



**REPORT ON ATOS' RESTRUCTURING PROCEEDING
AND ITS MONITORING BY THE BOARD OF DIRECTORS**

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The Atos logo consists of the word 'Atos' in a large, blue, sans-serif font. The letter 'o' is stylized with a white dot in the center.

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This report is based on the information we have been given access to at this date (September 4th 2024). Our report has been prepared at the request of Atos’ Board of Directors as a consultancy assignment in our field of qualification (“activité de consultation dans les matières relevant de notre qualification” according to article L.812-8 of the French Commercial Code).

I. Presentation of the company Atos SE and the Atos Group

1.1. Presentation of the Atos Group and its activities

Atos SE (the “Company”) is a group holding company founded in 1997 by the merger of two French digital services companies, Axime and Sligos. The Atos Group, specializing in digital services, progressively expanded through several external growth operations in France and abroad, becoming a global leader in digital transformation, cloud, cybersecurity, and high-performance computing.

As a European leader in cloud, cybersecurity, and supercomputers, the Atos Group provides its clients in 69 countries with cutting-edge integrated digital products and solutions, consultancy services, and digital security packages and solutions.

The Atos Group is a leading player in the field of IT services worldwide:

Taille et part de marché d'Atos

Les parts de marché des Entités Opérationnelles Régionales d'Atos sur le marché mondial des services informatiques sont présentées ci-dessous :

(En milliards d'euros)	Taille du marché		Atos	
	Marché 2023	Poids de l'indicateur	Chiffres d'affaires 2023	Part de marché (%)
Ameriques	602	45 %	2.4	0.4%
Europe du Nord & APAC	514	39 %	3.2	0.6%
Europe Centrale	96	7 %	2.5	2.6%
Europe du Sud	96	7 %	2.3	2.4%
Autres & Structures globales	25	2 %	0.3	1.2%
Total	1 332	100 %	10,7	0,8%

Source : Gartner IT Services Forecast, 4Q2023

(source: universal registration document 2023)

Its expertise is recognized and rewarded by sector analysts:



(source: universal registration document 2023)

The Atos Group is organized around (i) three separate business lines falling within the same economic model and operating in the same competitive environment (Tech Foundations, Digital, and Big Data & Security (BDS)) and (ii) four regional operating zones (Northern Europe and Pacific Asia (APAC), Central Europe, Southern Europe, and the Americas).

Since the implementation of a Group transformation plan in 2022, these three business lines have been managed within two separate scopes:

- Eviden scope (*Digital and Big Data & Security (BDS)* business lines): as a global leader in advanced computing, security, artificial intelligence, the cloud, and digital platforms, Eviden provides services, solutions, and products to a broad base of 500 clients in all activity sectors located in more than 45 countries.

The digital business line supports digital transformation for the group's clients by (i) providing digital services and (ii) using the cloud.

The *BDS* business line covers (i) digital security, (ii) high-performance computing (HPC), and (iii) business computing servers and artificial intelligence.

- TFCo scope (*Tech Foundation* business line): complete systems integrator and outsourcing provider. This scope designs builds and manages digital infrastructures for its clients in 69 countries. As a specialist in the hybrid and sovereign cloud, it assists organizations with managing their critical systems, transforming their IT environment into optimized hybrid environments, and innovating to achieve their goals (e.g., by outsourcing workplaces, infrastructures, technical services, processes, and network services).

During the financial year ending on 31 December 2023, the breakdown recorded by activity and by the regional operational entity was as follows:

Répartition par activité



Répartition par Entité Régionale Opérationnelle



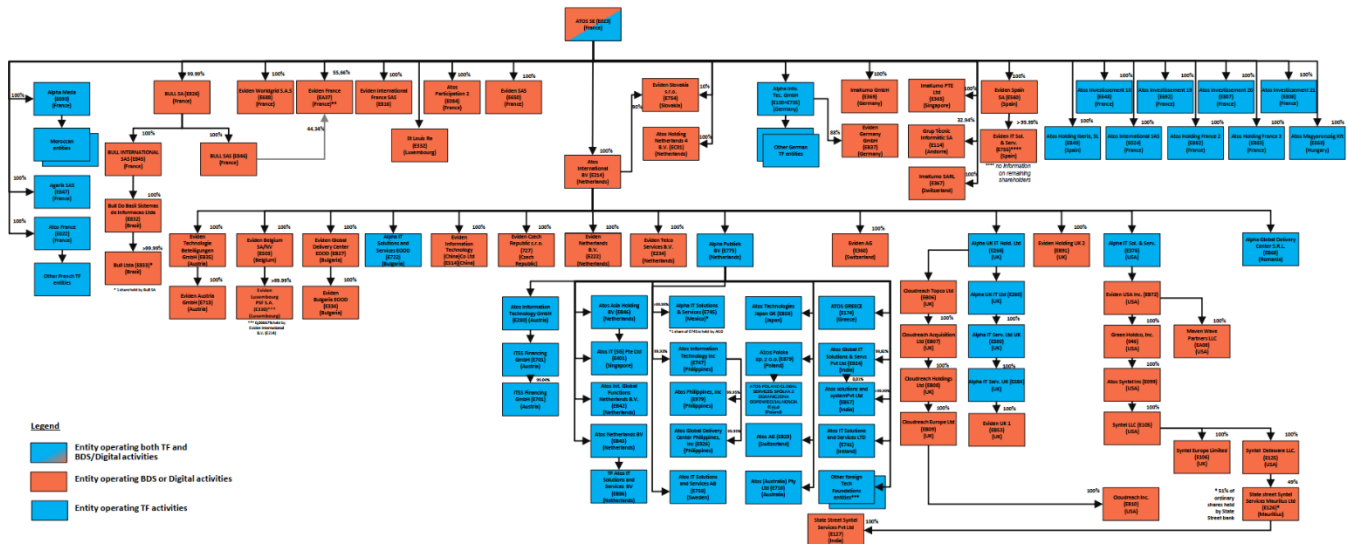
(source: universal registration document 2023)

The Atos Group offers services to various industries, notably the financial and insurance, public and defense, and manufacturing sectors.

On 30 April 2019, the General Meeting of Shareholders adopted Atos SE's "raison d'être" to contribute to shaping the informational space. With its competencies and services, the Atos Group supports the development of knowledge, education, and research through a multicultural approach. It contributes to the development of scientific and technological excellence. The Atos Group enables its clients and employees, and more generally as many people as possible, to live, work, and progress sustainably and confidently in the informational space.

1.2. Organisation and governance

The organization chart of the Atos Group following the reorganization operations implemented since 2022 is presented as follows:



Atos SE holds, directly and indirectly, all of the Group's participation and has the following principal activities: managing the Atos trademark, holding Group participation, and centralizing financing activities. Atos SE's revenues mainly comprise trademark fees received from its subsidiaries.

Atos SE was incorporated as a European company with a Board of Directors.

Its shares are admitted for trading on the Euronext Paris regulated market (compartment A – ISIN: FR0000051732), and the Company is a member of the SBF 120 index. The Company refers to the Corporate Governance Code of Listed Corporations (*Code Afep-Medef*).

Its share capital is fixed at EUR 111,653,359, divided into 111,653,359 shares, each with a par value of one euro and fully paid up.

Currently, the share capital of the Company, on the date of the request for the opening of an accelerated safeguard proceedings is divided as follows:

	Number of shares	% of share capital	% of voting rights
Employees	3,038,538	2.72%	2.72%
Members of the Board of Directors	11,044	0.01%	0.01%
Treasury shares	77,312	0.07%	0.07%
Floating	108,526,465	97.20%	97.27%
TOTAL	111,653,359	100%	100%

Atos SE is directed by a CEO, who relies on an Executive Committee and a Board of Directors of 12 members recognized in their respective fields, most of whom are independent.

On 14 October 2023, Mr. Jean-Pierre Mustier, an independent director of Atos SE since May 2023, was appointed Chairman of the Board of Directors and Mr. Laurent Collet-Billon Vice-Chairman.

On 24 July 2024, following resignation of Mr Paul Saleh from his CEO position, the Board of Directors appointed Mr Jean-Pierre Mustier as CEO. Mr Jean-Pierre Mustier is now *Président-Directeur Général (PDG)* of Atos SE.

1.3. Principal financial aggregates of the Group and Atos

The principal consolidated financial aggregates of the Group for the last financial years are as follows:

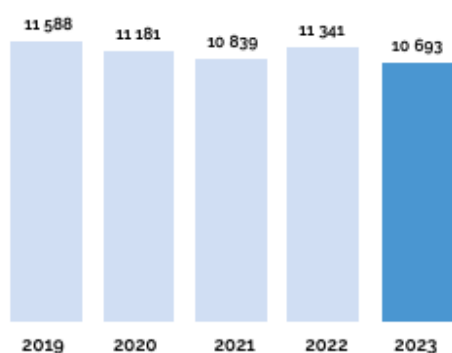
Atos Group (consolidated accounts) (millions of euros)	31/12/2021	31/12/2022	31/12/2023
Revenues	10,839	11,341	10,693
Operating result	(2,768)	(795)	(3,106)
Operating margin	383	356	467
Financial result	(151)	(175)	(227)
Net result	(2,959)	(1,012)	(3,439)
Net financial debts	1,226	1,450	2,230

The principal financial aggregates of Atos SE during the last financial years are as follows:

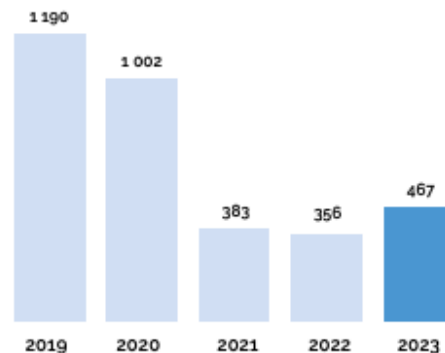
Atos SE (corporate accounts) (millions of euros)	31/12/2021	31/12/2022	31/12/2023
Revenues	122	124	118
Operating result	89	77	71
Financial result	(606)	(871)	(5,017)
Net result	(744)	(701)	(5,033)
Net financial debts	2,887	2,510	3,642

During the past five financial years, the financial performances of the Atos Group evolved as follows:

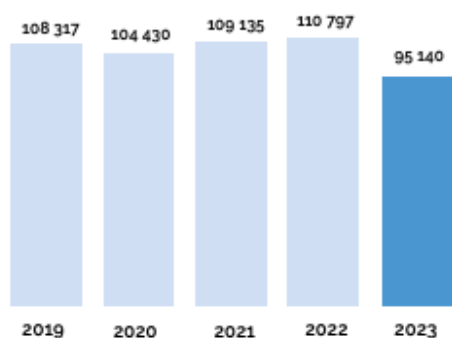
Évolution du chiffre d'affaires (en millions d'euros)



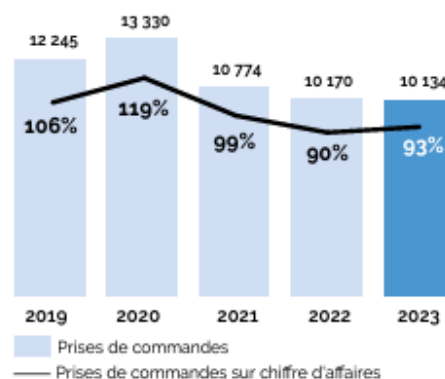
Marge opérationnelle (en millions d'euros)



Évolution de l'effectif



Prises de commandes et ratio prises de commandes sur chiffre d'affaires (en millions d'euros)



(source: universal registration document 2023)

1.4. Employees and staff representatives

As of 31 December 2023, the workforce of the Atos Group was established at a total of 95,140 employees distributed as follows:

	Fin décembre 2022	Périmètre	Recrutements	Départs, licenciements, réorganisation & transferts	Fin décembre 2023
Amériques	18 163	-5 020	2 549	-4 002	11 690
Europe du Nord & APAC	16 028	-359	2 331	-3 265	14 735
Europe Centrale	12 562	-937	779	-1 559	10 845
Europe du Sud	17 033	-1 947	2 143	-2 290	14 939
Autres & structures globales	47 011	-1 068	7 037	-10 049	42 931
Total des effectifs directs	102 154	-8 515	13 654	-19 761	87 532
Total des effectifs indirects	8 643	-816	1 185	-1 404	7 608
TOTAL Groupe	110 797	-9 331	14 839	-21 165	95 140

As of 30 June 2024, the Atos Group's workforce was estimated at around 91,611 employees, including 10,672 in France.

Atos SE does not directly employ any employee and thus has no staff representation institutions.

In compliance with the provisions of Articles L. 2341-4 *et seq.* of the French Labour Code applicable to companies or groups of companies of an EC size, the company instituted a Societas Europaea Council (SEC), composed of 35 members and 28 deputies and representing more than 40,000 employees in Europe spread over 22 countries.

The Societas Europaea Council met on 10 July 2024 and appointed Messieurs Andreas Serterhenn, Patrice Van Loy, and Sebastien Ducros in the capacity of representatives to enable the representatives of the employees of the Atos Group to be heard by the Specialized Commercial Court of Nanterre in the context of the examination of the application for the opening of accelerated safeguard proceedings of Atos SE, then occasionally, and if requested by the Court, in the context of the continuation of this *proceeding*.

1.5. Indebtedness of the Atos Group

Atos SE has subscribed directly to the primary financing held by the Group to fund its activities, investments, and cash requirements.

The Atos Group's policy is to fully cover its estimated cash requirements through long-term borrowing or other appropriate long-term financial instruments.

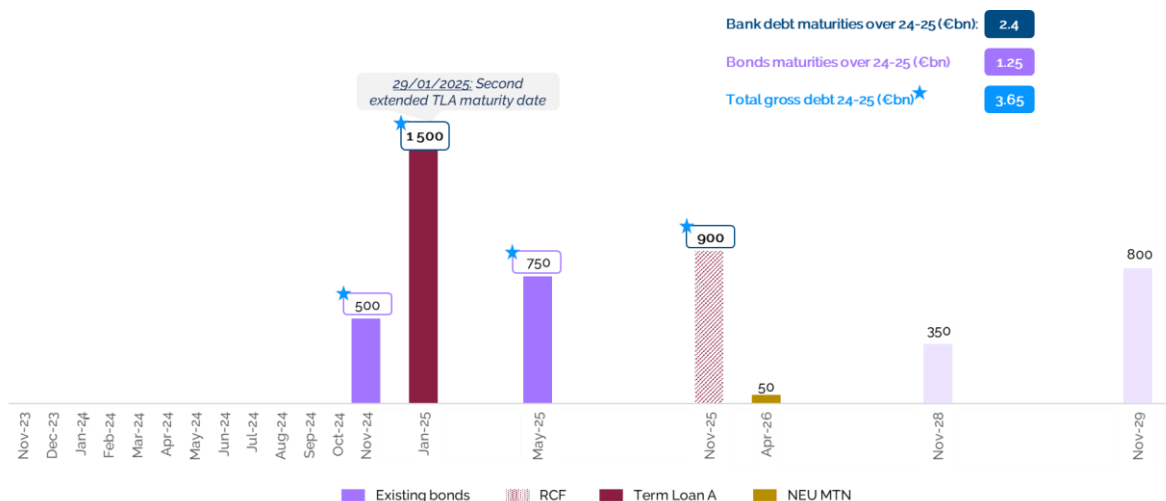
As of 31 December 2023, the financial debts of the Group amounted to a total of €4.7 billion, broken down as follows:

<i>(en millions d'euros)</i>	31 décembre 2023			31 décembre 2022		
	Courant	Non courant	Total	Courant	Non courant	Total
Emissions obligataires	-	1 900	1 900	300	1 900	2 200
Obligation échangeable en actions	500	-	500	-	500	500
Prêts bancaires et titres de créances négociables	1 500	630	2 130	1 930	50	1 980
Autres emprunts	124	-	124	182	-	182
Total emprunts	2 124	2 530	4 654	2 412	2 450	4 862

*NB: The current assets and liabilities are those the Group expects to realize, consume, or pay during the normal operating cycle. All other assets and liabilities are classified as non-current.
(source: universal registration document 2023)*

As of 31 December 2023, Atos SE's financial leverage ratio was 3.34 (the maximum ratio set out in the banking documentation is 3.75).

The Company's next financial maturity dates are as follows:



The primary financial debts of the Group (excluding the interim financings presented hereunder) can be summarised as follows:

		Nature / Amount in principal (€)	Interest	Final maturity date	Security
Term loan and credit facilities	TLA	€1.5 billion	Applicable margin (as determined by contractual provisions) + EURIBOR	29 July 2025	unsecured
	RCF	€900 million	Margin (as determined by contractual provisions) + EURIBOR	6 November 2025 (except for one financial institution towards whom the maturity date is 6 November 2024)	unsecured
Bond issues, private investments,	Exchangeable Bonds 2024 (Wordline bond issue - ISIN: FR0013457942)	€500 million	-	6 November 2024	unsecured

	Bonds 2025 (ISIN: FR0013378452)	€750 million	1.75 %	7 May 2025	unsecured
	NEU MTN bonds 2026 (ISIN: FR0125601643)	€600 million maximum <i>only €50 million used</i>	1.125%	17 April 2026	unsecured
	Bonds 2028 (ISIN: FR0013378460)	€350 million	2.50 %	7 November 2028	unsecured
	Bonds 2029 (sustainability link) (ISIN: FR0014006G24)	€800 million	1.00 %	12 November 2029	unsecured
TOTAL FINANCIAL DEBTS		€5.4 billion <i>of which €550 million is unused</i>			

1.6. Actions on working capital requirements

In managing the Group's liquidity, Atos SE has taken various actions to optimize its working capital requirements, notably when closing half-yearly and annual accounts.

These actions notably comprised factoring for trade accounts receivable, reducing the average time for collection of trade accounts receivable, and working on supplier payment conditions.

These actions led to significant intra-annual variations in the Group's working capital requirements, particularly those declared at the end of the year and in the middle of the year.

In a press release of 16 October 2023, Atos SE indicated that for the Group, it was estimated that the average working capital excluding these actions would have been, on average, about €1.8 billion higher than the reported figures, of which €0.7 billion stems from non-recourse factoring of receivables.

As of 31 December 2023, the variation in working capital requirements was as follows:

<i>(en millions d'euros)</i>	31 décembre 2023	31 décembre 2022
Clients et comptes rattachés	2 459	2 603
Fournisseurs et comptes rattachés	-2 066	-2 187
Autres actifs courants	1 637	1 485
Autres passifs courants	-2 276	-2 260
moins Actifs financiers à court terme	-128	-81
moins Dettes liées aux acquisitions d'actifs non courants	56	100
TOTAL	-319	-340

In the first half of 2024, the Group's actions on working capital have been reduced and amounted to €496 million including, notably, assignment of receivables, other specific actions on trade receivables and the reduction of the average payment delay of suppliers.

These specific actions on the working capital requirements improved the Group's cash situation, but they are not sustainable and cannot be considered within the financial debt settlement framework.

1.7. Off-balance sheet commitments

1.7.1. Contractual commitments

For the financial year having ended on 31 December 2023, the future payments of bonds and firm commitments for the coming financial years were as follows:

<i>(en millions d'euros)</i>	31 décembre 2023	Echéances			31 décembre 2022
		< à un an	Un à cinq ans	> à cinq ans	
Contrats de location à faible valeur et à court terme	18	11	7	0	18
Obligations d'achat irrévocables	352	171	176	5	476
dont > cinq ans	46	16	25	5	116
Total engagements donnés	370	181	183	5	495
Engagements financiers reçus (crédits syndiqués)*	320	-	320	-	2 020
Total engagements reçus	320	-	320	-	2 020

(*) Les maturités indiquées s'entendent hors options d'extension.

The financial commitments received as of 31 December 2023 corresponded to the unused portion of the revolving credit facilities (RCF) (fully used since).

1.7.2. Commercial guarantees

As of 31 December 2023, the commercial guarantees issued by the Atos Group amounted to a total of €6.2 billion, broken down as follows:

<i>(en millions d'euros)</i>	31 décembre 2023	31 décembre 2022
Garanties bancaires	413	357
• Opérationnelles - performance	212	232
• Opérationnelles - appels d'offres	3	7
• Opérationnelles - avances sur paiement	143	83
• Financières ou autres	55	35
Garanties parentales	5 800	5 767
• Opérationnelles - performance	5 599	5 654
• Financières ou autres	201	113
Nantissements	6	5
Total	6 219	6 129

On that same date, the financial commitments given directly by Atos SE were as follows:

<i>(en milliers d'euros)</i>	31 décembre 2023	31 décembre 2022
Garanties parentales de performance	5 459 245	5 509 522
Garanties bancaires*	81 347	70 586
Total	5 540 592	5 580 108

(*) Supportées par Atos SE.

The Group issues performance guarantees to its clients within the framework of various long-term contracts entered into by its subsidiaries. These guarantees, amounting to €5.5 billion as of 31 December 2023, were principally issued by Atos SE.

Other guarantees considered for the financial year 2023 were issued by the Group, notably:

- within the framework of a “Cognizant / TriZetto” dispute in progress in the United States concerning intellectual property rights¹, on 25 March 2021, the Atos SE Board of Directors approved compensation agreements to the benefit of the insurance companies that took part in the issuance of the surety bond provided in the context of the appeal proceeding for a total amount of USD 571 million. On 25 May 2023, the decision of the US District Court for the Southern District of New York, which had ordered Syntel (which now belongs to the Atos Group) to pay USD 571 million in damages, was set aside by the Court of Appeal which referred the case back before the First Instance District Court. Consequently, based on the joint claim submitted by the parties to the court, the surety bond was significantly reduced. Through a decision of 13 March 2024, the First Instance District Court set aside the order for Syntel to pay damages but ordered it to pay USD 14.5 million in legal fees.
- within the framework of the rationalization of the pension funds in the United Kingdom aiming at a more effective structure, on 22 July 2018, the Board of Directors of Atos SE authorized the granting of a parent company guarantee to Atos Pension Schemes Limited in the capacity of

¹ Misappropriation of trade secrets and breach of copyright by a subsidiary of the Atos Group, the company Syntel.

administrator of the new Atos UK 2019 pension fund set up on 1st November 2019. Under that guarantee, Atos SE undertook to guarantee the obligations of the employer entities to the pension fund. On 22 December 2020, the guarantee was confirmed and extended to take account of the merger of the Atos 2011 pension fund into the Atos UK 2019 pension fund and the transfer of the related debts. The new estimated guarantee amount represented 332 million pounds sterling (EUR 382 million) as of 31 December 2023.

Furthermore, in the context of its revolving credit facilities (RCF), Atos SE issued a first-demand parent company guarantee to the benefit of the banking pool (represented by BNP Paribas) to cover the commitments of its two subsidiaries, Atos Telco Services B.V. and Atos International B.V., in the capacity of borrowers, up to €660 million.

1.7.3. Letters of support

In the context of its management of the Group's participation and the centralization of the financing activities, Atos SE provided letters of support to the benefit of several subsidiaries of the Group, under the terms of which it undertook to contribute to the companies in question the financial support necessary to conduct their activities.

Atos SE sent Atos Information Technology GmbH ("AIT GmbH") a letter of support on 20 December 2019, renewed several times, under the terms of which it undertook, without limit of the amount and up until 31 December 2025 in its current version:

- to ensure that AIT GmbH was able to address, at any time, all its financial obligations and pay its debts to all its creditors when they become payable, such that AIT GmbH does not become bankrupt or insolvent within the meaning of German law (this commitment continuing to apply in case of an insolvency proceeding opened against AIT GmbH).
- to subject any receivables held under the letter of support to the prior repayment of any present or future receivables held by the other creditors of AIT GmbH. Atos SE undertook only to receive payment from AIT GmbH if it is not insolvent and has the necessary resources to address all its liabilities.

II. Recovery actions initially considered

2.1. Establishment of a new strategic plan involving a reorganization of the Atos Group

Following the COVID-19 crisis, the decline in traditional IT infrastructure activities exploited by the Tech Foundations scope (outsourcing, management of its clients' IT resources) accelerated, with a more substantial migration of companies to the cloud and data storage on internet-hosted servers.

This situation was mitigated by the parallel sharp growth in activities in digital, the cloud, security, decarbonization (Eviden scope), and targeted acquisitions. Still, it had an impact on Atos SE's overall financial performance.

Thus, the Group's global financial performance was negatively impacted, with 2021 revenues of €10,839 million, down 2.5% at constant exchange rate and perimeter from 2020.

During the first half of 2022, the Group continued to be impacted by the decline in traditional IT activities, combined with the rise in staff costs and disruptions in the supply chain.

In that context, in 2022, Atos SE announced establishing a strategic plan based on a new group organization divided into two scopes: "Eviden" and "TFCo." Measures of acceleration, transformation, and recovery were implemented to refocus the group's commercial strategy and activities within these two scopes, improve their performances, and accelerate their growth.

This reorganization was more specifically intended to maximize the value of the Group for all stakeholders by:

- creating two companies entirely focused on their respective strategies and markets, with a dedicated management team and the agility to best serve their clients and roll out their transformation plans.
- endowing each company with an adequate financial structure adapted to its growth and cash generation profile.
- releasing the value of Eviden with the creation of a company positioned on markets with high growth and potential for high margins.
- supporting the transformation of TFCo and making it possible to fully finance its recovery plan to re-establish its financial performances while retaining the option of participating in the consolidation of the market.
- creating numerous professional development opportunities for the employees.

Implementing this reorganization project involved increased restructuring, separation, and transformation costs in 2022 and 2023. These costs amounted to €696 million for the year ending 31 December 2023, of which €343 million was for workforce adaptation measures (comprising €147 million for the extension of the restructuring plan in Germany launched in 2022) and €353 million in separation and transformation costs.

2.2. Takeover bids received and discussions with potential investors

2.2.1. First expression of interest from Onepoint

Following the announcement of the plan to separate its activities into two separate scopes, on 27 September 2022, Atos SE received an unsolicited letter of intent from Onepoint, a consultancy in the technological transformation of companies and government-affiliated groups or institutions associated with the ICG investment fund, relating to a potential acquisition of the Eviden scope for a company value of €4.2 billion. The Board of Directors of Atos SE examined this expression of interest and decided not to take it further.

In parallel, Onepoint acquired shares of Atos SE and increased its stake in the share capital to 11.4%, thus becoming the primary shareholder of Atos SE. On 28 February 2024, the Board of Directors, on the recommendation of the Appointments and Governance Committee, approved the co-opting of David Layani (President and founder of Onepoint) and Helen Lee Bouygues (President of LB Associés) as directors proposed by the reference shareholder Onepoint.

David Layani and Helen Lee Bouygues resigned as directors on 27 June 2024. Onepoint, moreover, sold some of its shares, and on 10 July 2024, it announced that it had fallen below the threshold of 4% of Atos SE's share capital with a holding of 3.38% of the share capital and voting rights of the Company.

2.2.2. Discussions with Airbus relating to a stake in the Eviden scope and conclusion of a strategic agreement

On 16 February 2023, Atos SE announced that it had received an indicative offer from Airbus regarding the conclusion of a long-term strategic and technological agreement and the acquisition of a minority stake of 29.9% in Eviden. On 29 March 2023, Atos SE announced Airbus' decision not to continue the discussions concerning the potential acquisition of a minority stake in Eviden, which had commenced a month earlier.

Atos SE subsequently received a new indicative offer from Airbus, which led to a due diligence phase opening in January 2024. On 19 March 2024, Atos SE announced that the discussions with Airbus would not continue.

On the same day, the Ministry of the Economy and Finance published a press release in which the French State acknowledged the cessation of discussions over the potential assignment of the Big Data & Security activity of the Atos Group to Airbus and indicated that the ongoing priority of the French State was to support the Atos Group and find solutions to stabilize its financial situation and give all necessary visibility to the stakeholders, particularly the employees of the company while protecting the sensitive activities of the Group.

2.2.3. Discussions with EPEI relating to the disposal of the Tech Foundations scope and recapitalization of Eviden

On 1st August 2023, Atos SE announced that the Board of Directors had decided to enter into exclusive negotiations with holding company EPEI Equity Investment (EPEI), controlled by Mr. Daniel Kretinsky, to execute a plan to assign 100% of the Group's subsidiary having the Tech Foundations activity.

The planned agreement between Atos SE and EPEI also aimed to reinforce the capital structure of Eviden through capital increases having to be submitted for the approval of the General Meeting of Shareholders, for a total amount initially envisaged of €900 million. An initial reserved capital increase of €180 million was to be subscribed by EPEI, enabling it to hold a stake of 7.5% in the post-operation share capital. The second capital increase of €720 million with the maintenance of the preferential subscription rights of the shareholders was to be guaranteed by BNP Paribas and JP Morgan.

On 5 February 2024, Atos SE indicated that the discussions with EPEI over the disposal of Tech Foundations were continuing (including concerning the conditions to release EPEI of its obligation to take a stake in the share capital of Eviden) without certainty that they would reach an agreement.

Atos SE also indicated that taking account of the evolution of the market context on that date, the conditions for executing the planned capital increase with preferential subscription rights for €720 million were no longer met, and the guarantee commitment granted by BNP Paribas and J.P. Morgan was no longer in effect.

On 28 February 2024, Atos SE announced the discussions with EPEI on potential sale of Tech Foundations have concluded with no deal reached, the discussions and the put agreement have therefore been terminated by mutual consent, with no indemnification on either side and the parties are released from any future reciprocal obligation subject to maintaining the confidentiality agreements². At that time, it was specified that Atos SE will continue to run Tech Foundations and Eviden as separate businesses and leverage the strengths of their respective offerings with a coordinated go-to-market strategy..

2.2.4. Financial difficulties encountered by Atos SE

Parallel to the setup of its reorganization project, in June 2022, Atos SE announced a program for the disposal of non-strategic assets, with potential sale proceeds for a total of €700 million.

On 28 July 2023, Atos SE announced that, upon drawing up its disposal plan and refining the scope of its two future entities, the Group had identified additional opportunities to rationalize its portfolio. Consequently, it was decided to extend the disposal program by an additional potential of €400 million of sale proceeds.

Furthermore, to fund the implementation of its reorganization project, on 29 July 2022, Atos SE raised banking debts for a total amount of €2.7 billion, composed of:

- *Term Loan A for €1.5 billion*: this loan was granted for an initial term of 18 months until 29 January 2024, subject to certain conditions (notably absence of the event of default and payment

² Market Update – February 28, 2024 [online] https://atos.net/en/2024/press-release_2024_02_28/market-update-4

of an extension fee). The first six-month extension took effect on 29 January 2024. As a consequence, the maturity date of this term loan was 29 July 2024.

- *Term Loan B for €300 million*: this loan was granted for an initial term of 12 months with an option of extension by an additional six months. Its objective was to prefinance certain planned asset disposals. This loan was fully repaid during the financial year 2023.
- *revolving credit facilities (RCF)*: Atos SE and two of its subsidiaries have benefited since 2018 from a revolving credit facility (RCF) for €2.4 billion, which was reduced to €900 million in July 2022 and matured in November 2025. Currently, this credit facility is fully drawn.

These loans and credit facilities had the principal purpose of enabling the Group to maintain its liquidity and cover its financial requirements during the transition period until the finalization of its reorganization operations.

Moreover, between 2018 and 2022, Atos SE took out various bond issues, private investments, and negotiable debt securities, totalling around €2.4 billion.

Thus, the next financial maturities the Group must address were as follows:

- Term Loan A of €1.5 billion maturing in July 2024, which provides an extension option by an additional six months until January 2025.
- bond issue (exchangeable bonds) of €500 million maturing in November 2024.
- bond issue of €750 million maturing in May 2025.
- revolving credit facility (RCF) of €900 million maturing in November 2025.
- bond issue of €350 million maturing in November 2028.
- *Sustainability-linked bond* of €800 million maturing in November 2029.

In this context, Atos SE has initiated analyses to identify solutions to address these maturities while holding sufficient liquidity to fund the requirements linked to its activities.

Considering the financial constraints imposed on it, on 3 January 2024, Atos SE announced that it had decided to adapt its strategy to maintain a mix of activities that remain attractive for its employees, clients, creditors, and shareholders while ensuring repayment and refinancing of its financial debts.

Atos SE indicated that to be able to respect its financial maturity dates, it would have to carry out the following operations, individually or in combination:

- *obtaining new bank finance*: to avoid any uncertainty about its long-term outlook, that is tied to the ongoing negotiations, Atos indicated that it will, in parallel to the additional asset disposal program described below, enter into discussions with the Group's banks, taking into account the various scenarios currently under consideration, the implementation of which will require the commitment of these banks to maintain financings and provide refinancings access to the capital markets (debts and/or shares).
- *implementation of an additional asset disposal program*: regardless of the outcome of the discussions in progress with EPEI over a potential operation for disposal of Tech Foundations

(which ultimately was not successful), and given the envisaged reduction in Eviden's capital increase, the company is considering the disposal of other assets, well in excess of the €400 million mentioned in the press release of July 28, 2023, in order to meet its financing maturities. On that date, management and the Board of Directors considered that among the various potential divestments, the sale of BDS would be a key factor, and would maintain the strategic interest of the remaining activities. as received two letters indicating non-binding interest in its BDS business, one of which relates only to part of BDS's perimeter.

- *Continue specific actions to optimize working capital requirements*, particularly at the half-year and annual closing, including continued factoring.

The initiation of these various measures in the first half of 2024 aimed to guarantee business continuity and avoid any uncertainty over the Group's sustainable evolution linked to the negotiations over the planned asset disposals.

In its press release of 3 January 2024, Atos SE also emphasized that in all those scenarios, the company's management and the Board of Directors will endeavour to manage the significant risks involved and that, if necessary, should the outcome of the discussions with all its banks prove uncertain, it would not rule out the use of available legal protection mechanisms to frame discussions with its creditors and confirm that they will be sufficient to cover the Group's financing maturities and cash requirements on a long-term basis.

On 5 February 2024, Atos SE announced that it had entered into discussions with its banks to reach a refinancing plan for its financial debt. Following the initial discussions, it appeared pertinent to request the appointment of a *mandataire ad hoc* to frame these discussions and facilitate a rapid outcome. The mandataire's mission would be to assist Atos SE in its discussions to converge on an appropriate financial solution for the Company's corporate interests as soon as possible.

In the above context, rating agency Standard & Poor's (S&P) progressively downgraded Atos SE's credit rating, which fell from BBB+ with a stable outlook on 17 December 2020 to CCC- with a negative outlook on 12 April 2024.

On 26 July 2024, following the opening of accelerated safeguard proceedings of the Company, S&P set the Company's rating as SD (selective default) and indicated that the rating would be revised after the final implementation of the restructuring plan.

III. Openings and progress of *mandat ad hoc* and conciliation proceedings

3.1. Opening and progress of the *mandat ad hoc* proceeding

In February 2024, considering the financial maturity dates to come during the next 18 months of over €2.75 billion, and pending the successful outcome of the discussions that were then in progress with the various investors about the takeover of certain assets or activities of the Group, and with its banking and financial partners, Atos SE wanted to benefit from the assistance of a *mandataire ad hoc* to:

- govern and facilitate a swift outcome to the discussions initiated with its banks to arrive at a plan to refinance its financial debt.
- continue the approaches undertaken to adapt the Atos Group's strategy, considering the existing financial constraints, to ensure the sustainable coverage of its financial maturity dates and cash requirements while maintaining an attractive mix of activities.
- monitor its negotiations with EPEI over the disposal of Tech Foundations (which ultimately were unsuccessful).
- assist it in implementing any other measure, particularly an additional asset disposal program, making it possible to sustainably ensure the coverage of the financial maturity dates and the cash requirements and thus the Group's activities.

Opening an *mandat ad hoc* proceeding to benefit Atos SE generally aims to facilitate any helpful discussion and/or negotiation with its partners. Notably, its creditors, its shareholders, and any potential investor, to facilitate the swiftest possible emergence of any agreement, measure, operation, or solution able to protect its liquid assets, stabilize its financial situation, and/or ensure the permanence of its activities in compliance with the strategy pursued by the Group for two years, and in the pursuit of the corporate interest of the Company.

Through an order of 6 February 2024, the President of the Commercial Court of Pontoise appointed SELARL FHBX, represented by Maître Hélène Bourbouloux, in the capacity of *mandataire ad hoc* of Atos SE to:

- assist the Company in facilitating any useful discussion and/or negotiation with its partners, and notably its creditors, its shareholders, and any potential investor, to promote the emergence of any agreement, measure, operation, or solution able to protect its liquid assets, stabilize its financial situation, and/or ensure the permanence of its activities.
- more generally, assist the Company in the context of any approach liable to resolve the legal, social, economic, and financial difficulties that the Company could face.

Within the framework of the *mandat ad hoc* proceeding and to facilitate its exchanges with its financial partners, Atos SE appointed the firm Accuracy to produce an “Independent Business Review” (“**IBR**”) to express an independent opinion on (i) the net financial debt as at 31 December 2023, (ii) the preliminary update of the business plan provided by the management for the period 2024–2027, (iii) the monthly liquidity forecasts for the year 2024, and (iv) the impact of pending assets disposal operations.

The *mandat ad hoc* proceeding also enabled Atos SE to continue the discussions with its primary financial partners within an established framework.

On 3 January 2024, Atos SE indicated that one of the leverages envisaged by the Group to reinforce its cash situation and honor its following financial maturity dates consisted of continuing specific actions to optimize its working capital requirements, notably with the maintenance of factoring, as announced on 16 October 2023.

In that context, Atos SE initiated discussions with its banking partners—including those with whom factoring contracts had already been entered into—to seek the establishment, from April 2024, of a permanent factoring program without recourse for a total amount of €400 million.

This financing, the total amount of which was ultimately reduced to €75 million, was to enable the Group to have a sufficient “*coussin de liquidité*” in the short term to finance its requirements during the next few months and to reassure its clients, employees, and suppliers over its capacity to perform all its commitments in the ordinary course of its business, pending the implementation of an overall agreement to the plan to refinance its financial debt with all its economic partners.

Alongside the discussions conducted to reach a restructuring agreement, the Company continued the talks in progress on its asset disposal plans, which notably included the project to assign the Tech Foundations business line to EPEI and the project to assign the *Big Data & Security* activity to Airbus. However, the discussions on these projects were unsuccessful, as announced by Atos SE on 28 February and 19 March 2024.

During the *mandat ad hoc* proceeding, several creditors were interested in and wished to participate in the discussions over Atos SE's financial restructuring, notably indicating that they would be prepared to make new money contributions.

3.2. Opening and progress of the conciliation proceeding

3.2.1. Opening of a conciliation proceeding to the benefit of Atos SE

To complete the discussions initiated with its banking and bondholder creditors, Atos SE applied for the opening of a conciliation *proceeding* to fix a framework for the discussions, give visibility to all stakeholders over their outcome, and reassure the Group's environment (commercial partners, clients, suppliers, employees, market, interested parties, etc.) given the uncertainties over the Group's capacity to repay its loans on their maturity dates in the short term.

Through an order of 25 March 2024, the President of the Commercial Court of Pontoise opened a conciliation *proceeding* to the benefit of Atos SE for four months and appointed SELARL FHBX, represented by Maître H  l  ne Bourbouloux, in the capacity of Conciliator with the mission of:

- assisting the Company in facilitating any helpful discussion and/or negotiation with its partners, and notably its creditors, its shareholders, and any potential investor, to promote the emergence of any agreement, measure, operation, or solution able to protect its liquid assets, stabilize its financial situation, and/or ensure the permanence of its activities and those of its subsidiaries.
- more generally, assisting the Company in the context of any approach liable to resolve the legal, social, economic, and financial difficulties that the Company could face.

Through an Order of 30 May 2024, the President of the Commercial Court of Pontoise ordered the remittance of the conciliation proceeding opened to the benefit of Atos SE before the Presiding Judge of the Specialized Commercial Court of Nanterre since the accelerated safeguard proceedings which the Company would potentially seek fell to the jurisdiction of that Court and considering the imperatives of speed inherent to those proceedings.

On 9 and 29 April 2024, Atos SE sent its financial creditors the updated Group business plan 2024-2027 (updated on 2 September 2024) and the principal parameters of its refinancing plan involving:

-  1.1 billion of liquidity necessary to finance the activity over the period 2024-2025.
-  300 million of new revolving credit facilities, and  300 million in additional bank guarantee facilities.
- a target credit rating profile of BB by 2026, involving financial leverage below 2x by the end of the year 2026 and the reduction in the gross debt of  3.2 billion.
- an extension of 5 years on the maturity dates of the residual debt.

The parameters are based on the Atos scope, including the Eviden and Tech Foundations assets.

The stakeholders linked to Atos SE, and the third-party investors were invited to submit proposals for new money to the Company before 3 May 2024.

3.2.2. Financial restructuring proposals received

On 6 May 2024, Atos SE announced that it had received four financial restructuring proposals, which were presented to the Board of Directors on 5 May 2024:

- an offer from a group of bondholders and banks of the Company.
- an offer from investment fund Bain Capital.
- an offer from investment fund EPEI in partnership with investment fund Attestor Limited.
- an offer from Onepoint in consortium with investment fund Butler Industries.

Atos SE indicated that discussions with Bain Capital were not continuing because the proposal submitted did not fulfill the company's declared objective of considering the whole scope.

Therefore, discussions were pursued with the banks and bondholders on the one hand and with the consortium EPEI/Attestor and the consortium Onepoint/Butler Industries on the other.

At that time, the Company also announced that the financial restructuring solution that would be selected would probably involve radical changes to the company's capital structure, a significant issue of new capital securities, and a massive dilution of the existing shareholders.

On 3 June 2024, Atos SE announced that it had received two revised financial restructuring proposals presented to the Board of Directors:

- a revised offer from EPEI in partnership with Attestor Limited.
- a revised offer from Onepoint in consortium with Butler Industries and Econocom and with a group of certain creditors of the Company.

Under the guidance of the Conciliator, the Board of Directors authorized management to work with the company's financial creditors to ensure maximum support for one of these proposals.

On 11 June 2024, Atos SE announced the decision made, under the guidance of the Conciliator, Maître Hélène Bourbouloux, to advance with the financial restructuring proposal submitted by the Onepoint consortium, which proposal appeared best oriented to the corporate interest of Atos SE, including its employees, clients, suppliers, creditors, shareholders, and other stakeholders, and was globally compliant with the leading financial parameters fixed by the Company. Moreover, this proposal was supported by the most significant number of creditors, maximizing the chances that it could be later adopted by the Commercial Court (see hereunder paragraph 3.2.2.), subject to its successful outcome.

The principal parameters of the revised proposal of the Onepoint consortium were as follows:

- conversion into equity of €2.9 billion of existing debt.
- contribution of €1.5 billion in new money in the form of debt.
- contribution of €250 million in new money in equity (€175 million from the Onepoint consortium and €75 million from the financial creditors).

It furthermore envisaged offering the possibility to the financial creditors of the Company to participate in the contributions of new money:

- for the banks, in the form of loans and banking facilities (term loans), new revolving credit facilities (RCF), and/or financing on receivables (factoring), as well as through new bank guarantee facilities, for a total amount of €750 million pro-rated to their share of holding of revolving credit facilities (RCF) and Term Loan A, at 14 June 2024 at 6 pm (Paris time), with that date being defined as the “*Record Date*”.
- for the bondholders, in the form of one or more bond issues for a total amount of €750 million, pro-rated to their share of holding of bonds of the Company on the Record Date.

At the time of the press release of 13 June 2024, the Company announced to the market that the Record Date was fixed at 14 June 2024 after the close of market (6 pm Paris time) and that the possibility for the financial creditors to participate in the new secured financings, and where applicable the new equity financings, set out within the framework of the financial restructuring, as well as the allocation between the participating financial creditors of the subscription to these new secured financings and new equity financings, would be determined according to their holding of receivables on the Record Date. The Company’s financial creditors and the market players could take account of the Record Date, which was thus fixed in the context of the transactions carried out following that announcement.

The scheduling of the Record Date thus made it possible, during the conciliation, to draw up the terms of participation and allocation of the financings to be put in place to enable the drafting of a draft accelerated safeguard plan (the “**Draft Accelerated Safeguard Plan**”) of the Company and to obtain firm commitments to contributions from the financial creditors before the application for opening of the accelerated safeguard proceedings.

On 25 June 2024, Onepoint, Butler Industries, and Econocom finally decided to withdraw from discussions with the Company.

On the same date, the Company received a letter reiterating EPEI's interest in participating in Atos SE's financial restructuring.

In parallel, on 26 June 2024, Atos SE announced that it had received from the committee representing its bondholder creditors (SteerCo) a revised overall proposal for financial restructuring, taking account of the withdrawal of Onepoint, Butler Industries, and Econocom.

3.2.3. Financial restructuring agreement and conclusion of a lock-up agreement

On 30 June 2024, Atos SE announced that it had reached an agreement with a group of banks and bondholders on the main terms of a financial restructuring plan³. An essential point to bear in mind is that it is ultimately the creditors who decide on the restructuring to be implemented because the restructuring plan has to be voted by a qualified majority of creditors to permit its implementation, subject to court approval.

This agreement, in principle, subject to various conditions precedent, is based on the following main restructuring measures:

- a rights issue with maintenance of the preferential subscription rights for existing shareholders, for an amount of €233 million, at a reduced subscription price compared to the Equitization Capital Increases (to the extent legally permissible), with €75 million in cash backstopped by bondholders participating in the new financings (described below) and €100 million backstopped by the creditors participating in the new financings by set off against the portion of their respective debts (the “Rights Issue”), any cash proceeds resulting from the subscription to this Rights Issue will be kept in full by the Company for the purpose of financing its business operations.
- if the €100 million backstop by set-off against their respective debts provided by the Participating Creditors in the Rights Issue is not called up in full, the amount remaining to be subscribed shall be equitized on terms similar to those for the Rights Issue, through a capital increase without preferential subscription right reserved to them (with, if applicable, a priority period for the benefit of existing shareholders), by way of debt equitization (the “Potential Capital Increase”). Participating Creditors will also have the option to fund, as part of the Potential Capital Increase, an additional amount of cash up to €75 million (the “Optional Additional Equity”).
- The equitization of €2.8 billion (in addition to the €100 million previously equitized) of Atos’ financial debt increased by the amount of accrued and unpaid interests due to Atos’ financial creditors as from the opening of the accelerated safeguard procedure, through two share capital increases without preferential subscription right, one reserved to the Participating Creditors (with, if applicable, a priority period for the benefit of existing shareholders), the other reserved to creditors not participating in the new financing (the “Non-Participating Creditors”) (with, if applicable, a priority period for the benefit of existing shareholders) (the “Equitization Capital Increases”). The Equitization Capital Increase reserved to Non-Participating Creditors will be offered on less favorable conditions than the one offered to Participating Creditors. Any cash proceeds resulting from the subscription by existing shareholders to these Equitization Capital Increases under their priority rights will be used in full to repay the Company’s relevant unsecured financial creditors at par value in due proportion.
(together the “**Financial Restructuring Capital Increases**”)
- a contribution between €1.5 billion and €1.675 billion of new secured financings (*new money debt*) (depending on the amount of cash subscriptions to the Rights Issue and of the Optional Additional Equity as part of the Potential Capital Increase) to be subscribed in equivalent

³ Market update – June 30, 2024 [online]. https://atos.net/en/2024/press-release_2024_06_30/market-update-june-30-2024

proportions by (i) the bank creditors holding at the Record Date (as defined below) debt under the €1.5 billion term loan A maturing in January 2025 and the €900 million revolving credit facility maturing in November 2025 (the “**Loans**”) and (ii) the bondholders holding at the Record Date bonds issued by Atos maturing in 2024, 2025, 2026, 2028 and 2029 (the “**Bonds**”).

Excluding consideration of the option left to the creditors to contribute more in cash or to equitize more financial debt, the accelerated safeguard plan would lead to (i) a contribution of liquid assets of €1.75 billion and (ii) a reduction of the Group's net debt between €3.1 and 3.25 billion, depending on the success rate of the capital increase with the maintenance of the PSR.

Implementation of the proposed financial restructuring plan would result in massive dilution of Atos existing shareholders and Atos' creditors would take control of it as a result of the Equitization Capital Increases (lender-led).

On the same date, Atos SE announced through a press release⁴ the opening of the syndication period for the newly secured financings as of 30 June 2024 and invited the financial creditors on the Record Date to participate by the following terms:

For the bondholders:

- up to 3 July 2024 at 1 pm (Paris time), option (i) to subscribe, pro rata to their bonds holding on the Record Date, to the new secured financings allocated to bondholders and to backstop, for an equivalent proportion the subscription to the capital increase with maintenance of the PSR, and (ii) to underwrite, pro rata to their bonds holding at the Record Date, the portion of new secured financings allocated to bondholders not subscribed at the end of the syndication period.
- between 15 July 2024 (announcement of the signing of the lock-up agreement) and 22 July 2024, subject to an extension that the Company may decide, the opportunity to subscribe, pro rata only to their bonds held at the Record Date, to the new secured financings allocated to bondholders.

For the banks:

- until July 5, 2024, at 11:59 p.m. Paris time, the option of backstopping, underwriting, and contributing all or part of the new secured financings allocated to the banks for their pro rata of loan holdings at the Record Date or for more or less thereof.
- on 5 July 2024, the syndication process for the backstop of new secured financings allocated to banks, which had to be provided by the Banks, was extended until 11 July 2024 at 6 pm (Paris time) to consider possible modifications related to bank guarantees.

All financial creditors on the Record Date wishing to participate and backstop the subscription of these newly secured financings were invited to formalize their commitment by completing an online form.

Therefore, the syndication process for the new secured financings was announced through a press release to ensure its transparency and equal access of creditors to these financings (in an identical situation), in compliance with the practices in the matter on the financial markets.

⁴ Ibid

At the end of these first syndication periods, on 11 July 2024, the new financings allocated to banks and bondholders were subscribed and backstopped as follows:

	Bondholders' New Financings	Banks' New Financings
Target amounts	Max. €837.5 million	Max. €837.5 million
Amounts subscribed (pro rata to the fraction of receivables held)	€492,826,020.41	€380,364,583.33
Additional amounts backstopped (for any unsubscribed portion of the new financings, in the limit of the target amount)	€948,873,979.59	€484,757,291.34
Total	€1,441,700,000	€865,121,874.67
<i>Percentage of target amounts</i>	172.1%	103.3%

Thus, on the day of the application for opening the accelerated safeguard proceedings, the new secured financings stipulated in the Draft Accelerated Safeguard Plan were fully subscribed or backstopped. It is specified that any balance of the newly secured financings allocated to bondholders that are not subscribed at the end of the second syndication phase in progress is, in any event, backstopped by the bondholders of the Company within the framework of the lock-up agreement (see hereunder).

On 14 July 2024, a lock-up agreement was entered into, under the guidance of the Conciliator and the Interministerial Industrial Restructuring Committee (CIRI), between the Company, a group of banks, and bondholders wishing to support the restructuring agreement.

The principal terms of the lock-up agreement are as follows:

- commitment of the signatory or supporting financial creditors to support and cooperate with the implementation and finalization of the economic restructuring of the Company, in particular by providing their support to the Draft Accelerated Safeguard Plan (provided that this complies with the terms of the agreement in principle over the agreed restructuring).
- commitment of the signatory or supporting financial creditors, being moreover committed to participating in the new secured financings, to sign the documentation relative to the new secured financings, to provide the Company with the corresponding funds, and to grant the authorizations and derogations necessary to their establishment.
- restrictions relating to the disposals, by the signatories or supporters, of their unsecured debts to the Company and their commitments to subscribe or backstop the new secured financings, with the potential assignees of these receivables and obligations having to be bound by the same commitments as the assignors and to adhere to the lock-up agreement.
- commitment of Atos SE to continue operating by the ordinary course of business, in compliance with the business plan presented to the market on 29 April 2024, and with respect for certain specific commitments (linked to the increase in its indebtedness, restrictions relating to

disposals/acquisitions of assets, the absence of payment of dividends, absence of granting of new securities, etc.).

- authorization is given to Atos SE to carry out the potential disposal of the Worldgrid activity and agreement in principle concerning the activity of *Advanced Computing*, *Mission-Critical Systems*, and *Cybersecurity Products* of the BDS division, subject to compliance with certain conditions and commitments.
- commitments to regular information and reporting of Atos SE to the benefit of the signatory financial creditors.
- agreement to the terms of the Company's governance until the effective and long-term implementation of the restructuring, by the terms of a deal in principle over the governance agreed between the parties.

Upon signing the lock-up agreement, a syndication period was opened until 22 July 2024, enabling all financial creditors of the Company to adhere to it and thus support the restructuring agreement. Considering the commitments made within the framework of their adherence to the lock-up agreement, notably limiting the free transferability of their receivables, the financial creditors having signed or adhered to this agreement will be entitled to payment at the end of the restructuring operations of a fee corresponding to (i) 50 base points calculated on the amount of their receivables (“early bird fee” and “lock-up fee”) for those having signed the agreement or having adhered to it before 19 July 2024 at 6 pm (Paris time), and (ii) 25 base points calculated on the amount of their receivables for those having adhered to it after 19 July 2024 at 6 pm (Paris time), but before 22 July 2024 at 5 pm (Paris time).

On the date of the application for the opening of the accelerated safeguard proceedings, the banks, having agreed to provide new secured financings representing around 45.42% of the Company’s bank receivables, had already committed to sign or adhere to the lock-up agreement within the framework of the syndication process for these new financings described above. In addition, other banks who are not participating in the new financings, representing 10.21% of the bank loans have committed to sign or adhere to the lock-up agreement (i.e., a total banks’ support of 55.63% of bank loans).

Similarly, the bondholders who have agreed to provide new secured financing, representing around 66.76% of the Company’s bonds, have committed to signing or adhering to the lock-up agreement in the same context. In addition, other bondholders who are not participating in the new financings, representing 2.66% of the bonds have committed to sign or adhere to the lock-up agreement (i.e., a total bondholders’ support of 69.42% of bonds).

The financial creditors, having agreed to provide new secured financing to the Company, thus adhering to the lock-up agreement and supporting the planned accelerated safeguard plan, represent around 62.60% of the Company's unsecured financial debts.

It is specified that this rate of support of the unsecured creditors to the lock-up agreement is similar to that observed within the framework of other significant accelerated safeguard proceedings⁵, making the

⁵ Lock-up agreement adherence rate:

Orpéa: 51.59 %

Casino: 91% of creditors holding secured debts, 49% of creditors holding unsecured debts, and 22% of shareholders (which represented 55% of shareholders excluding reference shareholders of the Casino Group)

obtaining of a favourable vote of the creditors at the majority of 2/3 of the amount of the receivables of creditors having voted within the framework of the accelerated safeguard proceedings likely.

Based on the financial restructuring agreement and the lock-up agreement, the Company drew up, during the conciliation proceeding, a Draft Accelerated Safeguard Plan founded on the terms of the agreement in principle to the restructuring (see VI hereunder).

3.2.4. *Interim financings*

Alongside the discussions relative to the financial restructuring agreement and to ensure sufficient liquidity until its long-term refinancing plan is implemented, on 9 April 2024, the Company announced that it had drawn up the terms of an agreement in principle with a group of banks and a group of bondholders concerning interim financing of an initial amount of €400 million.

Furthermore, the State, which is also a client of the Atos Group, published a decree authorizing it to grant a loan of €50 million via the Fund for Economic and Social Development (FDES) to a subsidiary of Atos SE, Bull SAS, which controls sensitive sovereign activities. In return, Atos SE undertook to issue a preference share in Bull SAS to benefit the State, which grants it special rights to protect sensitive sovereign activities.

On 29 April 2024, Atos SE indicated that implementing its financial restructuring involved extending the interim financings of €450 million already agreed upon and setting up an interim additional financing of €350 million between July 2024 and the final implementation of the financial restructuring agreement.

The financial creditors of the Company on the Record Date were invited, through a press release⁶, to participate in the interim financings before 25 June 2024 at 5 pm in the following proportions:

- for the banks, €125 million within the additional tranche of the facilities of Interim Financing 1 bis and €175 million in Interim Financing 2, with a reallocation of contributions to the factoring program of €75 million.
- for the bondholders, €100 million will be allocated within the additional tranche of Interim Financing 1 bis facilities and €175 million under Interim Financing 2.

⁶ Market update – June 13, 2024 [online]. https://atos.net/en/2024/press-release_2024_06_13/market-update-june-13-2024

On 20 June 2024, at the end of discussions with the various stakeholders, under the guidance of the Conciliator, Atos SE announced, through a press release⁷, the final structure of the interim financing composed as follows:

Millions of euros	Banks	Bondholders	State	Total
Initial Interim Financings 1 and 1 bis				
Revolving credit facilities (RCF) / Term loan (<i>“Interim Financing 1”</i>)	-	100	-	100
Revolving credit facilities (RCF) (<i>“Interim Financing 1 bis”</i>)	125	100	-	225
FDES	-	-	50	50
Factoring (<i>“Interim Financing 1”</i>)	75	-	-	75
Total Initial Interim Financings 1 and 1 bis	200	200	50	450
Incremental Interim Financing 2				
Revolving credit facilities (RCF) (<i>“Interim Financing 2”</i>)	175	175	-	350
Total Incremental Interim Financing 2	175	175	-	350
Total Interim Financings	375	375	50	800

Considering the new proposed restructuring received from the SteerCo bondholders following the withdrawal of the Onepoint consortium from the discussions, the syndication period of the interim financings was reopened from 30 June 2024 until 3 July 2024 at 1 p.m.

⁷ Market update – June 20, 2024 [online]. https://atos.net/en/2024/press-release_2024_06_21/market-update-june-20-2024

Following the syndication period, the interim financings were subscribed:

- by the bondholders representing 37.69% of bonds for Interim Financing 1 and representing 56.66% of Bonds for Interim Financings 1 bis and 2.
- by the banks representing 38.94% of the bank receivables for the factoring program of Interim Financing 1 and representing around 50.08% of the bank receivables for Interim Financings 1 bis and 2 (some banks having subscribed to these financings for less than their pro rata of unsecured debts).

On 5 July 2024, Atos SE announced the closure of the syndication of the additional tranches of €225 million and €350 million and obtaining a Lenders' TLA waiver enabling the establishment of further tranches of interim financings.

The establishment of these additional tranches of €225 million and €350 million in revolving credit facilities was formalized by the conclusion of an amendment to the facilities previously provided by a group of bondholders entered into on 10 July 2024.

In exchange for the granting of the interim financings, Atos SE undertook not to capitalize or relinquish a share of the existing receivables of the financial creditors having subscribed to the interim financings and to reinstate that share of receivables in the form of new secured debt instruments allocated to bondholders and banks in the following proportions:

- 35% of the amounts subscribed by the bondholders within the framework of the initial tranche of €100 million in revolving credit facilities and term loan received on 14 May 2024 under Interim Financing 1.
- 35% of the amount that the banks committed to providing within the framework of the factoring of €75 million under Interim Financing 1.
- 50% of the amounts subscribed by the bondholders and the banks within the framework of the additional tranche of €225 million in revolving credit facilities and term loans under Interim Financing 1 bis.
- 35% of the amounts subscribed by the bondholders and the banks within the framework of Interim Financing 2 of €350 million.

3.2.5. Asset disposal plans

- Activities of Advanced Computing, Mission-Critical Systems, and Cybersecurity Products of the BDS (Big Data & Cybersecurity) division

On 27 April 2024, Atos SE received a non-binding letter of intent from the French State concerning the potential acquisition of 100% of the activities of Advanced Computing, Mission-Critical Systems, and Cybersecurity Products of the BDS division of the Company for an indicative enterprise value of €700 million to €1 billion.

On 14 June 2024, following an audit phase, Atos SE announced the receipt of a non-binding confirmatory letter of offer from the French State concerning the potential acquisition of 100% of those activities for a total enterprise value of €700 million.

Discussions between the Company and the State are still ongoing.

➤ Worldgrid activities

On 11 June 2024, Atos SE entered into exclusive negotiations and concluded a put option agreement with Alten SA to sell its Worldgrid activity, which provides consultancy and engineering services to companies in the energy and public services sectors, for a binding company value of €270 million.

Discussions with the assignee and the necessary approaches to obtain the authorizations required to finalize the disposal are still ongoing. In all likelihood, a deed of assignment will be signed during the second half of 2024 and completed no later than the first half of 2025 after the various trimming operations are completed.

IV. Monitoring of the restructuring steps by the Board of Directors and an Ad Hoc Committee

As can be observed within the framework of the above developments, several monitoring meetings were held by the Board of Directors (“**Board**”) and by the *Ad Hoc* Committee (“**Committee**”) in which BTSG² was able to participate in the capacity of consultant in its field of qualification. The various press releases, the financial documentation, and the regular meetings throughout the proceeding demonstrate the regular monitoring by the Board of the smooth progress of the restructuring.

In that way, it is specified that Atos is advised within the framework of its restructuring by a law firm Darrois Villey Maillot Brochier and by two investment banks, Rothschild & Co and Perella Weinberg Partners, accustomed to this type of large-scale restructuring, plus appointed financial experts (Accuracy and Finexsi). The Board itself is advised by the law firm Reinhart Marville Torre.

The board requested, among other things, that a large number of financial and presentation documents be produced, communicated, and updated to provide information to the Board members.

The documents drafted by the legal and financial advisors have been analysed throughout the progress of the discussions of the members of the Board and the *Ad Hoc* Committee to assess the Group's situation in its various aspects (industrial, economic, financial, social, and legal) and enable informed decisions to be made.

These discussions also enabled the members of the Board and the Committee to discuss the future of the Group's sensitive activities, the Eviden and Tech Foundations activities, notably regarding asset disposals under examination or in progress (BDS, Worldgrid, Digital Workplace, and previously the potential sale of Tech Foundations).

Furthermore, all restructuring proposals have been presented to the Board. In close liaison with the operational management of Atos, its advisors, and its Conciliator, the Board analyzed all offers to select a financial restructuring solution acceptable to the financial creditors to enable its implementation⁸, the restructuring plan having to be voted by a qualified majority of creditors to permit its implementation, subject to court approval, and consistent with the financial parameters of the Company. In examining

⁸ Market update – June 30, 2024 [online]. https://atos.net/en/2024/press-release_2024_06_30/market-update-june-30-2024

the bids and the hearing of the potential buyers, the Board of Directors initiated discussions to improve the bids presented.

Lastly, these meetings made it possible to collectively demarcate the contours of the Group's claims regarding its financial creditors while implementing the restructuring and refinancing agreement.

They constituted a focus of discussion aiming to determine the terms of participation in the new financings and interim financings and to prepare the subsequent market announcements via various press releases.

➤ Principal Decisions 2024:

Firstly, it should be remembered that given the difficulties and the deteriorating results, the Group had decided to take robust measures in the matter of corporate strategy, such that:

- on 27 July 2021, the Group announced an “accelerating transformation in a year of transition,” notably with the repositioning of the Group towards the key business segments: Digital, the Cloud, Security, and Decarbonisation. In that context, the Group considered the possibility of assigning some of the Tech Foundations activities.
- in early 2022, the Group announced the setup of new governance in connection with the new organization around the three business lines mentioned above. Atos thus envisaged several scenarios to ensure the recovery of the Tech Foundations activities and the growth of the BDS and Digital activities.
- four scenarios were analyzed by the Board of Directors and the Group management before Capital Markets Day on 14 June 2022. At the end of the strategic review of all scenarios, it appeared that three scenarios presented negative effects, such that they were ultimately discarded. Therefore, a preferred scenario by the Board of Directors and the Group management remained under examination: separation using the distribution of Digital/BDS. The examination of these scenarios led to the assessment of the appropriateness of completing the “Refoundation” project (disposal of the Tech Foundations business line) and the continuation of the “Alpha” project (separation of the entities into two with (i) the BDS and Digital activity on the one hand, and (ii) the Tech Foundations activity on the other hand, and quotation and distribution to the Atos SE shareholders of 70% of the shares of the entity coming to hold the BDS and Digital activity).

However, from the first quarter of 2024, uncertainties arose over the disposal of Tech Foundations. These uncertainties were announced by a press release on 3 January 2024: *“Discussions continue around the price to be paid, the structure of the transaction, and the transfer of a substantial proportion of Tech Foundations liabilities. As with any negotiation, there is no certainty that these negotiations will result in an agreement.”*

These uncertainties concerned the price adjustment (notably the reserved capital increase, the PRC costs, and the provisions for pensions), the mechanisms of calculating the working capital, the parent company guarantees, and more generally, the transfer of guarantees and the matters of scope and exclusivity).

Taking account particularly of these uncertainties, the planned disposal of the BDS business line to Airbus, and the maturity dates to come during the next 18 months of around €2.75 billion, Atos

concomitantly initiated discussions with its banking establishments for the maintenance of finance and the granting of refinancing. These discussions subsequently had to fall within an adequate procedural framework.

As indicated above⁹, in line with the first discussions with the banking establishments, and through order of the President of the Commercial Court of Pontoise of 6 February 2024, SELARL FHBX, represented by Maître Hélène Bourbouloux, was appointed in the capacity of *mandataire ad hoc* of Atos SE notably to facilitate any helpful discussion and/or negotiation with its partners, and notably its creditors, its shareholders, and any potential investor, to facilitate the emergence of any agreement¹⁰.

In this context, and alongside the negotiations initiated with the banking establishments, the Company continued the discussions on these asset disposal plans, which included the planned disposal of the Tech Foundations business line to EPEI and the planned disposal of the BDS activity to Airbus.

However, Atos indicated that the parties have not reached a mutually satisfactory agreement¹¹. Also, the discussions and the put agreement have therefore been terminated by mutual consent, with no indemnification on either side and the parties are released from any future reciprocal obligation subject to maintaining the confidentiality agreements.

As a result, the exclusive discussions with EPEI concluded on 28 February 2024 without reaching an agreement or granting termination compensation. A similar outcome was observed with Airbus on 19 March 2024. The decision to terminate these discussions was based on a thorough evaluation of Atos's evolving financial situation and the precedent of unmet conditions.

Subsequently, on 25 March 2024, the President of the Commercial Court of Pontoise ordered a four-month conciliation proceeding for Atos SE. In this phase, SELARL FHBX, under the representation of Maître Hélène Bourbouloux, has been appointed as the Conciliator. Its mission remains consistent with the framework of the *mandat ad hoc* proceeding.

Thus, the negotiations undertaken with the Atos SE banking establishments within the framework of this *mandat ad hoc* proceeding continued within the conciliation proceeding.

The stakeholders linked to Atos SE, and the third-party investors were invited to submit proposals for restructuring and new financing to the company before 26 April 2024, which date was then pushed back to 3 May 2024.

On 6 May 2024, Atos announced¹² that it had received four financial restructuring proposals within the framework of the conciliation proceeding. These proposals came from (i) Steerco's bondholders and a group of banks, (ii) Bain Capital, (iii) the EPEI-Attestor consortium, and (iv) the Onepoint-Butler consortium.

All the restructuring proposals were presented to the Board of Directors on May 5, 2024. The Atos Board of Directors decided, with the Group management and after consultation with the Conciliator, not

⁹ cf. 3.1. Opening and progress of the *mandat ad hoc* proceeding

¹⁰ On the result of the negotiations with the banking establishments, we refer to the same paragraph.

¹¹ Market update – February 28, 2024 [online]. https://atos.net/en/2024/press-release_2024_02_28/market-update-4

¹² Market update – May 6, 2024 [online]. https://atos.net/en/2024/press-release_2024_05_06/market-update-may-6-2024

to continue discussions with Bain Capital, as the proposal submitted did not fulfill Atos's objectives to consider the whole of its scope.

The proceeding for receiving and processing bids, conducted within the scope of the conciliation proceeding, was to be completed on 31 May 2024 to select an acceptable financial restructuring solution for the financial creditors, since they decide on the financial restructuring to be implemented, and consistent with the company's financial parameters. The objective was to reach a final agreement by July 2024.

It was decided to extend the deadline to the beginning of the week of 10 June for the selection of a “privileged” takeover bid between that submitted by the EPEI-Attestor consortium on the one hand and that presented by the Onepoint-Butler consortium and Sterco on the other hand.

Indeed, on 3 June 2024, the Board of Directors acknowledged the Conciliator’s position regarding a potential postponement of the decision to be made by the Board of Directors on the choice of a restructuring bid and considered that such a decision should be postponed. Discussions continued both with the financial creditors of the Company and with the two consortiums to elaborate a bid as compliant as possible with the needs of the Company, as reviewed and validated by the Board of Directors, and able to assure the permanence of the Group, having sufficiently broad support from its financial creditors to reach a final financial restructuring agreement by July 2024, liable to be then approved by the Commercial Court within the framework of accelerated safeguard proceedings and with respect for the conditions laid down by the law.

Therefore, after examining the bids and hearing from potential buyers, the Board of Directors and Company management tried to improve the two bids.

Thus, revised bids from the EPEI-Attestor consortium were received on 7 and 9 June 2024, and a letter of update intended to respond to specific requests for clarification of the Company was received from the Onepoint-Butler consortium and Sterco on 9 June 2024.

Under those conditions, given the larger support of Atos’ creditors for the Onepoint-Butler’s bid and after having regard also to the various opinions issued by the Conciliator, the legal and financial advisors, and the consultants of the management and the Board of Directors, the Board notably authorised the CEO to continue the discussions, under the guidance of the Conciliator, with the Sterco and the consortium formed by Onepoint and Butler, with a view to obtaining a final agreement over a financial restructuring and a lock-up agreement end June or early July 2024, considering that the final terms of the Sterco / Onepoint – Butler bid should be discussed and specified in the coming days, with particular attention given to several points (operational governance adapted by associating people to it having experience in this type of situation, provision of the necessary liquidity to address future financing needs, quantum of the debt reduction, various commissions making it possible to remunerate the setup of the financial restructuring, and terms and conditions of the new debt having to be compatible with the objective of financial leverage of 2.0x at end 2026).

At the same time, discussions were initiated with the French State concerning the potential acquisition of 100% of the activities of Advanced Computing, Mission-Critical Systems, and Cybersecurity Products of the BDS division of Atos SE. These discussions resulted in Atos receiving a non-binding confirmatory bid for a total enterprise value of €700 million.

On 26 June 2024, Onepoint finally announced it was withdrawing its bid, considering that the conditions were not met to enter into an agreement that would lead to a sustainable financial restructuring solution.

Under those conditions, the management and the Board of Directors of Atos received a revised proposal from the SteerCo (Revised Proposal) on 26 June 2024, taking into account the end of the discussions with the OnePoint consortium, on which the Board of Directors also had to give its position.

Considering the agenda of the proceeding, the cash needed and the operational constraints of the business, the Revised Proposal, as it stands, seemed to be the solution that could be implemented for Atos SE and its employees, subject to clarifications over specific parameters of the proposal, bearing in mind that, in the end, it is the creditors who decide on the financial restructuring to be implemented with a qualified majority vote, subject to court approval. Under this Revised Proposal, it is therefore Atos' creditors who would take control of it as a result of the debt-to-equity conversion and the capital increases.

Following the receipt of this Revised Proposal, Atos SE reached an agreement over the principal terms of financial restructuring, which seemed to comply with the parameters fixed beforehand by the Company. This solution was the subject of a lock-up agreement signed on 14 July 2024.

As indicated above, based on the financial restructuring agreement and the lock-up agreement, Atos SE drew up a Draft Accelerated Safeguard Plan during the conciliation proceeding, founded on the terms of the agreement in principle over the restructuring. Through the judgment of 23 July 2024, the Commercial Court of Nanterre opened accelerated safeguard proceedings for Atos' benefit.

Dates, which we have been informed, of monitoring meetings and decisions are as follows:

With the presence of BTSG²	Board of Directors	Ad Hoc Committee
January 2024		23 January 2024
February 2024	4 February 2024	
		18 February 2024
	21 February 2024	
		22 February 2024
	27 February 2024	
	28 February 2024	
March 2024		7 March 2024
	12 March 2024	
		15 March 2024
	19 March 2024	
	21 March 2024	
	25 March 2024	
		28 March 2024

April 2024	2 April 2024	
		4 April 2024
	5 April 2024	
		7 April 2024
	8 April 2024	
		18 April 2024
	24 April 2024	
		26 April 2024
	28 April 2024	
May 2024	5 May 2024	
	7 May 2024	
	16 May 2024	
	20 May 2024	
	29 May 2024	
	31 May 2024	
June 2024	1 st June 2024	
	2 June 2024	
	5 June 2024	
	10 June 2024	
	11 June 2024	
	13 June 2024	
		19 June 2024
	25 June 2024	
		27 June 2024
	28 June 2024	
	29 June 2024	
July 2024	10 July 2024	
	15 July 2024	
	31 July 2024	
August 2024	14 august 2024	
September 2024	1 st September 2024	

Establishing regular monitoring meetings by the *Ad Hoc* Committee and the Board of Directors enabled the company's directors and managers to commit to constructive and informed dialogue, analyzing

various optimal scenarios to allow the financial restructuring and protect the Atos Group's activities and their value. The governance process complies with best practices applied in restructuring situations.

V. Opening and progress of the accelerated safeguard proceeding

5.1. Opening of an accelerated safeguard proceeding on 23 July 2024

Owing to the terms of the Draft Accelerated Safeguard Plan (presented hereunder) and the impossibility of reaching a unanimous agreement with the stakeholders due to their number, their dispersal, and, for some, the impossibility of identifying them, Atos applied, in compliance with Articles L. 628-1 *et seq.* of the French Commercial Code, for the opening of accelerated safeguard proceedings to implement its restructuring plan, with the use of such proceeding making it possible, under certain conditions, to impose on creditors and shareholders that have not come forward or that have opposed it the Draft Accelerated Safeguard Plan receiving the support of the majority of them and ensuring the permanence of Atos SE:

“The accelerated safeguard proceedings are opened at the request of a debtor engaged in a conciliation proceeding, which is evidence of having drafted a plan striving to ensure the company's permanence. This draft must be liable to obtain, from the affected parties in respect of which the opening of the proceedings will be effective, sufficiently wide support to make likely its adoption within the timeframe set out in Article L. 628-8 (1).”

Without implementing this financial restructuring plan within the framework of accelerated safeguard proceedings, the Company would not be able to finance its operating requirements or address its forthcoming financial maturity dates.

In support of its application, the company cited financial difficulties that it could not overcome and presented a Draft Accelerated Safeguard Plan setting out the terms of the various agreements entered into with the parties having participated in the conciliation proceeding, thus making its adoption likely.

Judgment of the Specialized Commercial Court of Nanterre of 23 July 2024 pronounced the opening to Atos' benefit of accelerated safeguard proceedings on the grounds of Articles L. 628-1 *et seq.* of the French Commercial Code. This same judgment appointed:

- in the capacity of judicial administrators, SELARL FHBX, mission conducted by Maître Hélène BOURBOULOUX, and SELARL AJRS, mission conducted by Maître Thibaut MARTINAT, with supervisory powers.
- in the capacity of creditors' representatives, SELARL C. Basse, mission conducted by Maître Christophe BASSE, and Alliance, mission conducted by Maître Gurvan OLLU.

The sole objective of the accelerated safeguard proceedings, which only involves financial creditors and shareholders, is to implement and obtain a Court approval on the terms of the financial restructuring plan agreed in the Lock-Up Agreement. It only relates to the financial indebtedness of Atos (RCF, TL and bonds) and does not impact suppliers, employees, the governance of the Company, or other claims held by the creditors of the Company or its subsidiaries¹³.

¹³ Market update – July 24, 2024 [online]. https://atos.net/en/2024/press-release_2024_07_24/market-update-july-24-2024

5.2. Constitution and composition of the classes of affected parties

In compliance with Article L. 626-30, I, of the French Commercial Code, the following are considered to be “affected parties”:

“1. Creditors whose rights are directly affected by the draft plan;

2. Members of the extraordinary and ordinary general meetings of shareholders, of the special meetings referred to in articles L. 225-99 and L. 228-35-6 and the general meetings of the masses referred to in article L. 228-103 of the French Commercial Code, if their participation in the debtor’s capital, the articles of association or their rights are modified by the plan. For the application of this book, they are called “investors.”

Only the affected parties may vote on the draft plan. (...)”

Taking account of the restructuring operations envisaged and prepared within the framework of the conciliation proceeding, the Draft Accelerated Safeguard Plan will change the company's share capital and financial debt (bank and bond).

The following are therefore considered as “affected parties” within the meaning of Articles L. 626-30 *et seq.* and L. 628-1 *et seq.* of the French Commercial Code:

- all shareholders holding shares of the Company on the date of the opening judgment, and their successive assignees (Investors or Existing Shareholders); it is stated that on the date of the request for the opening of the accelerated safeguard proceedings, the share capital of the Company, is divided as follows:

Capital security	Holder	Number of securities	Percentage holding
Ordinary shares	Group’s employees	3,038,538	2.72%
Ordinary shares	Members of the Board of Directors	11,044	0.01%
Ordinary shares	Atos SE (treasury)	77,312	0.07%
Ordinary shares	Other shareholders (floating)	108,526,465	97.20%
TOTAL		111,653,359	100%

- the following unsecured financial creditors (Affected Creditors):

Debt concerned	Affected Creditors	Amount in principal	Contractual interest rate	Contractual maturity date	Security
TLA	Lenders under the TLA	€1.5 billion	Applicable margin + EURIBOR	29 July 2025	unsecured
RCF	Lenders under the RCF	€900 million	Marge + EURIBOR	6 November 2025	unsecured
Exchangeable Bonds 2024 <i>(word line bond issue - ISIN: FR0013457942)</i>	Bondholders Exchangeable 2024	€500 million	-	6 November 2024	unsecured
2025 bonds <i>(ISIN: FR0013378452)</i>	Bondholders 2025	€750 million	1.75 %	7 May 2025	unsecured
NEU MTN bonds 2026 <i>(ISIN: FR0125601643)</i>	EU MTN Bondholders N 2025	maximum €600 million <i>only 50 million used</i>	1.125%	17 April 2026	unsecured
2028 bonds <i>(ISIN: FR0013378460)</i>	Bondholders 2028	€350 million	2.50 %	7 November 2028	unsecured
2029 bonds (sustainability link) <i>(ISIN: FR0014006G24)</i>	Bondholders 2029	€800 million	1.00 %	12 November 2029	unsecured
TOTAL		€4.85 billion			

As mentioned above, the effects of the Accelerated Safeguard Proceedings are limited to the Investors and the Affected Creditors.

The classes of affected parties must then be drawn up in compliance with the provisions of Article L. 626-30 III of the French Commercial Code:

“III.- The composition of the classes of affected parties is determined, given the receivables and rights born before the date of the opening judgment of the proceedings. The administrator splits the affected parties, based on verifiable objective criteria, into classes representing a sufficient economic interest community respecting the following conditions:

- 1. Creditors holding security interests relating to the debtor’s assets securing their receivables and the other creditors are split into separate classes;*
- 2. The distribution into classes respects the subordination agreements entered into before the proceedings were opened;*
- 3. The investors form one or more classes.”*

According to the notice of 26 July 2024 inserted into the *Bulletin des Annonces Légales Obligatoires* (“BALO”), the judicial administrators advised the holders of receivables and rights set out in the notice that they are affected parties under the Draft Accelerated Safeguard Plan of the Company and that they are consequently members of a class. According to the insertion in the BALO of 9 August 2024, the judicial administrators informed the affected creditors of the method of distribution into classes and calculation of the voting rights within the class of affected parties to which they belong, as follows:

	Classes of affected parties	Members of the class	Constitution criterion
1	Unsecured financial receivables class no. 1	Financial creditors (bondholders and bank creditors) who contributed to the Interim Financings for a share of their affected receivables that benefit from the Company's commitment to differentiated treatment before the opening of the accelerated safeguard proceedings to enable the implementation of its financial restructuring.	Contribution to the Interim Financings giving entitlement to a commitment made by the Company not to capitalize or relinquish and to reinstate those receivables in the form of new secured debt instruments.
2	Unsecured financial receivables class no. 2	Financial creditors (bondholders and bank creditors), for their affected receivables not falling within the scope of unsecured financial receivables class no. 1	Financial debt that does not benefit from any specific commitment of the Company and has to be the subject of partial capitalization within the framework of the Company's Draft Accelerated Safeguard Plan.
3	Investors class	Shareholders	Shareholders

It is stated that the Affected Creditors, having participated in the Interim Financings during the Conciliation (the Interim Financing Participating Creditors), under the conditions stated in paragraph 3.2.4., benefit, in exchange for these new contributions, from a commitment of Atos SE not to capitalize or relinquish a share of the unsecured debts held by those creditors and to reinstate that share of receivables in the form of new secured debt instruments allocated to banks and bondholders in the following proportions (the Interim Reinstated Debt):

- 35% of the amounts subscribed by the Bondholders within the framework of the initial tranche of €100 million in revolving credit facilities and term loan received on 14 May 2024 under Interim Financing 1.
- 35% of the amount that the Banks committed to providing within the framework of the factoring of €75 million under Interim Financing 1.
- 50% of the amounts subscribed by the Bondholders and the Banks within the framework of the additional tranche of €225 million in revolving credit facilities and term loans under Interim Financing 1 bis.

- 35% of the amounts subscribed by the Bondholders and the Banks within the framework of Interim Financing 2 of €350 million.

Thus, the Interim Financing Participating Creditors are members of Unsecured Financial Receivables Class no. 1 for the amount of their Affected Receivables corresponding to the Interim Reinstated Debt and of Unsecured Financial Receivables Class no. 2 for the balance of their Affected Receivables exceeding the Interim Reinstated Debt. The other Affected Creditors are members of Unsecured Financial Receivables Class no. 2.

The judicial administrators have, therefore, taken account of the existence of separate communities of economic interest between:

- the creditors who participated in the Interim Financings, regarding the share of their receivables benefiting from a commitment to differentiated treatment, owing to the Interim Financings contributed, made by the Company before the opening of the accelerated safeguard proceedings to enable the implementation of its financial restructuring.
- the financial creditors of the Company for their affected receivables which do not benefit from this commitment, either because it relates to the share of receivables not affected by that commitment or because they are receivables of creditors not having contributed Interim Financings.

Conversely, as none of the affected debts benefit from privileges or securities and no subordination agreement has been notified to the judicial administrators, these criteria were not necessary to consider when separating the creditors into classes of affected parties.

VI. Presentation of the Draft Accelerated Safeguard Plan and the envisaged measures for settlement of the liabilities

6.1. Fundamental Principles of the Draft Accelerated Safeguard Plan

The Draft Accelerated Safeguard Plan is based on the following principles:

- reinforcement of the Company's equity, making it possible to finance the development and the operating requirements of the Group through execution of the following operations:
 - a Rights Issue (capital Increase with Maintenance of the PSR (preferential subscription right)) for an amount of around €233 million, which can be subscribed by the existing shareholders and will be backstopped at the level of €75 million in cash of the Bondholder Participating Creditors and at the level of €100 million by setoff with receivables held by the Participating Creditors.
 - the Potential Capital Increase which may have to be subscribed by the Participating Creditors (subject, if applicable, to the priority period of the Existing Shareholders) for the unused amount of €100 million in receivables guaranteeing the subscription of the Rights Issue, with the option, for the Participating Creditors, of contributing up to €75 million in additional liquid assets within the framework of the Potential Capital Increase and/or contributing up to an amount equal to the difference between €250 million and the amount of new equity raised in cash (i.e. up to a maximum of €175 million, depending on the new equity) by set off of receivables.
- the contribution of new secured financing to the Company to fund its general requirements through the establishment:
 - of new bond debt for an amount of €750 to 837.5 million (depending on the amount of the New Equity), provided by the Bondholder Participating Creditors (all Bondholders on the Record Date having been invited to contribute to this new financing).
 - of new bank financing for an amount of €750 to 837.5 million (depending on the amount of the New Equity), provided by the Participating Bank Creditors (all the Banks on the Record Date having been invited to contribute to this new financing).
- adjustment of the amount and the terms and conditions of the residual Unsecured Debts after completion of the Reserved Conversion Capital Increases through the reinstatement of these residual debts within new secured bond and banking debt instruments.
- the massive debt reduction program of the Company through the equitization of €2.8 billion Unsecured Debts (in addition to the €100 million converted within the framework of the Rights Issue and, where applicable, the Potential Capital Increase), incl. the interest, default interests, commissions and other fees accrued and unpaid in cash on the date of the Opening Judgment, and that will fall due from the Opening Judgment and until a cut-off date before the settlement and delivery of the Conversion Capital Increase Reserved to Non-Participating Creditors or the Conversion Capital Increase Reserved to Participating Creditors, depending on the case, through the Reserved Conversion Capital Increases (with, if applicable, a priority period to the benefit of the Existing Shareholders).

- commitments to use any proceeds of disposal of the sensitive BDS and Worldgrid activities to enable as a priority, and subject to maintenance of minimum cash reserves to the benefit of the Company, the debt reduction of the Company through the repayment of the Unsecured Debts not equitized, as reinstated.
- implementation of all operations deemed necessary to execute the financial restructuring of the financial creditors of the Group, notably through the adjustment of financial ratios, waiver of change of control clauses, and any other technical adjustments that may be required for execution of the operations set out in the Draft Accelerated Safeguard Plan.

6.2. Financial principles of the Draft Accelerated Safeguard Plan

The Draft Accelerated Safeguard Plan provides the following principal restructuring measures:

Restructuring operation	Description
Capital Reduction	A capital reduction is proposed to the Class of Investors on the grounds of losses, for a maximum amount to be determined before the Rights Issue.
Rights Issue	The Existing Shareholders are offered the chance to subscribe to a rights issue of around €233 million, strengthening the company's equity and funding its operating requirements. The Participating Creditors backstop the subscription to the Rights Issue for a maximum amount of €175 million (including as conversion into capital of the Converted Backstopped Debt for €100 million).
Injection of new Secured Financings	<p>The Unsecured Financial Creditors have been invited to participate in the New Secured Financings (new money) for an amount of €1.5 to 1.675 billion (depending on the amount of New Equity received within the framework of the Rights Issue and the Potential Capital Increase) of new secured financings proposed in equivalent proportions to the Banks and the Bondholders holding receivables under Unsecured Debts on the Record Date.</p> <p>The SteerCo bondholders have fully backstopped the Bondholder New Secured Financings for €750 to 837.5 million (depending on the amount of the New Equity).</p> <p>The Bank New Secured Financings will be granted to the Company in the form (i) of a term loan (€250 to 337.5 million); (ii) of revolving credit facilities (RCF) (€250 to 500 million, depending on the bank guarantees subscribed); and (iii) of bank guarantees, for the Banks that so wish (up to €250 million).</p>
Partial reinstatement of the Unsecured Debt	<p>The Draft Accelerated Safeguard Plan provides for the reinstatement of €1,950 million in Unsecured Debt, which will be exchanged for new secured banking or bonds instruments (the Priority Reinstated Debt and the Non-Participating Creditors Reinstated Debt).</p> <p>The Priority Reinstated Debt and the Non-Participating Creditors Reinstated Debt between the Unsecured Financial Creditors will be allocated according to:</p> <ul style="list-style-type: none"> - the amount of the Interim Financings contributed.

	<ul style="list-style-type: none"> - the option of each Unsecured Financial Creditor for the Principal Proposal (Participating Creditors) or the Alternative Proposal (Non-Participating Creditors) under the Draft Accelerated Safeguard Plan. - for the Participating Creditors, their share of subscription to the New Secured Financings. <p>Regarding the Priority Reinstated Debt:</p> <ul style="list-style-type: none"> - the receivables of the eligible Bank Participating Creditors will be reinstated in a new term loan secured by an intermediate ranking pledge over the Collateral Assets. - the receivables of the eligible Bondholder Participating Creditors will be reinstated in a new bond issue secured by an intermediate ranking pledge over the Collateral Assets. <p>Regarding the Non-Participating Creditors Reinstated Debt:</p> <ul style="list-style-type: none"> - the receivables of the Bank Non-Participating Creditors will be reinstated in a new term loan secured by a subordinated ranking pledge (2nd lien) over the Collateral Assets. - the receivables of the Bondholder Non-Participating Creditors will be reinstated in a new bond issue secured by a subordinated ranking pledge (2nd lien) over the Collateral Assets.
<p>Equitization of the residual Unsecured Debt</p>	<p>The Draft Accelerated Safeguard Plan provides for the equitization of an amount of €2,800 million plus all interest accrued and not yet due or to accrue, corresponding to the balance of the Unsecured Debt not reinstated, within the framework of:</p> <ul style="list-style-type: none"> - the Conversion Capital Increase Reserved to Non-Participating Creditors. - the Conversion Capital Increase Reserved to Participating Creditors. <p>The subscription price offered to the Non-Participating Creditors will be five times (5.00x) higher than that provided to the Participating Creditors.</p> <p>If a cross-class cram-down application, under Article L. 626-32 of the French Commercial Code, proves necessary owing to the absence of a favorable vote of the Investors Class to the Draft Accelerated Safeguard Plan, the Existing Shareholders would benefit from a priority period within the framework of the Reserved Conversion Capital Increases.</p>
<p>Potential Capital Increase</p>	<p>Suppose the Converted Backstopped Debt is not fully equitized within the framework of the Capital Increase with Maintenance of the PSR. In that case, it will be converted within the framework of the Potential Capital Increase at the time of which the Participating Creditors can also choose:</p> <ul style="list-style-type: none"> - to subscribe to the Potential Capital Increase for an additional amount of €75 million, in cash.

- to subscribe to the Potential Capital Increase by setting off receivables for an additional amount corresponding to the difference between €250 million and the New Equity.

If a cross-class cram-down application, under Article L. 626-32 of the French Commercial Code, proves necessary owing to the absence of a favorable vote of the Investors Class to the Draft Accelerated Safeguard Plan, the Existing Shareholders would benefit from a priority period within the framework of the Reserved Conversion Capital Increases.

6.3. Economic and strategic components of the Draft Accelerated Safeguard Plan

The Business Plan on which the Draft Accelerated Safeguard Plan is based takes account of the following principal market trends, strategic orientations, and assumptions:

- preservation of the whole of the scope of the Group, subject to finalization of the discussions in progress (i) with the State for the disposal of the activities of Advanced Computing, Mission-Critical Systems, and Cybersecurity Products of the BDS (Big Data & Cybersecurity) division of Atos SE, and (ii) with Alten for the disposal of the Worldgrid activities.
- continuation of the implementation of the Group reorganization plan launched in 2022 to rationalize the Group's portfolio of activities and the cost structure.
- the increase in demand for the activities linked to digital transformation (*Digital activities*) and the orientation of the Group towards higher margin activities (AI solutions, cyber services, integrated solutions, etc.).
- the review, renegotiation, and optimization of client and subcontracting agreements.
- the deliberate reduction of non-strategic activities, such as the activities of *Business Process Outsourcing* (BPO) and purchase-resale (*Value-Added Resell* or VAR).
- The objectives for restructuring the existing debts are to achieve BB's target credit rating profile by 2026, which requires financial leverage below 2x by the end of 2026, a reduction in gross debt of €3.2 billion, and consideration of the necessary restructuring costs.

The Draft Accelerated Safeguard Plan thus takes account of the objectives set by the Group reorganization plan, with notably the following measures:

- rationalization of the Group's portfolio of activities (disposal of non-strategic or less profitable activities such as resale or subcontracting; renegotiation or termination of under-performing contracts, etc.).
- improvement of the cost structure (of each of the Eviden and Tech Foundations scopes).
- orientation toward high-growth activity sectors and the quest for strategic partnerships and contracts (artificial intelligence, sustainable development, decarbonization, defense, security, etc.).

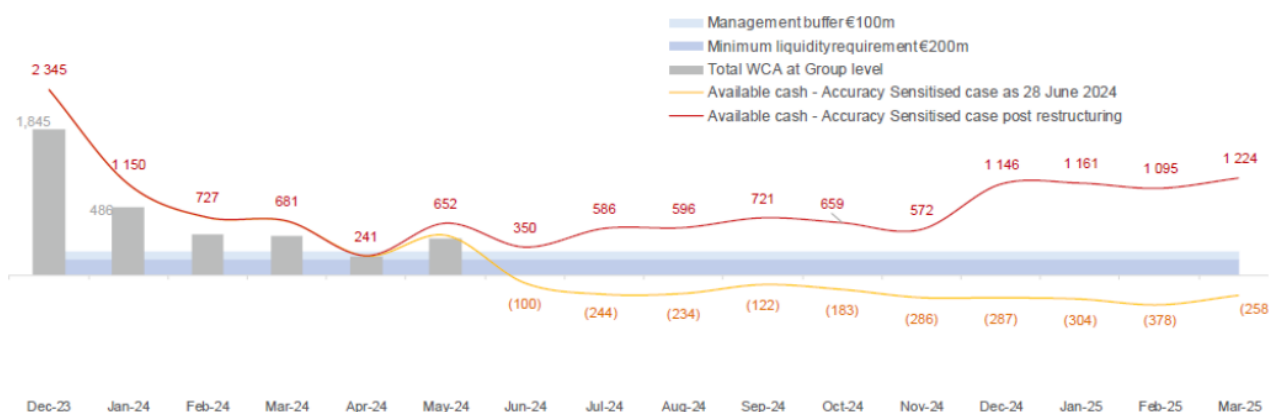
The Group forecasts achieving revenues of €10,609 million in 2027. The principal revenue prospects are as follows¹⁴:

Atos Group updated business plan (September 2, 2024)

Atos Group, in € million	2023PF	2024E	2025E	2026E	2027E
Revenue	10,130	9,729	9,552	9,996	10,609
Growth (%)		-4.0%	-1.8%	4.6%	6.1%
Operating margin	420	238	408	728	999
OM%	4.1%	2.4%	4.3%	7.3%	9.4%
OMDA pre-IFRS 16		533	846	988	1,260
OMDA %		5.5%	8.9%	9.9%	11.9%
Free cash flow before interest and taxes		-334	-25	444	802
Taxes		-61	-54	-82	-129
Separation costs & other		-169	-79	-42	-42
Interests		-219	-170	-182	-186
Change in cash before debt repayment		-783	-328	138	445

The Group's cash forecasts show that implementing the Draft Accelerated Safeguard Plan should enable the Company to regain an appropriate financial structure and positive cash flows before repaying the debt, subject to the successful execution of its business plan.

These measures could thus enable the Group to achieve a positive cash flow estimated at +€1,224 million by March 2025 (as compared with a forecast of -€258 million in the absence of restructuring measures)¹⁵:



¹⁴ Market update – September 2, 2024 [online]. https://atos.net/en/2024/press-release_2024_09_02/market-update-september-2-2024

¹⁵ Application for opening of accelerated safeguard proceedings of 18 July 2024

6.4. Social aspect of the Draft Accelerated Safeguard Plan

6.4.1. Job prospects

As of 30 June 2024, the Group employed around 91,611 employees, including 10,672 in France. It should be specified that Atos SE does not directly employ any employees and, therefore, has no staff representation institutions.

In January 2023, Atos' European Works Council (SEC) and the Group's staff representation institutions have approved a restructuring and redundancies program for 7,300 positions in the Tech Foundations perimeter (including a specific social plan in Germany). This plan has been implemented at about 50%, with the departure of about 3,540 employees in 2023 and 2024. In the context of the Group's difficulties, the implementation of the plan was suspended and will start again after the financial restructuring (expected departures of about 1,700 employees in 2025; 1,300 in 2026; et 800 in 2027).

The Draft Accelerated Safeguard Plan does not provide for:

- any other redundancy measure; or
- any change to the social conditions for the continuation of business of the Company and the Group.

6.4.2. Information to the European Works Council during the Accelerated Safeguard Proceedings

The Company's European Works Council has been regularly informed of the progress of the Accelerated Safeguard Proceedings, through its appointed representatives Messrs Andreas Serterhenn, Patrice Van Loy and Sebastien Ducros.

6.5. Changes made to the governance

Atos SE will remain a Societas Europaea whose Shares are admitted for trading on the Euronext Paris regulated market (compartment A –ISIN: FR0000051732).

The registered office of the Company will remain in France.

The principles of governance at the end of the capital increases are the subject of an agreement in principle of 14 July 2024, the principal terms of which are as follows:

<p>General principles</p>	<p>The Company refers to the Corporate Governance Code of Listed Corporations (<i>Code Afep-Medef</i>).</p> <p>The Company will remain non-controlled at the end of the operations set out in the Draft Accelerated Safeguard Plan.</p>
<p>Management of the Company</p>	<p>The Company will be represented by its CEO under the supervision of the Board of Directors.</p>
<p>Composition of the Board of Directors</p>	<p>At the end of the operations set out in the Draft Accelerated Safeguard Plan, the Board of Directors will consist of eight directors plus the employee representatives who may be appointed pursuant to the legal provisions.</p> <p>The majority of the Board of Directors (at least five) will be independent directors.</p> <p>The company's CEO may be appointed Chairman of the Board of Directors upon the Board's decision. In this case, a referent director will also be appointed among the independent directors.</p> <p>If the CEO does not hold the role of Chairman of the Board of Directors, the Chairman will be appointed from among the independent directors.</p> <p>The Board of Directors will be composed of directors of each type, in compliance with the legal provisions (with at least 40% of directors of each sex, excluding employee representatives and/or shareholder-employees if applicable).</p>
<p>Qualifications of the directors</p>	<p>The directors must meet the customary professional standards, which will be assessed by the Appointments and Governance Committee.</p>
<p>Duties of the directors</p>	<p>The directors act in all circumstances in compliance with their duties and obligations (as stated in the Company's Rules of Procedure), notably their duty to act in the corporate interest and their duty of collegiality, objectivity, loyalty, attendance, professionalism, and confidentiality.</p> <p>Any director in a situation of conflict of interests concerning a decision must (i) inform the Board of Directors of that situation of conflict of interests; (ii) avoid participating in discussions relative to that decision (unless his opinion is specifically sought); and (iii) be deprived of the right of vote on the decision in question.</p>
<p>Rules of Procedure of the Board of Directors and Articles of Association</p>	<p>If necessary, the Rules of Procedure of the Board of Directors and the Articles of Association of the Company will be amended to reflect the terms of the Agreement in Principle on Governance.</p>

	<p>The Board of Directors will meet at least (i) once a month for the first 24 months following the Effective Restructuring Date, then (ii) once every two months for the next 12 months, and (iii) once a quarter after that.</p>
<p>Committees</p>	<p>The four current committees of the Board of Directors are maintained:</p> <ul style="list-style-type: none"> - the Accounts Committee (including a director representing the creditors and independent directors for at least two-thirds of members and chaired by an independent director). - the Appointments and Governance Committee (including a director representing the creditors, a representative of the employees, and a majority of independent directors (i.e., three), excluding the Chairman of the Board of Directors, and chaired by an independent director). - the Compensation Committee (including a director representing the creditors, a representative of the employees, and a majority of independent directors (i.e., three) and chaired by an independent director). - the Social and Environmental Responsibility Committee (including a director representing the creditors and chaired by an independent director).
<p>Reserved decisions</p>	<p>Important and strategic corporate decisions will be considered reserved and made by a simple majority or two-thirds majority vote.</p> <p>The Chairman of the Board of Directors must ensure that the Board is properly and sufficiently informed in advance so that it can make an informed decision.</p>

6.6. Conditions precedent to the adoption and implementation of the Draft Accelerated Safeguard Plan

The implementation of the Draft Accelerated Safeguard Plan is subject to the fulfillment of the following conditions precedent:

- authorization of the FDI and Competition Authorities, if necessary, or confirmation of the absence of the need to apply for approval.
- receipt of a report from an independent expert confirming that the terms of this document (including the capital increases) are fair from a financial point of view, in compliance with the General Regulations of the AMF.
- execution of the necessary documentation for the implementation of the operations provided in the Draft Accelerated Safeguard Plan approval of the Accelerated Safeguard Plan by the Specialized Commercial Court of Nanterre.
- any other condition precedent, including documents, set in the Draft Accelerated Safeguard Plan's appendices.

According to the information available to us, at the date of this report:

- competition authorizations: creditors' advisors have ruled out the need for authorization or notification of restructuring operations in most jurisdictions. Verifications are still underway in

one jurisdiction. The advisors do not yet have a clear view of the possible timetable if such authorization were required.

- as regards foreign investment authorisations, creditors' advisors have ruled out this requirement in most jurisdictions. Verifications are still in progress in some jurisdictions.

VII. Opinion on the Draft Accelerated Safeguard Plan and the conditions of its adoption

7.1. Conditions of adoption of the plan laid down in Article L. 626-31 of the French Commercial Code

In compliance with the provisions of Articles L. 626-31 and L. 626-32 of the French Commercial Code, when the Court rules on a draft plan submitted to the classes of affected parties, it is bound to verify that the conditions laid down in Article L. 626-31 of the French Commercial Code and detailed hereunder are fulfilled:

“When the draft plan has been adopted by each of the classes in compliance with the provisions of Article L. 626-30-2, the Court shall rule thereon under the terms laid down in Section 2 of this Chapter and shall verify that the following conditions are met:

- 1. The plan has been adopted in compliance with Article L. 626-30;*
- 2. The affected parties, sharing a sufficient community of interest within the same class, benefit from equal treatment and are treated proportionally to their receivable or their right;*
- 3. The plan has been properly notified to all affected parties;*
- 4. Where affected parties have voted against the draft plan, none of the affected parties is in a less favorable situation, owing to the plan, than it would have been in the following application either of the order of priority for the distribution of the assets under court-ordered liquidation or the price of disposal of the company under Article L. 642-1, or a better alternative solution if the plan was not validated;*
- 5. Where applicable, any new financing is necessary to implement the plan and does not excessively infringe on the interest of the affected parties.*

The Court may refuse to approve the plan if it does not offer reasonable prospects of avoiding the debtor's insolvency or guaranteeing the company's viability.

The Court shall ensure that the interests of all affected parties are sufficiently protected. The judgment approving the plan shall make its provisions enforceable on everyone”.

7.1.1. Adoption of the plan in compliance with Article L. 626-30 of the French Commercial Code

The Draft Accelerated Safeguard Plan can only be approved by the Court if it has been adopted by the affected parties under the conditions laid down in Article L. 626-30 of the French Commercial Code, which stipulates that:

“I.- The following are affected parties:

- 1. Creditors whose rights are directly affected by the draft plan;*
- 2. Members of the extraordinary and ordinary general meetings of shareholders, of the special meetings referred to in articles L. 225-99 and L. 228-35-6 and the general meetings of the masses referred to in article L. 228-103 of the French Commercial Code, if their participation in the debtor’s capital, the articles of association or their rights are modified by the plan. For the application of this book, they are called “investors.”*

Only the affected parties may vote on the draft plan.

II.- The affected parties shall notify the administrator, no later than the deadline set by decree in the Council of State, of the subordination agreements entered into before the opening of the proceedings. Otherwise, those subordination agreements shall be unenforceable in the proceedings.

III.- The composition of the classes of affected parties is determined, given the receivables and rights born before the date of the opening judgment of the proceedings. The administrator splits the affected parties, based on verifiable objective criteria, into classes representing a sufficient economic interest community respecting the following conditions:

- 1. Creditors holding security interests relating to the debtor’s assets securing their receivables and the other creditors are split into separate classes;*
- 2. The distribution into classes respects the subordination agreements entered into before the proceedings were opened;*
- 3. The investors form one or more classes.*

IV.- Receivables resulting from an employment contract, the pension rights acquired under an occupational pension scheme, and maintenance payments shall not be affected by the plan.

V.- The administrator shall submit to each affected party the method of distribution into classes and the calculation of the votes corresponding to the affected receivables or rights, enabling them to express a vote. The amount of the receivables taken into account shall be that indicated by the debtor and certified by its Statutory Auditor(s) or, where no Statutory Auditor has been appointed, drawn up by its Chartered Accountant. For the affected parties that are beneficiaries of a trust constituted as a guarantee by the debtor, only the amounts of their receivables not accompanied by such security shall be considered. These terms shall also be notified to the court-appointed creditors’ representative. In case of disagreement, each affected party, the debtor, the Public Prosecutor’s Office, the court-appointed creditors’ representative, or the administrator may refer the matter to the supervisory judge by the terms laid down by decree in Council of State.”

In compliance with these provisions, the Company will identify the receivables affected by its Draft Accelerated Safeguard Plan. The list of receivables of the affected parties laid down in Article L. 628-7 of the French Commercial Code, certified by the Statutory Auditors, was filed at the Registry of the Commercial Court of Nanterre on 24 July 2024 and updated on 2 August 2024.

As a reminder, according to the notice of 26 July 2024 inserted into the *Bulletin des Annonces Légales Obligatoires* (“BALO”), the judicial administrators advised the holders of receivables and rights set out in the notice that they are affected parties under the Draft Accelerated Safeguard Plan of the Company and that they are consequently members of a class. According to the insertion in the BALO of 9 August 2024, the judicial administrators informed the affected creditors of the distribution method into classes and calculated the voting rights within the class of affected parties to which they belong (see paragraph 5.2.).

Under these conditions:

- no receivable resulting from employment contracts, pension rights acquired under an occupational pension scheme, or maintenance payments appear to be affected by the Draft Accelerated Safeguard Plan, nor is it shown on the list of affected receivables.
- the Draft Accelerated Safeguard Plan does not directly affect the rights of the creditors of the Company for receivables other than those held by the Affected Creditors defined hereunder.
- some receivables of a financial nature (other than the Affected Receivables defined above) will not be affected by the Draft Accelerated Safeguard Plan, and notably, the receivables held against the Company under the cash pool put in place within the Group to enable circulation of cash.
- the receivables resulting from the Interim Financings will not be affected by the Draft Accelerated Safeguard Plan in compliance with the commitments made upon negotiating these financings.

Regarding the division of the affected creditors into two classes of affected parties according to whether or not it relates to the elevated share of the receivables of the creditors having participated in the Interim Financings during the Conciliation, it could be considered that:

- in exchange for these new contributions, Atos had committed not to capitalize or relinquish a share of the unsecured debts held by the creditors participating in these Interim Financings and to reinstate that share in the form of new secured debt instruments.
- owing to the commitments made towards these creditors, they would benefit from a separate economic interest from the other unsecured creditors, justifying that their share of receivables concerned with these commitments will be included in a different class.

Since the option of contributing to these Interim Financings has been offered to all Affected Creditors, assuring equal treatment in principle between these creditors, and since these Interim Financings have been subscribed to the commitments made by Atos, the distinction of these two classes of creditors seems justified by the existence of a community of interest between the creditors having subscribed to the Interim Financings separate from the interests of the other creditors.

Based on the information we have been given access to, no recourse against the constitution of classes and the voting rights determination was filed in the 10 days following the notification of the judicial administrators dated 9 August 2024.

7.1.2. Equal treatment of the affected parties

In compliance with Article L. 626-31 §1 point 2, the Court is bound to verify that “*the affected parties, sharing a sufficient community of interest within the same class, benefit from equal treatment and are treated in proportion to their receivable or their right.*”

The Affected Creditors are *pari passu* and have the same prospects of recovery of their receivables in a liquidation scenario.

The affected creditors were offered equivalent treatment while drawing up the Draft Accelerated Safeguard Plan during the conciliation with a proposal to contribute to the Interim Financings and in the newly secured Financings (hence becoming Participating Creditors, eligible for the principal proposal in class no. 2). In the context of the vote on the Draft Accelerated Safeguard Plan, they will be able to choose whether or not they wish to contribute to the newly secured Financings. Their contribution to these financings enables them to benefit from the advantages granted to the creditors contributing to these financings under the principal proposal submitted to class no. 2 (advantageous capital increase subscription price and seniority of reinstated debts over Non-Participating Creditors).

As this proposal was made to all eligible Affected Creditors (e.g. Affected Creditors holding affected claims on the record date set by the Company as June 14, 2024), the difference in treatment could be considered justified by the creditors' effort or lack thereof, subject to the finalisation of the Draft Accelerated Safeguard Plan.

7.1.3. Proper notification of the plan to all affected parties

The Court must also ensure, upon adoption of the accelerated safeguard plan, that “*the plan has been properly notified to all affected parties*” (article L. 626-31 (1) point 3 of the French Commercial Code).

Article L. 626-30-2 of the French Commercial Code states:

“The debtor, with the administrator's assistance, shall present proposals to the classes of affected parties to draw up the draft plan. [...] The draft plan shall be sent to the classes to be submitted for their vote. [...] The classes of affected parties shall be convened under the conditions defined by the decree in the Council of State. They shall vote on this draft, amended as the case may be, within twenty to thirty days following sending the draft plan”.

Article R. 626-60 (2) of the French Commercial Code states:

“Each affected party shall be informed of the draft plan no later than ten days before the vote of the classes.”

The meeting for the vote of classes of affected parties on the accelerated safeguard plan is expected on September 27, 2024. Therefore, the judicial administrators must notify all affected parties of the Draft Accelerated Safeguard Plan in the coming days.

7.1.4. Criterion of “best interest of creditors”

Under the terms of Article L. 626-31 §1 point 4, the Draft Accelerated Safeguard Plan presented by the debtor can only be approved on the condition that:

“Where affected parties have voted against the draft plan, none of the affected parties is in a less favourable situation, owing to the plan, than it would have been in following application either of the order of priority for the distribution of the assets under court-ordered liquidation or the price of disposal of the company under Article L. 642-1, or a better alternative solution if the plan was not validated”.

Article L. 626-33 of the French Commercial Code provides that:

“I.-Where the dispute by an affected party, who voted against the plan, relates to failure to comply with the condition laid down in point 4 of Article L. 626-31 or the fifth or tenth paragraph of Article L. 626-32, the value of the debtor’s company shall be determined by the terms laid down by decree in Council of State.”

Article R. 626-64 I of the French Commercial Code specifies that:

“No later than ten days after the vote of the classes on the draft plan, the affected party who voted against the draft plan and who intends to challenge respect for the condition laid down in point 4 of Article L. 626-31 or the fifth or tenth paragraph of Article L. 626-32 shall refer the matter to the court by petition filed at the Registry in exchange for receipt.

The Registry shall convene all parties to the hearing examining the draft plan and the social and economic committee by registered letter acknowledging receipt. A copy of the petitions filed under the first paragraph shall be attached to this convening notice. When referred to such petitions, the Court shall determine the value of the debtor’s company, if necessary, by ordering an expert appraisal. After having obtained the opinion of the Public Prosecutor’s Office, it shall rule, in the same judgment, on that value, on the disputes relative to the application of Article L. 626-31 or Article L. 626-32, and the approval of the plan requested by the administrator or by the debtor with the agreement of the administrator.”

➤ Conditions of assessment of the criterion of best interest of creditors

Where affected parties have voted against the Draft Accelerated Safeguard Plan, they may oppose the adoption of that Draft Accelerated Safeguard Plan by demonstrating that they would benefit from better treatment in case of (i) disposal of the assets in court-ordered liquidation or disposal of the company within the framework of a disposal plan, or (ii) if a better alternative solution to the plan could be envisaged.

This verification corresponds to the assessment of the criterion of “best interest of creditors” which has the purpose, as emphasized by doctrine, of ensuring that the plan is fair:

- *“This new method of assessment of the legitimacy of safeguard and receivership plans **amounts to assessing the legitimacy of the refusal expressed by the creditor, conditional on the point of whether or not the plan treats it less well than if the debtor’s assets were sold within the***

framework of a court-ordered liquidation or within the framework of a disposal plan (which assumes that takeover bids had been submitted and could serve as instrument of comparison with the business continuity plan which has been submitted to the classes), or if a better alternative solution competing with the plan was upheld, which may be a competing business continuity plan presented by a third party in court-ordered receivership or a restructuring solution excluding insolvency proceedings, when it can be established that the debtor has returned to better fortunes and that the settlement of its liabilities is going to be able to take place in bonis offering better prospects of payment to the creditors than those proposed by the plan.

In short, it is a matter of verifying whether the creditor has grounds in opposing the plan because it would reduce the prospects of payment that a distribution in an alternative scenario, usually of liquidation, would procure. Suppose the order of distributions does not give a creditor a glimpse of any chance of payment, considering the lowly rank of its claim. In that case, it is said that it is not “in the money,” it is inferred from this that it cannot complain about the plan and that there is consequently cause to ignore its objection.”¹⁶

- *“Several rules protect the affected parties against the possible excesses of the plan: according to the criterion of the best interest of creditors, every creditor who has voted against the plan, even if its class voted for – and even if all classes voted for... -, any opponent therefore in all scenarios, may demand to be no worse off than in one of the three fictitious reference scenarios to which the law refers, i.e., court-ordered liquidation, disposal plan, or “the better alternative solution if the plan was not validated,” which third case is undoubtedly uncommon and of which Professor Lucas gives the example of that of the competing plan proposed in court-ordered receivership... (French Commercial Code, Article L. 626-31 (4)). And, as has been seen, the protective spirit of the text suggests upholding the most favorable of these three references since this is what the dissident creditor can hope for in the absence of a plan.*
- *[...] the company and the assets encumbered should be valued to calculate the payment that the creditor would have received in court-ordered liquidation or disposal plan upon distribution of the realization price of the assets.”¹⁷*

The report of the President of the Republic relative to Order no. 2021-1193 of 15 September 2021 amending Book VI of the French Commercial Code specifies that:

*“Article L. 626-31 (4) defines, in compliance with this directive, the criterion of the best interest of creditors . **The court must verify this condition if some affected parties have voted against the draft plan.** The verification must relate to three situations: the distribution of the debtor’s assets in court-ordered liquidation, the distribution of the price of disposal under Article L. 642-1, and a better alternative solution if the plan was not adopted, **which suggests consideration of a continuation of business by applying a scenario other than that of adoption of the restructuring plan.** This latter point is critical about the investors.”*

¹⁶ F-X. Lucas, *Les plans de sauvegarde et de redressement adoptés par les classes de parties affectées*, BJE 2009, no. 01, Jan.-Feb. 2022 – page 57, §10

¹⁷ F. Perrochon, Ph. Roussel Galle, “*Réforme des sûretés - Classes de créanciers et sûretés réelles*”, RDBF no. 2, March 2022, case 20, §20-21

➤ Evaluation works of Abergel

Abergel was appointed to deliver a report about the valuation of Atos SE in liquidation, including (i) a scenario for the realization of individual assets and (ii) a scenario for the sale of all assets to a buyer.

Abergel's report has not been communicated yet.

Compliance of the Draft Accelerated Safeguard Plan with the best interest of creditors will therefore depend on the conclusions of Abergel's report on the expected level of payments to creditors (including to non-participating creditors) in case of disposal of the assets in court-ordered liquidation or disposal of the company within the framework of a disposal plan.

7.1.5. Necessary nature of any new financing stipulated in the plan

In compliance with Article L. 626-31 (1) point 5 of the French Commercial Code, the Commercial Court must ensure, within the framework of the examination of the Draft Accelerated Safeguard Plan, that:

“Any new financing is necessary to implement the plan and does not excessively infringe the interests of the affected parties.”

As emphasized by doctrine, the purpose of this control is to verify that the new investors are not granted undue or disproportionate advantages about the commitments made to the detriment of the other creditors:

- *“The Court shall also verify that any planned new cash contributions (post-money plan) are necessary to implement the plan and do not excessively infringe the interests of the affected parties: this is a matter of avoiding the new contributor from abusing the situation and being granted excessive advantages (in addition to the privilege instituted by Article L. 626-10, last par.) at the time of its contribution.”¹⁸*
- *“Verification that any new financing must not excessively infringe the interests of the affected parties (Commercial Court, Article L. 626-31 (5)). – We think that the sole fact that the financing is required for the plan's rollout is sufficient since it becomes an inescapable condition to maintain the common surety and recreate the wealth benefiting all company creditors. This condition should, therefore, not cause a problem in practice.”¹⁹*

As a reminder, on 9 and 29 April 2024, Atos SE sent its financial creditors the updated Group business plan 2024-2027, updated on 2 September 2024, and the principal parameters of its refinancing plan involving:

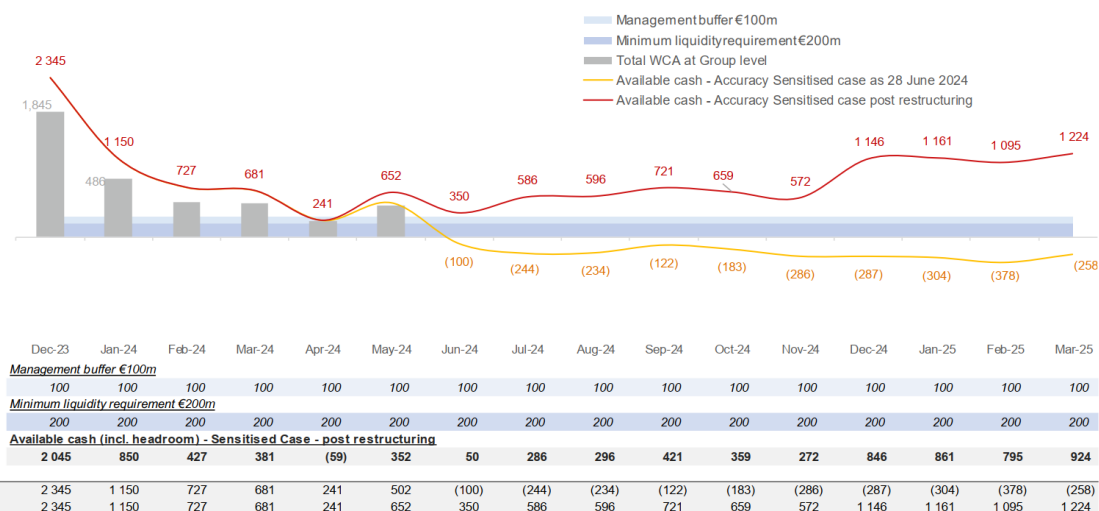
- €1.1 billion of liquidity necessary to finance the activity over the period 2024–2025;
- €300 million of new revolving credit facilities, and €300 million in additional bank guarantee facilities (subsequently reduced);

¹⁸ F. Perrochon, *Entreprise en difficulté*, 11th edition, §1575.

¹⁹ Ph. Roussel Galle, C. Fort, “*Plan de continuation – L’élaboration et l’arrêté du plan de continuation avec ou sans classes*”, rev. proc. coll. no. 6, November 2021, case 9, §16.

- a target credit rating profile of BB by 2026, involving financial leverage below 2x by the end of the year 2026 and the reduction in the gross debt of €3.2 billion;
- an extension of 5 years on the maturity dates of the residual debt.

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Faced with these difficulties, the Company entered into a principal agreement that notably stipulates a contribution of €1.5 to 1.675 billion in new secured financing proposed in equivalent proportions to the Banks and Bondholders holding receivables under the Unsecured Debts on the Record Date.

The Bondholders of the SteerCo have fully backstopped the Bondholder New Secured Financings. At the end of the various syndication phases, the New Secured Financings have been subscribed and backstopped as follows:

	Bondholder New Secured Financings	Bank New Secured Financings
Target amounts	max. €837.5 million	max. €837.5 million
Amounts subscribed (pro rata to the fraction of receivables held)	[492,826,020.41] euros	[380,364,583.33] euros
Additional backstopped amounts (for any unsubscribed portion of the new financings, in the limit of the target amount)	[948,873,979.59] euros	[484,757,291.34] euros
Total	[1,441,700,000] euros	[865,121,874.67] euros
Percentage of target amounts	[172.1]%	[103.3]%

²⁰ Project Alpha – 2024 liquidity forecast update – Accuracy – June, 28 2024

At the same time, to hold sufficient liquid assets until its long-term refinancing plan is established, the Company entered into an addendum concerning interim financing.

The establishment of these additional tranches of €225 million and €350 million in revolving credit facilities was formalized by the conclusion of an addendum to the facilities previously provided by a group of bondholders entered into on 10 July 2024:

The Interim Financings can be summarised as follows:

Millions of euros	Banks	Bondholders	State	Total
Interim Financings 1 and 1 bis				
Revolving credit facilities (RCF) / Term loan	-	100	-	100
Revolving credit facilities (RCF)	125	100	-	225
FDES	-	-	50	50
Factoring	75	-	-	75
Total Interim Financings 1 and 1 bis	200	200	50	450
Interim Financing 2				
Revolving credit facilities (RCF)	175	175	-	350
Total Interim Financing 2	175	175	-	350
Total Interim Financings	375	375	50	800

All financings detailed by the Draft Accelerated Safeguard Plan are designed to cover the identified cash requirements and fund the business plan²¹.

It is specified that Atos has updated the business plan to reflect H1 2024 results, the current business environment in its key markets, and the expected impact on free cash flow. The Board and the Market were informed of this update²².

Atos Group adjusted business plan (April 29, 2024)

Atos Group, in C million	2023PF	2024E	2025E	2026E	2027E
Revenue	10,093	9,757	9,915	10,453	11,046
Growth (%)		-3.3%	1.6%	5.4%	5.7%
Operating margin	417	282	531	828	1,095
OM%	4.1%	2.9%	5.4%	7.9%	9.9%
Free cash flow before interest and taxes		-185	5	659	770
Taxes		-61	-67	-92	-134
Separation costs & other		-169	-79	-42	-42
Interests ¹³		-219	-170	-182	-186
Free cash flow before debt repayment		-634	-311	343	408

Atos Group updated business plan (September 2, 2024)

Atos Group, in C million	2023PF	2024E	2025E	2026E	2027E
Revenue	10,130	9,729	9,552	9,996	10,609
Growth (%)		-4.0%	-1.8%	4.6%	6.1%
Operating margin	420	238	408	728	999
OM%	4.1%	2.4%	4.3%	7.3%	9.4%
OMDA pre-IFRS 16		533	846	988	1,260
OMDA %		5.5%	8.9%	9.9%	11.9%
Free cash flow before interest and taxes		-334	-25	444	802
Taxes		-61	-54	-82	-129
Separation costs & other		-169	-79	-42	-42
Interests		-219	-170	-182	-186
Change in cash before before debt repayment		-783	-328	138	445

These financings, notably the interim financings, enable the setup of the accelerated safeguard plan and protect the Group's activities and assets, which is in creditors' interest. Thus, these new financings specified by the Draft Accelerated Safeguard Plan do not seem to excessively infringe on the interests of the affected parties insofar as they seem necessary to ensure the financing of Atos, its permanence, and consequently, the repayment of the reinstated debts.

²¹ Project ALPHA - Draft Report - Volume 3 - Accuracy - May, 8th 2024

²² Market update – September 2, 2024 [online]. https://atos.net/en/2024/press-release_2024_09_02/market-update-september-2-2024

7.1.6. Reasonable prospect of avoiding insolvency or guaranteeing the viability of the debtor and sufficient protection of affected parties' interest

In compliance with Article L. 626-31 of the French Commercial Code, the Court can refuse to approve the plan (i) if it does not offer a reasonable prospect of avoiding the insolvency of the debtor or guaranteeing the viability of the company or (ii) if the interests of all affected parties are not sufficiently protected.

As announced previously, the financial restructuring measures laid down in the Draft Accelerated Safeguard Plan take account of the objectives set by the business plan and the following principal market trends and strategic orientations:

- preservation of the whole of the scope of the Group, subject to finalization of the discussions in progress (i) with the State for the potential disposal of the activities of Advanced Computing, Mission-Critical Systems, and Cybersecurity Products of the BDS (Big Data & Cybersecurity) division of Atos SE, and (ii) with Alten for the disposal of the Worldgrid activities.
- continuation of the implementation of the Group reorganization plan launched in 2022 to rationalize the Group's portfolio of activities and the cost structure.
- the increase in demand for the activities linked to digital transformation (*Digital* activities) and the orientation of the Group towards higher margin activities (AI solutions, cyber services, integrated solutions, etc.).
- the review, renegotiation, and optimization of client and subcontracting agreements.
- the deliberate reduction of non-strategic activities, such as the activities of *Business Process Outsourcing* (BPO) and purchase-resale (*Value-Added Resell* or VAR).
- the objectives for restructuring the existing debts are to recover a BB credit profile in the course of 2027, well ahead of end-2029 debt refinancing milestones²³.

The strategic and economic orientations of this plan notably include:

- rationalization of the Group's portfolio of activities (disposal of non-strategic or less profitable activities such as resale or subcontracting; renegotiation or termination of under-performing contracts, etc.).
- improvement of the cost structure (of each of the Eviden and Tech Foundations scopes).
- orientation toward high-growth activity sectors and the quest for strategic partnerships and contracts (artificial intelligence, sustainable development, decarbonization, defense, security, etc.).

The Draft Accelerated Safeguard Plan should enable the Company to cover the upcoming financial maturity dates and cash requirements. This project should give the Company sufficient liquidity to finance its needs and ensure its capacity to perform all its commitments.

²³ Market update, September 2, 2024 [online]. https://atos.net/en/2024/press-release_2024_09_02/market-update-september-2-2024

The Draft Accelerated Safeguard Plan would thus have to offer Atos a serious possibility of recovery, being specified that no alternative funded solution that could be implemented seem to have been presented, being recalled that the Draft Accelerated Safeguard Plan is based on the creditors' proposal for restructuring and that a plan could not be implemented without a qualified majority support of the creditors.

Subject to Sorgem Evaluation's conclusions, the Draft Accelerated Safeguard Plan offers a reasonable prospect of avoiding the debtor's insolvency and seems to guarantee the company's viability, provided that the business plan is respected.

Sorgem Evaluation and Abergel's reports can assess the protection of the interests of the affected parties.

Regarding shareholders' interests, Sorgem Evaluation concludes that the financial conditions of the Draft Accelerated Safeguard Plan are fair to the current Atos shareholders.

However, it will be possible to assess definitively whether this condition could be considered as fulfilled when Abergel delivers its report on Atos's valuation.

7.2. Conditions for a cross-class cram-down adoption of the plan in compliance with Article L. 626-32 of the French Commercial Code

The classes of affected parties will each rule on the majority of two-thirds of votes held by their respective members, present or represented, who have expressed a vote.

Within each class, the number of voting rights allocated to each creditor is pro-rated to the amount of its receivable held against the Company in principle and, where applicable, in interest (including interest accruable until contractual maturity) about the total amount of the receivables of the members of the class approved by the judicial administrators.

On the date of the application for the opening of the accelerated safeguard proceedings, the banks, having agreed to provide new secured financings representing around 45.42% of the Company's bank receivables, had already committed to sign or adhere to the lock-up agreement within the framework of the syndication process for these new financings. In addition, other banks that are not participating in the new financings, representing 10.21% of the bank loans, have committed to signing or adhering to the lock-up agreement. The total support from banks is, therefore, 55.63% of bank loans.

Similarly, the bondholders who have agreed to provide new secured financing, representing around 66.76% of the Company's bonds, have committed to signing or adhering to the lock-up agreement in the same context. In addition, other bondholders who are not participating in the new financing, representing 2.66% of the bonds, have committed to signing or adhering to the lock-up agreement. The total support from bondholders is, therefore, 69.42% of bonds.

The financial creditors, having agreed to provide new secured financing to the Company, thus adhering to the lock-up agreement and supporting the planned accelerated safeguard plan, represent around 62.60% of the Company's unsecured financial debts.

Based on the information we have been given access to, a vote on the majority of 2/3 may be obtained for class no. 1 and perhaps for class no. 2 regarding the adherence rate to the lock-up agreement.

For class no. 3, the vote of the class of investors is expressed according to the voting rules at General Meetings according to the provisions of Article L. 626-30-2 of the French Commercial Code.

If the majority of 2/3 was not achieved within class a of the affected party, it could be necessary to ask the court to apply a “cross-class cram-down” pursuant to Article L. 626-32 of the French Commercial Code to impose the Accelerated Safeguard Plan on the classes that did not vote in favour.

When each of the classes does not adopt the Draft Accelerated Safeguard Plan, under the conditions of Article L. 626-30-2 of the French Commercial Code, Article L. 626-32 indeed stipulates that it may nevertheless be approved by the Court, on the request of the debtor or the court-appointed administrator with the debtor's agreement and imposed on the classes having voted against the Draft Accelerated Safeguard Plan.

Where applicable, the Court is bound to verify that the conditions laid down in Article L. 626-32 of the French Commercial Code and detailed hereunder are respected.

7.2.1. Fulfilment of the conditions to impose the Draft Accelerated Safeguard Plan on dissenting creditors and shareholders

Article L. 626-32 I states conditions under which the Draft Accelerated Safeguard Plan can be imposed to classes of affected parties of creditors or shareholders. The court must also ensure that the conditions laid down by Article L. 626-31, as presented above, are fulfilled.

7.2.1.1. Approval of the plan by a specific class of affected party

Article L. 626-32, I, 2. provides that the plan must have been approved by:

“a) A majority of classes of affected parties authorized to vote, provided that at least one of these classes is a class of creditors holding security interests or has a rank higher than that of the class of unsecured creditors;

b) Otherwise, by at least one of the classes of affected parties authorized to vote, other than a class of investors or any other class where it can reasonably be assumed, after determining the value of the debtor as going concern, that it would not be entitled to any payment, if the order of priority of the creditors for the distribution of the assets in court-ordered liquidation or the price of disposal of the company according to Article L. 642-1 was applied”;

Atos only has unsecured creditors, so the condition laid down in point a) for the plan's approval by a class of affected parties constituted of creditors holding securities or of a higher rank than the class of unsecured creditors cannot be fulfilled.

It is thus the condition of b) which should be fulfilled, being the approval of the plan by a class of affected parties other than a class “where it can reasonably be assumed, after determining the value of the debtor as going concern, that it would not be entitled to any payment, if the order of priority of the creditors for the distribution of the assets in court-ordered liquidation or the price of disposal of the company according to Article L. 642-1 was applied”. In other words, it would be necessary for a class of creditors “in the money” to approve the plan.

Regarding the adherence rate to the lock-up agreement, class no. 1 (and perhaps class no. 2) may approve the Draft Accelerated Safeguard Plan with 2/3 majority.

However, it will be possible to assess definitively whether this condition is fulfilled when Abergel has delivered its report on the valuation of Atos to determine whether the class of affected party no. 1 is indeed a class “in the money,” making the fulfillment of the criterion of Article L. 626-32, I, 2. b) possible.

7.2.1.2. Absolute priority rule

Article L. 626-32, I, 3. Stipulates that “*the receivables of the affected creditors of a class which has voted against the plan shall be fully paid off by identical or equivalent means when a class of lower rank is entitled to a payment or keeps a stake within the plan framework*”.

The Affected Creditors of the Atos’ Draft Accelerated Safeguard Plan are all of the same rank since they are all unsecured creditors. This provision, therefore, does not apply to their treatment.

Further, the class of shareholders will be proposed firstly a capital reduction operation reducing the value of the shares from (1) euro to [0.0001] euro per Share, making their stake in the Company particularly residual if they do not subscribe to later capital increases.

It can, therefore, be considered that this condition seems fulfilled.

7.2.1.3. Absence of payment of an amount higher than the total amount of the receivables or interest

Article L. 626-32, I, 4. states, “*No class of affected parties may, within the plan's framework, receive or keep more than the total amount of its receivables or interest.*”

The Atos’ Draft Accelerated Safeguard Plan does not provide that a class of affected parties can receive or keep more than the total amount of its receivables or interest so this condition seems fulfilled.

7.2.2. Fulfilment of specific conditions to impose the Draft Accelerated Safeguard Plan on shareholders

Moreover, specific conditions must be respected to enable the Court to apply the cross-clam cram-down mechanism and impose the Draft Accelerated Safeguard Plan to a class of shareholders who voted against it.

7.2.2.1. Criteria of workforce and revenues

In compliance with Article L. 626-32, 5. a) the Draft Accelerated Safeguard Plan can only be imposed on a dissident class of investors provided that the debtor company reaches certain thresholds: “*The workforce of the company reaches a threshold defined by decree in Council of State, which cannot be below 150 employees, or its revenues are equal to or greater than a threshold defined by decree in Council of State, which cannot be less than €20 million; when the debtor is a company which holds or controls another company, within the meaning of Articles L. 233-1 and L. 233-3, these thresholds are assessed including all companies concerned*”.

The provision is supplemented by Article R. 626-63 of the French Commercial Code, which provides that:

“The thresholds fixed under point a of par. 5 of Article L. 626-32 are:

1. 250 employees and €20 million in net revenues; or

2. €40 million in net revenues.

These thresholds are assessed on the date of the application to open the proceedings.”

In this case, while Atos SE does not directly employ employees, its revenues (€118 million) are over €40 million. Therefore, the threshold laid down in Articles L. 626-32, 5. a) and R. 626-63 of the French Commercial Code is met, enabling the application of the cross-class cram-down adoption mechanism.

7.2.2.2. Shareholders are no longer in the money

The second condition, set by Article L. 626-32, 5. b), consists of verifying that *“It can reasonably be assumed, after determining the value of the debtor as going concern, that the investors of the dissident class(es) would not be entitled to any payment or would not keep any stake if the order of priority of creditors for division of the assets in court-ordered liquidation or the price of disposal of the company under Article L. 642-1 was applied”*.

➤ Conditions of assessment of this criterion

To impose the plan’s adoption on the shareholders, it is necessary to demonstrate that the investors are no longer “in the money” or “in the value” by determining the value of the company's assets as a going concern.

Doctrine specifies in that respect:

- *“The company's valuation is necessary here again since it must be verified that the shareholders of the dissident class(es) had no right to payment or to keep any stake in the case of a court-ordered liquidation or a disposal plan. The shareholders are no longer in the company's value, with an external valuation in support.”²⁴*

“The fate of the shareholders is the subject of particular treatment to protect a point of equilibrium between their integration into a class of affected parties and the protection of their fundamental rights. Creating a class of investors entails adapting their voting rights, the lawfulness of which is assured. Still, it also introduces a risk, in case of absence of approval, of suffering the cross-class cram-down application when, in essence, the investors are “out of the money.”

Consequently, it was essential to provide guarantees to offer them in the situation of their “crushing” in the presence of a decision by the Court to approve the plan [...] To implement these guarantees, the company's valuation is essential to ensure that “the shareholders of the

²⁴ Ph. Roussel Galle, C. Fort, “Plan de continuation – L’élaboration et l’arrêté du plan de continuation avec ou sans classes”, rev. proc. coll. no. 6, November 2021, case 9, §16.

dissident class(es) had no right to payment or to keep any stake in the case of a court-ordered liquidation or a disposal plan. The shareholders are no longer in the value of the company, with an external valuation in support (French Commercial Code Article L. 626-32, I, 5. b)²⁵;

If the shareholders are “in the money,” this means that the debtor’s valuation as a going concern is sufficient to enable:

- all secured and unsecured creditors of the company to be paid off with the disposal of the debtor’s assets and activities.
- the distribution of a liquidation bonus to the benefit of the shareholders.

In a situation in which all creditors are guaranteed to be paid off by the sale of the debtor’s assets, there is nothing to justify imposing on the shareholders a change to the share capital, the articles of association, or their rights that would not obtain their consent within the framework of the vote on the plan, which explains why it cannot be imposed on them by the Court.

On the other hand, if the shareholders are no longer in the money, in the sense that they would not be entitled to any further payment, they have no grounds to oppose the measures concerning them, obstructing the debtor’s restructuring.

Mechanisms for protecting their rights remain stipulated, notably enabling them to participate in the rescue by reinvesting in the company's share capital.

➤ *Evaluation works of Sorgem Evaluation*

With a view to the class of shareholders' vote on the Draft Accelerated Safeguard Plan, Sorgem Evaluation was appointed by the Board of Directors as an independent expert on a voluntary basis according to Article 261-3 of the General Regulations of the AMF. Its mission is to evaluate the financial conditions of the capital operations stipulated in the Draft Accelerated Safeguard Plan and assess their fairness for the shareholders.

To date, Sorgem Evaluation has only delivered an executive summary of its report to be delivered. The conclusion is:

- Atos’ enterprise value is evaluated between €2.7 billion and €4.8 billion, with a central value of €3.7 billion. Compared to € 5.7 billion of financial and similar liabilities, creditors are not entirely in the money.
- in a liquidation scenario, Atos’ enterprise value would be lower.
- assuming implementation of the restructuring plan, and despite significant dilution, current shareholder value would become positive again, given that post-Plan financial and similar liabilities (between €2.5bn and 2.7bn) are significantly lower than their estimate of the Atos' enterprise value.

²⁵ L. Caroline Henry, “*Les classes de parties affectées*”, rev. sociétés 2022. p. 406, §23.

Sorgem Evaluation concludes that if the Draft Accelerated Safeguard Plan is not implemented, the value of shareholders' equity, and therefore the value per share, is zero.

➤ *Evaluation report of Abergel*

As mentioned above, at the date of this report, Abergel has not yet delivered its report about the valuation of Atos SE in case of disposal of the assets in court-ordered liquidation or disposal of the company within the framework of a disposal plan.

However, it will be possible to assess definitively whether this condition is fulfilled when Abergel has delivered its report on the valuation of Atos to determine whether the shareholder are still “in the money” or not, to fulfill the criterion of Article L. 626-32, I, 5. b).

7.2.2.3. New shares issued are offered by preference to the shareholders in proportion to their holding in the share capital

When a class of investors has not approved the Draft Accelerated Safeguard Plan presented to it, the Court, furthermore, in compliance with Article L. 626-32 I 5. c) of the French Commercial Code, can only approve the plan and impose it on that class if the shares issued within the framework of a capital increase having to be subscribed by cash contribution laid down in the Draft Accelerated Safeguard Plan “are offered by preference to the shareholders, in proportion to the fraction of the share capital represented by their shares.”

This rule aims to avoid “a forced dilution” of the shareholders by enabling them to reinvest in the company and support the corporate restructuring.

As the concept of “preference” mentioned in Article L. 626-32 I 5. c) is not defined, this condition seems to be able to be satisfied by the establishment of various preferential mechanisms laid down in corporate law, and notably by the establishment of a priority right on the grounds of Article L. 22-10-51 of the French Commercial Code, which institutes a brief period during which a specific category of shareholders would have preference over the other shareholders or third parties if it wished to subscribe to the new securities.

It seems furthermore that the benefit of the preferential right of Article L. 626-32 I 5. c) of the French Commercial Code (Rights Issue) only concerns the company's shareholders (or their beneficiaries) having that capacity on the date of opening the collective proceedings, to the exclusion of persons having become shareholders at the end of the capital increases carried out in the context of the plan's implementation.

This legislative provision aims to protect the property rights of shareholders who were the company's owners at the time the collective proceedings opened.

On 24 July 2024, Atos “reminded that the implementation of the financial restructuring will result in massive dilution for Atos existing shareholders, who would, if they do not participate in the proposed capital increases, hold less than 0.1% of the share capital²⁶”.

²⁶ Market Update – July 24, 2024 [online]. https://atos.net/en/2024/press-release_2024_07_24/market-update-july-24-2024

The Draft Accelerated Safeguard Plan stipulates various measures for restructuring the share capital of the company, which will be submitted to the shareholders:

- delegate to the Company's Board of Directors the power, before implementing the Rights Issue, to be able to implement a capital reduction of the Company on the grounds of losses using reduction of the par value of the Shares of the Company.
- subscribe to the Rights Issue for their rights based on existing and excess shares.
- withdraw the preferential subscription right and waive any right and priority period of the Existing Shareholders within the framework of the Reserved Conversion Capital Increase and the Potential Capital Increase.
- delegate to the Board of Directors (with the option of sub-delegation under the applicable legal and regulatory conditions) its power to undertake capital operations stipulated in the Draft Accelerated Safeguard Plan and detailed in the text of the Draft Resolutions.

It appears that the preferential right of existing shareholders would be maintained for the first capital increase. If the shareholders class does not vote in favour of the Draft Accelerated Safeguard Plan and a cross-class cram-down application has to be sought pursuant to Article L. 626-32 of the French Commercial Code, a priority right would be granted to the benefit only the company's shareholders on the day of opening the collective proceedings in each of the Potential Capital Increase and the Reserved Conversion Capital Increases. Therefore, these provisions seem to comply with Article L. 626-32 of the French Commercial Code designed to protect their rights, subject to the finalization of the Draft Accelerated Safeguard Plan and the conclusion of Abergel and Sorgem Evaluation's reports.

In addition, the possibility for shareholders to subscribe to warrants if Class no3 vote against the plan and the plan is imposed by the Court, seems likely to offer better treatment for shareholders under the safeguard plan than in a liquidation scenario.

It is also specified that according to the Draft Accelerated Safeguard Plan dated 30 August 2024, a stock subscription warrants mechanism is open to all participating creditors according to the conditions of the accelerated safeguard plan.

Moreover, this Draft Accelerated Safeguard Plan provides that, if Class no3 shareholders votes against the plan and the plan is adopted by the court in a cross-class cram-down on the basis of article L.626-32 of the French Commercial Code, shareholders may receive subscription warrants proportional to their share in Atos's capital. If they refuse the plan, this possibility offered to shareholders seems likely to improve their treatment under the safeguard plan.

Regarding shareholders' interests, Sorgem Evaluation concludes that the financial conditions of the Draft Accelerated Safeguard Plan are fair to the current Atos shareholders.

7.2.2.4. Plan does not provide for the disposal of shares held by the shareholders

Lastly, Article L. 626-32, I, 5. d) the French Commercial Code provides that the plan must not stipulate “*the disposal of all or some of the rights of the class(es) of investors which have not approved the draft plan.*”

It results from the Draft Accelerated Safeguard Plan and the envisaged measures for settlement of the liabilities, that the plan does not provide for the disposal of all or some of the rights of the class of shareholders.

VIII. Conclusion

In light of what proceeds, the establishment of regular monitoring meetings by the *Ad Hoc* Committee and the Board of Directors in the presence of various advisors and consultants has enabled the company's directors and managers to commit to constructive and informed dialogue with analysis of various optimal scenarios to enable the financial restructuring and protect Atos Group's activities and their value. The governance process complies with best practices applied in restructuring situations.

The subsequent decisions have been taken within the framework of amicable proceedings (*mandat ad hoc* then conciliation) and made it possible to reach, under the aegis of the CIRI and the Conciliator, (i) an agreement to the principal terms of a financial restructuring plan (subject to various conditions precedent) with a group of banks and bondholders of the Company on 30 June 2024, and (ii) a lock-up agreement between the Company, a group of banks and a group of bondholders wishing to support the restructuring agreement on 14 July 2024.

Various interim financings have also been put in place with a group of banks, bondholders, and the State to ensure sufficient liquidity until Atos' long-term refinancing plan is established.

The decisions are accompanied by discussions with Atos SE's advisors and consultants voluntarily appointed to ensure that the Group's financial restructuring measures protect the Group's activities and value.

Based on the financial restructuring agreement and the lock-up agreement, Atos SE has drawn up, during the conciliation proceeding, a Draft Accelerated Safeguard Plan to strive to ensure business continuity. This plan is intended to be submitted to the classes of affected parties within the framework of the accelerated safeguard proceedings opened to the benefit of Atos through the judgment of the Specialized Commercial Court of Nanterre on 23 July 2024.

An essential point to remember is that it is ultimately the creditors who decide on the restructuring to be implemented because the restructuring plan will have to be approved by a qualified majority of creditors to permit its implementation, subject to court approval. The Draft Accelerated Safeguard Plan is based on the restructuring offer presented by some of Atos' creditors.

This lender-led solution, decided by a majority of creditors due to the French legal framework, has to be implemented by Atos to ensure the continuity of its business and avoid a collective proceeding. It is specified that no other alternative solution has been presented to date that could be reasonably implemented.

The signing of the lock-up agreement drawing up the principal terms of the company's financial restructuring, agreed by the majority of the lenders, as well as the many discussions held between the parties in the context of amicable proceedings, should facilitate the approval and implementation of the draft accelerated safeguard plan.

The legal conditions for the court approval have been assessed. Subject to the finalisation of the Draft Accelerated Safeguard Plan and Abergel's report conclusions as to whether or not (i) the creditors/shareholders who voted against the safeguard plan are "in the money" and (ii) the best interest test is fulfilled, it seems that the technical conditions for the adoption of the plan by the court could be considered met, assuming its business plan is respected.