

**STRICTLY PRIVATE AND CONFIDENTIAL**

From:

**Ashurst LLP / Willkie Farr & Gallagher LLP**  
on behalf of the Bondholders Steerco  
(as defined below)

**Gibson Dunn & Crutcher LLP**  
on behalf of the Bank CoCom  
(as defined below)

To:

**Atos SE**

**Rothschild & Co**

**Perella Weinberg Partners**

**Darros Villey Maillot Brochier**

With a copy to:

**FHBX**

**CIRI**

Paris, 3 May 2024

## **Project Alpha – Banks' Coordinating Committee and Bonds' Steering Committee – Principles of a Restructuring**

Dear Sirs

We represent: (1) the steering committee of holders (the "**Bondholder SteerCo**") of Atos SE's unsecured bonds due 2024, 2025, 2026, 2028 and 2029 (together, the "**Bonds**"); and (2) the coordinating committee of bank lenders to Atos SE (the "**Bank CoCom**") under the EUR 1.5 billion term loan B and EUR 900 million revolving credit facility (together, the "**Loans**").

On behalf of the Bondholder SteerCo and the Bank CoCom, you will find enclosed as **Appendix 1** our key principles for a joint restructuring proposal (the "**Restructuring Principles**").

We hereby inform you that the Bondholder SteerCo (overview of each institution in **Appendix 2**) represents of the total principal amount of the Bonds. We (and/or our advisors) are in touch with a wider group of holders of the Bonds who hold, together with the Bondholder SteerCo, in excess of of the Bonds.

As for the Bank CoCom, it represents of the total amount of the Loans.

We have developed the Restructuring Principles based on our understanding of terms that would be acceptable to such wider group of bondholders and banks, including the Bondholder SteerCo and Bank CoCom.

As creditors of Atos SE ("**Atos**" or the "**Company**", and together with its subsidiaries, the "**Group**"), we are convinced of the long-term potential of the Group. Despite its current financial distressed situation, the Group is a global leader in digital transformation with 112,000 employees and annual revenue of €11 billion. Among its key strengths, Atos is number one in Europe in cybersecurity, cloud and high-performance computing and provides solutions across all industries. Atos is able to operate on a worldwide basis and is praised for its full stack range of market leading digital solutions and products alongside consultancy services, digital security and decarbonization offerings, all underpinned by end-to-end partnership approach.

We strongly believe that Atos can be realigned to improve both its business development and profitability.

As creditors, we are well aware of the importance to build a plan which will first address Atos' financial situation but will also give an industrial momentum to maximise the value creation.

In that context, we have worked on the basis of the following assumptions:

- Atos remains a French national company with headquarters based in France;
- the Group structure remains consolidated and coherent with activities interacting with each other in synergies. In that regard, we assumed no break-up (other than the sale to the French State as referred to below) of the Group; and
- the sensitive nature of some of Atos' businesses within BDS<sup>1</sup> is acknowledged: we understand that the French State has issued a letter of interest to acquire these businesses considered as sensitive for its sovereign interests and we accordingly intend to grant appropriate sovereign governance rights on such activities during the interim period to facilitate any transaction with the French Government.

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<sup>1</sup> We understand the sensitive assets to be High Performance Computing, Mission Critical Systems and Cybersecurity Products.

We have always supported the business, and keep doing so notably through the interim facilities, and have worked on the basis of the business plan initially crafted by the management and the potential advancements outlined in the two volumes of the Independent Business Reviews made available to us.

Based on its press release dated 29 April, we understand that the Company has worked on an updated version of its business plan. However, pending further critical analysis conducted by the two independent transaction services firms Accuracy and 8 Advisory in their Independent Business Reports, we are not in a position to take an educated view on the relevance of any of the changes proposed by the Company.

Therefore the proposal we submit is based on our analyses derived from the original business plan and sensitivities presented by the Company with the view to fully fund the Company's needs in terms of New Money. We are prepared to review the amount of debt to be equitized and New Money needs based on a comprehensive analysis of (i) its revised business plan and (i) its liquidity position.

As reflected in our Restructuring Principles and as major creditors, we are open to discussing with potential investors (the "**Anchor Investor**") willing to contribute financially and strategically to the future of Atos. We have been in informal contact with several potential industrial partners for Atos already and would welcome further interaction with them in the future.

As the current economic owners of the Company and called to become its shareholders tomorrow, creditors have today an obvious priority to (i) choose the Anchor Investor that will own the equity in the group alongside them, (ii) fund the new money needs expressed by the Company to participate in the future value creation, and (iii) having the ability to use the proceeds contributed by the Anchor Investor to, inter alia, organise the exit of creditors not willing to become shareholders of the Company. We are therefore looking forward to helping the Company deliver the right restructuring plan for its development and long-term sustainability.

In this respect, we also take this opportunity to highlight the fact that, (i) a certain number of creditors are prepared, if necessary and in particular if no Anchor Investor is willing to invest within the framework provided herein and no other seriously viable, industrially meaningful and financially sound and fair option is available, to take a leadership role in relation to future stewardship and active governance of the Group, and (ii) we are ready to provide the appropriate framework and financing for the Group's restructuring and future development and the relevant support to the management.

In terms of due diligence, it will be critical for the Bondholder SteerCo and the Bank CoCom to get access to additional and up-to-date information (see [Appendix 3](#)).

Our objective is to continue the discussions between the Bondholder SteerCo and the Bank CoCom to finalize a proposal in the coming weeks, which will help the Company reach a consensual deal across all of its capital structure. To achieve that, we are willing to complete a transaction for the benefit of the Company within a very short timeframe (subject to internal credit approvals and satisfactory documentation).

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Any questions regarding this letter should be directed to each of the individuals below acting as advisers to the Bondholder SteerCo and the Bank CoCom:

**Bondholder SteerCo**

Financial advisers:  
*Ceres*

*Messier & Associés,*

Legal advisers:  
*Ashurst*

*Willkie Farr & Gallagher LLP*

**Bank CoCom**

Financial advisers:

*Ondra*

Legal advisers:

*Gibson, Dunn & Crutcher LLP*

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This letter is delivered to you with the understanding and on condition that its existence and its content will be treated as strictly confidential and will not be disclosed to any person or entity other than you.

This letter is not intended to create any legally binding commitment and shall not give rise to any legal obligation, rights, duties or liabilities of any kind.

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We are willing to further engage in discussing restructuring options with the Company, in line with the economics outlined and with the objective of maximizing value for all the relevant existing stakeholders.

We look forward to continuing working towards completing a transaction for the benefit of the Company.

Yours faithfully,

[SIGNATURE PAGE ON THE FOLLOWING PAGE]

**Authorised signatories**

**Ashurst LLP**

**Willkie Farr & Gallagher**

**Gibson, Dunn & Crutcher**

### Appendix 1 – Restructuring Principles

<p><b>1. Anchor Investor</b></p>	<p>Creditors are open to working with a potential Anchor Investor as part of the restructuring process.</p> <p>The proposal issued by creditors can serve as a framework to a third-party Anchor Investor and sets acceptable debt conversion and equity sharing limits to such Anchor Investor.</p> <p>Any search by the Company for an Anchor Investor should be conducted jointly and in close coordination with creditors (with a detailed and frequent reporting to be made to them).</p> <p>If no such Anchor Investor is willing to invest within the framework provided by creditors, then certain members of the Bondholder SteerCo/Bank CoCom could be willing to take a leadership role in relation to future stewardship and active governance of the Group, commensurate with their position as significant creditors, and future significant shareholders, of Atos.</p> <p>In order to assess / review the strategy to be implemented going forward, the bondholders and the Banks should have the possibility to be assisted by a CRO for strategic / industrial matters with full access of such CRO to the company's management including at a business unit level.</p>
<p><b>2. Atos perimeter</b></p>	<p>The proposal is made on the assumption that the perimeter remains "as is", i.e. no breakup of Atos and / or the Atos Group (except to satisfy French sovereign issues in connection of certain assets identified within BDS and the contemplated disposal thereof).</p>
<p><b>3. Pari Passu Treatment between Creditors</b></p>	<ol style="list-style-type: none"> <li>1. Pari passu treatment between the Bonds and the Loans (subject to ongoing discussions between bondholders and banks on specificities existing under current documentation)</li> <li>2. Pari passu treatment between each maturity of Bonds (including the exchangeable bonds)</li> <li>3. Equal treatment of New Money providers</li> <li>4. In case of mandatory prepayment of New Money, the amounts owed to the relevant bond or bank lender in this respect shall be, at the option of the lenders, applied either as cash collateral in guarantee for amounts due under their share of the New Money Debt, or in repayment of their 1.5L reinstated debt, subject to a mechanism to be agreed.</li> </ol>
<p><b>4. Equal Opportunity to provide New Money</b></p>	<p>Creditors are the economic owners of the business.</p> <p>Creditors have the absolute priority to fund the New Money Need.</p> <p>Each creditor must be invited to finance its pro rata share of the New Money Need (e.g., secondary holders of Loans must be able to finance the New Money allocated to the Loans, subject to it not creating any breach of banking monopoly or any obligation for the other existing banks to make any fronting arrangement).</p> <p>New Money rights will be allocated on a creditor institution basis (i.e., not specific funds). Each creditor providing new money shall be entitled to nominate an affiliate, a related fund, a fronting entity or, subject to ongoing discussions, any vehicle of another existing creditor institution, to fund all or a portion of its pro rata share.</p>

<p><b>5. New Money (Debt)</b></p>	<p>For an amount of €1,200m – subject to further financial analysis to be provided by Accuracy and 8 Advisory (the "<b>New Money Need</b>"), and divided in:</p> <ul style="list-style-type: none"> <li>• €600m of factoring and bank guarantees</li> <li>• €600m of Bonds</li> </ul> <p>Terms and structure to be agreed.</p> <p>New Money Need to be assessed and duly justified by the Company.</p> <p>Mechanism to be discussed to allow for certain creditors to participate in the New Money Need beyond their pro rata share in case all existing creditors do not (in whole or in part) provide their pro rata share of such New Money Need. Backstop of New Money debt to be provided by respective groups of existing creditors and appropriately rewarded.</p>
<p><b>6. Debt conversion</b></p>	<p>€1,800m Loans and Bonds debt conversion – subject to further financial analysis to be provided by Accuracy and 8 Advisory.</p> <p>New Money providers shall be entitled to a higher than pro rata portion of the restructured equity according to a mechanism to be agreed.</p>
<p><b>7. Restructuring Outcome</b></p>	<p>Shareholders will be heavily diluted (circa 99.9%) as a result of the debt-to-equity swap.</p>
<p><b>8. Take Back Paper / Elevation</b></p>	<p>New Money providers must be given access to elevation in the form of new security interest for a portion of their old debt (or a new secured instrument exchanged for a portion of their old debt). New Money Debt providers will have the opportunity to reinstate more old debt than non-participating creditors. Such reinstated debt shall be elevated/secured by the same security package as the New Money Debt but with a rank lower than the New Money Debt (1.5 lien).</p> <p>To satisfy the best interest test and ensure the widest support possible from creditors, non-participating creditors will be allocated a fixed recovery percentage of unsecured reinstated debt to be determined. This amount will depend on the final quantum of the New Money Debt and the required amount of Debt conversion.</p>
<p><b>9. Security package</b></p>	<p>Single first-class security package to be shared among New Money Debt providers (1<sup>st</sup> Lien) and reinstated debt creditors (1,5 Lien) that could include a <i>fiducie</i> and / or any similarly efficient security interests in any relevant jurisdictions over all valuable assets of the group.</p>
<p><b>10. New Money (equity)</b></p>	<p>Existing shareholders should get the priority via a rights issue to offer willing creditors the possibility to monetize their claims at a given discount hence removing dilution which would have otherwise resulted from the debt-to-equity conversion.</p> <p>Equity proceeds from Anchor Investor and existing shareholder as the case may be allocated to, inter alia, finance a monetization of the non-reinstated debt held by creditors that do not wish to own equity.</p>
<p><b>11. Governance</b></p>	<p>New governance arrangements (including the appointment of a Chief Restructuring Officer) to be agreed between creditors participating in the New Money and any future anchor shareholder that emerges as part of the restructuring negotiations.</p>

### **Appendix 3 – Non-exhaustive list of information required as part of the due diligence process**

As mentioned above, it will be critical for the Bondholder SteerCo and the Bank CoCom to get access to additional and up-to-date information to finalize and validate the due diligence process, including:

- **13-week liquidity forecast every fortnight** including an update of actual results for the preceding two weeks;
- **Current trading:** YTD P&L and FCF statements and then regular trading update (monthly basis);
- **Monthly management figures** (P&L and FCF) and KPIs (book-to-bill, backlog, WCA outstanding, WC position), including monthly update on financial forecasts;
- **Sensitive assets perimeter:** historical financials (P&L, FCF and bank guarantees) and management forecasts (P&L, FCF and bank guarantees) on the full perimeter identified by the French State as sensitive assets it envisages to acquire;
- Full disclosures on **Guarantees / bonding lines** (Accuracy report is currently blacklined);
- **German situation, red accounts**, and any other main source of losses;
- **Up-to-date legal organigram chart** of the Atos group;
- Latest **Board presentations**;
- **LOIs** sent to the Company (not a summary of the offers);
- Review of the adequacy of existing reserves for onerous/loss-making contracts, particularly within the TF segment; and
- Also within the TF segment, a review of the adequacy of projected cash spend for relocating operational roles from high-cost locations (e.g. Germany) to low-cost geographies (e.g. employee termination costs).

We also believe that, as well as access to the necessary data, it will be necessary to organise another set of **discussions/Q&As sessions** with (i) the **Management** and (ii) **Accuracy's** and **8 Advisory's** teams, notably on:

- The main assumptions underlying the Management Revised Business Plan;
- Accuracy Volume 3 report; and
- 8Advisory updated report.