



Not for release or distribution, directly or indirectly, in the United States, Canada, Australia, Japan or to U.S. persons.

FRENCH STUDIO DONTNOD ENTERTAINMENT REGISTERS ITS BASE DOCUMENT AS PART OF ITS INITIAL PUBLIC OFFERING ON EURONEXT GROWTH PARIS

April 18, 2018. DONTNOD Entertainment, a French independent video game creator and developer, announces today the filling of its *Document de base* with the French financial markets authority (AMF) under no. I.18-017, on April 17, 2018.

The filling of the *Document de base* is the first step in DONTNOD's planned IPO on the Euronext Growth market in Paris, subject to market conditions and AMF approval of the IPO prospectus.

Oskar Guilbert, Founder, Chairman and Chief Executive Officer of DONTNOD Entertainment, made the following comments: "*Already worth US\$109 billion in 2017¹, the global video game market is strongly growing, and we intend to take full advantage of this. Developed by an experienced and passionate team, our studio's original creations have enabled us to attract the world's largest publishers and a very wide audience. We intend to build on this momentum via this IPO.*"

DONTNOD, the French studio specializing in narrative based games

Founded in 2008, DONTNOD develops video games in popular genres: adventure, action and role-playing games (RPG), offering a unique narrative experience and gameplay. Every DONTNOD game, with a tightly controlled AA² rated budget, is a natively multi-screen (console, PC, smartphone, tablet, Mac and TV) original creation and aimed at a wide audience.

The three cornerstones of DONTNOD's creative success are:

1. ordinary characters that the player can easily relate to, placed in extraordinary situations – a story-telling technique used in film and television, adapted to video games;
2. emotions triggered through interactions: enhancing the player's emotions by offering a powerful emotional journey, unlike traditional video games;
3. choices and consequences: the player is in control of the story, making choices that affect how the game will unfold and end.

¹ Source: Newzoo, 2017 Global Games Market report

² AA: budget between €10m and €15m





A worldwide blockbuster and one of the most eagerly awaited games of 2018

With the international success of *Life Is Strange*, a blockbuster purchased by over 3 million unique players³ published by Square Enix, and the most downloaded narrative game in the world, today the studio is recognized on an international scale for the quality of its games and its immersive and innovative worlds. *Life is Strange*, whose creativity was praised by critics and public alike, has been downloaded 5.6 million times on the *Steam*⁴ platform.

Furthermore, given the buzz in the *Steam* community and pre-orders placed for *Vampyr*, DONTNOD's latest original creation published by Focus Home Interactive and set to be released on June 5, the game is expected to achieve major commercial success.

A successful model: episodic games inspired by TV series

Life is Strange adopted the successful TV series format, with its first season being released in 5 episodes, maintaining strong momentum in franchise sales over time. This new, value-creating model means that certain phases of the game can be adapted to reflect player feedback, thus building anticipation between each episode. This format is perfectly suited to new consumer habits and reflects the growing digitization of the video game industry.

The success of this approach has enabled DONTNOD to position itself amongst the top studios in the world, receiving over 200 awards since the release of the first episode in 2015, and to build its reputation amongst fans and publishers.

Partnerships with leading publishers

DONTNOD's games are known all over the world thanks to the quality of its publisher partners, all world-class producers, such as Capcom (*Street Fighter*, *Resident Evil*), Square Enix (*Final Fantasy*, *Tomb Raider*), French publisher Focus Home Interactive (*Farming Simulator*, *Bloodbowl*) and Bandai Namco Entertainment (*Dragon Ball Z*, *Naruto*)⁵.

Thanks to its creative originality, clever narratives, visuals and playability, DONTNOD has earned the trust of a growing number of publishers worldwide.

Tightly-controlled development and a pipeline of games in production until 2020

DONTNOD uses a business model that combines fixed financing, enabling it to limit its financial risks by covering all or part of its development costs, with royalties, ensuring a return on the commercial success of its games.

In 2017⁶, DONTNOD posted revenues of €9.7 million, up 33%, net operating income of⁷ €2.4 million and net income of €2.1 million.

³ Total in May 2017, source: Square Enix

⁴ Source: Steamspy.com total units

⁵ Non-exhaustive list of some of our publishers' games

⁶ Restated, audited data prepared in accordance with French accounting standards, intended to present performance free of error corrections from previous years – see sections 9 and 20 of the *Document de base* for the reconciliation of reported and restated statements

⁷ Including the video game tax credit (CIVV)





Backed by a passionate team, DONTNOD has a pipeline of games under development already offering growth over the next three years, with four games under production: *Vampyr*, the new *Life is Strange*, a narrative game with Bandai Namco Entertainment and a fourth project whose title and publisher are still under wraps. What's more, the studio is already working on the design of two new games and discussions have begun with major publishers.

Euronext Growth at the heart of the strategy

The aim of the initial public offering is, firstly, to provide the company with the funds required to co-produce new games with publishers, thereby capturing more value per game and increasing the portion of recurring revenues and, secondly, to take advantage of acquisition opportunities.

Publication of the *Document de base*

DONTNOD Entertainment's *Document de base* is available on the Company's website (www.dontnod-bourse.com) and on the AMF website (www.amf-france.org).

Risk factors

DONTNOD draws readers' attention to section 4 "Risk factors" of the *Document de base* registered with the AMF.

Read more at www.dontnod-bourse.com

About DONTNOD Entertainment

Founded in 2008, DONTNOD is an independent French studio that develops AA-rated video games in popular genres, such as adventure (Life is Strange), action (Remember Me) and RPG (Vampyr). Every new game is an original, natively multi-screen creation with a unique narrative experience and gameplay (consoles, PC, smartphones, tablets, Mac and TV) and is aimed at a wide audience, whether released in episodes by adopting the successful TV series format, or in "one shot" format. The studio has built an international reputation amongst leading publishers such as Square Enix, Focus Home Interactive, Bandai Namco Entertainment and Capcom.

Step into the studio's immersive and innovative universe at dont-nod.com

INVESTOR RELATIONS

ACTUS finance & communication
Corinne Puissant
dontnod@actus.fr
Tel. +33 (0)1 53 67 36 77

MEDIA RELATIONS

ACTUS finance & communication
Anne-Catherine Bonjour
acbonjour@actus.fr
Tel. +33 (0)1 53 67 36 93





Disclaimer

No communications and no information in respect of the issue of shares (the "Shares") by DONTNOD Entertainment may be distributed to the public in a country in which a registration or approval obligation is required. No action has been (or will be taken) outside France, in any country whatsoever in which such action would be required. The issue or subscription of Shares may be subject to specific legal or regulatory restrictions in certain countries. DONTNOD takes no responsibility for any violation of any such restrictions by any person whatsoever.

This document is not a prospectus in the sense of Directive 2003/71/EC of the European Parliament and Council of 4 November 2003, as amended, and particularly by Directive 2010/73/EU of the European Parliament and Council of 24 November 2010, as amended and transposed by each of the Member States of the European Economic Area (the "Prospectus Directive"). The offer will be made to the public in France only after the granting of AMF approval of the Prospectus.

With regard to Member States of the European Economic Area other than France (the "Member States"), that have transposed the Prospectus Directive, no action has been (or will be) undertaken to allow an offer of shares to the public requiring the publication of a prospectus in one or other of the Member States. Consequently, Shares may be offered in Member States only: (a) to legal persons that are qualified investors as defined in the Prospectus Directive; or (b) in the other cases that do not require the publication by DONTNOD of a prospectus in respect of Article 3(2) of the Prospectus Directive.

For the purposes of this paragraph, the notion of "Shares offered to the public" means, in each Member State any communication in any form and by any means of sufficient information about the terms and conditions of the offer and the Shares, so as to enable an investor to decide to buy or subscribe for the Shares, insofar as this same notion may have been modified in the Member State in question during its transposition of the Prospectus Directive. This investment restriction is in addition to the other investment restrictions applicable in the Member States.

The distribution of this document has not been carried out or approved by an authorised person under the meaning of Article 21(1) of the Financial Services and Markets Act 2000. Consequently, this document is only being distributed to and is only directed at persons (i) who are outside the United Kingdom, (ii) who are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, (iii) who fall under Article 49(2) (a) to (d) (high net worth entities, non-registered associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or (iv) other persons to whom this document may lawfully be communicated, as indicated in paragraphs (i), (ii), (iii) and (iv) (all such persons together being referred to as "Relevant Persons"). The securities are only intended for Relevant Persons and all invitations, offers or contracts in respect of the subscription, purchase or acquisition of shares may only be distributed to or signed with Relevant Persons. Any person who is not a Relevant Person must not use or rely on this document or any of its contents. This document is not a prospectus approved by the Financial Services Authority or by any other regulatory authority in the United Kingdom falling within Section 85 of the Financial Services and Markets Act 2000.

This document does not constitute an offer of securities, or in any way an offer or invitation to purchase or subscribe for any securities, or an offer for sale of securities in the United States. The securities mentioned in this document have not been and will not be registered under the 1933 U.S. Securities Act, as amended, and may not be offered or sold in the United States without registration or an exemption from this required registration pursuant to the U.S. Securities Act. DONTNOD does not intend to register the offer indicated in this document or any part of this offer in the United States, nor to carry out any other public offer in the United States.

The distribution of this document in certain countries may constitute a violation of current legal provisions. The information contained in this document does not constitute an offer of securities in the United States, Canada, Australia or Japan.

