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FOCUS HOME INTERACTIVE

announces the launch of a capital increase for an amount of a minimum €60 million by way of an accelerated book building process

- The funds raised will enable Focus Home Interactive to accelerate its development in France and abroad
- €15 million subscription commitment from Neology Holding, Focus Home Interactive's reference shareholder

PARIS, FRANCE – 18 May 2021 (5:35 p.m. CEST) – FOCUS HOME INTERACTIVE (FR0012419307 ALFOC), one of the European leaders in the publishing, distribution, and development of video games (the "**Company**"), today announces the launch of a capital increase of a minimum amount of 60 M€, via the accelerated construction of an order book (the "**Offer**").

This capital increase with cancellation of preferential subscription rights will be carried out in the form of an offer to the benefit of categories of beneficiaries, as referred to in Article L. 225-138 of the French Commercial Code, in accordance with the tenth resolution approved by the Combined General Meeting of Shareholders held on 16 April 2021 and with the authorisations granted by the Management Board and the Supervisory Board at their meetings held on 18 May 2021.

Joh. Berenberg, Gossler & Co KG ("**Berenberg**") and Midcap, a division of TP ICAP EUROPE SA (« **MidCap, une division de TP ICAP EUROPE SA** ») are acting as Global Coordinators (the "**Global Coordinators**"). EuroLand Corporate is acting as Focus Home Interactive's Counsel (the "**Advisor**").

Summary of the rationale behind the Offering

The funds raised will enable Focus Home Interactive to accelerate its development in France and abroad.

In this perspective, the net proceeds of the Offer are intended to provide the Company and its subsidiaries (together the "**Group**") with additional means to:

- Finance its medium and long-term external growth activities, in particular via the acquisition of studios that will enrich the Group's pool of talent.
- Continue to upgrade the range of games produced by the Group and invest more in development budgets.

Principal terms and conditions of the Offering

The gross proceeds of the Offer are expected to be a minimum amount of €60 million.

The Offer will be carried out without the preferential subscription rights of the Company's existing shareholders, on the basis of Articles L. 225-136 and L. 225-138 of the French Commercial Code, in accordance with the tenth resolution of the Company's Combined General Meeting of 16 April 2021, the decisions taken by the Supervisory Board and the Management Board at their meetings today and the decisions to be taken by the Chairman of the Management Board today.

The Offer will be open only to one of the categories of beneficiaries defined by the Company's Combined General Meeting of 16 April 2021 as follows ("**Eligible Investors**"):

French and/or foreign investment companies or funds, institutional investors and financial asset management companies (including, without limitation, any investment fund or venture capital company, including any FCPI, FCPR, FIP or holding company) investing in the TMT (Technologies, Media and entertainment and Telecommunications) sector, subscribing for the Offer for an investment unit amount exceeding €100,000 (including issuance premium); Among Eligible Investors, the Offer is reserved:

- (i) to qualified investors within the meaning of Article 2(e) of Regulation (EU) n°2017/1129 of 14 June 2017, in France and outside France, except in the United States of America pursuant to Regulation S and the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and
- (ii) to qualified institutional buyers ("**QIBs**") in the United States of America as defined in Rule 144A of the Securities Act and pursuant to an exemption from registration under the Securities Act and the regulations thereunder.

The issue price of the new ordinary shares will be set in accordance with the said resolution and will be at least equal to the volume weighted average of the share prices on the last three trading sessions preceding the date on which the issue price is set, reduced by a maximum discount of 10%.

The transaction will be carried out by accelerated book building in France and outside France, at the end of which the number and price of the new shares issued will be determined.

The final number of new shares issued will be decided by the Chairman of the Management Board of the Company, using the sub-delegation granted to him by the Management Board at its meeting of 18 May 2021, pursuant to and within the limits of the tenth resolution of the Combined General Meeting of 16 April 2021.

The accelerated book building process will be initiated immediately and is expected to close as soon as possible on 18 May 2021, subject to any extension. The Company will announce the results of the Offer, the dilution and the new capital allocation as soon as possible after the closing of the order book by way of a press release.

The new ordinary shares will carry dividend rights and will be listed on the Euronext Growth Paris multilateral trading facility under the same ISIN code FR0012419307 - ALFOC as the existing ordinary shares.

The settlement-delivery of the new ordinary shares issued in the Offer and their admission to trading on the Euronext Growth Paris multilateral trading facility are scheduled for 21 May 2021.

Commitments to subscribe

The existing shareholder, Neology Holding, which holds 44.8% of the share capital and 44.9% of the voting rights in the Company, has already undertaken to subscribe to the present capital increase of the Company for an amount of €15 million.

Lock-up commitment

The Company will enter into a 90-day lock-up agreement from the settlement-delivery date of the Offer, subject to customary exceptions, limiting the Company's ability to issue new shares during this period.

Neology Holding will sign a lock-up agreement for the shares held prior to the Offer and the new shares subscribed for in the Offer for a period of 90 days from the settlement-delivery date of the Offer, subject to customary exceptions.

Placement

The Offer is not subject to a guarantee. However, the Offer is subject to a placement agreement to be entered into between the Company and the Global Coordinators.

The placing agreement may be terminated by the Global Coordinators at any time up to (and including) the settlement-delivery date of the Offer on 21 May 2021, subject to certain conditions.

In the event that the placing agreement is terminated in accordance with its terms, all orders placed by investors in the Offer will be null and void.

The placement agreement does not constitute a firm underwriting ('garantie de bonne fin') within the meaning of Article L. 225-145 of the French Commercial Code.

Risk Factors

The public's attention is drawn to the risk factors relating to the Company and its business, detailed in its 2019-2020 Annual Financial Report and 2020-2021 Half Yearly Financial Report, available free of charge on the Company's website (<https://focus-home.com/fr>).

The occurrence of some or all of these risks could have an adverse effect on the Company's business, financial condition, results, development or prospects. The risk factors presented in the said documents are identical as of the date of this press release.

In addition, investors are invited to consider the following risks specific to the Offer:

- (i) the market price of the Company's shares may fluctuate and fall below the subscription price of the shares issued in the Offer;
- (ii) the volatility and liquidity of the Company's shares could fluctuate significantly;
- (iii) sales of the Company's shares may occur in the market and have an adverse impact on the Company's share price; and
- (iv) the Company's shareholders could suffer potentially significant dilution from any future capital increases.

Prospectus

Pursuant to the provisions of Article 1.4 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, the Offer will not give rise to the publication of a Prospectus subject to the approval of the Autorité des Marchés Financiers.

About Focus Home Interactive

FOCUS HOME INTERACTIVE is one of the European leaders in the publishing, distribution, and development of video games. Its vocation is to support leading international studios in the development, production monitoring, marketing, sales and financing of their projects. As a publisher of strong brands such as The Surge, Vampyr, Snowrunner, and A Plague Tale: Innocence, the Group generated revenues of €171 million in 2020/21, up 20% compared to the previous comparable period. FOCUS HOME INTERACTIVE generates 95% of its sales internationally. For additional information, visit www.focus-home.com

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This press release and the information contained herein are only for information purposes and do not constitute an offer to sell or subscribe to, or a solicitation of an offer to buy or subscribe to, shares in the Company in any country, including France.

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 member states of the European Economic Area and in the United Kingdom, this communication and any offer if made subsequently is directed exclusively at persons who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation.

This document is not an offer to sell securities nor the solicitation of an offer to purchase securities in the United States of America. FOCUS HOME INTERACTIVE shares or other securities may not be offered or sold in the United States of America absent registration under the U.S. Securities Act of 1933, as amended, (the « **Securities Act** ») or an exemption from registration, it being specified that the FOCUS HOME INTERACTIVE shares have not been and will not be registered under the Securities Act. FOCUS HOME INTERACTIVE does not intend to register the offer in whole or in part in the United States of America or to make an offer to the public in the United States of America.

With respect to the United Kingdom, the release of this press release is not made by and has not been approved by an authorized person within the meaning of Section 21 (1) of the Financial Services and Markets Act 2000. Accordingly, this press release is only being distributed to, and is only directed at persons (i) who are “investment professionals” falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Order”), (ii) who are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Order, or (iv) who are not in the United Kingdom (all such persons together being referred to as “Relevant Persons”). This document is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons.

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