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Press release

Lesquin, 3 July 2024, 8.00 am

NACON LAUNCHES RIGHTS ISSUE WITH PRE-EMPTIVE RIGHTS OF APPROXIMATELY €16.50 MILLION, WHICH MAY BE INCREASED TO €19 MILLION IF THE EXTENSION OPTION IS EXERCISED IN FULL

Main terms

- Issue with pre-emptive rights for shareholders
- Subscription price: €1.10 per share, representing a discount of 7.3% to the closing price on 1 July 2024
- Subscription ratio: 47 pre-emptive rights give the right to subscribe to 8 new shares
- Subscription agreements: 80.79% of the issue is already secured by subscription agreements from existing shareholders
- Detachment period and listing of DPS: from 4 July to 18 July 2024 inclusive
- Subscription period: from 8 July to 22 July 2024 inclusive
- Investment eligible for Article 150-0 B of the French General Tax Code (deferred taxation of capital gains) and the PEA PME-ETI tax regime

Nacon (Euronext Paris - ISIN FR0013482791 – NACON.PA) today announces the launch of a rights issue with pre-emptive rights for shareholders of approximately €16.50 million, which may be increased to €19 million if the extension option is exercised in full. More than 80% of the issue is already secured by subscription agreements from existing shareholders.

1. BACKGROUND AND PURPOSE OF THE ISSUE AND USE OF PROCEEDS

Net proceeds from the Rights Issue are estimated at around €18.5 million.

Net proceeds from the issuing of the New Shares will add to the Company's current financial resources and help to support its growth, while also strengthening its equity (in respect of both subscriptions for New Shares paid up in cash as well as the subscription to be paid up by Bigben Interactive by means of the offsetting of liabilities). Net proceeds from the issue will also enable the Group to continue to develop new video games, which – on account of their development cycle – it will be able to release in the next three to four years.

The strengthening of the Company's equity should also enable it to obtain more favourable financing terms and conditions from its usual financial partners.

Alain Falc, Chairman and Chief Executive Officer of Nacon, comments:

"Since our initial public offering in February 2020, Nacon has successfully carried out most of its plans despite a delay in the development of some games and under complex circumstances. The Publishing division has since been reinforced with the acquisition of around 10 studios, allowing us to release between 10 and 15 games a year, with around 50 games continuously under development. This strategy has also enabled us to build up a solid back catalogue of games to be released over the next few years, centred around four target ranges: Racing, Sport, Simulation and Adventure. The back catalogue accounted for over 40% of games revenue in 2023/24. Development of the "Accessories" range has continued, driven by our ability to innovate and forge numerous technological partnerships in order to offer gamers premium products at an affordable price. This technological expertise will enable us to converge our two business lines with the creation of a single 360° business – combining editorial content and gaming accessories – in the sim racing market.

Finally, we recently announced our 2023/24 results, with strong revenue growth to €167.7 million and a 20.5% increase in operating income to €20.9 million.

Thanks to a line-up including 15 games to be released over the course of the year and the launch of innovative premium accessories, we are confident that we will be able to achieve further growth in 2024/25 coupled with improvement in operating income.

The proceeds from this rights issue will enable us to continue with our development plan, giving us additional means to finance our editorial programme and consolidate our position as a worldwide name in video games and premium accessories.

We would like to thank our shareholders in advance for continuing to put their trust in us, as well as our longstanding shareholders, whose subscription agreements already represent more than 80% of the total amount of the rights issue.”

2. MAIN CHARACTERISTICS OF THE RIGHTS ISSUE

The Rights Issue will be carried out with pre-emptive rights for shareholders, in accordance with the 14th and 16th resolutions of this combined general meeting of 21 July 2023, and will result in the issuing of a 14,992,440 new ordinary shares which may be increased to a maximum of 17,241,306 new ordinary shares (the “**New Shares**”) if the extension option is exercised in full, at a price of €1.10 per share, to be paid up in full at the time of subscription, representing gross proceeds, including additional paid-in capital, of €18,965,436.60.

Each shareholder will receive one pre-emptive right per share registered in their securities account at close of trading on 5 July 2024, according to the indicative timetable. 47 pre-emptive rights will give the right to subscribe to 8 New Shares with a par value of €1, at a price of €1.10 per share.

Shareholders will also be able to subscribe to additional New Shares on a pro rata basis. Any New Shares not absorbed by subscriptions as of right will be redistributed and allocated to shareholders who have subscribed to additional shares on a pro rata basis, the amount of which may be reduced.

In addition to the possibility of subscribing to shares as of right and to additional shares on a pro rata basis in accordance with the specified terms and conditions, any natural or legal person will be free to subscribe to the Rights Issue whether or not they hold pre-emptive rights. Anyone wanting to subscribe on this basis will need to send their request to their accredited financial intermediary at any time during the subscription period and pay the corresponding subscription price. In accordance with Article L. 225-134 of the French Commercial Code, subscriptions on a free basis will only be taken into account if subscriptions as of right and on a pro rata basis do not use up the entire Rights Issue.

On the basis of Nacon’s closing share price on 1 July 2024 of €1.1860, the subscription price for the New Shares presents a face value discount of 7.3%, the theoretical value of a pre-emptive right is €0.0125 and the theoretical ex-rights price is €1.1735 per share.

These values are without prejudice to the value of pre-emptive rights during the subscription period, the ex-rights value per share and discounts, as observed on the market.

The subscription period will be from 8 July to 22 July 2024 inclusive. Pre-emptive rights will be detached and available for trading from 4 July 2024 to 18 July 2024 inclusive on Euronext Paris, under ISIN code FR001400RBQ7, subject to the same terms as the existing shares. Pre-emptive rights not exercised at the end of the subscription period, i.e. 22 July 2024, shall become null and void.

The Rights Issue will only be open to the public in France.

Settlement and delivery is due to take place on 29 July 2024 and the New Shares will be admitted to trading on Euronext Paris on the same day. The New Shares will be immediately assimilated into existing shares. They will be traded under the same code as the existing shares on Euronext Paris (ISIN: FR0013482791).

3. EXTENSION OPTION

Pursuant to the authorisation granted by the combined general meeting of 21 July 2023, at its meeting of 17 June 2024, the Board of Directors sub-delegated to the Company's Chief Executive Officer the power, depending on demand, to decide to increase the number of New Shares initially offered by a maximum of 15%, representing a maximum of 2,248,866 additional New Shares (the "**Extension Option**").

The Extension Option can only be used to fulfil subscription orders on a pro rata basis from shareholders and/or those transferring pre-emptive rights that could not be fulfilled.

The decision to exercise the Extension Option will be made by the Company no later than the date of the results of the Rights Issue are published, planned for 25 July 2024 (according to the indicative timetable) and will be mentioned in the press release issued by the Company and made available on the Company's website and in the notice issued by Euronext Paris announcing the results of the Rights Issue.

4. INDICATIVE TIMETABLE FOR THE RIGHTS ISSUE

Indicative timetable

17 June 2024	<ul style="list-style-type: none">• Meeting of the Board of Directors deciding in principle on the Rights Issue with pre-emptive rights for shareholders, and sub-delegation to the Chief Executive Officer of the power to carry out the Rights Issue
2 July 2024	<ul style="list-style-type: none">• Decision by the Chief Executive Officer to launch the Rights Issue• Approval of the Prospectus by the AMF
3 July 2024	<ul style="list-style-type: none">• Distribution of the Company press release announcing approval of the Prospectus by the AMF and describing the main characteristics of the Rights Issue and the means by which the Prospectus will be made available• Prospectus made available on the website• Publication by Euronext Paris of the notice relating to the Rights Issue announcing the listing of pre-emptive rights• Deadline for buying Existing Shares on the market giving the buyer the right to the associated pre-emptive rights
4 July 2024	<ul style="list-style-type: none">• Detachment of pre-emptive rights and start of trading of pre-emptive rights on Euronext Paris
5 July 2024	<ul style="list-style-type: none">• Publication of a BALO notice for beneficiaries of free shares in the process of being bought issued by the Company• Deadline for registration in an account of existing shares entitling the holder to pre-emptive rights
8 July 2024	<ul style="list-style-type: none">• Start of the subscription period for the Rights Issue
18 July 2024	<ul style="list-style-type: none">• End of the trading period for pre-emptive rights
22 July 2024	<ul style="list-style-type: none">• End of the subscription period for the Rights Issue• Last day of settlement and delivery of pre-emptive rights
24 July 2024	<ul style="list-style-type: none">• Results sent to the Company of the centralisation of subscriptions relating to the exercise of pre-emptive rights
25 July 2024	<ul style="list-style-type: none">• Decision by the Chief Executive Officer setting out the definitive characteristics of the Rights Issue and, if applicable, deciding to award shares not subscribed as of right or exercise the Extension Option in part or in full• Distribution of a press release by the Company announcing the result of subscriptions• Publication by Euronext of the results of the issue and notice of admission to trading of the New Shares, stating the final amount of the Rights Issue and the ratio for subscriptions for excess shares on a pro rata basis
29 July 2024	<ul style="list-style-type: none">• Issuing and admission to trading on Euronext Paris of the New Shares• Settlement and delivery of the New Shares

5. SUBSCRIPTION AGREEMENTS AND OTHER COMMITMENTS BY NACON'S MAIN SHAREHOLDERS

As of the date of the Prospectus, the Company has the following Subscription Agreements from some of its main shareholders and Board members:

- Bigben Interactive, which owns 56.04% of the Company's share capital before the Rights Issue, has agreed to subscribe as of right and on a pro rata basis to an amount corresponding to 9,007,180 New Shares for a total of €9,907,898, it being understood that the subscription amount will be paid up in full by means of offsetting against some liabilities;
- Nord Sumatra 1, which owns 2.85% of the Company's share capital before the Rights Issue, has agreed to subscribe as of right and on a pro rata basis to an amount corresponding to 909,090 New Shares for a total of €999,999;
- Bpifrance Investissements, which owns 2.06% of the Company's share capital before the Rights Issue, has agreed to subscribe as of right and on a pro rata basis to an amount corresponding to 1,818,181 New Shares for a total of €1,999,999; and
- AF Invest, which owns 1.86% of the Company's share capital before the Rights Issue, has agreed to subscribe as of right and on a pro rata basis to an amount corresponding to 378,131 New Shares for a total of €415,944.

Total Subscription Agreements amount to €13,323,840 and represent 80.79% of the Rights Issue (excluding exercise of the Extension Option).

6. ABSTENTION COMMITMENT

The Company has agreed, as of the date of the Prospectus and for a period ending 90 calendar days after the date of the Rights Issue, not to issue, offer, sell, pledge, announce its intention to or otherwise agree to issue or sell, sell options or other purchase commitments, buy options or other purchase commitments, grant options, rights or warrants with a view to buying or otherwise transferring or assigning, directly or indirectly, any shares of the Company or any other financial security substantially similar to said shares, or any financial security giving the right by means of conversion, exchange or redemption to, or which represents the right to receive shares or financial securities that are substantially similar to said shares, not to enter into any transactions involving derivatives or other transactions with a substantially equivalent economic effect concerning the Company's shares or other securities that are substantially similar to the Company's shares, without the prior agreement in writing of the Global Coordinator and the Bookrunner.

This commitment is given subject to certain exceptions, in particular:

- the awarding of pre-emptive rights and the issuing of New Shares;
- any free share plans, any profit-sharing schemes and any rights issues reserved for members of the company savings plan and/or rights issues reserved for Group employees implemented before this date or in future pursuant to the resolutions passed at the general meeting or resolutions with the same purpose that may be approved at the next annual general meeting of the Company's shareholders;
- any share buyback programmes (including under a liquidity agreement); and
- the issuing, sale, transfer or offering of the Company's shares to pay for the acquisition by the Company of shares or assets held by third parties, insofar as the subsequent rights issue does not exceed, to date, 10% of the Company's share capital, provided that this abstention commitment is taken over by the buyer of the new shares or securities giving access to the share capital.

7. LOCK-UP AGREEMENT FOR BIGBEN INTERACTIVE

Bigben Interactive has agreed, until the end of a period of 90 calendar days after the settlement and delivery date of the Rights Issue, without the prior agreement in writing of the Global Coordinator and the Bookrunner, and subject to any shares that may be delivered upon the exercising of bonds, not to (i) issue, offer, sell, pledge as security, sell any option or agreement to buy, buy any option or agreement to sell, grant any option, right or warrant or otherwise transfer or assign, directly or indirectly, the Company's

ordinary shares or other securities that are substantially similar to the Company's ordinary shares, or securities that can be converted or redeemed, or exchanged for, or that represent the right to receive ordinary shares in the Company or substantially similar securities, (ii) make a short sale, enter into a derivatives contract, hedging contract or any other transaction with a substantially similar economic effect on the Company's ordinary shares or on these securities, (iii) enter into any other agreement or transaction that transfers, in whole or in part, directly or indirectly, ownership of any ordinary shares of the Company or (iv) announce its intention to carry out one or more of these transactions. This agreement is subject to the usual exceptions for intragroup transactions, mergers, spin-offs or public offers, as well as the exception allowing Bigben Interactive to transfer pre-emptive rights by any means (see paragraph 5.2.2 of the issue notice) and the right for it to provide security for a portion of the Nacon shares it holds.

The above commitment by Bigben Interactive shall end if the settlement and delivery of the Rights Issue does not take place.

8. GUARANTEE

The issuing of the New Shares is not subject to a "completion guarantee" within the meaning of Article L. 225-145 of the French Commercial Code or an underwriting agreement.

However, it should be noted that this Issue is subject to irrevocable Subscription Agreements, as of right and on a pro rata basis, representing 80.79% of the amount of the Issue (excluding the Extension Option), subject to the conditions described in Section 5.2.2 of the Issue Notice.

9. DILUTION

As an indication, on a diluted basis, a shareholder holding 1% of share capital before the Rights Issue and who does not participate in the Rights Issue, will hold 0.84% after the New Shares are issued and if all the New Shares are subscribed.

10. AVAILABILITY OF THE PROSPECTUS

The prospectus (the "**Prospectus**") comprising (i) Nacon's universal registration document as filed with the AMF on 24 June 2024 under number D.24-0543 (the "**Universal Registration Document**"), (ii) an issue notice (including the summary of the Prospectus) approved by the AMF under number 24-258 on 2 July 2024 (the "**Issue Notice**") and (iii) the summary of the Prospectus included in the Issue Notice, can be found on the AMF website (www.amf-france.org) and the Company's website (<https://corporate.nacongaming.com/>). Copies of the Prospectus are available free of charge from the Company's head office (396-466, Rue de la Voyette, CRT2, 59273 Fretin, France).

11. FINANCIAL INTERMEDIARY

Funds paid in respect of subscriptions will be held centrally by Uptevia (90-110 Esplanade du Général de Gaulle, 92931 Paris La Défense Cedex, France), which will be responsible for preparing the certificate of deposit of funds recording the completion of the Rights Issue.

Securities services and financial services for the Company's shares are provided by Uptevia (90-110 Esplanade du Général de Gaulle, 92931 Paris La Défense Cedex, France).

12. RISK FACTORS

Investors are also invited to take account of the risk factors described in Section 3 "Risk factors" of the Universal Registration Document and Section 2 "Risk factors" of the Issue Notice before making their investment decision. If some or all of these risks were to occur, this could have an adverse impact on the Company's activities, reputation, financial position, financial results or achievement of its targets. In addition, other risks not yet identified or not considered material by the Company as of the date of the Prospectus could also have an adverse impact.

13. PARTNERS



Global Coordinator,
Joint Lead Manager and Joint
Bookrunner



Legal Advisor



Communication

ABOUT NACON

2023/2024 IFRS SALES:

€167.7 million

WORKFORCE

More than 1,000 people

INTERNATIONAL PRESENCE

23 subsidiaries and a distribution network
in 100 countries

<https://corporate.nacongaming.com/>

NACON is part of the Bigben group and was formed in 2019 to optimise its areas of expertise and generate synergies between them in the video game market. Combining its 16 development studios, AA video game publishing and the design and distribution of premium gaming peripherals, NACON has 30 years of expertise in serving gamers. This new unified business gives NACON a stronger position in its market and enables it to innovate by creating new and unique competitive advantages.

Listed on Euronext Paris, compartment B – Index: CAC Mid&Small
ISIN: FR0013482791; Reuters: NACON.PA; Bloomberg: NACON:FP).

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DISCLAIMER

This press release does not constitute and should not be regarded as constituting an offer to the public, an offer to subscribe or a solicitation of public interest in connection with any offer to the public of Nacon securities.

A prospectus approved by the AMF under number 24-258 on 2 July 2024 is available on the AMF website (www.amf-france.org) and the Company's website (<https://corporate.nacongaming.com/>).

Copies of the prospectus are available free of charge from the Company's head office (396-466, Rue de la Voyette, CRT2, 59273 Fretin, France). The public's attention is drawn to the "Risk factors" sections of the prospectus.

*This press release constitutes a promotional communication and does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament of 14 June 2017 (the "**Prospectus Regulation**"). Potential investors are invited to read the prospectus before making an investment decision in order to fully understand the potential risks and advantages associated with the decision to invest in marketable securities.*

The AMF's approval of the prospectus should not be regarded as a favourable opinion of the marketable securities offered or admitted to trading on a regulated market.

*As regards Member States of the European Economic Area other than France and the United Kingdom (the "**Member States Concerned**"), no action has been taken or shall be taken to allow for an offer to the public of Nacon securities requiring the publication of a prospectus in any of the Member States Concerned. As a result, the Nacon shares may be offered in the Member States Concerned only: (a) to legal persons who are qualified investors as defined in the Prospectus Directive; or (b) in other cases not requiring the Company to publish a prospectus in accordance with the Prospectus Regulation.*

*In the United Kingdom, this document is sent to and intended only for persons who are considered to be (i) "investment professionals" (with professional investment experience) within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) persons who fall within the scope of Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order, or (iii) persons who may lawfully be invited or given an incentive to participate in an investment activity (within the meaning of Article 21 of the Financial Services and Markets Act 2000) within the framework of the issuing or sale of financial securities (together referred to as the "**Persons Concerned**"). In the United Kingdom, this document is intended only for the Persons Concerned and should not be used by anyone other than a Person Concerned.*

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Finally, this press release may be written in French and English. If there are any differences between the two texts, the French version shall take precedence.