

# Press release

## Business Information

### Netgem acquires Gamestream's Cloud Gaming activities



Paris, 24 October 2024,

Netgem continues to execute its strategy with the clear objective of becoming a key player in *Entertainment Technology*.

Thanks to its strong positions with telecom operators in Europe, the Group is implementing numerous initiatives leading to expanding its addressable market.

AUTHENTIFIÉ PAR



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## Services to rights holders: finalized integration of Eclair activities acquired in 2023

The Preservation and Digital Services activities of ex-Éclair acquired in 2023, which serve media groups and video rights holders, are now fully integrated and will contribute positively to results in 2024, and more strongly in 2025 thanks to the full impact of synergies. The Group has thus concentrated on the historic site of Augy a centre for both conservation and digital servers for the cinema industry. Activity in recent months has been marked by growth in digital conservation and servicing for many publishers.

## Positive dynamics of streaming offers for telecom operators integrating the video games component

The partnership with Gamestream also concluded in 2023 brought the Group the *streaming* component for video games, exclusively for Europe, and led to the intensification of commercial efforts with telecom operators. After music, video and television, the switch to *streaming* now reaches video games.

The IBC 2024 international trade show last September provided the first industry validation of this content aggregation model. Netgem's *Immersive TV* offer, integrating Cloud Gaming and FAST channels, was indeed awarded the prize for best interactive TV platform.

As a materialization of this recognition, Cloud Gaming has had an impact on the commercial dynamic with the observed increase in the number of telecom operators in active discussions with Netgem. Cloud Gaming is for them the opportunity to strengthen their presence in the video games market, while publishers see it as a major growth driver.

## Takeover of Gamestream's assets

The takeover of Gamestream's Cloud Gaming activities allows Netgem to anchor this strategy by moving from the status of distributor-integrator to that of operator of the gaming offer; with this transaction, Netgem acquires all of Gamestream's assets (customer contracts, video game publisher contracts, technology, brands, etc.) and a team of specialists with competencies in all aspects of the video games market.

This takeover will allow Netgem to deploy even more widely its immersive TV content offers, thanks to a proprietary Cloud Gaming solution already tested in real conditions with Tier 1 telecom operators in Europe, Asia and Africa-Middle East.

Netgem immediately expands its *footprint* in emerging markets, with established commercial relationships with several leading telecom operators such as JIO in India, Telkom Indonesia, ETISALAT (UAE) or Sonatel (part of Orange group, Senegal). It is precisely in these emerging markets that Cloud Gaming makes it possible to considerably expand the distribution of video games, through streaming solutions, due to the cost of consoles or gaming PCs relative to purchasing power.

Netgem takes over the partnerships with publishers negotiated by Gamestream and thus increases its content aggregation scope with numerous video games.

This transaction, effective as at 24 October 2024, is carried out by way of a purchase of assets, with Gamestream's liabilities remaining with the collective procedure. It will help consolidate the growth of recurring revenues and improve the Group's margins. Without material impact on the 2024 results, it will have an accretive impact on the accounts from the 2025 financial year with the contribution of the distribution of games.

For Mathias Hautefort, Netgem's CEO, *"The takeover of Gamestream's activities, its talents and the associated proprietary technologies is a new step towards positioning ourselves in the fast-growing "Entertainment tech" market. It will strengthen the capacity of Netgem's teams to offer turnkey, technological and multi-content solutions, innovative and economical, and to deploy them quickly with our own resources for our operator customers. It will also allow Netgem to provide video game publishers with new distribution channels, particularly in emerging countries. Digital entertainment includes more and more bridges between content, TV, cinema, video games, and Netgem is able to provide operators with the means to reinvent TV and video games - at an affordable price - for the greater good of their customers"*.

## Financial communications calendar

- Revenues and gross profit 2024: Thursday 30 January 2025, before market

## Contacts

Investors and Analysts Relations  
Bertrand Soleil

Press Relations  
Patricia Ouaki

bertrand.soleil@double-digit.com  
+33 (0)6.23.31.06.53

patricia.ouaki@forcemedia.fr  
+33 (0)1.44.40.24.01

### About Netgem

Netgem supports the audiovisual sector in its digital transformation and asserts itself as an essential partner for telecom operators and media groups to develop new immersive entertainment solutions. Netgem is the publisher of the digital entertainment service netgem.tv, distributed, through a network of fixed and mobile telecom operators in Europe, under the operator's brand (B2B2C model) to more than 700,000 subscriber households.

Netgem is listed on Euronext Growth.  
(ISIN : FR0004154060, Reuters : ETGM.PA, Bloomberg: ALNTG FP)

