

# Market update

3 January 2024



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## Key messages

- Management and Board of Directors committed to pursuing Atos' corporate interests, and preserving the interests of its stakeholders
- 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
- Reduction in the planned size of Eviden's capital increase, as a result of changing market conditions and reactions
- Implementation of an additional asset disposal program, of which the sale of the BDS (Big Data & Security) business would be a key element
  - Indicative offer on BDS of €1.5bn-€1.8bn from Airbus
  - Due diligence process to begin promptly
- Initiation of discussions with banks to maintain financing and provide refinancings
- 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

# Company's management and Board of Directors priority to pursue Atos' corporate interests, and to preserve the interests of its stakeholders



Group is adjusting its strategy in order to:

- Maintain an attractive business mix for employees, customers, creditors and shareholders,
- Ensure the repayment and refinancing of its financial debt obligations



The company will need to take the following actions, either individually or in combination:

- 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

# Contemplated sale of Tech Foundations: update

- Ongoing exclusive negotiations with EPEI:
  - Active discussions on the parameters of the transaction, including price to be paid, the structure of the transaction and the transfer of a large proportion of TF liabilities
  - As with any negotiation, there is no certainty that these negotiations will result in an agreement
- Planned capital increase for Eviden:
  - Reduction in the initially planned capital increase due to changing market conditions and reactions
  - 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

# Additional asset disposal program

- Company is considering other asset sales in addition to the €400 million mentioned in the press release of July 28, 2023, in order to meet its debt maturities
- The sale of BDS is a key divestment candidate
  - Received two non-binding indications of interest, one of which relates only to part of BDS's perimeter
  - Indicative offer of €1.5 to €1.8 billion from Airbus
  - Initiating due diligence phase
- Company does not rule out the sale of additional assets than BDS

# Bank refinancing

- Exercised the first six-month extension of the current term loan A until July 2024
- Initiating new discussions with banks in light of market developments and contemplated sale of BDS, with the objective to:
  - Maintain financing commitments
  - Provide refinancings
  - Help to address long-term financing needs
  - Allow financial flexibility to execute on asset sales
- The company does not rule out the use of available legal mechanisms to frame and facilitate discussions with its banks and other debt holders

# Summary

- Management and Board of Directors commitment to pursue Atos' corporate interests, and preserve the interests of its stakeholders
- Group's strategy adjusted in light of financial developments
- Ongoing negotiations with EPEI on the sale of Tech Foundations
- Implementation of an additional asset disposal program with the contemplated sale of BDS
- Initiation of discussions with banks to maintain financing and provide refinancing flexibility
- Continued commitment to open dialogue with investors and regular update on market developments



Q&A



Thank you

