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 players\(^1\) 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 2017\(^6\), DONTNOD posted revenues of €9.7 million, up 33%, net operating income of\(^7\) €2.4 million and net income of €2.1 million.

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\(^1\) Total in May 2017, source: Square Enix
\(^2\) Source: Steamspy.com total units
\(^3\) Non-exhaustive list of some of our publishers’ games
\(^4\) 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
\(^5\) Including the video game tax credit (CJVF)
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 dontnod.com

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