



HALF-YEAR 2024/2025 RESULTS

PARIS, FRANCE (December 27, 2024 - 6.30 pm CET) - [Atari®](#) — one of the world's most iconic consumer brands and interactive entertainment producers — today announces the Group's interim consolidated results for the half year ended September 30, 2024, approved by the Board of Directors during its meeting held on December 26, 2024. The interim financial statements were subject to a limited review of the Statutory Auditors.

Highlights of the first-half ended September 30, 2024

- 7 new games releases: *Lunar Lander Beyond*, *Neo Sprint*, *Food Fight*, *Yars Rising*, *System Shock Remake* (consoles), *Wizardry* and *Volgar II*;
- Pre-orders opening for new Atari 7800+ console;
- Relaunch of iconic Infogrames publishing label, with the initial purchase of two IPs: *Totally Reliable Delivery Services* and *Surgeon Simulator*;
- Acquisition of Intellivision trademarks and certain games.

Post closing events

- Releases of Atari's *Roller Coaster Tycoon Classic* (Switch), Digital Eclipse's *Tetris Forever*, *Mighty Morphin Power Rangers: Rita's Rewind* and Nightdive's *The Thing Remastered*;
- Acquisition by Infogrames of publishing rights of co-op hit *Bread & Fred*;
- Acquisition of Chris Sawyer's *Transport Tycoon*.

HY 2025 financial highlights

- Doubling of Revenues for the period at €13.7M (vs. €6.4M), with a favorable effect from the consolidation of Digital Eclipse this half-year and full six months contribution of Nightdive;
- Games revenue increased more than two fold to €11.9M (vs. €5.3M) demonstrating solid games catalog performance across all labels and studios and the contribution of newly formed publishing label Infogrames;
- Current operating loss of -€2.7M, (vs. -€3.4M in the previous period), in a context of continued investment and higher amortization charges related to the transition to an accelerated games amortization policy;
- Operating income of -€6.2M (vs. -€5.0M in the previous period), impacted by non-cash intangible assets impairment;
- Cash flow from operations for the period turned positive at +€1.6M against -€4.6M for the same period last year.

Wade Rosen, Chairman and Chief Executive Officer commented: “The strong growth achieved in the first half of the year reflects the continued improvement of Atari's operations and the initial results of our strategic initiatives and repositioning efforts. We are confident that the second half of the year will deliver another robust performance, driven by the release of key titles and the opportunities presented by the holiday season.”

HIGHLIGHTS OF THE PERIOD

During the first-half of the year, the Group continued to focus its resources on 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 several new games during the period. Atari 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 50th Anniversary* 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 *System Shock Remake* on consoles. Nightdive 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.

BREAKDOWN OF REVENUES BY LINES OF BUSINESS

(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

Revenues - For the first half-year ending September 30, 2024, the Group recorded 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 impact of 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 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.

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

² 7800+ shipments began on November 29, 2024.

CONSOLIDATED INCOME STATEMENT SUMMARY

(M€)	H1 24/25	H1 23/24
Revenue	13.7	6.4
Cost of goods sold	(3.2)	(1.6)
GROSS MARGIN	10.5	4.7
Research and development expenses	(8.2)	(3.3)
Marketing and selling expenses	(0.9)	(0.5)
General and administrative expenses	(4.2)	(3.9)
Other operating income (expense)	-	(0.4)
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)	(8.3)	(6.6)

Costs of goods sold and Gross Margin – Costs 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.

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 method than the 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 select games, partially compensated by exceptional income received in the context of an agreement with a third party.

CONSOLIDATED BALANCE SHEET SUMMARY

ASSETS (M€)	H1 24/25	FY24
Non-current assets	53.2	58.3
Current assets	11.3	10.0
Total assets	64.5	68.3

Non-Current Assets – As of the end of September 2024, non-current assets represent €53.2M against €58.3M in 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 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*).

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

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 relate to revenue due from digital distribution partners.

EQUITY & LIABILITIES (M€)	H1 24/25	FY24
Total equity	0.3	9.7
Non-current liabilities	49.5	44.8
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).

CASH FLOW STATEMENT SUMMARY

(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

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 all been released before the end of December 2024. The expected new revenue streams generated by these releases, combined with positive seasonal effects of the end of year holiday period, contribute to the 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.

AVAILABILITY OF THE INTERIM FINANCIAL REPORT

The complete Interim financial report for the half-year closed on September 30, 2024 has been published today and made available on the [Atari-investisseurs.fr](https://atari-investisseurs.fr) website ("Financial Reports" section).

About ATARI

Atari is an interactive entertainment company and an iconic gaming industry brand that transcends generations and audiences. The company is globally recognized for its multi-platform, interactive entertainment and licensed products. Atari owns and/or manages a portfolio of more than 400 unique games and franchises, including world-renowned brands like *Asteroids®*, *Centipede®*, *Missile Command®*, *Pong®*, and *RollerCoaster Tycoon®*. Atari has offices in New York and Paris. Visit us online at www.Atari.com.

Atari shares are listed in France on Euronext Growth Paris (ISIN Code FR0010478248, Ticker ALATA) and OTC Pink Current (Ticker PONGF).

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