockchain, which encompasses all of the Group's blockchain-related activities, including the development of the ecosystem around the Atari Token, as well as the development and marketing of non-fungible tokens (NFTs).

Atari's business is currently understood to be fully contained within a single operating segment representative of its cash-generating unit (CGU). The performance indicators regularly tracked by the chief operating decision maker ('CODM') are the Group's revenue for each division and consolidated net income.

Revenue by segment breaks down as follows:

(M€)	Sept 30, 2021	Sept 30, 2020
Atari Games	2,6	5,2
Atari TV shows	-	0,0
Atari VCS	2,3	0,0
Atari Licensing	0,7	2,6
Atari Gaming	5,6	7,8
Atari Blockchain	0,4	-
Total Revenue	6,0	7,8

2.2.2. Consolidated Balance Sheet

ASSETS (M€)	Sept 30, 2021	March 31, 2021
Intangible assets	11,0	11,6
Property, plant and equipment	0,0	0,0
Rights of use relating to leases	1,7	1,9
Equity affiliates	0,0	0,0
Non-current financial assets	15,8	15,8
Deferred tax assets	1,9	1,9
Non-current assets	30,4	31,3
Inventories	1,6	2,5
Trade receivables	4,2	3,3
Current tax assets	0,0	0,0
Other current assets	2,8	0,6
Cash and cash equivalents	0,8	2,5
Assets held for sale	0,0	0,3
Current assets	9,5	9,1
Total assets	39,9	40,4

EQUITY & LIABILITIES (M€)	Sept 30, 2021	March 31, 2021
Capital stock	3,1	3,0
Share premium	21,4	19,1
Consolidated reserves	2,9	14,0
Net income (loss) Group share	(3,5)	(11,9)
Shareholders' equity	23,9	24,2
Minority interests	(0,0)	(0,0)
Total equity	23,9	24,1
Provisions for non-current contingencies and losses	0,0	0,0
Non-current financial liabilities	1,1	-
Long term lease liabilities	1,5	1,6
Other non-current liabilities	0,7	0,7
Non-current liabilities	3,3	2,3
Provisions for current contingencies and losses	-	-
Current financial liabilities	-	-
Short term lease liabilities	0,3	0,3
Trade payables	6,9	7,3
Current tax liabilities	-	-
Other current liabilities	5,2	6,3
Liabilities held for sale	0,2	-
Current liabilities	12,7	13,9
Total equity and liabilities	39,9	40,4

Intangible fixed assets

As of September 30, 2021, intangible fixed assets break down as follows:

Gross value (M€)	Video Games Casino Games	Audiovisual production	Licenses	Atari VCS	Tokens	Total
September 30, 2020	25,2	1,9	0,8	6,2		34,0
Acquisitions	1,3	-	0,1	0,4	0,4	1,8
Disposals / Retirements	(0,2)	-	(0,3)	-	(1,0)	(0,5)
Translation adjustments	0,3	0,0	0,0	0,1	-	0,4
September 30, 2020	26,6	1,9	0,5	6,7	(0,6)	35,7

Amortization & provisions (M€)	Video Games Casino Games	Audiovisual production	Licenses	Atari VCS	Tokens	Total
September 30, 2020	(21,3)	(1,9)	(0,5)	(0,4)		(24,1)
Amortization / Provisions	(1,3)	-	(0,0)	(0,7)		(2,0)
Disposals / Retirements	0,2	-	0,3	-		0,5
Translation adjustments	(0,3)	(0,0)	(0,0)	(0,0)		(0,3)
September 30, 2020	(22,7)	(1,9)	(0,2)	(1,1)		(25,8)

Net value (M€)	Video Games Casino Games	Audiovisual production	Licenses	Atari VCS	Tokens	Total
March 31, 2020	3,8	(0,0)	0,3	5,8	1,7	11,6
September 30, 2020	3,9	(0,0)	0,3	5,6	1,1	11,0

At the close of every financial reporting period, the Group assesses the future economic benefits it will receive from these assets by using the principles set out in IAS 36—*Impairment of Assets*. These assets are valued according to a minimum budget. If a deviation from this budget is identified, and depending on how significant this deviation is, the amortization plan is accelerated, or the asset is impaired in full.

Licenses are rights acquired from third-party publishers.

The Atari VCS development costs are amortized, from its release date, in December 2020, over five years on a straight-line basis. Software developments capitalized since April 1, 2021 are amortized on a straight-line basis over 3 years. As part of the commitments for Atari Tokens to be issued by Atari Chain, the Atari Group received 683.7 million Atari Tokens. As there is no active market as defined by IFRS 13, these Atari Tokens are only valued when they give rise to a sale or an award.

At September 30, 2021, Atari SA held 494.6 million Atari Tokens, with 57.7 million of them valued at 0.3M€.

The other tokens held, in exchange for sales of Atari Tokens or NFTs (“non-fungible tokens”), represent €0.5M and are based on the following cryptocurrencies: 1.0 million Chain Games tokens (CHAIN), 2.5 million Tower tokens (TOWER), 4.7 million Lympo tokens (LYM) and 48.6 Ether (ETH).

- **Non current financial assets**

Non-current financial assets break down as follows as of September 30, 2021:

(M€)	Sept 30, 2021	March 31, 2021
Financial assets measured at fair value through OCI	0,0	0,2
Financial assets measured at fair value through profit & loss	1,4	1,2
Financial assets measured at amortized cost	14,4	14,5
Non-current financial assets	15,8	15,8

Financial assets are initially measured at fair value plus any transaction costs directly related to the acquisition in the case of a financial asset not measured at fair value through profit or loss. Acquisition costs for financial assets measured at fair value through profit or loss are recognized in the income statement.

- **Shareholders' Equity**

The table below shows the changes in equity over the period ended September 30, 2021:

Equity as at March 31, 2021 (M€)	24,1
Net income (loss) for the period	(3,5)
Translation adjustments	0,5
Others changes	(0,0)
Comprehensive income	(3,0)
Share issues	2,4
Treasury shares transactions	0,0
Others changes	0,3
Equity as at September 30, 2021 (M€)	23,9

- **Net cash position / (Net debt)**

The net cash position is a negative 0.2M€ and breaks down as follows:

(M€)	Sept 30, 2021	March 31, 2021
Cash and cash equivalents	0,8	2,5
Non-current financial liabilities	(1,1)	-
Current financial liabilities	-	-
Net cash (net debt)	(0,2)	2,5

Non-current financial liabilities are made up of shareholder loans in an amount of 1.1 M€ (1.2 MUSD), of which 0.6 M€ (0.7 MUSD) granted by Irata LLC, a company controlled by Wade Rosen, with an effective interest rate of 8%.

2.2.3. Consolidated Cash flows

As of September 30, 2021, net cash position stood at 0.8 M€, compared to 2.5 M€ as of March 31, 2021.

The cash flow statements prepared by the Company for the six-month periods ended September 30, 2021 and September 30, 2020 are summarized as follows:

(M€)	Sept 30, 2021	Sept 30, 2020
Net cash (used)/generated in operating activities	(3,3)	0,7
of which continuing operations	(3,3)	0,7
Net cash (used)/generated in investing activities	(1,8)	(2,5)
of which continuing operations	(1,8)	(2,5)
of which intangible assets and fixed assets	(1,8)	(2,5)
Net cash provided (used in) by financing activities	3,4	1,1
of which continuing operations	3,4	1,1
of which interest paid	-	-
Other cash flows	0,1	0,2
Net change in cash and cash equivalent	(1,7)	(0,6)

Net cash provided by operating activities of -1.3 M€ reduced by a working capital requirement of 2.0 M€ resulted in net cash used in operating activities of -3.3 M€. Financing activities generated 3.4 M€. Funds, for an amount of 1.8 M€, were primarily used during the period for investments mainly in the production of the Atari VCS and in games. The change in net cash for the period is -1.7 M€.

2.3. UPDATED INFORMATION ON RISK FACTORS

The Company has reviewed the risks that could have a material adverse effect on its business, financial position or results (or its ability to achieve its objectives) and considers that there are no significant risks beyond those presented below and those presented in its Universal Registration Document. These risks are, as of the date of filing of this update of the Reference Document, those the Company believes that, were they to materialize, could have a significant adverse effect on the Atari Group, its business, its financial situation, its results, or its prospects. Investors are invited to consider these risks before deciding, as the case may be, to acquire or subscribe for securities of the Company.

2.3.1. Liquidity Risk, Risks Associated with a Going Concern, and Risks Associated with Operating Losses

Cash and cash equivalents amount to 0.8 million euros and gross financial debt amounts to 1.2 million euros. This debt is made up of shareholder loans in an amount of 1.2 million USD, of which 0.7 million USD granted by Irata LLC, a company controlled by Wade Rosen, with an effective interest rate of 8%.

The Company conducted a specific review of its liquidity risk and it considers that the working capital requirements linked to the ramping up of VCS production and the implementation of the gaming division's new strategy will require additional financing, that could take the form of external financing or a capital markets transaction whose form is currently being examined. Benefiting from the support of its new principal shareholder and Chairman & CEO, the Atari Group considers that it is in a position to meet its future payments, irrespectively of the realization of any external financing or capital market transaction, thus confirming the application of the going concern principle in the preparation of the financial statements as at September 30, 2021.

The cash-flow projections prepared by the Group are based on:

- forecasts for the business activities (games, licensing, multimedia production, Atari VCS and Atari Blockchain) generating positive cash-flows,
- an additional loan granted by Irata LLC in an amount of \$1.4M in October 2021,
- the sale of land NFTs in the blockchain based virtual world Sandbox in November 2021 for an amount of \$4.3M;
- external financing based on market conditions.

By their nature, these forecasts rely on assumptions whose timing is uncertain as to their realization, it being specified that the Group is developing new activities, for which no historical comparison base exists (Atari VCS, Atari Blockchain), that could guarantee the assumptions retained.

2.4. OUTLOOK FOR THE FINANCIAL YEAR 2021-2022

The Group is targeting improved financial performance in the second semester over the first six months of the fiscal year. This performance is driven by several key projects:

ATARI GAMES

- Release of new premium games, beginning with the Atari Recharged line-up of game titles
- The launch of Atari XP, which allows fans to purchase unreleased or rare Atari cartridges
- New licensing opportunities for classic Atari games with streaming providers
- Expanded opportunities with brand licensing partners as licensing demand recovers from pandemic related interruptions

ATARI VCS

- The VCS is available for sale for the entirety of the second semester
- Increased digital sales through the VCS platform as more game content is added

ATARI BLOCKCHAIN

- Sale of a portion of Atari land in the Sandbox metaverse
- Development of new NFT products leveraging the large portfolio of Atari IP as well as partnerships with third-parties

3. STATEMENT BY THE PERSON RESPONSIBLE FOR THE SEMI-ANNUAL FINANCIAL REPORT

I certify that, to the best of my knowledge, the summary consolidated financial statements for the half-year ended September 30, 2021 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position, and results of the Company and of all the companies included in the consolidation of the Atari Group, and that the management report presents a faithful representation of the important events that occurred during the first six months of the financial year, of their impact on the accounts, of the main related party transactions as well as a description of the main risks and uncertainties for the remaining six months of the financial year.

Paris, January 17, 2022

Wade Rosen

Chief Executive Officer of Atari SA

4. STATUTORY AUDITORS' REPORT ON THE 2021-2022 SEMI-ANNUAL FINANCIAL REPORT

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Statutory auditors' review report on the half-yearly financial information

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France

To the Shareholders of ATARI

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of Article L. 451-1-2-III of the French Monetary and Financial Code (Code monétaire et financier), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of ATARI, for the period from April 1, 2021 to September 30, 2021;
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements have been prepared and the limited review performed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris and Paris-La Défense, January 17, 2022

The Statutory Auditors

EXPONENS CONSEIL & EXPERTISE

DELOITTE & ASSOCIÉS

Anne MOUHSSINE

Benoit PIMONT