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MAJOR SUCCESS OF DONTNOD ENTERTAINMENT'S INITIAL PUBLIC OFFERING ON EURONEXT GROWTH PARIS VERY STRONG DEMAND RECORDED, €110 MILLION, i.e. AN OFFERING 4.7 TIMES OVER-SUBSCRIBED¹

- €26.6 million² raised under the Global Placement (GP) and the Open Price Offering (OPO) after the extension clause was exercised in full, liable to be increased to €30.5 million if the over-allotment option is exercised in full
- Share price set above the price range at €19.76
- Trading begins on May 23, 2018

May 18, 2018. DONTNOD Entertainment, a French independent video game creator and developer, today announces the major success of its initial public offering on the Euronext Growth market in Paris (ISIN code: FR0013331212 – Ticker: ALDNE).

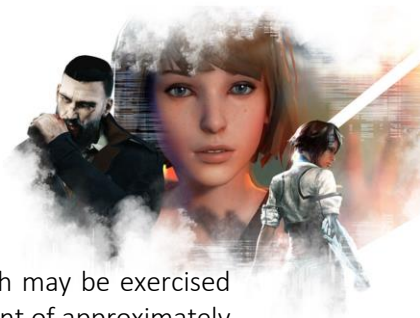
Given the high level of demand recorded, DONTNOD Entertainment's Board of Directors, which met today, set the definitive share price at €19.76, above the potential price range. Furthermore, the Board decided to exercise the extension clause in full, allowing DONTNOD Entertainment to raise €26.6 million, which may be increased to €30.5 million in the event that the over-allotment option is exercised in full.

The Global Placement, mainly intended for institutional investors, and the Open Price Offering, mainly intended for individuals, were extremely successful. Global demand amounted to €109.1 million, including €92.8 million for the global placement and €16.2 million for the Open Price Offering, i.e. 4.7 times over-subscribed (4.5 times for institutional investors and 7 times for individuals).

1,385,677 new shares were allocated under the Global Placement, amounting to €27.4 million. Under the Open Price Offering, 160,000 shares were allocated to the public, amounting to €3.1 million. A1 orders (1-200 shares, inclusive) will be served up to 28.4% and A2 orders (more than 200 shares) will not be served.

In total, the number of shares issued following the full exercise of the extension clause amounted to 1,344,067 new shares, plus 347,070 new shares resulting from the automatic conversion of bonds issued by the Company. On this basis, and taking into account the initial public offering price of €19.76 per share, DONTNOD Entertainment's market capitalization amounts to €88.4 million. Following the transaction, DONTNOD Entertainment's share capital now comprises 4,471,912 shares. Free float represents 26.6% of the company's capital before exercise of the over-allotment option.





DONTNOD Entertainment granted Gilbert Dupont an over-allotment option, which may be exercised until June 17, 2018 up to a maximum of 201,610 new shares, i.e. a maximum amount of approximately €3.9 million.

Oskar Guilbert, Founder, Chairman and Chief Executive Officer of DONTNOD Entertainment, said: *"We are delighted by the enthusiastic welcome DONTNOD received during this initial public offering. We would like to extend our sincere thanks to the institutional and individual investors for their trust and support for our development, as well as the partners who have assisted us for several months now.*

The funds raised will enable us to step up our growth strategy and consolidate our leading position as an original content creator in a fast-growing global video game market."

The settlement-delivery of the shares is scheduled to take place on May 22, 2018. The shares will be admitted for trading on Euronext Growth as from May 23, 2018.

Income tax reduction

DONTNOD Entertainment's capital increase also meets the eligibility criteria for the income tax reduction for subscriptions to an SME's share capital. If required, individual subscribers may request a tax certificate from the company, which shall issue such certificate up to the applicable statutory ceiling. Certificate requests must be sent by email to dontnod@actus.fr, or by post no later than June 30, 2018 to the following address:

ACTUS finance & communication
- Attestations DONTNOD Entertainment -
52 rue de Ponthieu - 75008 PARIS

Individual status requests will be processed on a "first come, first served" basis. Once the applicable ceiling has been reached, the company will no longer issue tax certificates.

Please note that the income tax reduction is also subject to compliance with certain conditions by the subscriber; it is the responsibility of each subscriber to check whether the eligibility criteria for these tax measures apply to his or her personal situation. Furthermore, subscriptions to securities giving rise to an income tax reduction cannot be included in a PEA or PEA-PME share savings scheme.

Eligibility of the offer for PEA and PEA-PME, and classification as an innovative company³

DONTNOD announces that it complies with the eligibility criteria for PEA-PME specified by the application decree dated March 4, 2014 (decree no. 2014-283). As a result, DONTNOD shares can be fully included in these share savings schemes (PEA) and PEA-PME accounts, which benefit from the same tax advantages as a conventional PEA. DONTNOD is also classified as innovative company by Bpifrance.





Share capital breakdown

Shareholders	Before Offering		After Offering (Limited to 100% + extension clause)		After Offering (Limited to 100% + extension clause) diluted ⁽⁵⁾	
	Nb of shares	% in capital and voting rights	Nb of shares	% in capital and voting rights	Nb of shares	% in capital and voting rights
Loskent ⁽¹⁾	387,075	13.92%	387,075	8.66%	387,075	8.43%
Kostadin Yanev	2,338,050	84.08%	2,338,050	52.28%	2,338,050	50.90%
Modern Vision Ent. ^{(2) (4)}	-	-	395,031	8.83%	478,533	10.42%
Sub-Total K. Yanev	2,338,050	84.08%	2,733,081	61.12%	2,816,583	61.32%
Douglas Hawes	55,650	2.00%	55,650	1.24%	55,650	1.21%
Cely Finance ^{(3) (4)}	-	-	108,459	2.43%	146,414	3.19%
Public	-	-	1,187,647	26.56%	1,187,647	25.86%
Total	2,780,775	100.00%	4,471,912	100.00%	4,593,369	100.00%

(1) Company 99% owned by O. Guilbert Chairman & CEO of Don't Nod

(2) Company controlled by K. Yanev

(3) Company controlled by a third-party investor, with no connection to the Company, the directors and the current shareholders

(4) Taking account of the automatic conversion of all of the 4,800,000 CB1 subscribed in January and February 2018 by Modern Vision and Cely Finance in 347,070 new shares of the Company

(5) Dilute from subscription warrants exercise into 139,616 shares

MAIN FEATURES OF THE OFFERING

Security identification codes

- Name: DONTNOD ENTERTAINMENT
- Market: Euronext Growth in Paris
- ISIN code: FR0013331212
- Ticker: ALDNE

Offering price

- The Open Price Offering price and the Global Placement price are set at €19.76 per share

Size and gross proceeds of the Offering

- 1,344,067 new shares were issued under the Offering, after exercise of the extension clause and before exercise of the Over-allotment Option. Total gross proceeds of the share issue amounted to around €26.6 million (including €3.1 million via offset against receivables), after the extension clause was exercised in full and before exercise of the over-allotment option.

Allocation of the Offering

- 1,385,677 shares allocated under the Global Placement (representing around €27,4 million and 89% of the total number of shares allocated);
- 160,000 shares allocated under the Open Price Offering (representing around €3,1 million and 11% of the total number of shares allocated). A1 orders (from 1-200 shares, inclusive) will be served up to 28.4% and A2 orders (more than 200 shares) will not be served.

Shareholder retention and lockup undertakings

- Undertaking by the company not to issue securities: 180 days
- Lock-up undertaking for all of the shareholders, all of the convertible bond holders, all of the stock option holders, and for Modern Vision Entertainment Ltd: 365 days





Next steps

May 22, 2018	Settlement & delivery of the OPO and Global Placement
May 23, 2018	The Company's shares begin trading on Euronext Growth Beginning of the potential stabilization period
June 17, 2018	Cut-off date for exercise of the over-allotment option End of the potential stabilization period

Financial intermediaries and advisers

Lead Manager and
Bookrunner



Co-Lead Manager and
Bookrunner



Listing Sponsor



Financial
communication



Availability of the prospectus

Copies of the prospectus approved by the AMF under no.18-156 on May 2, 2018, which consists of the *document de base* filed under no. I.18-017 by the AMF on April 17, 2018 and a securities note (including the summary prospectus), are available free of charge from DONTNOD's registered office at 134-140 rue d'Aubervilliers, 75019 Paris, on the websites of the Company (www.dontnod-bourse.com) and the AMF (www.amf-france.org).

Risk factors

DONTNOD would like to draw the public's attention to Chapter 4 "Risk Factors" of the *document de base* registered with the AMF and to Chapter 2 "Risk factors relating to the offering" of the securities note.

Read more at www.dontnod-bourse.com

About DONTNOD Entertainment

Founded in 2008, DONTNOD is an independent French studio that develops "AA" budget 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

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¹ Including €3.1m via offset against receivables

² Based on the initial offering: GP and OPO, excluding extension clause and over-allotment option

³ These arrangements are conditional, and within the limit of the available caps. Interested persons are invited to contact their financial adviser.





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.

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DONTNOD

ENTERTAINMENT

A VIDEO GAME STUDIO
IN THE HEART OF IMMERSIVE AND INNOVATIVE UNIVERSES

