



SUCCESSFUL CAPITAL INCREASE OF €6.7 MILLION

July 2nd, 2020. DONTNOD Entertainment, an independent French studio that creates and develops video games, today announces its successful capital increase with cancellation of preferential subscription rights as part of an offering pursuant to Article L.411-2 1° of the French Monetary and Financial Code, enabling the studio to raise €6.7 million through the issue of 487,821 shares, at a price of €13.67 per share, representing a discount of 4.7% compared to the volume weighted average DONTNOD share price on the Euronext Growth Paris market for the last three trading sessions.

Oskar Guilbert, Chairman and Chief Executive Officer of DONTNOD, said: *“The funds raised will allow us to ramp-up the implementation of our development strategy geared towards increased self-publishing and thereby, take full advantage of positive trends within the industry for creators of internationally-renowned premium original games such as DONTNOD. I would like to thank all the investors, French and Anglo-Saxon for the trust they have placed in us by becoming shareholders or renewing their support. This capital increase enables us to strengthen our equity base whilst diversifying our capital structure and boosting our floating capital.”*

The order book was amply covered, based on sustained demand from institutional investors particularly based in the UK. The funds raised through the Offering are designated solely for accelerating DONTNOD’s transition towards increased self-publishing.

Principal terms of the Offering

The capital increase was carried out with cancellation of preferential subscription rights with qualified French and international investors, as part of an offering pursuant to Article L. 411-2 1° of the French Monetary and Financial Code of new shares (the “New Shares”) through an accelerated bookbuilding process (the “Offering”).

A total of 487,821 new ordinary shares, with a par value of €0.02 each, was issued to qualified investors pursuant to Article L. 411-2 1° of the French Monetary and Financial Code in accordance with the 10th resolution adopted by the Company’s combined general meeting on June 18, 2019.

The new shares, representing 10.4% of the Company’s share capital before execution of the Offering, were issued by decision of the Chairman of the Board of Directors of the Company pursuant to and within the limits of the delegation of powers and sub-delegation conferred by the General Meeting and the Board of Directors of the Company on July 1st, 2020.

The issue price of the new shares was set at €13.67 per share, representing a discount of 3.4% on the closing price of the DONTNOD share price on July 1st, 2020, i.e. €14.15, and of 4.7% compared to the volume weighted average DONTNOD share price on the Euronext Growth Paris market for the last three trading sessions prior to the establishment of the issue price (i.e. June 29, 30 and July 1st, 2020 inclusive), i.e. €14.34, in accordance with the 10th resolution approved by the combined general meeting of the Company of June 18, 2019.

The settlement and delivery of the New Shares and their admission for trading on the Euronext Growth Paris market are scheduled for July 6, 2020. The New Shares will be subject to all statutory provisions and will be assimilated to the existing shares upon final completion of the Capital Increase. They will bear current dividend rights and will be admitted for trading on the Euronext Growth Paris market on the same listing line as the Company shares that are already listed and under the same code ISIN FR0013331212 - ALDNE.



The placement of the New Shares was carried out by Portzamparc – Groupe BNP Paribas, in the capacity of Lead Manager and Bookrunner of the Private Placement pursuant to a share placement agreement concluded with the Company. This agreement does not constitute a performance guarantee within the meaning of Article L. 225-145 of the French Commercial Code. In this agreement, the Company has made an abstention commitment for a period of 180 days starting from the settlement/delivery date of the New Shares.

Portzamparc (BNP Paribas Group) is acting as Lead Manager and Bookrunner and Allegra Finance, Listing Sponsor, as Company's advisors.

Share capital breakdown

By way of example, a shareholder holding 1% of the Company's capital before the launch of the Offering will now hold a 0.91% stake.

Following this capital increase and on the basis of the information available to the Company, the capital breakdown is as follows:

On a non-diluted basis	Nb of shares	% in capital	Voting rights	% in voting rights
Loskent ⁽¹⁾	241,708	4.68%	483,416	6.07%
Kostadin Yanev	2,448,050	47.43%	4,786,100	60.13%
Modern Vision Entertainment ⁽²⁾	395,031	7.65%	588,452	7.39%
Douglas Hawes	25,650	0.50%	51,300	0.64%
Public	2,050,904	39.74%	2,050,904	25.76%
Total	5,161,343	100.00%	7,960,172	100.00%

(1) Company 99% owned by O. Guilbert Chairman & CEO of DONTNOD

(2) Company controlled by K. Yanev

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™, TWIN MIRROR™), 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 Microsoft, Square Enix, Focus Home Interactive, Bandai Namco Entertainment and Capcom.

DONTNOD (ISIN code: FR0013331212 - ALDNE) is listed on Euronext Growth Paris.

DONTNOD Entertainment

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

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This press release contains forward-looking statements that relate to the Company's objectives. While the Company considers such forward-looking statements to be reasonable, such forward-looking statements are based solely on the current expectations and assumptions of the Company's management and involve risk and uncertainties, which may result in different outcomes than those contained in the forward-looking statements.

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This announcement is an advertisement and not a prospectus within the meaning of regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation").

In France, the offering of the Company's securities as described above will be carried exclusively through an offer to the benefit of qualified investors, as defined in Article 2(1)(e) of the Prospectus Regulation and in accordance with article L. 411-2 of the French Monetary and Financial code (code monétaire et financier) and applicable regulatory provisions. No prospectus will require to be approved or subject to approval from the AMF (Autorité des Marchés Financiers).

With respect to Member States of the European Economic Area other than France (the "Member States"), no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any Member State. Therefore, such securities may not be and shall not be offered in any Member State (other than France) other than in accordance with the exemptions of Article 1(4) of the Prospectus Regulation or, otherwise, in cases not requiring the publication by DONTNOD of a prospectus under Article 3 of the Prospectus Regulation and/or the applicable regulations in such Member State.

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