

### Market Update

- Group's strategy adjusted in light of financial constraints to ensure the repayment and refinancing of its financial debts while maintaining an attractive business mix.
- Ongoing exclusive negotiations with EPEI on the sale of Tech Foundations, with no certainty of an agreement being reached.
- Implementation of an additional asset disposal program, of which the sale of the BDS (Big Data & Security) business would be a key element.
  - o Opening of a due diligence phase with Airbus for a potential sale of the entire BDS perimeter.
- Discussions with banks to maintain financing and obtain refinancings.
  - o Risk factor: should the outcome of these discussions prove uncertain, Atos does not rule out the use of available legal protection mechanisms to frame these discussions.
- During the first quarter of 2024, Atos will assess whether these measures are sufficient to cover financing maturities and cash requirements on a long-term basis.
- Reduction in the planned size of Eviden's capital increase, as a result of changing market conditions and reactions.
- Changes to the Group's Board of Directors with the appointment of Françoise Mercadal-Delasales and Jean-Jacques Morin strengthening its skills in the strategic areas of finance and major transformation projects.

**Paris, France - January 3, 2024** - Atos provides a Market Update today to inform its stakeholders of development in the ongoing business transformation and corresponding workstreams.

The priority of the company's management and Board of Directors is to pursue Atos' corporate interests, and to preserve the interests of its stakeholders. To achieve these priorities, and in view of the company's financial constraints, the Group is adjusting its strategy in order to:

- **maintain an attractive business mix for employees, customers, creditors and shareholders,**
- **while ensuring the repayment and refinancing of its financial debts:**

- the €1.5 billion term loan A, maturing in January 2025, subject to two extensions of 6 months each, available to Atos under standard conditions (notably no event of default and payment of an extension fee). The first 6-month extension will take effect on January 29, 2024,
- €500 million bonds maturing in November 2024,
- €750 million bonds maturing in May 2025,
- €900 million revolving credit facility maturing in November 2025,
- €350 million bonds maturing in November 2028, and
- €800 million bonds maturing in November 2029.

The company intends to cover its financial debt maturities by taking into account available cash at the end of 2023, the amount of which includes specific working capital actions, which due to their nature are not permanent and cannot be taken into account in addressing the reduction of debt.

As indicated in the press release of November 28, 2023, **the company will need to take the following actions, either individually or in combination, in order to meet these financing maturities:**

- obtain new bank financing,
- access capital markets (debt and/or equity),
- implement a major asset disposal program, and
- continue specific actions to optimize its working capital, particularly at half-year and annual closings, including continued factoring.

### Sale of Tech Foundations

The company confirms that exclusive negotiations with EPEI on the sale of Tech Foundations are continuing. Discussions continue around the price to be paid, the structure of the transaction and the transfer of a very large proportion of Tech Foundations liabilities. As with any negotiation, there is no certainty that these negotiations will result in an agreement.

Regarding the planned capital increase for Eviden, changing market conditions and reactions require a reduction in its initially planned size. In addition, the company is examining with EPEI the legal and financial conditions under which EPEI could be released, in whole or in part, from its commitment to participate in the capital increase.

### Bank financing

With the view to avoid uncertainties about its long-term outlook, that is tied to the ongoing negotiations, the company 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.

The objective is also to avoid a potential downgrade of the Group's credit rating.

### Implementation of an additional asset disposal program

As there is no certainty whether an agreement with EPEI will be reached for the sale of Tech Foundations, 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.

The company's management and the Board of Directors consider 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.

In this respect, the company has received two letters indicating non-binding interest in its BDS business, one of which relates only to part of BDS's perimeter. The company will open a due diligence phase with Airbus, whose indicative offer of an enterprise value of €1.5 to €1.8 billion relates to the entire BDS perimeter. Discussions with Airbus are currently at a preliminary stage and will progress, and the company will update the market on their outcome in due course.

Furthermore, the company does not rule out the sale of additional assets, particularly if the transaction with EPEI does not go ahead.

## **Risk factors**

In all these scenarios, the company's management and the Board of Directors will endeavor to manage the significant risks involved. If necessary, should the outcome of discussions with all its banks prove uncertain, the company does not rule out the use of available legal protection mechanisms to frame discussions with its creditors. The options available to Atos should be assessed during the first quarter of 2024 to confirm that they will be sufficient to cover the Group's financing maturities and cash requirements on a long-term basis.

## **Governance changes in the composition of the Board of Directors**

Valérie Bernis, Aminata Niane, Vernon Sankey and René Proglío decided to resign from the Board of Directors.

The Board of Directors has appointed Françoise Mercadal-Delasalles and Jean-Jacques Morin to replace them. Jean-Jacques Morin has been appointed Chairman of the Audit Committee. Full biographies of each new director are included in the appendix to this release.

The term of office of Vesela Asparuhova, who was an employee director, came to an end, following the new number of directors on the Board and the expiry of the second employee director's term of office.

The Board of Directors has decided to appoint Mandy Metten - HR Head of Group Executives and Strategic Functions - as censor to the Board of Directors.

The company intends to further engage with its anchor shareholder Onepoint to discuss its governance demands.

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## **Contacts**

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## Appendix

### **Mrs Françoise Mercadal-Delasalles**

Co-Chairwoman of the Conseil National du Numérique and Senior Advisor

Françoise Mercadal-Delasalles gained her experience in senior civil service with the Ministry of Finance (1988-1992) and the Caisse des Dépôts (2002-2008), as well as in the private sector with BNP Paribas. In 2008, she joined Société Générale as Head of Group Resources and Innovation, and in this capacity was a member of the Group's Executive Committee.

As Chief Operating Officer, she was responsible for IT, real estate and purchasing. A facilitator of the Group's innovation strategy, Françoise Mercadal-Delasalles also steered Société Générale's digital transformation project. In particular, she is responsible for deploying the Digital for All program, an ambitious project to equip employees and a vast program to support change and the adoption of digital technology.

She was CEO of Crédit du Nord from 2018 to 2021. She is co-chair of the Conseil National du Numérique. Françoise Mercadal-Delasalles is a graduate of the Institut d'études politiques (IEP) in Paris and the École nationale d'administration (ENA).

She is a Knight of the Legion of Honor, an Officer of the Order of Merit and a Knight of the Order of Agricultural Merit.

### **Mr. Jean-Jacques Morin**

Group Executive Vice President and General Manager of the Premium, Midscale and Economy Division at Accor.

Jean-Jacques Morin began his career with Deloitte, where he spent five years in auditing and consulting, first in Paris and then in Montreal. He went on to work internationally in the semiconductor sector for 13 years: first at Motorola, then at ON Semi in Arizona, and finally at Communicant AG, a start-up based in Berlin. He joined Alstom in 2005 as CFO of the Power Division in Zurich, then of the Transport Division, before being appointed Group Corporate Controller in 2013. In 2014, he was appointed Group CFO.

Jean-Jacques Morin joined Accor's Executive Committee as CFO in 2015 and was subsequently appointed Executive Vice President in charge of finance, strategy, IT, legal affairs, purchasing and communications. In 2023, he was appointed Executive Vice President in charge of Premium, Midscale and Economy for the Group.

Jean-Jacques Morin is a graduate of the Ecole Nationale Supérieure de l'Aéronautique et de l'Espace and ESCP Business School, holds an MBA from the Thunderbird School of Global Management (Arizona State University) and is a member of the Ordre des Experts-comptables.

Jean-Jacques Morin was a member of Vallourec's Board of Directors and Chairman of the Audit Committee (2018 - 2021).

### **Mrs Mandy Metten**

Mandy has a Master in Social and Organizational Psychology with focus on Organizational Design, Leadership and Team Dynamics & Motivation. She completed the multi-level curriculum Strategy, Economy and Finance at the LeFebvre Institute.

She specialized in strategic, people-oriented roles. Mandy advised clients regarding organizational change and digital transformation. She designed, implemented and managed a new business unit fostering graduates. It received Great Place to Work certificates. As Head of Group Campus Management, Mandy was responsible for innovation, defining and driving the group campus strategy worldwide. Her current role is HR Head of Group Executives and Strategic Functions.

Mandy was a member of the Atos Societas Europaea Council since 2012 and a member of the Board Participating Committee since 2017.

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### **Analyst and investor conference call**

Atos' Management invites you to an international conference call, on Wednesday, January 3, 2024 at 08:00 am (CET – Paris).

You can join the webcast of the conference:

via the following link: <https://edge.media-server.com/mmc/p/drcnpo92>

by telephone with the dial-in, 10 minutes prior the starting time. Please note that if you want to join the webcast by telephone, you must register in advance of the conference using the following link:

<https://register.vevent.com/register/BIf6771ffb4894d0b98eafe76e124f978>

Upon registration, you will be provided with Participant Dial In Numbers, a Direct Event Passcode and a unique Registrant ID.

During the 10 minutes prior to the beginning of the call, you will need to use the conference access information provided in the email received upon registration.

After the conference, a replay of the webcast will be available on atos.net, in the Investors section.

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### **About Atos**

Atos is a global leader in digital transformation with c.105,000 employees and annual revenue of c. € 11 billion. European number one in cybersecurity, cloud and high-performance computing, the Group provides tailored end-to-end solutions for all industries in 69 countries. A pioneer in decarbonization services and products, Atos is committed to a secure and decarbonized digital for its clients. Atos is a SE (Societas Europaea) and listed on Euronext Paris.

The [purpose of Atos](#) is to help design the future of the information space. Its expertise and services support the development of knowledge, education and research in a multicultural approach and contribute to the development of scientific and technological excellence. Across the world, the Group enables its customers and employees, and members of societies at large to live, work and develop sustainably, in a safe and secure information space.