Atos to complete its transformation through the contemplated sale of Tech Foundations and a strengthening of its capital structure
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Today’s presenters

**NOURDINE**
Bihmane
- Group CEO
- Co-CEO, in charge of Tech Foundations

**DIANE**
Galbe
- Group SEVP in charge of strategic projects and support functions

**PHILIPPE**
Oliva
- Co-CEO, in charge of the Eviden perimeter

**PAUL**
Saleh
- Group Chief Financial Officer
Agenda

1. Achieving the Group’s transformation

2. Eviden: clear ambitions and higher value potential

3. Conclusion and next steps
Unleash value creation potential of Eviden with the sale of TFCo

**Implementation of the announced separation plan**
- Contemplated sale of 100% of TFCo for a net cash of €0.1bn and the transfer of €1.9bn of on-balance sheet liabilities leading to an EV of €2.0bn
- Transferring €7.6bn of TFCo off-balance sheet liabilities, and unwinding c.€1bn of intra-year working capital needs
- Strengthening Eviden financial profile by avoiding TFCo negative FCF and potential execution risk of TFCo turnaround plan
- Atos shareholders remaining direct shareholders of Eviden and participating in upside value in TFCo performance via an upside-sharing mechanism

**Strengthening sustainably the capital structure of Eviden**
- Total aggregated amount of up to €0.9bn new capital to be raised
  - €180m of reserved capital from purchaser, EP Equity Investment (“EPEI”), at €20 per share, in exchange of a 7.5% stake
  - A €720m rights issue, standby underwritten by BNP Paribas and J.P. Morgan, except for the portion corresponding to EPEI’s subscription commitment
- Additional proceeds of €400m from new identified assets
- Launch of a process with banks to extend maturities and reduce debt
- Positive cash flow generation will allow fast deleveraging from initial c. 4x proforma leverage ratio to c. 3x by year-end 2024 and c. 2x by year-end 2025

Comprehensive plan to be submitted in an ad-hoc EGM for approval
Achieving the strategic transformation with greater certainty of execution and accelerating value creation
Atos today: playing in two distinct markets with fundamentally different dynamics

**Segments**

- **Eviden**
  - Data, Cyber & Application driven
  - A large, strongly growing market segment
  - **€1.8tn**
    - Global Digital, Big Data & Security Market (2025)
  - Double digit growth
  - Low double digits
  - Growth and margin acceleration

- **TFCo (new Atos)**
  - Infrastructure driven
  - A mature market segment, shifting from traditional to next gen infrastructure
  - **€705bn**
    - Global Infrastructure & Private Cloud Market (2022)
  - Low single digit growth
  - High single digit
  - Multi-year restructuring

Source: Atos, leading consulting firm
Slide corrected post conference call (August 1, 2023). The modifications are the following: change 'low single digits' to 'high single digit' for Tech Foundation Mid-term operating margin.
Atos to become Eviden through the contemplated sale of TFCo to EPEI, along with a strengthening of its capital structure

1. **Spontaneous marks of interest from potential investors** in relation to TFCo since summer 2022. In light of the TFCo/Eviden separation objectives, in-depth review of options to **evaluate potential alternatives for TFCo**

2. Decision by the Board to enter into **exclusive negotiations with the strongest contender, EPEI**, for the contemplated sale of 100% of TFCo for a net cash of €0.1bn and the transfer of €1.9bn of on balance-sheet liabilities leading to an EV of €2.0bn
   - Immediate **deconsolidation of TFCo negative FCF**
   - Transfer of significant on- and off-balance sheet liabilities to the purchaser

3. In conjunction with the contemplated sale of TFCo, **comprehensive solution to sustainably strengthen Eviden’s balance sheet and provide solid grounds to deliver on its mid-term growth ambitions**
   - Capital increases of Atos SE\(^1\) of €900m, consisting of a reserved capital increase of €180m from EPEI\(^2\) and a rights issue of €720m offered to all Atos shareholders, for which EPEI also commits to subscribe for €37.5m
   - Continued **working capital normalization focus**
   - New **divestment plan of €400m**
   - Launch of a process with banks to **extend maturities and reduce debt**

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\(^1\) Subject to EGM approval, Atos SE expected to be named Eviden SE as parent company of Eviden

\(^2\) At the option of Atos’ Board of Directors
Key terms of the contemplated sale of TFCo to EPEI

- **100% sale** of TFCo to EPEI leading to an **enterprise value of €2.0Bn** – implying a multiple of 3.9x 2022 EV/OMDA

- **Significant liabilities transferred** to EPEI, further **de-risking the future of Eviden**
  - **On-balance sheet liabilities** (provisions, leases, pensions): €1.9bn
  - **Off balance sheet liabilities**: objective to transfer to TFCo parent company guarantees of €7.6bn, mostly contract related performance guarantees

- **Implied net cash positive impact of €0.1bn** at closing

- **Immediate deconsolidation of TFCo negative FCF**

- **Upside-sharing mechanism**, to the benefit of Eviden, subject to certain subsequent liquidity events or performance targets delivered over time by TFCo

- **Customary conditions** (including relevant shareholders’ approvals, regulatory clearances, consent from its concerned creditor banks and other third-party consents)

- **Expected closing in Q4 2023 or by Q1 2024**

**Reminder of TFCo perimeter**

- 52,000+ People across the globe
- 69 Countries of operations
- €5.4bn Total revenue in 2022 (excl UCC and Italian operations)
Sustainably strengthening Eviden’s capital structure to support its strategic roadmap

**€0.9bn**
Total capital increases
- €180m reserved capital
- €720m rights issue, standby underwritten by BNP Paribas and J.P. Morgan

+ **€0.4bn**
Disposal proceeds¹
- Number of interested parties

A strengthened capital structure

- Immediate deconsolidation of TFCo negative FCF
- Transfer of significant on- and off-balance sheet liabilities to the TFCo purchaser for respectively €1.9bn and €7.6bn
- Unwinding intra-year working capital needs of TFCo of c.€1bn
- Planning to extend debt maturities and reduce debt
- Fast deleveraging profile
  - Initial pro-forma leverage of c.4x
  - c.3x at year-end 2024
  - c.2x at year end 2025

¹ Proceeds from additional disposal plan expected to be received post Dec-23
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A leading global player in high growth digital transformation, big data, cloud and cybersecurity

- **€5.3 Bn** FY ’22 revenue
- **~57,200** employees
- **50+** Countries of operations
- **+2,100** Patents
- **50,000+** Certifications

Global leader positioned on high growth market segments

Portfolio of complementary and unique owned, partner & sovereign capabilities across 3 synergistic business lines

Deep in-house industry expertise enhanced by strong IP portfolio and partnerships

Global Headcount and revenue %

- **Americas**
  - ~5,200
  - 30% revenue
- **Northern Europe & APAC**
  - ~31,000
  - 23% revenue
- **Central & Southern Europe & MEA**
  - ~21,000
  - 47% revenue

Eviden business is operated through the following brands: Alia Consulting, AppCentrica, ATHEA, Atos Syntel, Bull, Cloudamize, Cloudreach, Cryptovision, DataServices, digitalsecurity, Eagle Creek, EcoAct, Energy4U, Engage ESM, IDEAL GRP, Maven Wave, Miner & Kasch, Motiv, Numbix, Processia, Profit4SF, Science & computing, SEC Consult, and the Eviden logo are trademarks of Eviden S.A.S © 2023 Eviden S.A.S

Note: Reported, not pro forma for perimeter changes that have occurred in 2023
**Large addressable market growing at double digit rate**

<table>
<thead>
<tr>
<th>Addressable Market Segments</th>
<th>Offering</th>
<th>2025 Market TAM</th>
<th>Growth (CAGR '21-'25)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>€1,797bn</td>
<td>+11.7%</td>
</tr>
<tr>
<td><strong>Digital</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smart digital platforms and Digital transformation</td>
<td>Smart platforms (e.g., SAP solutions)</td>
<td>€985bn</td>
<td>12.8%</td>
</tr>
<tr>
<td>Cloud</td>
<td>Transformation acceleration (e.g., data analytics, IoT, CX)</td>
<td>€313bn</td>
<td>9.9%</td>
</tr>
<tr>
<td>Digital security</td>
<td>Net zero Transfo. (e.g., EcoDesign Cloud)</td>
<td>€216bn</td>
<td>10.3%</td>
</tr>
<tr>
<td>BDS</td>
<td>Cloud advisory services (e.g., platform strategy)</td>
<td>€41bn</td>
<td>8.6%</td>
</tr>
<tr>
<td>High performance computing (HPC)</td>
<td>Cloud design &amp; build services (e.g., app dev)</td>
<td>€242bn</td>
<td>13.6%</td>
</tr>
<tr>
<td>Business computing &amp; AI</td>
<td>Cloud operations (e.g., managed SaaS)</td>
<td>€985bn</td>
<td>12.8%</td>
</tr>
</tbody>
</table>

**Source:** Strategic consulting firm report

Note 1: Combined TAM of Digital Transformation, Smart digital platforms including IoT and data analytics

Note 2: Weighted average growth rate of Digital transformation and smart digital platforms segments

Note 3: TAM defined as Total Addressable Market and refers to 2025 figures
Eviden mid-term ambitions reiterated

<table>
<thead>
<tr>
<th>Revenue</th>
<th>2023</th>
<th>2026</th>
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<tbody>
<tr>
<td>Acceleration of organic growth vs. 2022 (+2% in 2022)</td>
<td></td>
<td>+7% CAGR 2022-2026</td>
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</table>

<table>
<thead>
<tr>
<th>Operating Margin (% of rev.)</th>
<th>2023</th>
<th>2026</th>
</tr>
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<tbody>
<tr>
<td>Improvement vs. 2022 (5.2% in 2022)</td>
<td></td>
<td>12%</td>
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</table>
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### Contemplated next steps

*Indicative targeted timetable*

<table>
<thead>
<tr>
<th>Aug 23</th>
<th>Sep-Oct 23</th>
<th>Q4 2023</th>
<th>Q4 2023 / Q1 2024</th>
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</thead>
<tbody>
<tr>
<td>Signing of a put agreement with EPEI (prior to employees’ consultation process and banks’ waiver)</td>
<td>Bank mid-term debt amendment negotiations</td>
<td>Eviden CMD (Prior to EGM)</td>
<td>Regulatory clearances and other third-party consents obtained</td>
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<td></td>
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<td>Completion of process with work council</td>
<td>Closing of TFCo sale</td>
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<tr>
<td></td>
<td></td>
<td>Signing of Share Purchase Agreement (SPA)</td>
<td>Capital increase reserved to EPEI</td>
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<tr>
<td></td>
<td></td>
<td>Announcing EGM</td>
<td>Rights issue execution</td>
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</table>

*Indicative targeted timetable:
- **Aug 23**: Signing of a put agreement with EPEI (prior to employees’ consultation process and banks’ waiver)
- **Sep-Oct 23**: Bank mid-term debt amendment negotiations
- **Q4 2023**: Eviden CMD (Prior to EGM), Completion of process with work council, Signing of Share Purchase Agreement (SPA), Announcing EGM
- **Q4 2023 / Q1 2024**: Regulatory clearances and other third-party consents obtained, Closing of TFCo sale, Capital increase reserved to EPEI, Rights issue execution
A contemplated transaction in the best interests of Atos stakeholders

**TFCo behind**
- Aim to de-risk from TFCo turnaround story and its restructuring efforts still to come

**Eviden beyond**
- Exposure to a simplified entity
- Favorable framework for Eviden to extend its leadership and create incremental value for its shareholders

**Unlocking value**
- Strong cash flow
- Targeting c. 2x leverage at year end 2025
- Strengthened capital structure to support Eviden strategic roadmap
- EPEI to invest in Eviden at €20 per share as part of a reserved capital increase