



INTERIM FINANCIAL REPORT
HALF-YEAR ENDED SEPTEMBER 30, 2024

Table of contents

1. STATEMENT BY THE PERSON IN CHARGE.....	3
2. HALF YEAR ACTIVITY REPORT.....	4
2.1. SIGNIFICANT EVENTS OF THE PERIOD.....	4
2.2. REVIEW OF THE FINANCIAL STATEMENTS.....	6
2.3. EVENTS AFTER THE END OF THE INTERIM PERIOD.....	10
2.4. INFORMATION ON RISKS AND UNCERTAINTIES FOR THE NEXT HALF-YEAR.....	10
2.5. MAIN TRANSACTIONS WITH RELATED PARTIES.....	11
3. INTERIM CONSOLIDATED ACCOUNTS.....	12
3.1. CONSOLIDATED INCOME STATEMENT.....	12
3.2. STATEMENT OF COMPREHENSIVE INCOME.....	12
3.3. CONSOLIDATED BALANCE SHEET.....	13
3.4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	14
3.5. CASH FLOW STATEMENT.....	15
4. NOTES TO THE INTERIM CONSOLIDATED ACCOUNTS.....	16
4.1. GENERAL NOTES.....	16
4.2. NOTES TO THE INCOME STATEMENT.....	19
4.3. NOTES TO THE BALANCE SHEET.....	21
4.4. OTHER INFORMATION.....	27
5. STATUTORY AUDITORS' REPORT ON THE INTERIM FINANCIAL INFORMATION.....	28
Statutory Auditors' Review Report on the Condensed Half-yearly Financial Information for the period from April 1, 2024 to September 30, 2024.....	28

DISCLAIMER The Document contains information concerning the Group's activity and the market on which it operates. This information comes from research carried out by either internal sources or external sources (industry publications, specialized studies, information published by market research companies or analyst reports). The Group considers that this information gives a true and fair view to date of its reference market and its competitive positioning on this market. However, such information has not been verified by an independent expert and the Group cannot guarantee that a third party using different methods to collate, analyze or calculate market data would obtain the same results.

FORWARD LOOKING STATEMENTS This Document also includes information on the Group's objectives and key areas for development. These indications are sometimes identified by the use of forward-looking words, such as "estimate", "consider", "have as objective", "expect", "intend", "should", "want", "may" or other variations of such terms. These statements are based on data, assumptions and forecasts that the Group considers reasonable at the time of this Document. By their nature, these forward looking statements are subject to important risks and uncertainties and factors beyond our control or ability to predict, in particular those described in our Universal Registration Document which is available on the website (<https://atari-investisseurs.fr/en/>). Readers' attention is drawn to the fact that these development strategies and objectives are not historical data and must not be interpreted as a guarantee that the facts and data presented will occur, that the assumptions will be verified or that the objectives will be achieved. These are objectives, which by their nature may not be achieved and the information contained in this Document could prove to be incorrect without the Group having any obligation to update, subject to applicable regulations, in particular the AMF General Regulations and the Regulation (EU) n°596/2014 dated April 16, 2014 on Market Abuse ("MAR Regulation"). The information in this document does not constitute an offer to sell or an invitation to buy shares in Atari or an invitation or inducement to engage in any other investment activities.

1. STATEMENT BY THE PERSON IN CHARGE

I certify, to my knowledge, that the condensed financial statements for the past half-year ended September 30, 2024 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and financial performance of the Company and of all the companies included in the consolidation, and that the half-yearly activity report appearing on page 4 presents a true and fair view of the significant events that occurred during the first six months of the financial year, their impact on the financial statements, the main related party transactions and describes the main risks and uncertainties for the remaining six months of the financial year.

December 27, 2024

Wade Rosen,

Chairman of the Board and Chief Executive Officer of Atari S.A.

2. HALF YEAR ACTIVITY REPORT

2.1. SIGNIFICANT EVENTS OF THE PERIOD

2.1.1. General corporate developments

During the first-half of the year, the Group has continued to focus its resources on its activities across its main lines of business as well as the execution of its inorganic growth strategy:

Atari has continued to strengthen its game catalog with the release of 7 new games during the period. Atari has released *Lunar Lander Beyond*, *Neo Sprint*, *Food Fight* and *Yars Rising* and focused on the development of titles which are slated for release in the second half of the year, such as 2 DLC packs for *Atari 50* and *Fatal Run 2089*. As the publisher of the *Roller Coaster Tycoon* franchise, Atari is also actively working on expanding digital distribution of certain titles in the franchise, including the recently acquired *Roller Coaster Tycoon 3*. **Nightdive's** remastered titles continue to show strong performance, as has the release of the *System Shock Remake* on consoles. They also announced the release of *Killing Time: Resurrected* and *The Thing* for the second half of the year. **Digital Eclipse** launched *Wizardry* and *Volgarr II*, and primarily focused on the development of *Tetris Forever* and *Mighty Morphin Power Rangers: Rita's Rewind*, which were released in the second half of the year. The newly formed game publishing and distribution label, **Infogrames** is in the ramping-up phase, and has added one additional title to its portfolio during the period with the acquisition of *Surgeon Simulator* game series from tinyBuild, and is focused on expanding distribution of acquired titles, as well as further acquisitions to continue its growth.

New games announced and released during H1 2025

New Releases in H1 24/25	Release Date (announced in <i>italic</i>)	Label	Platforms
Lunar Lander Beyond	4/23/2024	Atari	PC, PSVR2, Meta Quest 2, Pico
PO'ed: Definitive Edition	5/16/2024	Nightdive Studios	
System Shock Remake on Consoles	5/21/2024	Nightdive Studios	PS4, PS5, XBO, XBX/S
Wizardry: Proving Grounds of the Mad Overlord	5/23/2024	Digital Eclipse	PC, Switch, PS4, PS5, XBO, XBX/S, GOG
Neo Sprint	6/27/2024	Atari	PC, Switch, PS4, PS5, XBO, XBX/S, Atari VCS
Food Fight: Culinary Combat	7/4/2024	Atari	PC, Atari VCS
Volgarr the Viking II	8/6/2024	Digital Eclipse	PC, Switch, PS4, PS5, XBO, XBX/S, GOG
Yars Rising	6/9/2024	Atari	PC, Switch, PS4, PS5, XBO, XBX/S, Atari VCS
<i>Fatal Run 2089 (Digital)</i>	<i>08/26/2024</i>	<i>Atari</i>	<i>PC, Switch, PS 4/5, Xbox S/X</i>
<i>Bubsy: the Purrfect Collection (Physical & Digital)</i>	<i>06/20/2024</i>	<i>Atari</i>	<i>PC, Switch, PS 4/5, Xbox S/X</i>

Hardware activity remained solid in the first-half of the year driven by the expansion of Atari "Plus" platform. Atari advanced the development of its hardware ecosystem with the launch of pre-orders for Atari 7800+ in August 2024, and commercialization of new Atari XP cartridges and accessories, compatible with Atari 2600+ and 7800+ gaming systems. Alongside new commercial initiatives, a strategic focus has been made on the improvement of distribution and opening up new territories for direct-to-consumer distribution on atari.com, and the exploration of collaborations with third-parties on certain hardware projects.

Licensing activity also recorded solid performance in the first half of the year, thanks to the contribution of existing licensing and new contract gains. Pre-orders for Atari Super Pocket were launched with partner Blaze Entertainment, as well as the Roller Coaster Tycoon merchandise store on atari.com. The pipeline of opportunities continues to build across different categories and verticals, and additional activations are expected to be announced by the end of the fiscal year.

Atari X activity in the half-year was primarily dedicated to the continued development of collaborations with leading Web3 partners, and innovative community engagement with Atari Club.

Other general corporate developments

Acquisitions - Several acquisitions were completed during the first-half of the year. In line with Atari's strategy, they aimed at further complementing Atari's portfolio of intellectual property (e.g. Intellivision brand and certain titles) and games (acquisition of the publishing rights of *Roller Coaster Tycoon 3* from Frontier Developments) as well as developing the Infogrames catalog with the purchase of the *Totally Reliable Delivery Service* and *Surgeon Simulator* game series'.



APRIL 2024 - Acquisition of Rollercoaster Tycoon 3 from Frontier

Atari announced that Atari will become the publisher of Rollercoaster Tycoon 3 developed by Frontier Developments plc. Released in 2004, the title is available on PC, Mac, iOS and Nintendo Switch. Atari is now the sole publisher of all major titles

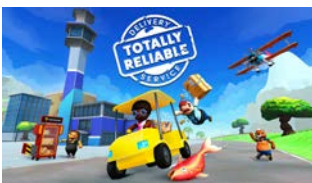
within the Rollercoaster Tycoon franchise. The purchase price of Roller Coaster Tycoon 3 consists of an initial consideration of \$4M as well as potential deferred cash consideration of \$3M. Rollercoaster Tycoon 3 is considered canon within the theme park simulation franchise.



APRIL 2024 - Atari revives Infogrames as a publishing label

Atari announced it has established a new publishing label under the Infogrames brand. In launching the new label, Atari is reviving a legacy brand known for game development and global distribution from the early 1980s to the early 2000s. Infogrames' purpose is to acquire IP and publish games, across multiple genres,

that fall outside the core portfolio of IP associated with the Atari brand. Over time, the portfolio may also include some of the legacy titles first published by Infogrames. Interested IP holders can reach out at contact@infogrames.com. Infogrames intends to actively manage its catalog of titles by expanding digital and physical distribution and developing new collections and sequels. Consistent with Atari's approach, Infogrames sees game preservation as a core component of its mission.



APRIL 2024 - Infogrames purchases Totally Reliable Delivery Services from tinyBuild LLC

Infogrames announced its first IP acquisition with the purchase of the Totally Reliable Delivery Service games, trademarks and underlying property from tinyBuild LLC. First released in 2019, Totally Reliable Delivery Service is an all-ages multiplayer sendup of the package delivery world, set in an open sandbox full of absurd gadgets, unlikely delivery vehicles and a healthy dose of chaos.



MAY 2024 - Acquisition of Intellivision brand

Atari announced it has purchased the Intellivision brand and certain games from Intellivision Entertainment LLC. Intellivision Entertainment LLC will rebrand and continue its business of developing and distributing the Amico brand game console with a license from Atari to continue to distribute new versions of the Intellivision games on the Amico console. Atari will seek to expand digital and physical distribution of legacy Intellivision games, potentially create new games, and explore brand and licensing opportunities as part of a long-term plan to create value from the Intellivision properties.



JUNE 2024 - Atari acquires Surgeon Simulator franchise from tinyBuild

Infogrames announced the acquisition of the Surgeon Simulator franchise in an agreement with tinyBuild LLC. The popular medical operation sim combines first-person transplants, life-saving heroics, and dark humor with unexpected surgical theaters (a moving ambulance, hospital hallways, and even zero-gravity space).



AUGUST 2024 - Atari announces the 7800+ Game Console

Atari and Plaion announced the Atari 7800+, a faithful recreation of the Atari home console originally released in 1986. Scheduled for release in winter 2024, the Atari 7800+ was made available for preorder. The 7800+ is a scaled-down, compact edition of the console that seamlessly integrates into modern living spaces. Equipped with HDMI connectivity, it effortlessly links to contemporary TVs and devices. Each console ships with the CX78+ Wireless Gamepad and a brand new title, Bentley Bear's Crystal Quest — a sequel to the classic Crystal Castles, presented on a specially designed 7800 cartridge.



SEPTEMBER 2024 - Atari releases Yars Rising

Atari announced the release of Yars Rising, a thrilling reimagining of the Atari classic, developed by the legendary WayForward studio, creators of the Shantae series. The entirely new game is a 2D platformer with a Metroidvania design, stealth elements, and hacking minigames. Lovable and complex characters come to life in an engrossing, twisty story of corporate espionage and alien mystery. Chock-full of nods to the classic game and other Atari Easter Eggs.



SEPTEMBER 2024 - Nightdive announces forthcoming release of The Thing

An official game sequel to John Carpenter's 1982 film, a member of the U.S. Special Forces team is sent to the Antarctic outpost featured in the film to determine what happened to the research team. Considered to be a standout survival horror title, this cult classic will be fully remastered through Nightdive's proprietary KEX engine.

2.2. REVIEW OF THE FINANCIAL STATEMENTS

2.2.1. Consolidated Income - Summary

(M€)	H1 24/25	H1 23/24
Revenue	13.7	6.4
Gross margin	10.5	4.7
Current operating income (loss)	(2.7)	(3.4)
Operating income (loss)	(6.2)	(5.0)
NET INCOME (LOSS) FOR THE YEAR	(8.3)	(6.6)

Revenues - For the first-half ending September 30, 2024, the Group recorded a revenue of €13.7M, compared to €6.4M for the same period last year, an increase of 114% at current exchange rate and 118% at constant exchange rate. This growth is primarily driven by the solid performance of the Games line of business, as well as a favorable effect from the consolidation of Digital Eclipse this half-year.

- **Games:** For the period, Games revenues represent €11.9M compared to €5.3M in the previous period, reflecting a solid games catalog performance across all labels and studios, as well as the contribution of Infogrames, the newly created publishing label and whose operations started in April 2024. Unlike the

previous period, Games revenue for the first half year includes the full contribution of Digital Eclipse and Nightdive¹, for an aggregate amount of €6.0M.

- **Hardware:** Hardware revenues for the period represent €0.8M compared to €0.5M in the previous period, as Atari is expanding the Atari “+” product line and continued commercialization of innovative hardware products (Atari 2600+ and 400 Mini). Revenues for the period do not include revenues from the Atari 7800+ console, for which pre-orders were announced in August 2024 and are expected to contribute in the second half of the fiscal year, once hardware products are effectively shipped².
- **Licensing:** Licensing revenues for the period increased more than two fold, from €0.4M to €1.0M, as Atari continues to build partnerships with highly recognized brands and additional sales opportunities for its licensed products through atari.com. Notably in the course of the half-year, Atari launched the Limited Edition and Standard Edition Super Pocket with partner Blaze Entertainment and signed an agreement with Basic Fun for home arcade cabinets (with expected launch in 2025).
- **Atari X:** Atari X revenues for the period decreased compared to the previous half-year, as the Atari X model is pivoting towards community management with the launch of Atari Club and cross-collaborations.

Cost of goods sold and Gross Margin – Cost of goods sold increased from €1.6M to €3.2M, notably given higher royalty expenses due to the integration of the two studios acquired, Nightdive and Digital Eclipse, costs related to work-for-hire projects and costs of hardware units sold directly on atari.com. Gross margin for the period increased more than two fold, from €4.7M in the previous period to €10.5M for the first-half of the year.

(M€)	H1 24/25	H1 23/24
CURRENT OPERATING INCOME (LOSS)	(2.7)	(3.4)
Other income (expense)	(3.4)	(1.6)
OPERATING INCOME (LOSS)	(6.2)	(5.0)
Cost of debt	(0.7)	(0.8)
Other financial income (expense)	(1.4)	(0.6)
Income tax	(0.0)	-
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	(8.3)	(6.5)
Net income (loss) from discontinued operations	(0.0)	(0.1)
NET INCOME (LOSS) FOR GROUP SHARE	(8.3)	(6.6)

Current Operating Income – Current operating income for the period showed an improvement at -€2.7M, compared to -€3.4M in the previous period. Research and development expenses increased from €3.3M to €8.2M, reflecting Atari’s continued investment to support its growth strategy, as well as the effect of Digital Eclipse’s integration and related game development amortization expenses. The increase compared to the previous period is also due to the adoption of a steeper amortization charge profile than previous method of straight-line amortization³. Marketing and sales expenses increased from €0.5M to €0.9M, while General and administrative expenses increased slightly to €4.2M from €3.9M in the previous period.

Operating Income – Operating income for the period is -€6.2M compared to -€5.0M after taking into account impairment on selected games, partially compensated by exceptional income received in the context of an agreement with a third party.

Consolidated Net Income – Consolidated net income showed a loss of €8.3M for the period compared to -€6.6M.

2.2.2. Consolidated Balance Sheet - Summary

2.2.2.1. Assets

In accordance with IFRS 3, the Group identified and re-valued the assets acquired and liabilities assumed, related to Nightdive and Digital Eclipse acquisitions, in particular intangible assets. The balance sheet below reflects the findings resulting from the purchase price allocation process. Further information is included in Note

¹ Digital Eclipse consolidated since November 1, 2023. Nightdive Studios consolidated since May 12, 2023.

² 7800+ shipments began on November 29, 2024

³ Change in amortization was implemented for the first time for the fiscal year ended March 31, 2024

6 of the financial statements. As of September 30, 2024, the purchase price allocation related to the two acquisitions was final.

ASSETS (M€)	H1 24/25	FY24
Goodwill	17.7	18.2
Other intangible assets	21.0	24.8
Property, plant and equipment	0.0	0.0
Rights of use relating to leases	1.3	1.8
Non-current financial assets	11.9	12.3
Deferred tax assets	1.2	1.2
Non-current assets	53.2	58.3
Inventories	0.9	0.7
Trade receivables	5.3	4.1
Other current assets	2.2	2.6
Cash and cash equivalents	2.9	2.6
Current assets	11.3	10.0
Total assets	64.5	68.3

Non-Current Assets

As of end of September 2024, non-current assets represent €53.2M against €58.3M in the previous period, mainly due to foreign exchange effects. Goodwill balance at the end of the period represents €17.7M, after the purchase price allocation process. Other intangible assets (Note 7 - Other Intangible Assets) represent €21.0M at the end of the period, and mainly consist of capitalized R&D reflecting continued investments in the development of new games, as well as IP and titles purchased over the period (*Intellivision*, *Surgeon Simulator*).

Current Assets

Current assets increased from €10.0M to €11.3M over the period, notably due to the increase in trade receivables, the majority of which relates to revenue due from digital distribution partners.

2.2.2.2. Liabilities

EQUITY & LIABILITIES (M€)	H1 24/25	FY24
Capital stock	4.4	4.4
Share premium	43.1	43.1
Consolidated reserves	(38.9)	(27.8)
Net income (loss) Group share	(8.3)	(10.0)
Total equity	0.3	9.7
Non-current financial liabilities	40.7	33.6
Long term lease liabilities	0.8	1.3
Other non-current liabilities	7.9	9.9
Non-current liabilities	49.5	44.8
Current financial liabilities	6.4	5.3
Short term lease liabilities	0.6	0.6
Trade payables	4.1	4.3
Other current liabilities	3.8	3.5
Liabilities held for sale	0.0	0.0
Current liabilities	14.7	13.8
Total equity and liabilities	64.5	68.3

Total Equity

Equity decreased from €9.7M to €0.3M, with the recognition of the current period losses (-€8.3M).

Non-Current Liabilities

Non-current liabilities increased from €44.8M to €49.5M, and include notably the non-current part of earnout liabilities related to the different acquisitions completed, convertible bond loans and loans with IRATA LLC.

Current Liabilities

Current liabilities increased to €14.7M over the period from €13.8M and are notably comprised of a €1.4M liability estimated for earnout-out obligations for the different acquisitions, as well as the current portion of loans concluded between Atari with IRATA LLC (€5.7M).

Financial Debt

(M€)	H1 24/25	FY24
Shareholders loans	11.3	4.9
Accrued interest on shareholder loans	0.5	-
Convertible bond	27.6	27.0
Fig Funding	1.3	1.7
Non current	40.7	33.6
Shareholders loans	5.7	4.9
Accrued interest on shareholder loans	0.3	0.1
Accrued interest on convertible bonds	0.3	0.3
Current	6.4	5.3
Financial liabilities	47.0	38.9

As of September 30, 2024, total financial liabilities stood at €47.0M, compared to €38.9M as of March 31, 2024. This evolution is mainly due to the increase in shareholders loans (€7.9M) granted by IRATA LLC to Atari SA for operating purposes and certain group entities, notably Infogrames LLC, for the purpose of IP and game purchases. FIG liability (€1.3M) has been reassessed to its fair value based on the commercial performance of the underlying games and payments made to FIG during the period, in accordance with IFRS 9 standard (See Note 17).

As of September 30, 2024, net financial liabilities stood at €44.1M, including €2.9M of cash and €47.0M of financial liabilities.

2.2.3. Statement of Cash Flows

(M€)	H1 24/25	H1 23/24
Net cash provided by (used in) operating activities	1.6	(4.6)
Net cash provided by (used in) investing activities	(4.8)	(18.9)
Net cash provided by (used in) financing activities	5.1	26.2
NET CHANGE IN CASH AND CASH EQUIVALENTS	0.3	4.8

(M€)	H1 24/25	H1 23/24
Net opening cash balance	2.6	1.7
Net closing cash balance	2.9	6.5
NET CHANGE IN CASH AND CASH EQUIVALENTS	0.3	4.8

2.3. EVENTS AFTER THE END OF THE INTERIM PERIOD



Acquisition by Infogrames of publishing rights of co-op hit Bread & Fred -

On November 4, 2024, Infogrames announced the acquisition of the Bread & Fred publishing rights in an agreement with Apogee Entertainment. Developed by Sand Castles Studios, Bread & Fred is a popular co-op game which was released on Steam in May 2023 and on Nintendo Switch in May 2024. Infogrames will work with the Sand Castles Studio to bring more content and updates to the game, as well as extend the offering to the Playstation and XBOX platforms.



Digital Eclipse releases Tetris Forever- On August 27, 2024, Digital Eclipse announced the upcoming release of Tetris Forever which celebrates the original, genre-inspiring puzzle game that escaped from behind the Iron Curtain, onto the world stage, and into our cultural consciousness! More than 15 playable classic games from the series' history are featured, including many being released for the first time outside Japan. As the next release in Digital Eclipse's acclaimed Gold Master Series, Tetris Forever includes over 90 minutes of all-new documentary

footage exploring the lifelong friendship and creative partnership between Tetris creator Alexey Pajitnov and The Tetris Company founder Henk Rogers, as they share the extraordinary but true story about Tetris. The game was released on November 12, 2024.



Acquisition of Chris Sawyer's Transport Tycoon - On November 1st, 2024, Atari announced the acquisition of Transport Tycoon in an agreement with the games creator Chris Sawyer. The 1994 title set the standard for simulation games, with deep and complex gameplay, detailed pixel graphics, subtle animations, and a remarkably wide range of configuration options. Atari will seek to expand digital and physical distribution, potentially develop new titles or content, and explore brand and merchandising collaborations as part of a long-term plan to preserve and expand this classic sim. Atari is also the publisher of Chris Sawyer's 2004 title Locomotion, which

he described as the spiritual successor of Transport Tycoon, as well as the Roller Coaster Tycoon franchise.



Digital Eclipse announces Mighty Morphin Power Rangers - On June 7, 2024, Digital Eclipse announced the forthcoming release of Mighty Morphin Power Rangers: Rita's Rewind. Rita's Rewind is an all-new adventure with an original storyline that both respects and remixes Power Rangers lore with scenarios and gameplay that will be both familiar and new to MMPR fans. Players will brawl, blast, fight, and drive through a constantly shifting mix of classic game genres and fan-favorite moments from the series. The game was released on December 10, 2024.

2.4. INFORMATION ON RISKS AND UNCERTAINTIES FOR THE NEXT HALF-YEAR

The risk factors presented in the Universal Registration Document published by Atari on August 8, 2024 have not undergone any significant changes in nature or level.

Outlook

Atari has achieved a solid start in the first-half of the year which began on April 1st, 2024, through the continued ongoing performance of all lines of business, especially in Games, with the contribution from the acquired studios the back catalog performance, as well as new publishing initiatives through Infogrames being of particular note.

The second-half of the year will be marked by the release of key titles, including *Tetris Forever*, *Mighty Morphin Power Rangers: Rita's Rewind*, *Atari 50: The Anniversary Celebration - Extended Edition*, *RCT Classic for Switch* and *The Thing Remastered*, which have been released before the end of December 2024. The expected new

revenue streams generated by those releases, combined with positive seasonal effects of the end of year holiday period, contribute to building momentum for the second half of the year.

In that context, and despite a still challenging market environment in the video games industry, Atari continues on its growth path, and is confident that the revenues for FY 25 (ending March 31st, 2025) will exceed previously reported FY 24 revenues of €20.6M.

Game Releases in H2 24/25 and Announced	Release Date (announced in italic)	Label	Platforms
Tetris Forever	11/12/2024	Digital Eclipse	PC, Switch, PS4, PS5, XBO, XBX/S, GOG
Mighty Morphin Power Rangers: Rita's Rewind	12/10/2024	Digital Eclipse	PC, Switch, PS4, PS5, XBO, XBX/S
Atari 50: The Anniversary Celebration Extended Edition (Physical & Digital)	11/10/2024	Atari	PC, Switch, PS4, PS5, XBO, XBX/S, Atari VCS (digital and Physical)
Killing Time: Resurrected	10/17/2024	Nightdive Studios	PC, Switch, PS4, PS5, XBO, XBX/S
The Thing: Remastered	12/5/2024	Nightdive Studios	PC, Switch, PS4, PS5, XBO, XBX/S

2.5. MAIN TRANSACTIONS WITH RELATED PARTIES

Related party agreements are described in the section 4 “Other Information” of this Document.

3. INTERIM CONSOLIDATED ACCOUNTS

3.1. CONSOLIDATED INCOME STATEMENT

(M€)		H1 24/25	H1 23/24
Revenue	Note 1	13.7	6.4
Cost of goods sold		(3.2)	(1.6)
GROSS MARGIN		10.5	4.7
Research and development expenses	Note 2	(8.2)	(3.3)
Marketing and selling expenses	Note 2	(0.9)	(0.5)
General and administrative expenses	Note 2	(4.2)	(3.9)
Other operating income (expense)	Note 2	-	(0.4)
CURRENT OPERATING INCOME (LOSS)		(2.7)	(3.4)
Other income (expense)	Note 3	(3.4)	(1.6)
OPERATING INCOME (LOSS)		(6.2)	(5.0)
Cost of debt	Note 4	(0.7)	(0.8)
Other financial income (expense)	Note 4	(1.4)	(0.6)
Income tax	Note 4	(0.0)	-
NET INCOME (LOSS) FROM CONTINUING OPERATIONS		(8.3)	(6.5)
Net income (loss) from discontinued operations		(0.0)	(0.1)
NET INCOME (LOSS)		(8.3)	(6.6)
Group share		(8.3)	(6.6)
Minority interests		-	-
Basic earnings per share (in euro)		(0.019)	(0.016)
Diluted earnings per share (in euro)		(0.013)	(0.017)

3.2. STATEMENT OF COMPREHENSIVE INCOME

(M€)	H1 24/25	H1 23/24
CONSOLIDATED NET INCOME	(8.3)	(6.6)
Elements directly incurred in net equity		
Translation adjustments	(1.7)	(1.9)
Financial assets valued at fair value through the other comprehensive income	-	0.9
Total result directly recognized in equity	(1.7)	(1.0)
COMPREHENSIVE INCOME	(10.0)	(7.6)
Of which: Group	(10.0)	(7.6)
Of which: Minority interests	-	-

3.3. CONSOLIDATED BALANCE SHEET

ASSETS (M€)		H1 24/25	FY24
Goodwill	Note 6	17.7	18.2
Other intangible assets	Note 7	21.0	24.8
Property, plant and equipment		0.0	0.0
Rights of use relating to leases	Note 8	1.3	1.8
Non-current financial assets	Note 9	11.9	12.3
Deferred tax assets	Note 10	1.2	1.2
Non-current assets		53.2	58.3
Inventories	Note 11	0.9	0.7
Trade receivables	Note 12	5.3	4.1
Other current assets		2.2	2.6
Cash and cash equivalents		2.9	2.6
Current assets		11.3	10.0
Total assets		64.5	68.3

EQUITY & LIABILITIES (M€)		H1 24/25	FY24
Capital stock	Note 13	4.4	4.4
Share premium		43.1	43.1
Consolidated reserves		(38.9)	(27.8)
Net income (loss) Group share		(8.3)	(10.0)
Total equity		0.3	9.7
Non-current financial liabilities	Note 14	40.7	33.6
Long term lease liabilities	Note 15	0.8	1.3
Other non-current liabilities	Note 16	7.9	9.9
Non-current liabilities		49.5	44.8
Current financial liabilities	Note 15	6.4	5.3
Short term lease liabilities	Note 16	0.6	0.6
Trade payables		4.1	4.3
Other current liabilities	Note 17	3.8	3.5
Liabilities held for sale		0.0	0.0
Current liabilities		14.7	13.8
Total equity and liabilities		64.5	68.3

3.4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(M€)	Capital	Share premium	Treasury shares	Consolidated reserves	Cumulative translation adjustments	Shareholders equity	Minority interests	Total equity
At September 30, 2023	4.2	41.0	0.4	(29.5)	(4.9)	11.2	-	11.2
Net income (loss) for the period	-	-	-	6.6	-	6.6	-	6.6
Translation adjustments	-	-	-	-	1.4	1.4	-	1.4
Other comprehensive income	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	6.6	1.4	8.0	-	8.0
Share issues	0.2	2.1	-	-	-	2.3	-	2.3
Treasury shares transactions	-	-	-	-	-	-	-	-
Others changes	-	-	-	(1.8)	-	(1.8)	-	(1.8)
At March 31, 2024	4.4	43.1	0.4	(34.7)	(3.5)	9.7	-	9.7
Net income (loss) for the period	-	-	-	(8.3)	-	(8.3)	-	(8.3)
Translation adjustments	-	-	-	-	(1.7)	(1.7)	-	(1.7)
Other comprehensive income	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	(8.3)	(1.7)	(10.0)	-	(10.0)
Share issues	-	-	-	-	-	-	-	-
Treasury shares transactions	-	-	-	-	-	-	-	-
Others changes	-	-	-	0.6	-	0.6	-	0.6
At September 30, 2024	4.4	43.1	0.4	(42.4)	(5.2)	0.3	-	0.3

3.5. CASH FLOW STATEMENT

(M€)	H1 24/25	H1 23/24
Net income (loss) for the year	(8.3)	(6.6)
Non cash expenses and revenue		
Charges (reversals) for depreciation, amortization and provisions for non current assets	11.7	3.9
Cost of (revenue from) stock options and related benefits	0.1	0.1
Losses (gains) on disposals	-	(0.3)
Other non cash items	(0.7)	0.5
Income taxes (deferred and current)	-	-
CASH FLOW BEFORE NET COST OF DEBT AND TAXES	2.8	(2.4)
Changes in working capital		
Inventories	(0.2)	(0.1)
Trade receivables	(1.1)	-
Trade payables	(0.2)	(0.3)
Other current & non current assets and liabilities	0.3	(1.8)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1.6	(4.6)
Purchases of/additions to		
Intangible assets	(5.0)	(5.6)
Financial Investments	-	(13.3)
Disposals/repayments of		
Intangible assets	0.2	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(4.8)	(18.9)
Net funds raised from		
Share issues	-	4.1
Bond issuance	-	30.0
Loans	7.5	9.0
Net funds disbursed for		
Interest and other financial charges	(1.1)	-
Debt repayment	(1.3)	(16.3)
Bond issuance costs	-	(0.6)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	5.1	26.2
Impact of changes in exchange rates	(1.6)	2.1
NET CHANGE IN CASH AND CASH EQUIVALENTS	0.3	4.8
(M€)	H1 24/25	H1 23/24
Net opening cash balance	2.6	1.7
Net closing cash balance	2.9	6.5
NET CHANGE IN CASH AND CASH EQUIVALENTS	0.3	4.8
Net closing cash balance		
Cash and cash equivalents	2.9	6.5

4. NOTES TO THE INTERIM CONSOLIDATED ACCOUNTS

4.1. GENERAL NOTES

4.1.1. General information

Atari SA is a French public limited company (*société anonyme*) registered with the Paris Trade and Companies Register under number 341 699 106 (and referred to as the “Company”). Its registered office is located in France, 25 rue Godot de Mauroy, 75009 Paris.

The consolidated accounts of Atari include the Company and its subsidiaries (together referred to as the “Group”). This note forms an integral part of the Group’s condensed IFRS consolidated accounts for the six months ended September 30, 2024. All amounts are expressed in millions of euros (€M), unless otherwise stated.

4.1.2. Description of the group’s activity

Founded in 1972 by Nolan Bushnell and Ted Dabney, Atari is one of the most recognized and celebrated brands in the world. Since inception, Atari played an integral role in the development of the arcade gaming, game console, and personal computer industries in the 1970s and 1980s, which launched the video games industry.

Atari’s strategy is to develop, directly or through video games, licensing agreements, hardware, consumer products and media content at the crossroads of interactive entertainment and the digital world to generate revenue by monetizing its portfolio of intellectual property. The Group’s organization is structured around four main lines of business: Games, Hardware, Licensing, and Atari X.

Atari’s business model in gaming is that of a publisher and developer of video games. Atari owns or has a license to intellectual property rights and either develops games internally or partners with internationally recognized third-party development studios for game production. Atari also leverages the development capabilities of Nightdive and Digital Eclipse, two wholly-owned studios, to create and publish premium games.

4.1.3. General corporate developments

Information with regards to the main general corporate developments during the interim period can be found in Section 2.1 “Significant events of the period” of this Document.

4.1.4. Context for preparing the financial statement

The Group’s condensed interim consolidated accounts were approved by the Board of Directors of Atari SA. The interim condensed consolidated accounts for the six months ended September 30, 2024 were prepared in accordance with IAS 34 “Interim Financial Reporting” and on the basis of IFRS and interpretations published by the International Accounting Standards Board (IASB) as adopted in the European Union.

These interim condensed consolidated financial statements therefore do not include all the information necessary for a complete set of financial statements prepared in accordance with IFRS, and must be read in relation to the latest consolidated accounts of the Group for the year ended March 31, 2024 prepared on the basis of IFRS. The purpose of the explanatory notes included in these condensed interim consolidated accounts is to explain significant events and transactions with a view to understanding changes in the Group’s financial position and performance since the last consolidated accounts.

4.1.5. Accounting methods and valuation rules used

The Group’s condensed consolidated financial statements at March 31, 2024 have been prepared:

- in accordance with IAS/IFRS and their interpretations as adopted by the European Union. These standards are available on the European Commission website: http://ec.europa.eu/finance/company-reporting/index_fr.htm;
- in accordance with IFRS as published by the IASB.

For the preparation of the financial statements as of September 30, 2024, the Group has applied the same accounting standards, interpretations and methods as those used in its financial statements for the year ended March 31, 2024. Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed financial statement of the Group:

- Amendment to IAS 1 - Classification of Liabilities as Current or Non-Current clarify the classification as current or non current of debt or other financial liabilities subject to a covenant;
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements
- Amendments to IFRS 16 - Lease liability in sale and leaseback;

USE OF ESTIMATES AND MATERIAL ACCOUNTING JUDGEMENTS

Preparing the consolidated financial statements in accordance with the rules of IFRS requires the Group to make a certain number of estimates and to adopt certain assumptions that it considers reasonable and realistic. These estimates and assumptions affect the amount of assets and liabilities, shareholders' equity, profits, and the amount of contingent assets and liabilities, as presented as of the balance sheet date.

The estimates and assumptions prepared on the basis of the information available as of the balance sheet date relate in particular to:

- Intangible assets, assumptions for development costs based on projected net resources;
- Intangible assets, Goodwill;
- Intangible assets - Development costs of video games;
- Intangible assets - Valuation of cryptocurrencies;
- Rights of use relating to leases, assumptions retained for recognizing the right of use on leased assets, valuation of lease liabilities, determination of the discount rate, term retained for a contract and depreciation schedule;
- Certain financial instruments: valuation method at fair value;
- Shareholders' equity, share-based payments: valuation of the stock option plans awarded to employees at their fair value on the date when rights are awarded using the "Black & Scholes" model;
- Deferred tax: estimates for the recognition of deferred tax assets.

CHANGES IN THE GROUP'S CONSOLIDATION SCOPE

As of September 30, 2024, 25 entities are consolidated of which 9 are inactive or undergoing liquidation. Atari Burundi has been liquidated during the first half of the year, and one new entity has been created, Atari Ocean Limited, in the United-Kingdom. Post half-year close, 31 X Limited, incorporated in the United Kingdom, was acquired and is being held at 100% by Atari Ocean Limited.

Company	Country	% holding		% interest	
		H1 25	FY 24	H1 25	FY 24
Active subsidiaries					
Atari Partners S.A.S.	France	100%	100%	100%	100%
Atari US Holdings Inc.	USA	100%	100%	100%	100%
Atari Inc.	USA	100%	100%	100%	100%
Atari Interactive Inc	USA	100%	100%	100%	100%
Atari Studios Inc	USA	100%	100%	100%	100%
Atari VCS LLC	USA	100%	100%	100%	100%
Atari Hotels Corp	USA	100%	100%	100%	100%
Atari Casino LLC	USA	100%	100%	100%	100%
Atari Games Corp	USA	100%	100%	100%	100%
Infogrames LLC	USA	100%	100%	100%	100%
Nightdive Studios LLC	USA	100%	100%	100%	100%
Digital Eclipse Entertainment	USA	100%	100%	100%	100%
GTI Interactive LLC	USA	100%	100%	100%	100%
Atari X LLC	USA	100%	100%	100%	100%

Atari Games Private India	India	99%	99%	99%	99%
Atari Ocean Limited	United Kingdom	100%	-	100%	-
Subsidiaries undergoing liquidation					
Atari Entertainment Africa Ltd ⁴	Mauritius	100%	100%	100%	100%
Atari Entertainment Uganda Ltd	Uganda	100%	100%	100%	100%
Atari Entertainment Tanzania Ltd	Tanzania	100%	100%	100%	100%
Atari Services Kenya	Kenya	100%	100%	100%	100%
Inactive subsidiaries					
DeVi SA	Switzerland	100%	100%	100%	100%
Atari Japan KK	Japan	100%	100%	100%	100%
Infogrames Entertainment GmbH	Germany	100%	100%	100%	100%
Infogrames Interactive GmbH	Germany	100%	100%	100%	100%
Cubed Productions LLC	USA	91%	91%	91%	91%
Liquidated subsidiaries during the period					
Atari Burundi Su	Burundi	-	100%	-	100%
Non-consolidated entities					
Playmaji Inc ⁵	USA	53%	53%	53%	53%
Antstream Limited	United-Kingdom	10%	10%	10%	10%

BUSINESS COMBINATIONS AND GOODWILL

Business combinations are recorded in accordance with the acquisition method as defined in IFRS 3, revised. Under this method, identifiable assets acquired and liabilities assumed of the acquiree are recorded at fair value at the acquisition date. The goodwill arising from the business combination is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest and, where applicable, the fair value of any previously held interest, over the acquisition-date net amounts of the identifiable assets acquired and liabilities and contingent liabilities assumed. This goodwill is measured in the functional currency of the company acquired and recognized in assets in the Consolidated Statement of Financial Position. Pursuant to IFRS, goodwill is not amortized but is subject to impairment tests performed at least annually or, where appropriate, more frequently where there is evidence calling into question the net carrying amount recorded in assets in the Statement of Financial Position. Where the terms and conditions of a business combination are advantageous, negative goodwill arises. The corresponding profit is recognized in net income at the acquisition date. Acquisition-related costs are expensed in the period in which the costs are incurred and the services received. Pursuant to the provisions of IFRS 3 revised, the Group may finalize the recognition of the business combination during the measurement period. This period ends when all the necessary information has been obtained and no later than one year after the acquisition date.

TRANSLATION OF FOREIGN CURRENCIES

The exchange rates used during the period are as follows:

In euros	H1 24/25		H1 23/24	
	Closing rate	Average rate	Closing rate	Average rate
USD	1.1143	1.1107	1.0587	1.0670

APPLICATION OF THE GOING CONCERN PRINCIPLE

The Company conducted a review of its liquidity risk based on projections on all of its four activities: Gaming, Hardware, Licensing and Atari X, excluding external financing. These forecasts rely on assumptions whose timing is uncertain as to their realization. The Group considers it can meet its obligations, potentially with the support of its main shareholder IRATA LLC who gave the Company a letter of support until the Shareholder Meeting approving results for the fiscal year ending March 31, 2025.

⁴ Holding company holding the interests of the Group's entities in Africa, whose liquidation will be initiated upon finalisation of the procedures concerning its subsidiaries.

⁵ Atari holds a non-controlling stake of 53% on a non-diluted basis and 49% on a fully diluted basis.

4.2. NOTES TO THE INCOME STATEMENT

NOTE 1 – SEGMENT INFORMATION – REVENUES

The Group's organization is structured around four lines of business: Games, Hardware, Licensing and Atari X.

REVENUE

On September 30, 2024, Atari recorded consolidated revenues of €13.7M, compared with €6.4M for the first half-year of 2023, an increase of 114% at current exchange rates and 118% at constant exchange rates. This growth reflects the contribution of the acquired entities, notably Digital Eclipse (on October 31, 2023), which was not included in the consolidation perimeter consolidated in the previous period, as well as the full six-month contribution of Nightdive (since May 11, 2023). The acquired studios contributed to €6.0M in revenues in total for the first half of the year.

(M€)	H1 24/25	H1 23/24
Games	11.9	5.3
Hardware	0.8	0.5
Licensing	1.0	0.4
Atari X	0.0	0.1
Total Revenue	13.7	6.4

NOTE 2 – CURRENT OPERATING EXPENSES

(M€)	H1 24/25	H1 23/24
Research and development	2.8	1.6
Amortizations	5.4	1.6
Stock Options	0.0	0.0
Research and development expenses	8.2	3.3
Marketing and selling	0.9	0.5
Stock Options	0.0	0.0
Marketing and selling expenses	0.9	0.5
General and administrative expenses	4.1	3.9
Stock Options	0.0	0.0
General and administrative expenses	4.2	3.9
Other operating income (expenses)	-	(0.4)
Other operating income (expenses)	-	(0.4)

RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses during the period totaled €8.2M, an increase of €4.9M compared to the previous period, given the consolidation of Digital Eclipse as from October 31, 2024, as well as the higher current period amortization expenses related to the adoption of an accelerated amortization change for intangible assets over 2 years related to games compared to the previous method of straight-line amortization over 3 years. This new amortization profile was implemented for the first time in the fiscal year ending March 31, 2024.

MARKETING AND SELLING EXPENSES

Marketing and selling expenses totaled €0.9M, compared with €0.5M in the previous period, to support marketing campaigns for new games launched in the first half of the year as well as new game releases planned for the second half of the year.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses represent €4.2M, a modest increase compared to the previous period despite the integration of Digital Eclipse.

NOTE 3 – OTHER INCOME (EXPENSE)

(M€)	H1 24/25	H1 23/24
Other income	1.3	-
Deferred income recognition	0.0	-
Other expense	(4.7)	(1.6)
Other income (expense)	(3.4)	(1.6)

Other expenses of -€3.4M mainly consist of the impairment on selected games in the portfolio for an amount of €4.7M, partially compensated by an exceptional income received in the context of an agreement with a third-party.

NOTE 4 – NET FINANCIAL INCOME (EXPENSE)

(M€)	H1 24/25	H1 23/24
Calculated expenses IFRS 16 Lease liabilities	0.0	(0.0)
Interests on debts	(0.7)	(0.8)
Interests on receivables	0.0	0.0
Cost of debt	(0.7)	(0.8)
Foreign exchange result	(0.0)	(0.0)
Impairment on non consolidated investments	(0.0)	(0.0)
Impairment on long term receivables	0.0	0.0
Loss on investment debts	-	-
Gain (loss) on crypto assets	0.2	0.0
Gain (loss) on adjustment of contingent liabilities	0.3	0.0
Amortization of bond costs	(1.6)	(1.0)
Other	(0.2)	0.3
Other financial income (expense)	(1.4)	(0.6)
Net financial income (expense)	(2.1)	(1.4)

Net financial income stood at -2.1M for the period, against -€1.4M in the previous period. Cost of debt is -€0.7M, comprising interest expense on shareholder loans.

Other financial income includes a +€0.3M impact related to the adjustment of cash earn-out liability estimates, adjustments resulting from the purchase price allocation, and an impact of -€0.2M related to the implied interests recognized on the FIG debt on the balance sheet (See Note 14 - Financial Liabilities).

NOTE 5 – OFF-BALANCE SHEET COMMITMENTS

COMMITMENTS GIVEN

Operating lease commitments

The Company entered into a lease agreement for its offices in Paris (renewable 3-year term starting May 1, 2019, for which the annual rent is approximately €73K), which has been terminated effective April 30, 2025.

The Company also has a lease agreement for its offices in New-York (beginning September 25, 2017 and expiring December 31, 2026, for an annual rent of \$395K) and the Digital Eclipse offices located in Emeryville, California (beginning January 1st, 2023, for a 5-year period, renewable 2 years, and for which the annual rent is approximately \$276K).

COMMITMENTS RECEIVED

Atari has received a commitment from its principal shareholder, IRATA LLC, the holding company owned by Wade Rosen, Chairman and CEO of Atari, to support the Company until the Shareholder Meeting approving results for the fiscal year ending March 31, 2025.

4.3. NOTES TO THE BALANCE SHEET

NOTE 6 - GOODWILL

Business combinations are recognized using the acquisition method at the acquisition date, which is the date on which control is transferred to the Group in accordance with IFRS 3. IFRS 3 requires the allocation of the purchase price through the fair value measurement of assets acquired and liabilities within a period of 12 months from the acquisition date. The Group values goodwill at the acquisition date as the fair value of consideration transferred, plus the fair value of identifiable assets acquired and liabilities taken over, as applicable.

Nightdive Studios

On May 15, 2023, Atari acquired the game development studio, Night Dive Studios, Inc., based in Vancouver, Washington, United States. Atari acquired 100% of the share capital of Nightdive for an initial consideration of \$9.5M, paid for in cash of \$4.5M (€4.1M) and newly issued Atari shares of \$5.0M (€4.6M), plus an earn-out of up to \$10M payable in cash over the next three years based on future performance of Nightdive.

The table below details the final allocation of the purchase price paid by Atari, on the date of acquisition of the controlling interest:

Identifiable Assets (M€)	As reported in 03/31/24	After PPA	CHANGE
Intangible assets	5.0	6.9	1.9
Trade receivables	0.2	0.2	-
Prepaid expenses	0.2	0.2	-
Cash	0.0	0.0	-
Trade payables	(0.5)	(0.5)	-
Deferred tax liability	(0.0)	(0.0)	(0)
Non current liabilities	(1.7)	(1.7)	-
Total Identifiable Net Assets	3.2	5.1	1.9

Consideration (M€)	As reported in 03/31/24	After PPA	CHANGE
Cash	4.2	4.2	-
Fair value of issued shares	4.6	4.6	-
Earn-out liability	6.1	6.3	0.2
Total Consideration	14.9	15.1	0.2

Goodwill	11.8	10.0	(1.7)
-----------------	-------------	-------------	--------------

The main reevaluation of assets and liabilities acquired was related to the intangible assets and earn-outs, measured at their fair values.

Net identifiable assets on acquisition totaled €5.1M and fair value adjustments in respect of assets identified in the purchase price allocation totaled €1.9M. Consideration relating to the earnout has a fair value of €6.3M at acquisition. This resulted in a goodwill balance of €10.0M being recognized on the consolidated balance sheet on acquisition.

The main factors leading to the recognition of goodwill on the acquisition includes the growth of Atari's development capabilities, expertise and competencies, as well as the broadening of Atari's portfolio of games, and future opportunities.

Digital Eclipse

On November 6, 2023, Atari acquired Digital Eclipse Entertainment Partners Co ("Digital Eclipse"), a game development studio founded in 1992 focused on the digital restoration of classic video games. The final purchase price of \$6.3M consists of \$3.8M (€3.5M) in cash and \$2.5M (€2.3M) in newly issued Atari ordinary shares, as well as a remaining earn-out of up to \$13.5M, payable in cash over a ten-year period, subject to Digital Eclipse meeting certain performance milestones.

The table below details the final allocation of the purchase price paid by Atari, on the date of acquisition of the controlling interest:

Identifiable Assets (M€)	As reported in 03/31/24	After PPA	CHANGE
Intangible assets	5.4	4.8	(0.6)
Trade receivables	0.4	0.4	-
Prepaid expenses	0.7	0.7	-
Cash	0.6	0.6	-
Trade payables	(0.6)	(0.6)	-
Deferred tax liability	(0.0)	(0.0)	-
Non current liabilities	(8.9)	(3.1)	5.8
Total Identifiable Net Assets	(2.4)	2.8	5.2

Consideration (M€)	As reported in 03/31/24	After PPA	CHANGE
Cash	3.5	3.5	-
Fair value of issued shares	2.3	2.3	-
Earn-out liability	11.1	4.7	(6.4)
Total Consideration	16.9	10.5	(6.4)

Goodwill	19.3	7.7	(11.6)
-----------------	-------------	------------	---------------

Net identifiable assets on acquisition totalled €2.8M and fair value adjustments in respect of assets identified in the purchase price allocation totalled -€0.6M. Consideration regarding the fair value of FIG liability at acquisition is €3.1M, assessed based on the expected commercial performance of underlying games at acquisition. Consideration relating to the earnout has a fair value of €4.7M at acquisition. This resulted in a goodwill balance of €7.7M being recognized on the consolidated balance sheet on acquisition.

The main factors leading to the recognition of goodwill on the acquisition includes the growth of Atari's development capabilities, expertise and competencies, the broadening of Atari's portfolio of games, as well as future growth opportunities.

NOTE 7 – OTHER INTANGIBLE FIXED ASSETS

During the period, developments with regard to intangible assets were as follows:

Gross value (M€)	Games	Purchased Games	IP and Licenses	Digital Assets	Total
March 31, 2024	55.6	8.0	4.7	0.2	68.5
Acquisitions	4.5	1.4	1.2	0.0	7.1

Disposals	-	-	-	(0.1)	(0.1)
Translation adjustments	(1.7)	0.9	(1.3)	(0.0)	(2.2)
September 30, 2024	58.4	10.2	4.6	0.1	73.3

Intangible assets gross value for the period increased from €68.5M to €73.3M:

- Games intangible assets increased from €55.6M to €58.4M, resulting from the continued commitment by Atari to invest in a pipeline of new games releases, across Atari, Nightdive, Digital Eclipse and Infogrames;
- Purchased Games increased to €10.2M to reflect for the value of games purchased during the period by Atari and Infogrames;
- IP and Licenses increased to €4.6M, reflecting acquisitions of IP catalogues (e.g. Intellivision).

Amortization & provisions (M€)	Games	Purchased Games	IP and Licenses	Digital Assets	Total
March 31, 2024	(40.8)	(1.0)	(1.8)	-	(43.7)
Amortissements	(8.6)	(0.9)	(0.6)	(0.0)	(10.1)
Disposals	-	-	-	-	-
Translation adjustments	1.3	-	0.1	0.0	1.4
September 30, 2024	(48.1)	(2.0)	(2.2)	-	(52.3)

Net value (M€)	Games	Purchased Games	IP and Licenses	Digital Assets	Total
March 31, 2024	14.8	7.0	2.9	0.2	24.8
September 30, 2024	10.3	8.2	2.3	0.1	21.0

SUMMARY OF DIGITAL ASSETS HOLDINGS OF ATARI

Atari holds a portfolio of several crypto currencies that Atari receives in the context of activations and partnership agreements with certain Web3 players (e.g. Coinbase), which represents a total value of €0.1M as of September 30, 2024. Other digital assets not valued in the financial statements include 972 parcels of Sandbox lands and 259 million ATRI Tokens.

NOTE 8 – RIGHTS OF USE RELATING TO LEASES

The application of IFRS 16 for leases is reflected in the recognition of a right-of-use asset on the office leases in New York (USA), Paris (France) and Emeryville (USA). At September 30, 2024, rights of use relating to leases break down as follows:

(M€)	H1 24/25	FY24
Rights of use relating to leases gross value	4.2	4.4
Rights of use relating to leases amortization	(2.8)	(2.6)
Rights of use relating to leases	1.3	1.8

NOTE 9 – NON CURRENT FINANCIAL ASSETS

Non-current financial assets breakdown is as follows at September 30, 2024:

(M€)	H1 24/25	FY24
Financial assets measured at fair value through OCI	10.6	10.8
Financial assets measured at fair value through profit & loss	0.9	1.0
Financial assets measured at amortized cost	0.4	0.5
Non-current financial assets	11.9	12.3

NOTE 10 – DEFERRED TAX ASSETS

Deferred tax assets remain stable at €1.2M compared to March 31, 2024.

As of September 30, 2024 the Group's tax loss carry-forward was approximately \$286M in the United States. However, losses incurred before January 1, 2018 can only be carried forward for 20 years, while those incurred after January 1, 2018 can be carried forward indefinitely, in the limit of 80% of the taxable income of the year. As such, \$240M tax loss carryforward will expire, of which around \$13M in FY 24 and approximately 44% in the next 5 years.

The Group's tax loss carry-forwards were €738M in France. The use of these tax loss carry-forwards are highly uncertain given the lack of income attributable to France in the operating group and the limitations on their use.

NOTE 11 – INVENTORIES

On September 30, 2024, inventory was valued at €0.9M mainly consisting of VCS units, Atari 2600+ units and accessories, XP cartridges, AtariAge cartridges and raw material inventories, and certain inventories related to merchandizing items directly through atari.com.

NOTE 12 – TRADE ACCOUNTS RECEIVABLES

Trade receivables for the period (net of allowance for bad debt) are €5.3M compared to €4.1M in the prior period.

(M€)	H1 24/25	FY24
Trade receivables	4.8	7.8
Allowance for bad debt	(1.0)	(4.4)
Receivables invoices to be established	1.4	0.7
Trade receivables net value	5.3	4.1

NOTE 13 – SHAREHOLDERS' EQUITY

Activity related to the shares outstanding during the period (April 1st, 2024 to September 30th, 2024) is as follows:

	H1 24/25	FY 24
Shares outstanding at the beginning of the period	442,405,856	382,534,286
Capital increase	-	58,295,217
Exercise of stock options	-	-
Exercise of warrants	-	-
New share issuance from Convertible Bonds	375,000	601,353
Free shares vesting	8,442	975,000
Shares outstanding at the end of the period	442,789,298	442,405,856

As of September 30, 2024, shareholders' equity was made up of 442,789,298 shares, with a par value of €0.01 each. At the date of this Document, shareholders' equity was made up of 442,821,918 shares, after taking into account new shares issued resulting from conversion requests by convertible bond holders since the end of the interim period.

The Company holds 3,253,426 treasury shares, representing 0.73% of capital.

The tables below summarize the stock options plans, free shares and warrants currently in place (at the date of this Document).

STOCK-OPTIONS

	Plan S12	Plan S15	Plan S16	Plan S17	Plan S18	Plan S19
Plan date	07/12/2017	07/16/2018	07/16/2018	12/18/2018	07/12/2020	11/30/2021
Start date	07/12/2018	07/16/2019	07/16/2019	12/18/2019	08/01/2021	12/01/2022
Vesting	1/3 per year	1/3 per year	1/3 per year	1/3 per year	1/3 per year	1/4 per year
Exercise price	€0.2720	€0.3770	€0.9770	€0.264	€0.224	€0.399
Expiry date	07/11/2025	07/31/2026	07/31/2026	01/18/2027	07/14/2028	12/01/2029
Options Outstanding	211,438	656,469	512,563	41,432	777,049	2,036,000

	Plan S20	Plan S21-22 ⁶	Plan S23	Plan S24	Plan S25
Plan date	06/10/2022	07/08/2022	01/17/2023	01/19/2024	04/10/2024
Start date	06/10/2023	07/08/2023	01/17/2024	01/19/2025	04/10/2025
Vesting	1/4 per year	1/4 per year	1/4 per year	1/4 per year	1/4 per year
Exercise price	€0.1615	€0.14	€0.1882	€0.1075	€0.1075
Expiry date	06/10/2030	07/08/2030	01/17/2031	01/19/2032	04/10/2032
Options Outstanding	500,000	5,000,000	2,000,000	2,000,000	250,000

FREE SHARES

Grant date	Number of free shares	Vesting	Acquired	End of lock-up
Plan n°22-1				
June 10, 2022	1.500.000	1/4 per year starting June 10, 2023	750,000	June 10, 2024

WARRANTS

Grant date	Number of warrants	Expiry date	Exercise price
December 1, 2021	219,783	December 1, 2029	0.3990 €

NOTE 14 – FINANCIAL LIABILITIES

The Group's financial liabilities breaks down as follows:

(M€)	H1 24/25	FY24
Shareholders loans	11.3	4.9
Accrued interest on shareholder loans	0.5	-
Convertible bond	27.6	27.0
Fig Funding	1.3	1.7
Non current	40.7	33.6
Shareholders loans	5.7	4.9
Accrued interest on shareholder loans	0.3	0.1
Accrued interest on convertible bonds	0.3	0.3
Current	6.4	5.3
Financial liabilities	47.0	38.9

As of September 30, 2024, total financial liabilities stood at €47.0M compared to €38.9M in the previous period. This change is attributable to:

⁶ Of which 4,000,000 to Wade Rosen, Chairman and CEO of Atari

- Increase in shareholders loans (+€7.2M) granted by IRATA LLC to Atari SA for operating purposes and certain group entities, notably Infogrames LLC, for the purpose of IP and game purchases;
- The Group has concluded a co-publishing agreement with FIG, part of the Republic ecosystem, for new games to be developed by Atari and Digital Eclipse. Under this agreement, Atari and Digital Eclipse have received a total €9.3M from FIG in order to develop certain new games, under a revenue-sharing agreement based on the commercial performance of the games. This amount received has been recorded as a debt, at its fair value as of September 30, 2024. In accordance with IFRS 9, the fair value of the debt has been reassessed based on the game performance of the underlying games, as well as the purchase price allocation process (See Note 6 - Goodwill). As of September 31, 2024, this debt is now estimated at €1.3M.

NOTE 15 – LEASE LIABILITIES - CURRENT AND NON-CURRENT

The Group has applied IFRS 16 - Leases. This standard introduces a single lessee accounting model and requires lessees to account for all leases on their balance sheet by recognizing a liability corresponding to the present value of future payments using a discount rate of 3%. With the termination of Atari's lease agreement for its office in Paris, the rights of use relating to leases now stand at €1.4M compared to €1.9M in the previous period. The maturities of the lease liabilities break down as follows:

(M€)	H1 24/25	FY24
Lease liabilities less than 1 year	0.6	0.6
Lease liabilities between 1 and 5 years	0.8	1.3
Lease liabilities after 5 years	0.0	-
Lease liabilities	1.4	1.9

NOTE 16 – OTHER CURRENT AND NON-CURRENT LIABILITIES

(M€)	H1 24/25	FY24
Other non-current liabilities	7.9	9.9
Other non-current liabilities	7.9	9.9
Trade payables	4.1	4.3
Other current liabilities	3.8	3.5
Other current liabilities	7.9	7.8

Other non-current liabilities is €7.9M and mainly consists of the recognition of earnout considerations related to acquisitions completed (Nightdive, Digital Eclipse and RCT3), as per the terms of the acquisitions.

Other current liabilities is €3.8M and consists of €1.4M estimated earn-out obligations for the current year, and €1.1M deferred revenue corresponding to hardware product pre-orders collected and physical goods which will be recognized as revenue upon delivery to end customers.

4.4. OTHER INFORMATION

4.4.1. Post-closing events



Acquisition by Infogrames of publishing rights of co-op hit Bread & Fred - On November 4, 2024, Infogrames announced the acquisition of the Bread & Fred publishing rights in an agreement with Apogee Entertainment. Developed by Sand Castles Studios, Bread & Fred is a popular co-op game which was released on Steam in May 2023 and on Nintendo Switch in May 2024. Infogrames will work with the Sand Castles Studio to bring more content and updates to the game, as well as extend the offering to the Playstation and XBOX platforms.



Acquisition of Chris Sawyer's Transport Tycoon - On November 1st, 2024, Atari announced the acquisition of Transport Tycoon in an agreement with the games creator Chris Sawyer. The 1994 title set the standard for simulation games, with deep and complex gameplay, detailed pixel graphics, subtle animations, and a remarkably wide range of configuration options. Atari will seek to expand digital and physical distribution, potentially develop new titles or content, and explore brand and merchandising collaborations as part of a long-term plan to preserve and expand this classic sim. Atari is also the publisher of Chris Sawyer's 2004 title Locomotion, which he described as the spiritual successor of Transport Tycoon, as well as the Roller Coaster Tycoon franchise.

4.4.2. Related party transactions

The following agreements were entered into during the period:

IRATA shareholders loans

- On April 10, 2024, the Company entered into an agreement with IRATA, by which IRATA granted shareholder loans to Atari SA for a consideration of \$4.5M, at a rate of 10% per year.
- On July 22, 2024, the Company entered into an agreement with IRATA, by which IRATA granted shareholder loans to Atari SA for a consideration of \$1.5M, at a rate of 10% per year.
- On July 31, 2024, the Company entered into an agreement with IRATA, by which IRATA granted shareholder loans to Atari SA for a consideration of €0.9M, at a rate of 10% per year.

All the agreements listed above have been approved at Atari's general meeting held on September 29, 2024, under the regulated agreements procedure.

5. STATUTORY AUDITORS' REPORT ON THE INTERIM FINANCIAL INFORMATION

Statutory Auditors' Review Report on the Condensed Half-yearly Financial Information for the period from April 1, 2024 to September 30, 2024

This is a free translation into English of the statutory auditors' review report on the Condensed 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,

In compliance with the assignment entrusted to us by your General assembly 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, 2024, to September 30, 2024,
- the verification of the information presented in the half-yearly management report.

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.

1. 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.

Without qualifying our conclusion, we draw your attention to the matter set out in note 6 to the condensed half-yearly consolidated financial statements regarding the impact of Purchase Price Allocation in relation with the acquisition of the entities Nightdive and Digital Eclipse.

2. 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-year consolidated financial statements.

Paris-La Défense, December 27, 2024
The Statutory Auditor

Deloitte & Associés
French original signed by

Benoit PIMONT