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Universal Registration Document

Fiscal year 2021

ATEME
Captivate your audience

The universal registration document was approved on 28 June 2022 by the Autorité des marchés financiers (AMF), in its capacity as competent authority under Regulation (EU) 2017/1129.

The Autorité des Marchés Financiers approves this universal registration document after verifying that the information contained therein is complete, consistent and understandable. The universal registration document has the following approval number: R.22-029.

This approval should not be considered as a favorable opinion on the issuer covered by the universal registration document.

The universal registration document may be used for the purpose of a public offering of financial securities or the admission of financial securities to trading on a regulated market if supplemented by a prospectus and, where applicable, a summary and its amendment (s). In this case, the securities note, the summary and all amendments made to the universal registration document since its approval are approved separately in accordance with the second subparagraph of Article 10 (3) of Regulation (EU) 2017/1129.

The universal registration document is valid until 28 June 2023 and, during this period and at the latest at the same time as the transaction note and under the conditions of Articles 10 and 23 of Regulation (EU) 2017/1129, must be supplemented by a supplement to the universal registration document in the event of significant new events or substantial errors or inaccuracies.

Copies of this Universal Registration Document are available free of charge:

- At the Company's registered office or on the Company's website;
- And on the Amf website (www.amf-france.org).

Pursuant to Article 19 of EU Regulation 2017/1129 of the European Commission, this Universal Registration Document incorporates by reference the following information to which the reader is invited to refer:

The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2021, included respectively on pages 62 to 129 and page 160; and the management report for the year ended 31 December 2021, included on pages 5 to 31 of the Annual Financial Report filed with the AMF on 28 April 2022. Link: https://www.actusnews.com/fr/telechargement/ateme/2022/04/28/74254-fy21-ateme-rapport-financier-2021-28042022-vdef-clean.pdf

The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2020 included respectively on pages 66 to 130 and page 156; and the management report for the year ended 31 December 2020 included on pages 4 to 31 of the Annual Financial Report filed with the AMF on 29 April 2021. Link: https://www.actusnews.com/documents_communiques/ACTUS-0-68967-fy20-Ateme-rapport-financier-2020-fr.pdf

The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2019 included respectively on pages 31 to 66 and page 157; and the management report for the year ended 31 December 2019 included on pages 4 to 31 of the Annual Financial Report filed with the AMF on 29 April 2020. Link: https://www.actusnews.com/documents_communiques/ACTUS-0-63228-Ateme-rapport-financier-au-31-12-2019-v2904-1600-clean-vdef.pdf

Contents

Chapitre 1. PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERT REPORTS AND APPROVAL OF THE COMPETENT AUTHORITY

1.1. NAME OF THE PERSON RESPONSIBLE

Michel Artières, Chairman and Chief Executive Officer of ATEME SA, is responsible for this document.

Michel Artières, Chairman and Chief Executive Officer of ATEME SA.

6, rue Dewoitine -78140 Vélizy Villacoublay - Tel.: +33 1 69 35 89 89

1.2. STATEMENT BY THE PERSON RESPONSIBLE

Ihereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Vélizy Villacoublay, 28 June 2022

Michel Artières, Chairman and Chief Executive Officer of ATEME SA.

1.3. EXPERT REPORTS

No report or statement, attributed to an expert, is included in this document.

1.4. INFORMATION FROM THIRD PARTIES

No statements or information from third parties are included in this document.

1.5. APPROVAL BY THE AMF

The universal registration document has been approved by the Financial Markets Authority (AMF) as the competent authority under Regulation (EU) 2017/1129.

The AMF only approves this universal registration document as complying with the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129.

This approval should not be considered a favorable opinion on the issuer that is the subject of the universal registration document.

Chapitre 2. **STATUTORY AUDITORS**

2.1. NAME OF THE STATUTORY AUDITORS

2.1.1. Principal Statutory Auditors

BL2A

10, Parc François Villon
91600 Savigny sur Orge

Represented by Mélanie HUS CHARLES

First elected: Appointed at the Annual General Meeting of 30 June 1997

Term expires: Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2026

Cabinet Member of the Compagnie Régionale des Commissaires aux Comptes de Paris

ERNST & YOUNG AUDIT

Tour First, TSA 14444
92037 Paris La Défense

Represented by Jean Christophe Pernet

First elected: Appointed at the Annual General Meeting of 11 April 2014

Term expires: Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2025

Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre

2.2. STATUTORY AUDITORS WHO HAVE RESIGNED, HAVE BEEN DISMISSED OR HAVE NOT BEEN RENEWED

None.

Chapitre 3. **RISK FACTORS**

3.1. SEGMENTATION AND RISK RANKING PRINCIPLE

Before acquiring shares in the Company, investors are invited to review all the information contained in this Universal Registration Document, including the risk factors described below.

The Company has reviewed the risks that could have a material adverse effect on its business, financial position or results (or its ability to achieve its objectives) and considers that there are no significant risks other than those described below.

However, the Company cannot rule out the possibility that other risks may materialise in the future and have a material adverse effect on the Group, its business, its financial position, its results or its development.

The Company only presents its specific risks.

For each of the risks described below, the Company has reviewed the gross risk, as it exists in the course of the Company's business and has taken into account the measures implemented by the Company for the management of said risk.

The application of these measures to gross risk allows the Company to analyse a net risk.

The Company assessed the criticality of the net risk based on a joint analysis of two criteria:

- The extent of its negative impact; and
- Its probability of occurrence.

The 11 risks identified, specific and specific to the Company, are mapped below by combining an assessment of the extent of the impact of the risk and its probability of occurrence.

The most important risk factors are first mentioned in each category, in accordance with Article 16 of the Prospectus Regulation.

- **Summary of risk mapping**

Impact scale	Major		- Risks related to the competitive environment - Customer risks - Supplier risks - Liquidity risk - Risks related to the security of the Company's information systems - Risks related to Internet regulations and mobile networks - Risks related to the protection of confidential information and the Company's intellectual property	
	Significant		- Currency risk	

	Important		- Risks related to market growth - Risks related to growth management - Risks related to the liability of the Company in the event of damage generated by one of its products	
		Unlikely	**Possible**	**Probable**
		Occurrence scale		

3.2. MARKET AND SECTOR RISKS

3.2.1. RISKS RELATED TO THE COMPETITIVE ENVIRONMENT

The Company operates in the market for coding and video broadcasting solutions. It is a provider of software, products, system solutions and video broadcasting services that enable its customers to create, prepare, store, broadcast and distribute a full range of high quality video services, whether broadcasting services or 'over the top' (OTT) services, on consumer devices, including TVs, fixed and laptops, tablets and smartphones.

This market is characterised by strong competition which could intensify in particular with the emergence of new players.

In addition, more established companies of larger size and resources compete with the Company in this market.

Their long standing presence in the market has enabled them to establish strong relationships with their customers, which could benefit them, in particular through privileged access to information on their customers' future demands and the anticipated evolution of their needs.

The substantial resources of these large competitors enable them to allocate substantial resources to technological competition, achieve economies of scale, expand their product portfolios and gain greater credibility with existing and potential clients of the Company. In addition, some competitors may adopt an aggressive pricing policy.

In addition, the Company's customers, in particular telecommunications operators or distribution platforms, may decide to internalise all or part of the services offered by the Company at a lower cost than the prices charged by the Company.

The occurrence of one or more of these events, and in the event that the Company is not able to adapt and respond to this current and future competitive pressure on its markets, could lead to a decline in demand for the services offered by the Company, but also negatively impact the market share, activity, revenue, results, financial position and development of the Company.

This risk related to the competitive environment is not new to the Company and has not prevented it from experiencing strong growth in recent years.

In order to prevent this risk or limit its impact, the Company has pursued and pursued a research and innovation policy, in particular through a continuous investment in its R & D Department. This research and innovation policy enables the Company to offer reliable and high quality products, solutions and services, thereby fostering customer loyalty and thus effectively managing risks related to the competitive environment.

This risk related to the competitive environment is not new to the Company and has not prevented it from experiencing strong growth in recent years.

In order to prevent this risk or limit its impact, the Company has pursued and pursued a research and innovation policy, in particular through a continuous investment in its R & D Department. This research and innovation policy enables the Company to offer reliable and high quality products, solutions and services, thereby fostering customer loyalty and thus effectively managing risks related to the competitive environment.

3.2.2. Customer risks

The Company currently has a customer base made up of players in digital video production and broadcasting, which accounts for a large proportion of its revenues.

The Company's revenues are fairly balanced between its main customers and, to date, considers that it is only exposed to a limited risk of dependence on its customers.

Given the quality and solvency of its customers, the Company believes that it does not face any major recovery risk.

The Group's contractual customer settlement period is 30 days in the United States and 45-60 days in the EMEA region ('Europe Middle East Africa').

Given the high seasonality of the Group's business, with strong sales at the end of the year, trade receivables were high at 31 December 2021.

This also explains the high level of customer settlement time and working capital requirement at year end.

Finally, the digital video production and broadcasting market in which the Company operates is a highly competitive market, marked by customers of a wide variety of nature and size.

The Group's customers are mainly leading international players in their sector. Thanks to the quality of its main counterparties, the diversification of its customers and its customer credit management, the Group has never experienced a significant loss due to the non recovery of receivables and considers that it is not exposed to significant credit risk. The Group's largest customer, its five largest customers and its ten largest customers represented, respectively, 4.5%, 18% and 28% of its consolidated revenue for the 2021 financial year; 6%, 21% and 33% of its consolidated sales for 2020.

Recurring monthly income (MRR) rose from €1500k in January 2021 to €1960k in January 2022.

However, and particularly in the context of the COVID-19 pandemic, the loss of a major customer, a significant reduction in sales or a difficulty in recovering trade receivables, could adversely affect the Company's business, sales, results, financial position and development, it being specified that as of the date of this Universal Registration Document, the Company considers that it does not face such situations.

The fact that the Company has adopted a strategy of monthly turnover recurrence (MRR) allows it to prevent the occurrence of a temporary underperformance in commercial performance and to better understand a possible deterioration in the competitive or macroeconomic context.

3.2.3. Supplier risks

The Company's business is also affected by dependence on its suppliers in several respects.

In recent years, the Company has expanded its product offering and is increasingly turning to software products.

Today, the software offering 'Titan' and 'Nea' is largely predominant compared to the material products 'Kyrion'

However, although customers purchase, directly or via the Company, the servers on which they wish to use the software 'Titan' and 'Nea,' they will not be able to use the Company's products in the event of a shortage of servers.

The Company is therefore partially exposed to the risk of supply on servers, but only in the event of a general shortage, since the Company's software can be used on all types of standard 'datacenter' servers, and obviously on the servers of a public 'cloud.'

With regard to 'Kyrion' products, the Company is 'fabless,' i.e. it designs its products and subcontracts all of its production. There is therefore a risk that the Company will be dependent on its suppliers.

However, the Company has taken the usual measures to limit exposure to supplier risks with respect to its strategic components (in particular its processors, etc.).

The Company's main activity is the development and marketing of software (software) as well as customised servers (hardware).

In order to limit supplier risk, the Company:

- Performs due diligence with its suppliers: Careful evaluation of their sustainable production capacities (production capacity over a period of 6 months giving reciprocal visibility on orders and their production), verification of their quality standards, control of their financial health and compliance with environmental standards;

- Secures its supplies: Implementation of a dual source system for strategic components such as microprocessors (purchase of microprocessors from Intel and AMD) or servers (HP, Dell and Samsung), procurement from local suppliers located in the Company's client regions, identification of alternative supply sources for key components as well as for assemblers or 'EMS' (Electronics Manufacturing Services), monitoring of price pressure in the context of QBR (Quarterly Business Review) provided for in supply contracts to anticipate any risk of sudden price changes. In 2021, the largest supplier out of the company's top 10 key suppliers represented revenue of around 23.13% of the purchasing department's budget for the year, compared with 1.39% for the last supplier. The top five suppliers represent a total of 41.24% of the Purchasing Division's revenue.

- The company has not been confronted in the past with obsolescence issues, as a result it did not have to significantly write down its inventories in its accounts during the 2021 financial year.

- Has a stock for unique components. The Company does not encounter any risk of inventory obsolescence because its inventories are kept at low levels and this problem is mainly encountered in relations with consumers (B to C) while the Company's customers are professionals (B to B). In addition, this risk of inventory obsolescence is also reduced as the Company accompanies its sales of product support and warranty contracts, so that products in inventory are used under these contracts.

Thus, in the event of a supplier risk, the Company will have room for maneuver to design an alternative thanks to the systems put in place.

The occurrence of a supplier risk would, however, have an impact on the Company's operating costs and possibly reduce margins.

3.2.4. RISKS RELATED TO MARKET GROWTH

The Company's total addressable market is estimated at 2 billion dollars for 2022.

This figure is consolidated by two market studies carried out by recognised industry analyst firms:

(i) Rost & Sullivan (https://ww2.frost.com/), and

(ii) Devoncroft (https://devoncroft.com/).

This figure breaks down into two parts:

- $ 1 billion for video processing and compression. This market is growing moderately due to the increase in content and the growth in image formats,

- $ 1 billion for content broadcasting. This market is growing faster due to the arrival of new entrants offering streaming services leading to an explosion in content consumption on all types of screens.

The COVID-19 pandemic crisis had two adverse effects:

- A positive effect, with the increase in video consumption, which notably benefited streaming services,
- A negative effect, with a sharp decline in advertising revenues (many advertisers in sectors affected by the COVID-19 pandemic such as the automobile and travel sectors have suspended their advertising campaigns).

The negative effect was more massive and resulted in a 10% drop in technological investments in the global broadcasting industry (including traditional broadcasting such as streaming).

Although the video broadcasting industry is not directly affected by this crisis, this slowdown is largely due to the macroeconomic climate, which deprives the industry of some of its usual sources of advertising revenue, when advertisers from other industries (such as automotive or aeronautics) are themselves directly and severely affected by the crisis.

If the pandemic continues to disrupt the global economy, it could be feared that whole sectors of the industry will be affected even more seriously and that the revenues of advertisers, representing, with subscriptions, the two main sources of revenue of the Company, take several years to return to the level existing before the health crisis.

Outside this particular context, a reversal of the general trend of growth in these markets, observed since television became digital in the 1990's, seems unlikely, as video consumption is growing globally.

War in Ukraine

The war in Ukraine unleashed by Russia on 24 February 2022 will have significant global economic and financial consequences.

Sanctions against Russia are expected to have a significant impact on companies that have business or business ties with Russia.

ATEME has only limited exposure to the current geopolitical situation involving Russia and Ukraine:

- Sales in Russia and Belarus are limited (approximately 1 million euros in 2021); shipments to these countries have been suspended since 24 February 2022
- ATEME does not depend in any way (supply chain, R & D or finance) on the countries concerned and does not have any late payments from customers in these markets.

However, the Company's activities could be impacted by the direct or indirect consequences of the conflict, which cannot be fully quantified to date.

The Company could be exposed in several ways:

- Supply problems, particularly on metals (titanium, etc.) or electronics;
- Higher product production costs linked to the surge in raw materials and energy.

To date, the Company estimates that supply problems on metals or electronics may have an impact of up to 5 million euro in annual deferred or cancelled revenues.

The increase in production costs is partly passed on to customers and partly to the Company's gross margin (up to 2 margin points).

Outside this particular context, a reversal of the general trend of growth in these markets, observed since television became digital in the 1990's, seems unlikely, as video consumption is growing globally.

In order to limit the risks associated with market growth, the company systematically takes into account three parameters.

1) The company has an obligation to understand the needs of its market, its way of evolving, and in regular consultation with the members of its Board of Directors, particularly during budget review meetings at the beginning of the year, it develops an ambitious and realistic growth strategy to ensure that the organization is ready to implement its strategic growth plan while respecting the forecast budgets approved by the Board.

2) Imperfect knowledge of market conditions or preferences of customers, media groups (‘content providers’) or broadcasting platforms (‘service providers’) is a major risk related to market growth. Many organisations have seen their growth strategy run short for making a false assessment of the potential market. Management's analysis of the strengths and weaknesses of competition and the good knowledge of barriers to market entry are also part of a proactive strategy to limit the risk associated with market growth. In addition, the negative perception of the quality of a company's current products may prove to be an obstacle to the acceptance of new video products.

3) Finally, management should consider its pricing strategy to determine whether new products and services should be offered at high or competitive prices.

This risk factor is therefore managed through discussions with the governing bodies at strategic level and quarterly business review with all sales teams in all the regions where the Group distributes its solutions.

3.3. FINANCIAL RISKS

3.3.1. LIQUIDITY RISK

As of the date of publication of this universal registration document, the Company has carried out a specific review of its liquidity risk and believes that it will be able to meet its maturities within 12 months. The Company will have available cash at 31 May 2022 for a total amount of €12193k; and

The Company manages its available cash prudently. Cash and cash equivalents include cash held by the Company. As of 31 December 2021, cash held by the Company amounted to €11447k and is available immediately.

Credit risk is associated with deposits with banks and financial institutions.

The Company uses leading financial institutions for its cash investments and therefore does not bear any significant credit risk on its cash position.

All of its debt is at a fixed rate.

Since its creation, the Company has financed its growth through successive capital increases, bank loans, grants and public aid for innovation and repayment of research tax credit receivables.

The Company's debt at 31 December 2021 was as follows:

CURRENT AND NON CURRENT FINANCIAL LIABILITIES AT REDEMPTION VALUE (Amount in K €)	31/12/2021			
	Gross Amount	Current portion	1 to 5 years	Over 5 years
Lease liability (IFRS 16)	2,946	745	2,201	-
Repayable advances	1,345	782	527	36
Bank borrowings	20,408	5,779	14,501	127
Total financial liabilities	**24,698**	**7,306**	**17,229**	**163**

The Company is subject to compliance with the financial ratios as of 31 December 2021 on a single loan with an initial amount borrowed in December 2021 of €4000k. (See Section 18.01.06 Consolidated financial statements in Note 23.1 to this Universal Registration Document and Section 8.3 of this Universal Registration Document for more details).

The Company's operations generated the following operating cash flows:

- (552) K € for fiscal year 2021;
- €6007k for 2020;
- €5364k for 2019.

Since its creation, the Company has maintained its R & D efforts in order to consolidate its technological advance, which may include:

- The acquisition of new technologies, products or licences, and
- Recruitment within its R & D team based in France.

The increase in these expenses could have a material adverse effect on the Group, its business, financial position, results, development and outlook.

If the Company needs additional financing, it may be required to raise capital by issuing new shares or other financial instruments that may give future access to the Company's share capital. These financing transactions could lead to a dilution of its shareholders.

The Company's ability to raise additional funds will depend on financial, economic and economic conditions, as well as other factors over which it has no or only limited control. In addition, the Company cannot guarantee that additional funds will be made available when necessary and, where applicable, that such funds will be available on acceptable terms.

Although the Company has achieved significant commercial success and growth in a sector with strong growth prospects (see paragraph 5.2 'Main markets' and paragraph 5.6. 'Competitive position' of this universal registration document), it still has little hindsight to anticipate the trends of a market that is still recent and likely to evolve, and assess the ability of its products to meet the future requirements of customers to carry out massive deployments within their operational sites.

In particular, given the uncertainties related to the COVID-19 health and economic crisis, which are an aggravating factor of this risk in terms of probability and impact, the Company may not be able to maintain its profitability or even generate losses in the short or medium term. Such circumstances could have a material adverse effect on the Company, its business, financial position, results, development and outlook; and consequently on its ability to finance itself.

Other factors could also increase the Company's difficulty in obtaining funding: Fluctuations in interest or exchange rates; deterioration of economic conditions and/or closure of banking or capital markets (particularly in connection with the COVID-19 health crisis); deterioration of the Company's financial position or operating income.

An increase in the Company's indebtedness in the future, or conversely its inability to raise capital to meet its financing needs, could call into question its ability to continue its development.

3.3.2. Currency risk

Currency risk is defined as the impact on the Company's financial indicators of exchange rate fluctuations in the course of its business. To this end, the Company is exposed to transactional currency risk and currency translation risk.

Transactional currency risk affects the Company and its subsidiaries when monetary items in the consolidated statement of financial position (mainly cash, trade receivables or operating and financial liabilities) are denominated in foreign currencies. The Company is exposed to the risk of exchange rate fluctuations between the recognition date and the collection or settlement date.

The Company is exposed to currency risk arising from changes in the EUR/USD exchange rate for cash inflows and outflows from France:

- Its purchases of products in USD, which accounted for approximately 40% of its purchases of goods in 2021,
- Sales in USD, which represented approximately 60% of its sales in 2021.

Foreign exchange translation risk arises from the Company's investments in the net assets in foreign currencies of its subsidiaries. The Company is exposed to the risk of exchange rate fluctuations when the net assets of each of its subsidiaries are converted into euros during the consolidation process.

The change in the Company's currencies (SGD, CAD, AUD) is not material at group level in terms of impact on net income.

The Company has not, at its current stage of development, made any hedging arrangements to protect its business against fluctuations in exchange rates. The Company cannot rule out that a significant increase in its business does not result in greater exposure to foreign exchange risk and would then consider using an appropriate policy to hedge these risks.

If the Company is unable to take effective measures to hedge exchange rate fluctuations in the future, the Company's operating results may be affected.

3.4. RISKS RELATED TO THE COMPANY

3.4.1. Risks related to the security of the Company's information systems

Electronic and computer based data form the basis of the Company's business.

A flaw, breach or hacking of the Company's information systems may result in delays in the completion of projects or the submission of commercial offers in time to repatriate the data saved and restore the systems to their original state of operation and could therefore have a negative impact on the image of the Company.

However, all development and production data is saved daily on servers, replicated in different storage locations and protected to maximise security.

However, the Company cannot guarantee absolute protection against viruses, Trojan horses, ransomware and other intrusion techniques of the Company's systems.

A data theft or intrusion of computer systems by a malicious person could undermine the integrity of the systems. This could compromise the confidentiality and integrity of the data backed up by the Company, but also affect the quality of the services provided by the Company.

Due to the open nature of the Internet networks and the constant evolution of It security issues, the Company is sometimes exposed to cyberattacks.

Even if the Company has protection in place, a malicious attack on its servers could disable the Company's computer platform for several hours or even days, resulting in loss of revenue and commercial and reputational damage.

As of the date of this Universal Registration Document, the Company has not faced any significant cyber attacks.

The Company cannot also rule out the possibility that its servers may inadvertently serve as a vector for the spread of viruses, in particular when a new virus appears that is not yet referenced with anti virus solution providers, or that they may be exploited by malicious third parties to spread spam.

As a result, the Company may have to make significant investments or devote significant resources to address the increased risks related to It security on the Internet. As a result, it has taken out a number of insurance policies to limit the risks associated with cyber attacks.

The occurrence of cybercrime could have a negative impact on the Company's business, results and outlook.

The COVID-19 crisis has created new vulnerabilities with the massive use of telecommuting by organisations that were not prepared for it.

There is a global upsurge in computer piracy, such as: Phishing and misappropriation of regulations, scam to the president, or even ransomware.

In 2020, the Company conducted an internal audit and intrusion tests of its It system, strengthened internal control procedures, and raised awareness among all employees through video training, and very regular reminders on basic prudence rules.

However, it is impossible to completely eliminate the human risk in this area.

3.4.2. Risks related to growth management

As part of its development strategy, the Company will have to recruit additional staff and develop its operational capabilities, which could strongly mobilize its internal resources.

In particular, the Company intends to complement its R & D teams to be able to maintain its technological lead and develop its sales force to intensify its commercial presence.

To this end, the Company must in particular:

- Train, manage, motivate and retain an increasing number of employees;
- Anticipate the expenses related to this growth as well as the associated financing needs;
- Anticipate demand for its products and the revenues they are likely to generate;
- Increase the capacity of its existing operational, financial and management information systems; and
- Increase product stock levels,
- Monitor the market and anticipate any potential acquisition.

To ensure its growth and renew its key employees, the Company must attract and retain the best talent. Any loss of the Group's attractiveness in the labor market could weigh on the Group's performance. In addition, the talent pool in which the Group draws a large proportion of its engineers and developers is highly mobile geographically.

To limit the potential impact of this risk, the Group has set up human resources management and recruitment programs, including a value proposition for employees to attract talent, an annual review of employees and a career development plan for high potential employees and key employees as well as the allocation of stock options, free shares or share warrants.

The Company's inability to manage growth, or unexpected difficulties encountered during its expansion, could have an adverse effect on its business, results, financial position, development and outlook.

As part of the acquisition of Anevia SA in 2020, through the acquisition of 100% of the shares of the target company, ATEME SA included 114 Anevia employees. Immediate measures were taken by management to standardise the human resources policy, in particular by (i) working on the harmonisation of teleworking agreements and incentive plans and (ii) allocating resources according to the skills and needs of the two merged companies. The resulting growth in human resources over the coming year will, of course, depend on market conditions and investment strategy priorities dedicated to research and development needs and the evolution of competition.

Anevia SA was transferred to ATEME SA as of 1 January 2022.

3.5. LEGAL RISKS

3.5.1. Risks related to Internet regulations and mobile networks

The Company's activities are subject, in France and abroad, to complex and varied regulations that are constantly evolving, particularly with regard to the transition to 5G.

The Company is in constant and direct contact with local regulatory bodies in this area in France, and as of the date of the Universal Registration Document, no proceedings are in progress against the Company concerning compliance with all of its legal and regulatory obligations.

Generally speaking, the Company is subject to the risk of changes in legislation, tax policy or regulations that may occur in the various countries in which it conducts its business.

In particular, numerous studies are currently aimed at guiding the development and transition to 5G.

The Company is currently working on the development of products and technologies related to the transition to 5G.

If the transition to 5G does not occur, this could have an adverse effect on the Company, its business, outlook, financial position, results and development.

However, the Company benefits from a certain degree of protection due to the global scope of its business, which limits its exposure to the aforementioned regulatory risk. The Company operates approximately 40% of its business in Europe, 40% in the United States, 10% in Latin America and 10% in Asia.

Legislative and regulatory changes (in France and in the countries where the Company operates) also require the Company to incur significant costs to comply and may require an adaptation of the Company's services and a change in commercial policy.

These adjustments may require significant lead times and efforts by management and may make the Company the target of complaints or other remedies, which could adversely and unexpectedly affect the Company's sales, results and competitive position.

Nor can the Company exclude criminal, civil or administrative liability, in particular on the basis of national consumer protection provisions.

Seeking the liability of the Company for violation of national or foreign legal provisions would necessarily entail costs related to its defense and possibly the costs related to its conviction in court for the payment of damages. These actual or potential costs could lead the Company to review its commercial policy in line with local requirements. This could require the Company to mobilise significant resources or to cease offering certain services, which would be detrimental to the Company's business, financial position and results.

Some of the contracts entered into by the Company are subject to foreign law. The vast majority of contracts entered into by the Company are subject to European law, harmonised in the legal disciplines affecting the Company such as intellectual property law, consumer law or competition law.

The Company cannot guarantee that certain clauses of these contracts will not be challenged, that they will not give rise to an action under the relevant national law or that provisions of such law will not serve as a basis for action restricting the Company's activity in the country concerned, which would have a negative impact on its sales, results, financial position and outlook.

In order to limit this risk, the Company strives to enter into contracts with its customers that are subject to French law or European legislation.

The Company is also developing a multi channel business. This means that its technology is used for cable operators, satellites, mobiles, tablets, etc.) This limits the risk associated with specific or sectoral regulations.

3.5.2. Risks related to the protection of confidential information and the Company's intellectual property

Risk relating to the disclosure of the Company's technology, manufacturing processes and know how

In the course of its business, the Company shares information relating to the technologies it uses, its processes, know how and non patented or non patentable data with third parties under partnership or commercial contracts.

This information is also known to the Company's employees.

They constitute the Company's industrial secrets and are protected by confidentiality clauses in all its contracts with third parties and with its employees.

The Company has no practical control over the conditions under which its co contractors protect or use such confidential information.

It cannot therefore be entirely ruled out that the Company's co contractors disclose this confidential information in violation of their confidentiality clauses.

Confidentiality clauses do not provide adequate or sufficient protection in certain cases and their violation is only sanctioned after the disclosure of confidential information or industrial secrets to third parties, including competitors of the Company.

The realisation of the risk related to the confidentiality of the Company's information and the disclosure of the Company's technology, manufacturing processes and know how could have a significant adverse effect on the Company's business, outlook, financial position, results and development.

Risk of failure in the protection of intellectual property rights belonging to the Company

General information

The Company's success depends in particular on the protection of its patents, trademarks, domain names, software, databases and copyright (the 'Intellectual Property Rights').

The Company ensures that its Intellectual Property Rights are deposited in France and in the foreign countries in which it operates.

The Company cannot guarantee (i) that all Intellectual Property Rights it holds will not be invalidated, circumvented or challenged, (ii) that Intellectual Property Rights will provide competitive advantages to the Company, and (iii) that current or future Intellectual Property Rights claims will be granted within the scope of the desired claims.

The Company cannot guarantee that competitors and third parties will not develop technologies similar or superior to its own technologies.

In addition, the protection of Intellectual Property Rights may be unavailable or limited in certain foreign countries in which the Company does business or may be required to do business.

Content created internally (content created by employees of the Company) belongs to the Company through the effect of rights transfer clauses contained in employment contracts entered into with its employees.

However, the Company cannot guarantee that the measures taken will not prevent the misappropriation of its technology by third parties. Russia, or the company carried out operations through its local teams, is a country where patent protection of our technologies could prove insufficient to guarantee the protection of our assets, to the extent that this state does not recognise this patentability, moreover in the context of a conflict situation as we are currently experiencing it it is possible that we are not able to guarantee the full protection of our rights.

The Company may have to defend itself against claims for infringement or invalidity of its Intellectual Property Rights. Such disputes could result in substantial costs, a diversion of the time and resources of the Company's teams to the management of such disputes and could therefore have a significant negative effect on the Company's activities, its operating results, and its financial situation in general.

The Company is not currently aware of any litigation of this nature. There have been no disputes in the past.

Special case of patents

The Company's success depends in part on its ability to obtain, retain and protect patents over which it holds rights.

The Company ensures that patents are filed in France and in the foreign countries in which it operates.

The protection offered by patents is still uncertain. The Company may not be able to maintain adequate patent protection and thus lose its technological and competitive advantage.

Firstly, patent law is not uniform in all countries. Consequently, the Company cannot guarantee that:

- Its current patent applications will result in the grant of patents;
- Its patent applications, even if granted, will not be challenged, invalidated or deemed inapplicable;
- The scope of any patent protection will be sufficient to protect the Company against its competitors;
- Its products and technologies will not violate intellectual property rights or patents held by third parties, and will not be forced to defend itself against such accusations by third parties;
- Third parties will not be granted or will not file patent applications or will not have any other intellectual property rights that, even if they do not infringe on those of the Company, would limit its development.

Moreover, intellectual property disputes are often long, costly and complex.

Some of the Company's competitors have greater resources to conduct such proceedings.

An unfavourable judicial decision could seriously affect the Company's ability to continue as a going concern and, more specifically, could force the Company to:

- Cease selling or using certain of its products and technologies;
- Acquire the right to use third party intellectual property rights on onerous terms; or
- Change the design, delay the launch or even abandon some of its products.

The Company's protection of its patents represents a significant cost related, in particular, to the costs of filing and maintaining patents, the additional remuneration and prices paid to inventors and, in general, to the management of all its patents.

This cost could be increased if legal actions were to be brought by the Company to enforce its rights.

If one or more patents covering a technology, process or product necessary for the Company's business were to be invalidated or deemed inapplicable, (i) the development and marketing of such technology or product could be directly affected or interrupted and (ii) the technology or product necessary for the Company's business could be used by competitors of the Company thus affecting the Company's valuation of its R & D.

In addition, any failure to protect its patents could allow competitors to access technologies developed by the Company in collaboration with partners and thus lead to the loss of a competitive advantage for the Company.

The Company also faces the risk of patent trolls.

In the field of intellectual property, and more particularly in the field of licence or patent concessions, patent trolls are legal or natural persons who use the license and patent litigation as the main economic activity.

Thus, where one or more companies hold patents similar to those operated by the Company, there is a risk that patent trolls may initiate legal proceedings against the Company for patent infringement.

In addition, this risk extends to the Company's customers who may themselves be subject to patent trolls for products sold or granted to them by the Company. There is therefore a risk that the Company may have to face its own patent infringement litigation but also to be called as collateral in the context of legal actions involving its customers.

In order to prevent intellectual property risks, the Company uses the advice of external providers to manage its patent portfolio.

As of the date of this Universal Registration Document, no administrative or judicial proceedings have been initiated to challenge the Company's Intellectual Property Rights.

Dependence of the Company on the use of third party patent licences

The Company's business depends in part on the granting of non exclusive licences on patents belonging to third parties, in particular the Us companies Via Licencing and Dolby Laboratories Licencing Corporation.

In addition, the holders of the patents granted under licence to the Company do not grant any guarantees to the Company in respect of these patents.

Consequently, the Company cannot guarantee (i) that the validity of these patents will not be challenged by a third party, (ii) that the patents are not dependent on other previous patents or (iii) that the patents do not affect a patent held by a third party.

In the event of the rejection or cancellation of these patents, the dependence of these patents on a previous dominant patent or the infringement of a product of the Company due to the use of these patents, the Company may not claim any refund of the sums paid to third parties under the license.

In addition, in the context of third party licensing, the Company is bound by a certain number of obligations.

If the Company fails to comply with any of these obligations or any other obligation provided for in any of the contracts it has entered into, or if the Company uses the license in a manner that exceeds the scope of the authorization granted, it could be subject to financial penalties as a result of litigation, and its rights under these contracts could be terminated, which could have a significant adverse effect on its business, results of operations and financial position.

Dependence on third party technologies and intellectual property

In connection with the development of certain products and technologies, the Company may enter into technological development agreements or licences with third parties.

The Company cannot guarantee that all technological development agreements or licences it intends to negotiate will be entered into, and where applicable, under conditions favourable to the Company.

Failure to conclude or delay the conclusion of technological development agreements or licences with third parties, where necessary, could limit the Company's ability to develop and market new products and could have a significant adverse effect on its activities.

The Company incorporates third party technologies into its own products. A malfunction of these technologies could lead to a significant delay in the development and marketing of the Company's products until an alternative solution is identified, licensed or developed and integrated into its products.

These delays could adversely affect the Company's business, operating income and financial position in general.

The use of open source software

As part of the development of certain products and technologies, the Company uses certain 'free' systems and software.

These systems and software are made freely available to the public by their authors under a license that allows the user to have access to the source code, to use it, to copy it, to modify it, to incorporate it into programs of its creation and to redistribute it.

'Free' software is made available to the public without any guarantee and at the risk and peril of the user.

As a result, the Company cannot guarantee the origin of the 'free' software it uses, its safety, its quality or that it does not infringe the intellectual property rights of third parties.

3.5.3. Risks related to the liability of the Company in the event of damage generated by one of its products

The risk of the Company being held liable for defective products is inherent in the development, manufacture, marketing and sale of its products.

The Company may be held liable as a manufacturer for damage caused by a defect in a product put into circulation by the Company.

A product is considered defective when it does not offer the safety that can legitimately be expected.

Compensation could be sought from the Company for damage resulting from an attack on a person or property.

However, it would be for the applicant to prove the damage, the defect and the causal link between the defect and the damage.

In addition, the Company's liability could be waived if it demonstrated that the state of scientific and technical knowledge, at the time the product was put into circulation, could not detect the existence of the defect or that the defect of the product is due to the conformity of the product with mandatory rules of a legislative or regulatory nature.

Any accident involving the Company's products could impact the product requests developed by the Company. This could affect the Company's financial position, results and outlook.

The Company's reputation could also be affected by negative advertising resulting from difficulties or accidents related to its products. The Company cannot guarantee that such claims will not be made in the future.

In order to reduce the potential consequences of risks related to the liability of the Company in the event of damage generated by one of its products, the Company has taken out civil liability insurance that covers the damage that could be caused by its products.

The Company is not currently aware of any litigation of this nature.

Chapitre 4. INFORMATION ABOUT THE ISSUER

4.1. LEGAL AND COMMERCIAL NAME - ARTICLE 3 OF THE ARTICLES OF ASSOCIATION

The company name is: ATEME

All acts and documents issued by the Company and intended for third parties must indicate the corporate name, immediately preceded or followed and legibly by the words 'Société Anonyme,' or the initials 'SA,' and the statement of the amount of the share capital.

4.2. PLACE AND NUMBER OF REGISTRATION AND LEGAL ENTITY IDENTIFIER

The Company is registered with the Versailles Trade and Companies Register under number 382,231,991. Its LEI number is as follows: 969500I4RF06BPM4AN82.

4.3. DATE OF INCORPORATION (ARTICLE 1 OF THE BYLAWS) AND TERM (ARTICLE 5 OF THE BYLAWS)

The Company was incorporated in the registry of the Commercial Court of Evry on 20 June 1991 as a société anonyme for a period of 99 years, ending on 20 June 2090, except in the event of early dissolution or extension decided by the Extraordinary General Meeting of Shareholders. Its commencement date is 20 June 1991.

4.4. OTHER INFORMATION ABOUT ATEME

4.4.1. Registered office (Article 4 of the Articles of Association), legal form, country of origin, address and telephone number of its registered office and website

The Company was incorporated as a société anonyme.

The registered office is located at 6 rue Dewoitine -78140 Vélizy Villacoublay France.

The company's website is: www.ateme.com.

The company's telephone number is: 01 69 35 89 89.

The information on the website is not part of this Universal Registration Document unless it is incorporated by reference in this Universal Registration Document.

4.4.2. Legislation governing the Company's activities

ATEME is a public limited company (société anonyme) governed by the laws and regulations in force in France, in particular the provisions of the French Commercial Code applicable to commercial companies, as well as by the Company's Articles of Association. Please also refer to Chapter 9 'Regulatory environment.'

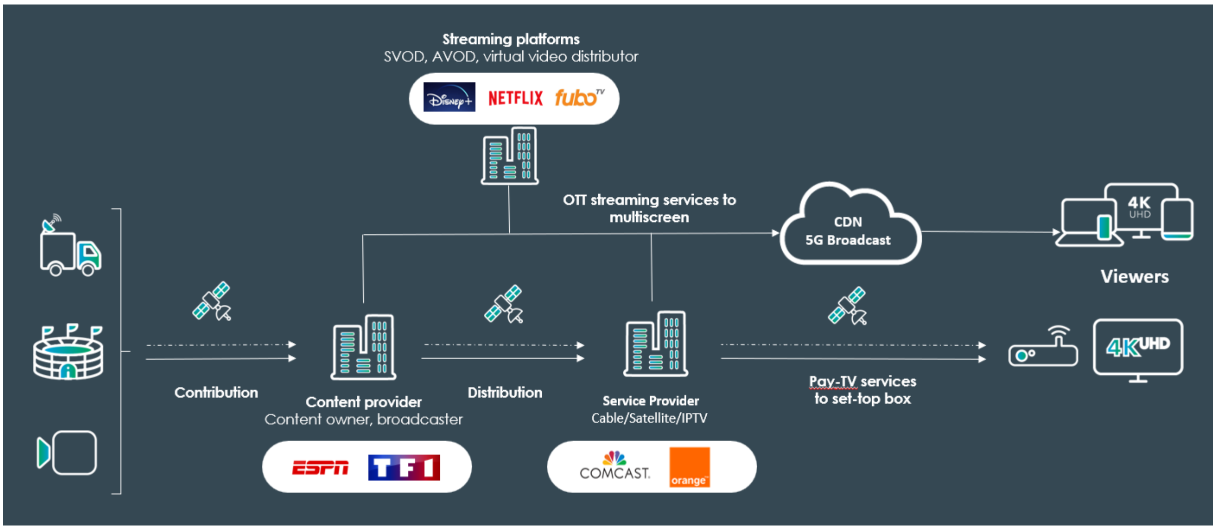
4.4.3. Fiscal year - Article 6 of the bylaws

'The financial year begins on January 1 and ends on December 31 of each year.'

Chapitre 5. BUSINESS OVERVIEW

5.1. MAIN ACTIVITIES

ATEME provides video processing and broadcasting software solutions for content providers and television service providers. Applications cover all types of transmission networks (Satellite, Cable, Terrestre, IP, OTT) from field or studio to multi screen broadcasting



ATEME addresses all these applications:

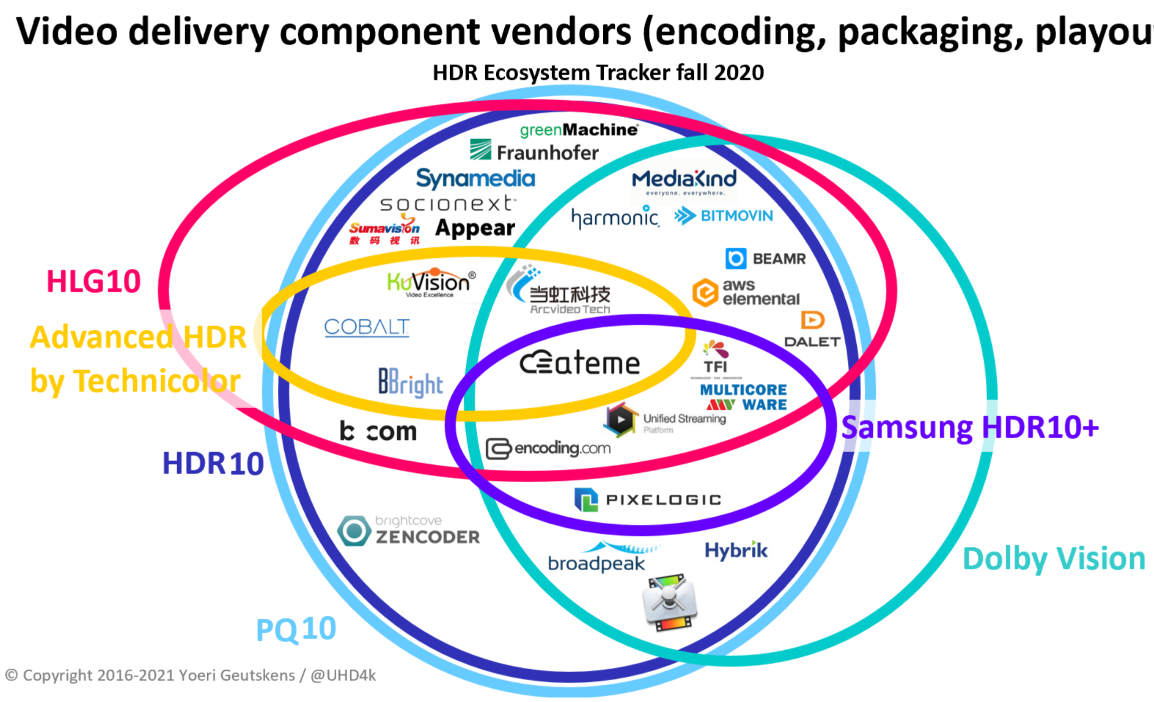
- Contribution: This is the most upstream application of the treatment chain. A known example - but it's not the only one - is the capture of an event on the ground and the sending to a control.
- Primary Distribution: This is the application where a content provider (Content Provider) distributes its content - domestically or internationally - to an entity in charge of distribution to the viewer. The most common case is the television broadcaster that provides its signal to a service provider (e.g. TF1, which provides Orange with ESPN, which provides its signal to Comcast). The 2 entities - content providers and distributors - are sometimes common (e.g. TF1 is a content provider that broadcasts via terrestrial networks).
- Distribution: This is the historical distribution to the end user. This distribution is made by terrestrial networks to television (DTT) or Satellite/Cable/IPTV to a Set Top Box TV decoder.
- Direct to Consumer: This is the latest in distribution modes to the end user. This distribution has emerged as a result of the proliferation of high speed Internet networks (xDSL, Fibre, 2/3/4/5G) and the emergence of new screens such as smartphones or tablets. Instead of using a controlled network, the content provider is free of the traditional distribution infrastructure and uses the Internet to deliver its content directly to the end user. In this sense, he freed himself from the distributor by passing over his head, hence the appearance of the term Over The Top. This distribution method has been adopted by content providers as it allows them to make their content profitable by eliminating an intermediary (the service provider). Quickly, service providers followed suit to offer their subscribers the enjoyment of their subscription on any type of screen.

For each of these applications, ATEME provides software solutions:

- On issue/receipt: Encoders/multiplexer/packer/decoder to capture the content and put it in the right format for the next transmission
- Transport: Streaming/CDN software adapted to the audience and popularity of content for OTT broadcast

ATEME's competitive advantages are:

- The superior video quality and bandwidth efficiency that can be seen from 2 angles:
  - Through its continuous research activities, ATEME is able to provide the best visual quality. This is reflected in the fact that ATEME wins blind tests when testing the client. This is also reflected in ATEME's ability to support all visual quality standards, such as the High Dynamic Range (HDR), which controls colour dynamics.



ATEME is the only company to support all HDR formats

  - The ability to maintain a visual quality similar to the competition, but at a lower transmission rate. This allows a Service Provider to transmit more channels/content in the same distribution network. ATEME thus reduces operating and distribution costs while ensuring a user experience.

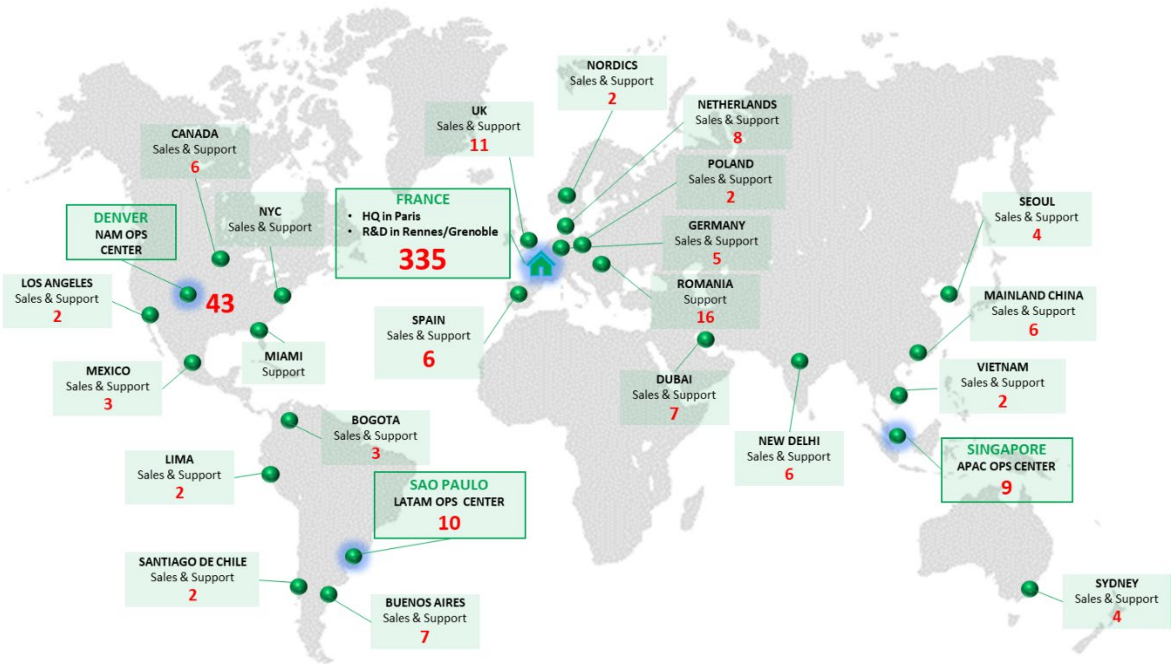
- Unique OTT delivery/streaming solutions allowing value added services such as TV catch up, direct control, Cloud DVR, multi screen consumption while also keeping operating costs low.
- ATEME is one of the few companies in the industry to provide end to end software solution controlling both processing and delivery.

Controlling the entire chain and therefore exchanging analytics between these components offers a end to end solution and improves performance.

	Contribution	File Xcoding	Broadcast	D2C Delivery	Channel Origination	Origin Server	Cloud DVR	DAI	CDN	Analytics
ATEME	X	X	X	X	X	X	X	X	X	X
harmonic	X	X	X	X	X	X	X	X	(3rd party)	
MediaKind	X		X	X	X	X	X	X	(Broadpeak)	
Synamedia	X			X	X	X	X	X	X	
aws elemental		X	X	X	(partners)	X	X	X	aws Cloudfront	aws Analytics
VECIMA						X	X	X	X	
VELOCIX						X	X	X	X	

ATEME has a global presence and customers on all continents.

At the beginning of 2022, the Group's full time equivalent employees (ATEME and Anevia and their subsidiaries) were represented in the following chart:



The head office and R & D are in France. The presence in around twenty other countries consists of marketing, sales, pre sales and after sales technical support. The offices in Denver, Sao Paulo and Singapore are the largest outside Europe and benefit from technical facilities enabling them to support the other offices in their respective regions for pre sales and after sales operations.

For the full year 2021, sales break down as follows:

- EMEA (Europe, Middle East, Africa): €31.1M or 40% of total revenues
- USA and Canada: €26.5M or 34% of total revenues
- Asia Pacific: €13.0M or 16% of total revenues
- Latin America: €8.1M or 10% of total revenues

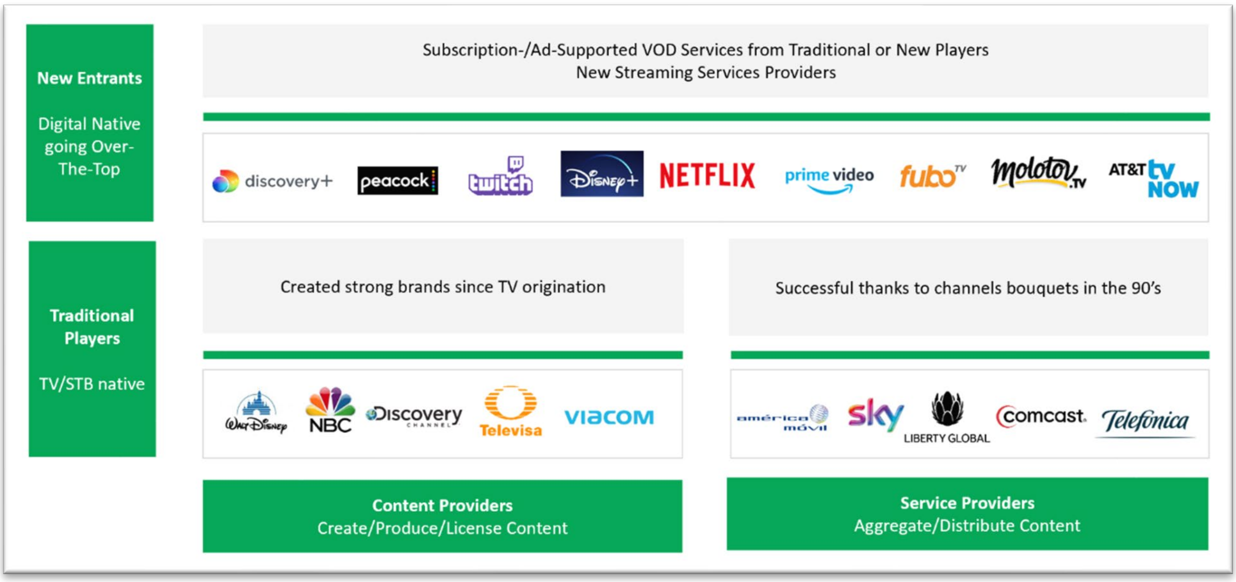
ATEME's total addressable market is estimated at 2 billion dollars for 2022. This figure is consolidated by 2 market studies carried out by recognised industry analyst firms:

- Rost & Sullivan: https://ww2.frost.com/
- Devoncroft: https://devoncroft.com/

This figure breaks down into 2 parts:

- 1 billion for video processing and compression. This market is expected to grow moderately through a transition to software and cloud.
- 1 billion for content broadcasting. This market is expected to grow strongly due to the arrival of new entrants offering streaming services combined with the explosion in content consumption on all types of screens.

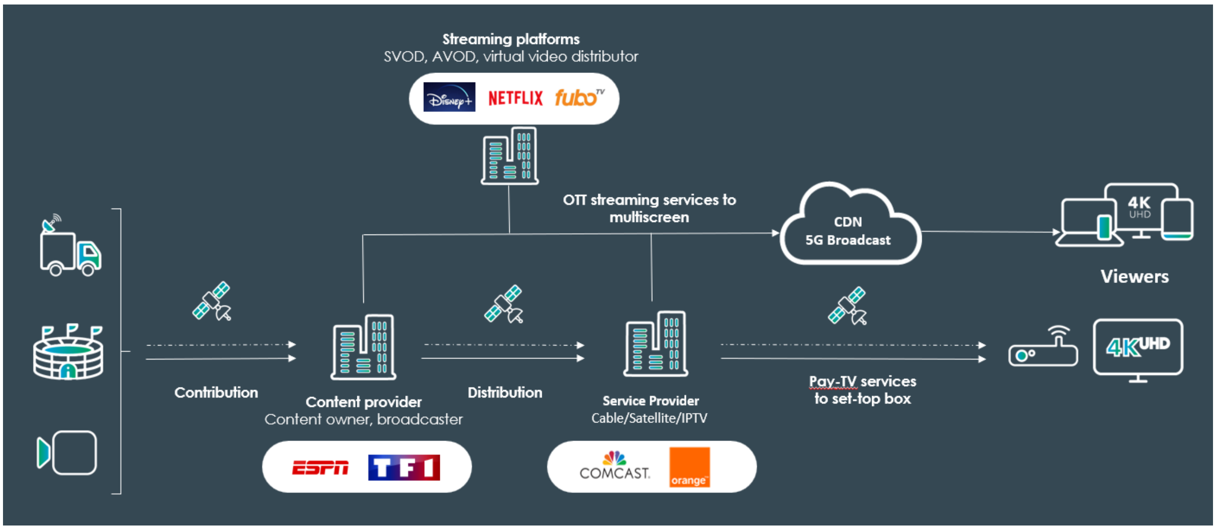
5.2. PRINCIPAL MARKETS



Historically, there was a clear segmentation between (bottom left on the synoptic) companies that created content ('Content Providers') such as television channels, media groups, studios, and (bottom right on the synoptic) pay TV operators whose business consisted in aggregating a bouquet of channels to broadcast them on their own network (managed network), whether on cable, IPTV or satellite.

New entrants (higher part of synoptics) are the internet players that are now multiplying streaming offers. This category includes North American giants such as Netflix, Disney + and Amazon Prime, but also a very large number of new local entrants, such as Salto, Molotov or alchemy in France.

This segmentation and its evolution can be found in the graph below



The activities of the historical players are Contribution, Distribution and offers through the managed networks Cable, Satellite (DTH) and IPTV.

The proliferation of Internet networks, connectivity and connected terminals has led to the emergence of OTT offers from Content Providers and Service Providers.

5G, thanks to its bandwidth and low processing latency properties, encourages the deployment of new dedicated Media distribution networks, which contributes to consumption on all types of OTT screens. For example, the BBC, the largest English broadcaster and one of the largest in the world, sees in the 5G the emergence of television consumption in the car

BBC: Cars future destination for TV consumption

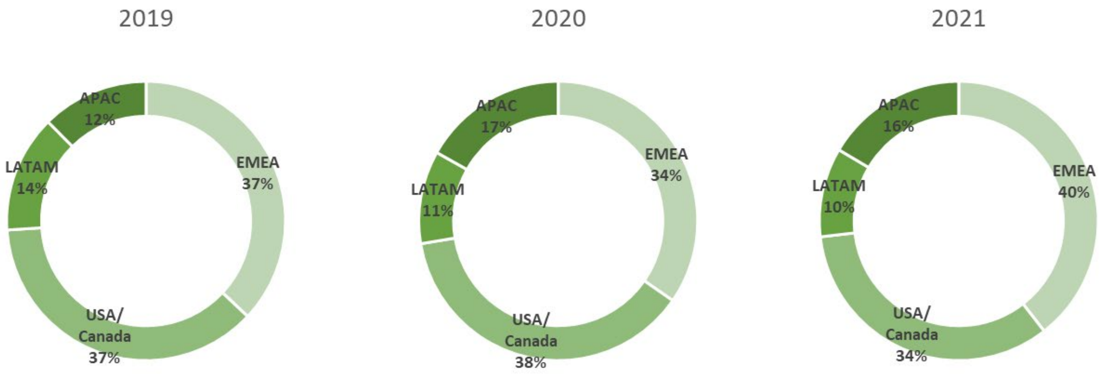
https://advanced-television.com/2022/05/06/bbc-cars-future-destination-for-tv-consumption/

May 2022

The company has thus established links with major players such as 'Content provider' or 'service provider' and has among its international customers: British Telecom (UK), Canal + (France), CH Hello (Korea), Direct (USA), DU (UAE), EBU (Switzerland), Encompass (USA), Fox Sports (USA), FPT (Vietnam), France Télévision (France), Huawei (China), LGU (Korea), Mediapro (Spain), NEP (Norway), Nilesat (Egypt), NPC (Australia), Nuuday (Denmark), Proximus (Belgium), RTL (Luxembourg), SES (Luxembourg), Sinclair Broadcast (USA), Telecom Malaysia (Malaysia).

5.2.1. Breakdown of revenue by region and country

The following synoptics show the breakdown of ATEME sales in 2019, 2020 and 2021:



Latam = Latin America; APAC = Asia Pacific; EMEA = Europe Middle East and Africa.

We note the relative stability of this distribution, even though the two smaller regions of LATAM and APAC show greater volatility due to their lower granularity.

Revenue by activity is described in section 7.2.1 of this universal registration document.

5.2.2. Consumer expectations and challenges for production and distribution players

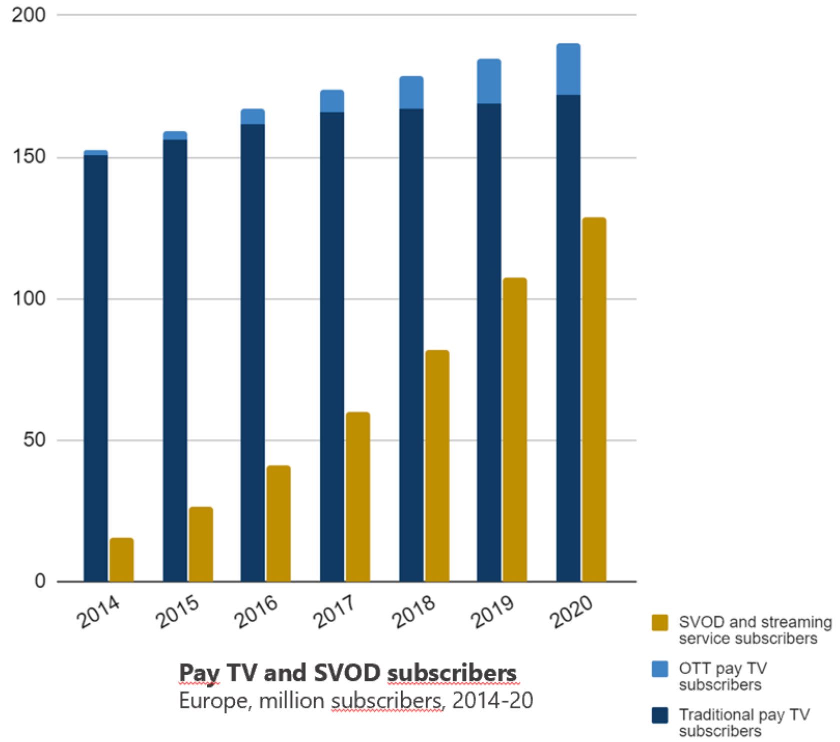
In the last 10 years, the arrival of tablets and smartphones has completely revolutionised broadcast architectures. Before that, pay TV operators broadcast each channel of their bouquet in a single format, and mastered the decoder, since it was only the box they equipped their subscribers themselves. The broadcasting infrastructure, and in particular the video network head in charge of preparing (and compressing) all content for transmission, did not need to be scalable. Only high reliability was expected, and hardware architectures (dedicated electronics) were perceived much more reliable than software solutions.

The arrival of tablets and smartphones has therefore upset this order established with the growing demand of subscribers to be able to watch their content on their nomadic screens. Operators have found it difficult to meet this expectation since, by nature, video network heads did not easily offer the possibility of offering new output formats, compatible with nomadic decoders.

All have therefore evolved towards software infrastructures, much more scalable, and able each year to respond to the release of new nomadic screens.

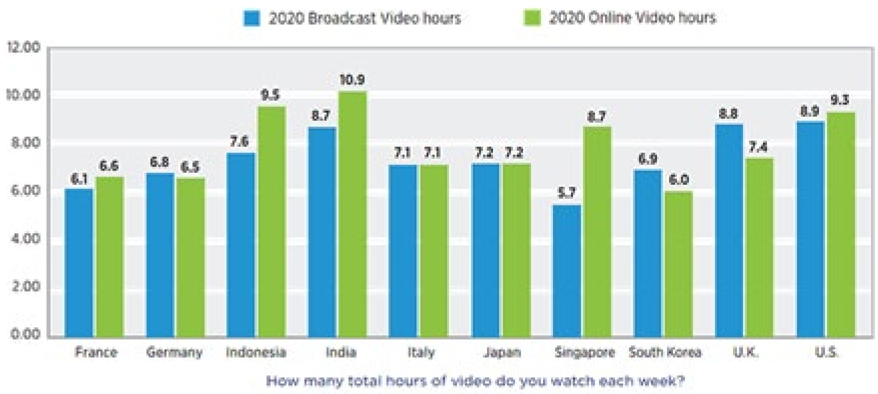
5.2.3. Future developments

As the graphs below show, OTT offers take precedence over conventional TV.



Pay TV and SVOD subscribers
Europe, million subscribers, 2014-20

Source: Dataxis



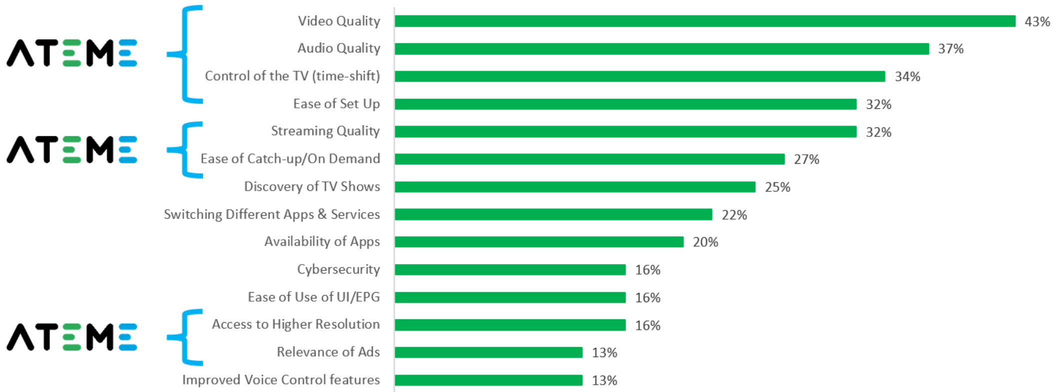
Source: Market Research: The State of Online Video 2020, Limelight Networks

Source: https://nscreenmedia.com/avod-svod-continuum/

The growing demand for content on all types of screens and the proliferation of streaming services are leading market players to review their offers, how to interact with their subscribers, but also their operations. In particular, the proliferation of offers leads to fragmentation of content: Consumers no longer know where to find content, which leads to a certain saturation of the market despite the increase in the number of offers.

To offset this effect, several trends appear

- The duty to offer an irreproachable Quality of Experience: In the face of increased competition to win customer attention, any broadcasting or distribution service, regardless of the network, must offer an immersive visual/audio experience, the ability to enjoy its video without waiting time at startup, or buffers during broadcast, as well as the fact that a live event arrives on an OTT screen at the same time as on conventional TV (under penalty of 'disclosure' effect).
  The chart below shows the main expectations of customers and those where ATEME has an impact

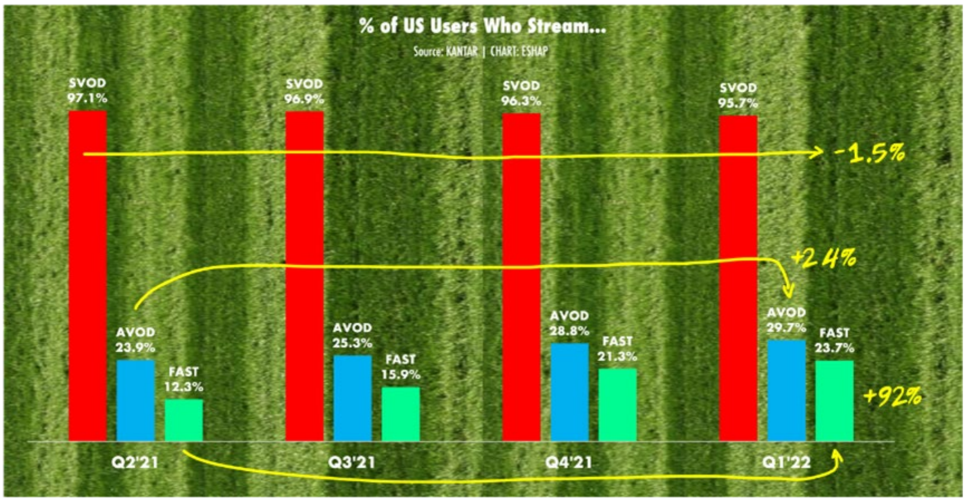


Criteria for improving the audiovisual experience, Source: DTG, State of the Nation, May 2022

- Service Providers, which always have access to the end user via Internet access, acts as an aggregator of OTT offers. Through a single subscription and search portal, they seek to bring together all major offers. Thus, the consumer does not need to juggle between several subscriptions and app. All major Service Providers around the world - Comcast, Liberty Global, Sky - have adopted this strategy. In France, this is the case for Canal + or Orange, which, in addition to offering their own content, have strategic partnerships, and in some cases exclusive, with Netflix, Disney + or OCS.
- The Content Providers and streaming Platforms are trying to stand out by creating a personalised experience. By taking advantage of their large content library, but also of the data they can hold on the end user (gout, preference, location, etc.), these platforms offer content that will be adapted to the end consumer.
  - For example, The Weather Channel has launched an OTT channel ''Stream your city' where content is tailored to each city
  - Pluto TV has the functionality to adjust its chain grid according to major external events.
  - The Tennis Channel offers the opportunity to see dedicated chains for certain players during major tournaments, depending on the user's preferred settings.
- - By extension, all market players are investing in the dynamic insertion and personalisation of advertising, called targeted advertising. In addition to the increased engagement effect mentioned above, targeted advertising generates more revenue. The business model is based on a CPM (cost per thousand). When advertising is targeted, CPM is more important

because targeting guarantees the advertiser a better return on investment. The inclusion of advertising is reflected in both the linear and Vod worlds.

- The world of Vod has until now been dominated by unlimited subscription offers (a fixed amount for access to all the catalogue). Faced with the proliferation of offers and therefore the costs incurred on the end user who must take as many services, AVOD services (Ad supported VOD, MYTF1 and 6Play for example) appeared: The subscription is cheaper in exchange for the insertion of advertising.
- In the world of linear consumption, new chains - general or personalised as mentioned above - have appeared. They are called FAST (Free Ad supported streaming TV, Pluto TV and Mango/Molotov for example): They are free of charge and financed by advertising. The audiences of these two offers (AVOD and FAST) continue to increase, as shown in the graph below



Source Evan Shapiro, May 2022

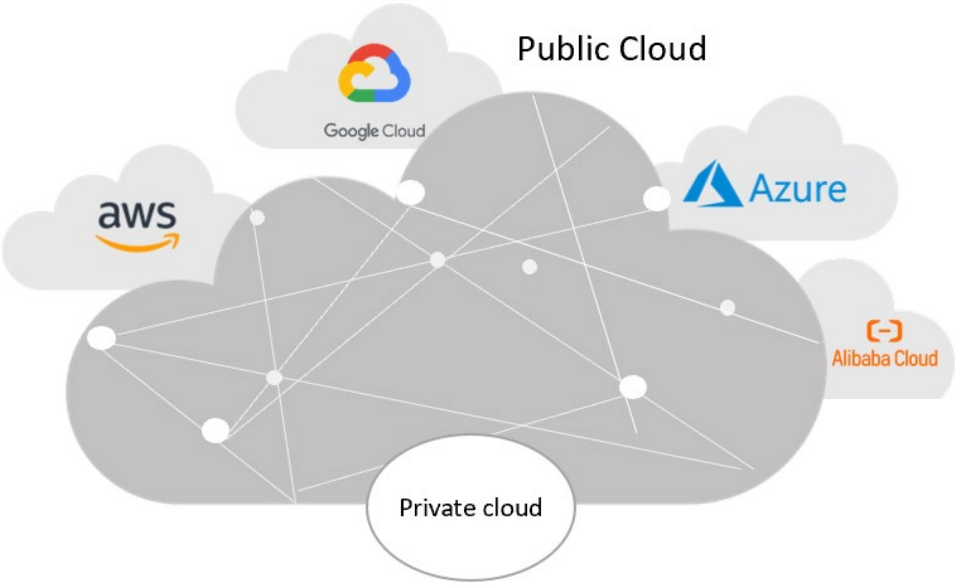
In addition to evolving offerings, market players are also reviewing the management of their CDN and Cloud operations and infrastructure.

Migration to the cloud began around 2015 and has continued to accelerate since. The cloud offers the advantages of flexibility, scalability and cost ease adapted to the speed demanded by the OTT world. Nevertheless, in some cases, the cloud is not the right answer: For some legacy service providers that already have data centers, it is not appropriate to migrate the 24/7 channels to the cloud. This would lead to a higher cost than deploying these channels in the private data center.

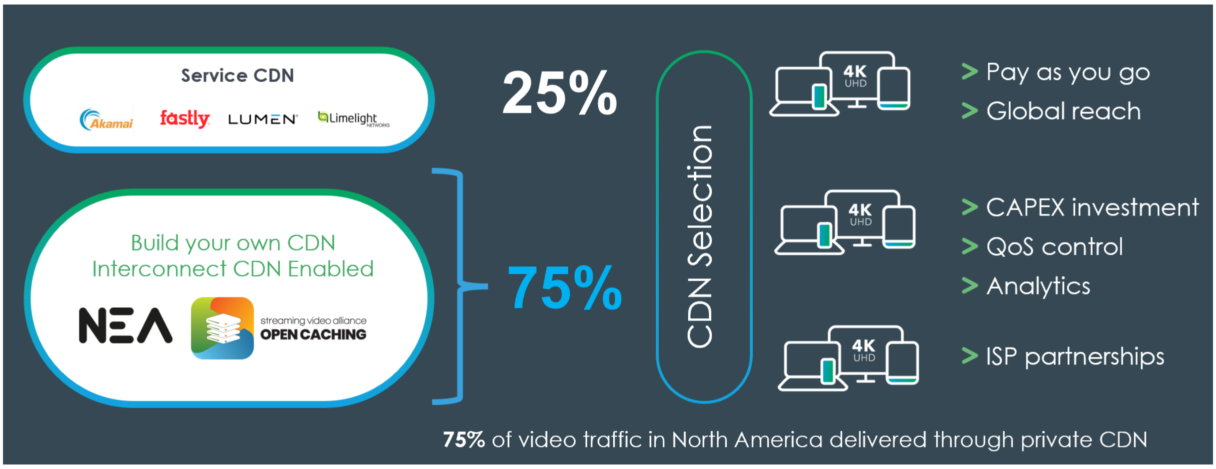
The industry is thus continuing to mature on the subject by investing in a so called multi/hybrid cloud choice, namely a combination of on site services and others hosted in the cloud and even on several cloud providers: Amazon Web Services, Alibaba Cloud, Google Cloud Platform, Microsoft Azure are the most popular providers in 2021.

This multi/hybrid cloud approach has several advantages:

- Cost optimisation.
- Limited dependence on a limited supplier.
- Ease of deployment and accessibility, especially in a globalised environment



According to the 'Flexera 2020 State of the Cloud Report,' companies use an average of 4.5 clouds (50 private, 50% public).



In a similar approach, market players use several distribution networks called CDN, Content Delivery Network. Historically, this CDNs market was dominated by service providers (Akamai being the leader). For the same cost, flexibility and accessibility benefits as the water/multi cloud approach, ATEME customers now use several CDNs, including by building their own CDN (Private CDN), which presents a market opportunity for NEA solutions.

Finally, the emergence of new standards, such as Open caching driven by ATEME through Video Alliance streaming, makes all these private CDN interoperable and monetised by agreeing to broadcast content from any content provider instead of NDC service providers

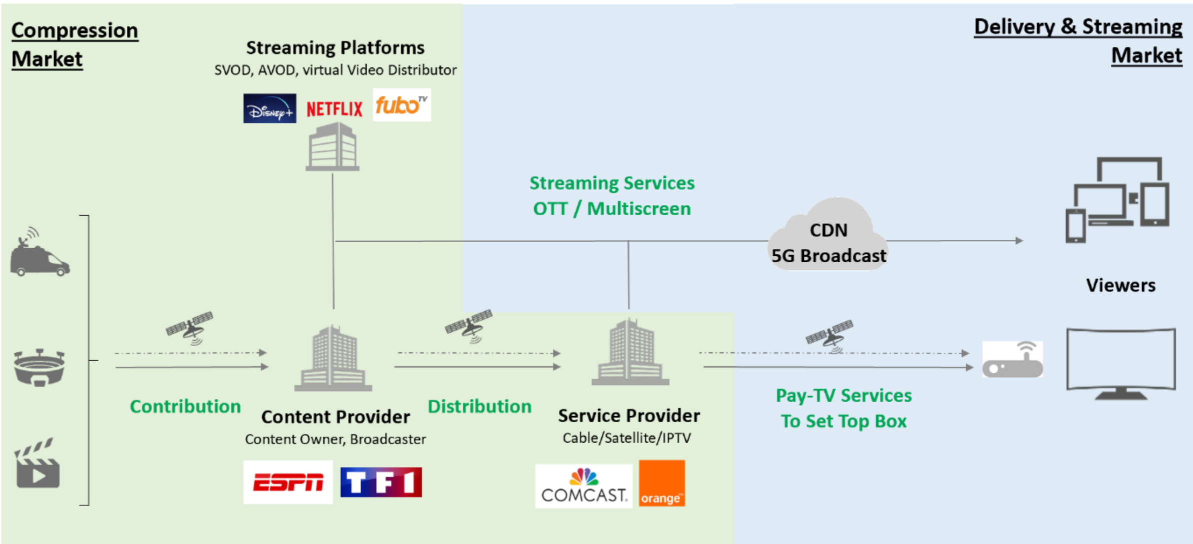
Segmentation and market size

ATEME's total addressable market is estimated at 2 billion dollars for 2022. This figure is consolidated by 2 market studies carried out by recognised industry analyst firms:

- Rost & Sullivan: https://ww2.frost.com/
- Devoncroft: https://devoncroft.com/

This figure breaks down into 2 parts:

- 1 billion for video processing and compression.
    - This is the green part called 'Compression Market' in English in the diagram below.
    - This market is expected to grow moderately due to a transition to software and cloud.
    - To sell on this market, ATEME uses the TITAN software solution, which is a set of software components to perform compression, decompression, statistical multiplexing.
- 1 billion for content broadcasting, the market addressed by NEA.
    - This is the blue part called ''Delivery & streaming Market' in the drawing below.
    - This market is expected to grow strongly due to the arrival of new entrants offering streaming services combined with the explosion in content consumption on all types of screens.
    - To sell on this market, ATEME uses the NEA software solution, which is a set of software components to make the right format, recording and distribution.



5.3. IMPORTANT EVENTS IN BUSINESS DEVELOPMENT

5.3.1. HISTORY ATEME:

1991 - 2000: Creation of ATEME in 1991, which developed over 10 years on a service delivery model.

2000 - 2005: Financed by development capital funds and driven by a partnership with Texas Instruments, ATEME is developing an offer of audio/video compression software bricks and is starting its international development.

2005 - 2014: Financed by venture capital funds, ATEME operates a strategic repositioning, sells its historical services and video surveillance activities, and launches its two product lines Kyrion (in 2007) and Titan (in 2009).

2014 - 2021: Following the IPO on Euronext in July 2014, the company grew rapidly and became profitable from 2016. It is working hard on its sales models and is rapidly increasing the share of recurring revenue from 2019.

5.3.2. HISTORY ANEVIA:

2003: Anevia was founded in 2003 by four former students of the École Centrale Paris, all of whom participated in the VideoLAN project in the early 2000's. The aim of the project was to create a software tool for the dissemination of videos through the School's computer network. It resulted in the creation of VLC Media Player, a free and globally known multimedia player, which has exceeded 3 billion downloads since it was made available in 2001. Drawing on their experience in the computer processing of video, and seeing the Internet Protocol (IP TV) market start up, with the emergence of the first Free and France Telecom/Orange boxes in the pioneering market of France, they decided to develop a software solution for broadcasting video flows over the Internet.

2011: Anevia launches the ViaMotion product line, now renamed NEA Live and NEA CDN

2014: After being financed in 2005 and 2009 by venture capital funds, Anevia completed its initial public offering on Alternext.

5.3.3. RECONCILIATION:

At the end of July 2020, ATEME and Anevia announced that they had entered into exclusive talks. This transaction, which received the unanimous support of Anevia's directors, founders and Board of Directors, is being carried out quickly.

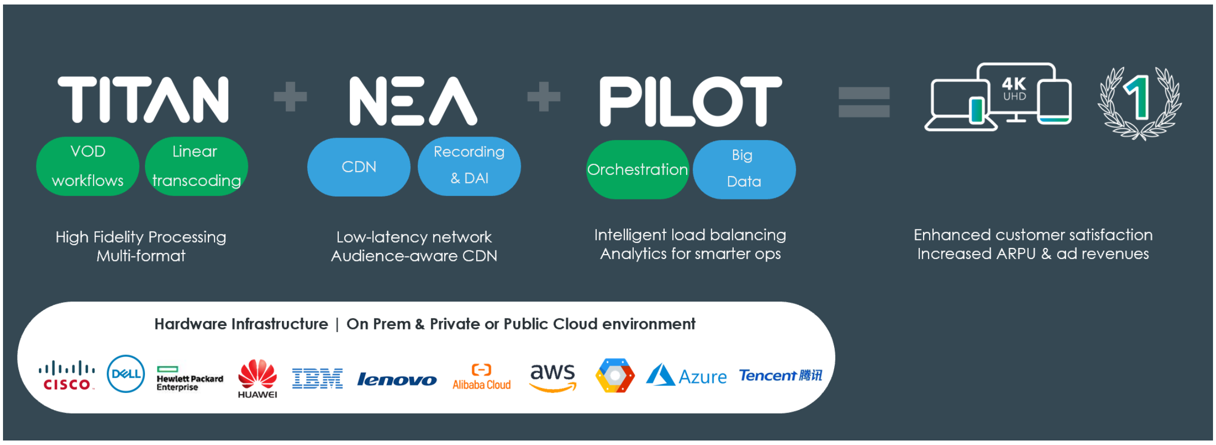
At the end of October 2020, ATEME became the majority shareholder of Anevia, in which it held 87% of the share capital and 98% after the friendly takeover bid launched in December 2020 with the aim of merging the two companies.

At 1 January 2022 Anevia was the subject of a universal transfer of assets and liabilities (TUP) to ATEME.

5.4. STRATEGY AND OBJECTIVES

5.4.1. POSITIONING OF THE 'END TO END' TREATMENT SOLUTION

As illustrated in the following synoptic, ATEME's products offer an end to end solution for the OTT broadcast of video content, whether operated by a historical broadcaster (Orange type) or by a media group (TF1 type).



To do this, the TITAN software suite, including TITAN Live, is used upstream to perform video compression operations and prepare the content for their diffusion. Then the video feeds are cut into data packets that are distributed in the network by NEA Live., NEA CDN ensures their delivery to subscribers. Finally, the Pilot solution makes it possible to orchestrate and collect data on consumption, network capacity, enabling the improvement of performance and therefore the quality of experience as shown in the diagram below.

It is well known that few competitors have such a comprehensive treatment offer. This point is detailed in Chapter 5.6

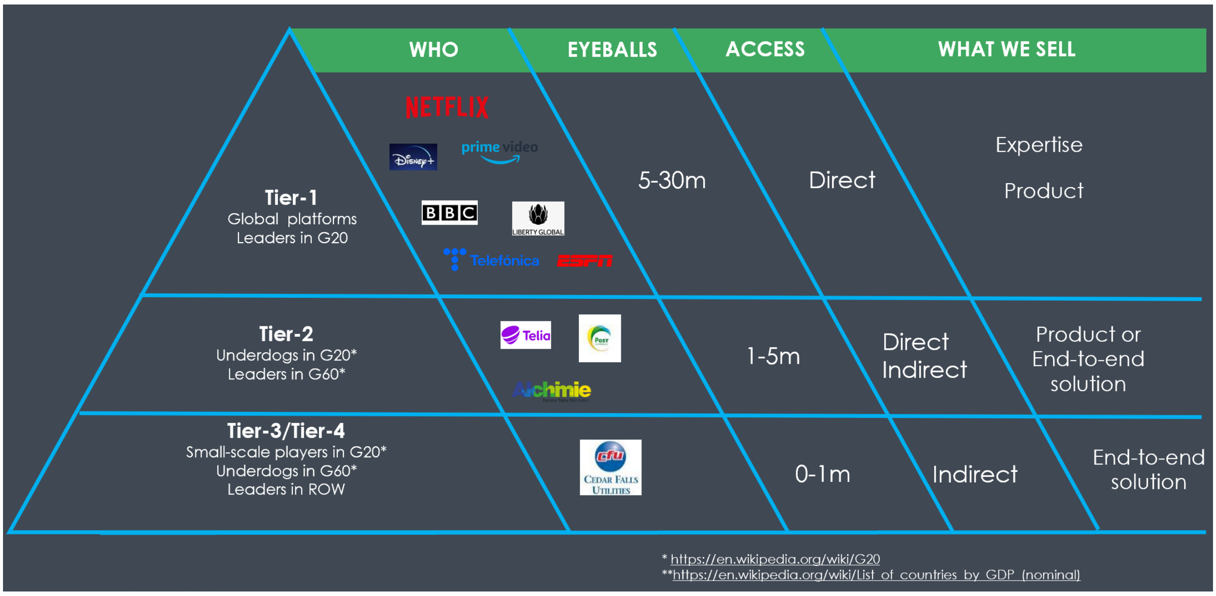
5.4.2. Sales strategy

If we segment customers into Tier1/Tier2/Tier3/Tier4, where a Comcast or Orange are Tier1, and a local cable operator in a small city would be a Tier4, we can establish that the expectations of these different categories of customer are very different.

Tier1 operators have significant scale and technical expertise, and generally have the approach of defining their diffusion infrastructure, choosing the best products and technologies available on the market and steering their integration.

Conversely, Tier3/Tier4 operators are looking for a turnkey solution, and entrust an integrator or service platform with the responsibility of providing a complete solution.

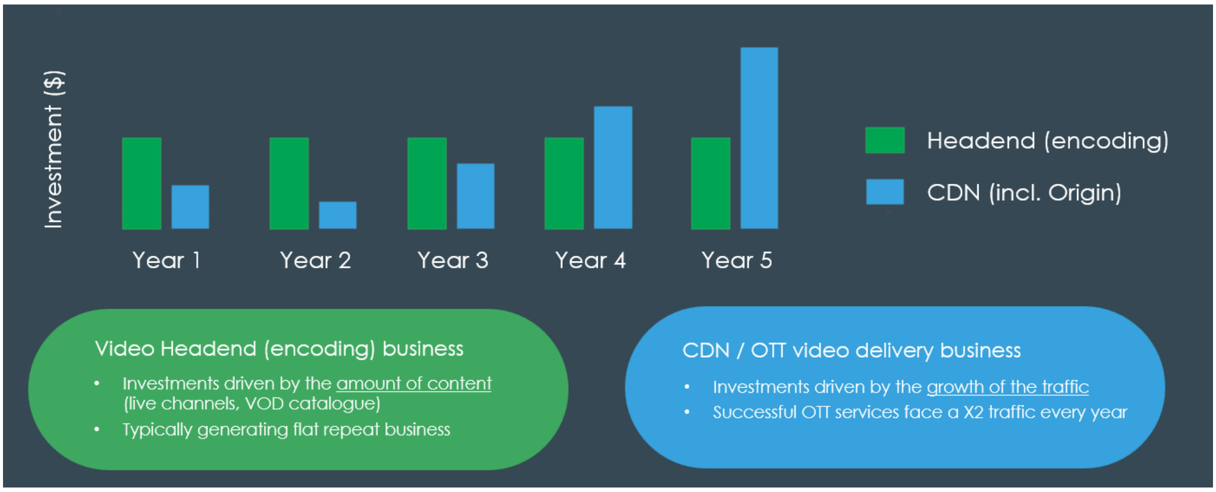
ATEME addresses T1/T2 customers directly, and T3/T4 customers through partnerships with integrators or service platforms.



In addition, broadcasters are increasingly looking to use a public cloud to support their broadcasting infrastructure. This is even more true in response to the 2020 pandemic, which showed the limits of relying only on a data centre specific to the broadcaster. Hybrid cloud strategies (private data centre combined with a public data center) or multi cloud strategies (combination of several public cloud services) all go in this direction of greater resilience to an unpredictable context.

5.4.3. Evolution of business models towards more recurring revenues

It should be noted that the typical sales and deployment cycles of ATEME and Anevia solutions are quite different, as illustrated in the following figure.



For the Titan software (historical ATEME product, in green), the business volume is proportional to the number of channels broadcast, while for the NEA CDN (historical Anevia product, in blue), the volume will be proportional to the consumption of content by subscribers of the streaming service. The result is a very interesting complementarity, as the Titan product makes it possible to win the customer's confidence in the initial phase of the deployment of a service, and thus position itself on the longer term but potentially larger income of the deployment of its network infrastructure (the NDC).

Since the beginning of 2019, one of the pillars of the company's growth strategy has been to move towards more recurring revenues.

The traditional and still dominant industry business model, inherited from the recent era where video network heads were made up of electronic equipment, is a 'capex' model. For example, ATEME often sells Titan software in the form of perpetual licenses, and even sells standard servers (Dell, HP, etc.) on which the software will turn. In addition, ATEME sells a software support contract for 10 to 20% of the value of the software according to the commitments made. Even if it is not contractual, there is often a de facto recurrence since customers who equip a network head of the Titan software regularly recommend new licenses to process new content. ATEME generates approximately 100% of its revenue the previous year with its historical customer base, and growth comes from new customers.

Given this 'de facto' recurring income, ATEME has offered its customers, particularly since early 2019, to commit to multi year contracts, which has been well accepted by the market.

In addition, some customers, particularly new entrants who do not yet have an installed subscriber base, are seeking a licence rental model (with variable commitment periods that can be negotiated against a discount on the rental cost).

The three components described above (support contracts renewed annually, multi year 'capex' contracts, 'opex' licencing agreements) constitute the 'KPI MRR' (Key Performance Indicator Monthly Recurring Revenue, a key indicator on monthly recurring revenues) on which ATEME has started to communicate since the beginning of 2020. This indicator increased from €570k in January 2019 to €880k in January 2020 and €1.5M in January 2021 (including Anevia support contracts).

The business models that made it possible to rapidly develop the MRR of ATEME products are now adapted and extended to Anevia products with a view to continuing to develop the MRR share in sales.

The company hopes to derive from this strategy a better predictability of revenues, a finer management of the company's growth, an improvement in the gross margin (as these MRR do not include any resale of hardware), and finally an improvement in the operating margin due to a better rationalization of commercial investment.

5.4.4. Geographical expansion

ATEME currently has a presence in around twenty countries. The latest additions are Australia (2019) and Russia (2020).

This coverage now seems complete, and no major country is missing on the map although its presence in Russia is now compromised (see section 3.2.4). Geographical expansion will henceforth focus on strengthening the presence in the main markets, first and foremost in the United States, where growth potential remains considerable.

5.4.5. External growth

The market in which ATEME operates remains fragmented and there are nearly 3000 companies, suppliers of products and services combined. Following recent events - mergers and acquisitions with clients, acceleration of migration to the cloud, pandemic, there are many opportunities for consolidation in the sector.

ATEME plans to accelerate its development through one or more external growth operations that will have to bring complementary technology and products, a complementary customer base and be in a healthy financial position (quickly profitable if not pro forma). The sectors identified include:

- Workflow management
- Analytics
- The insertion of advertising, compatible with multi screen broadcasting, which controls the monetisation of content,
- And more generally, any application software technology associated with ATEME's compression and video delivery products that would be a vertical solution allowing its customers to launch new revenue generating services.

It is with this in mind that the company acquired Anevia SA in the fourth quarter of 2020. Anevia is a software publisher specialized in OTT and IPTV distribution of live, deferred and on demand television and video (Vod), the company offers a complete portfolio of video compression solutions, multi screen IPTV network heads, Cloud DVR and CDN. This merger is a key step in implementing the Group's external growth strategy.

5.5. DEGREE OF DEPENDENCE OF THE ISSUER ON PATENTS OR LICENSES, INDUSTRIAL, COMMERCIAL OR FINANCIAL CONTACTS OR NEW MANUFACTURING PROCESSES

5.5.1. Dependence on patents or licences

Video compression standards:

Since the late 1980's, several international expert groups have been working to standardise compressed video flows and their interpretation. The most important of these groups is called MPEG (Moving Picture Experts Group), to which the MPEG-2 standard is due in 1992, which is at the origin of the growth of digital television in the world. This text describes in detail the syntax (the sequence of information) of the compressed flows as well as the detailed process of their interpretation.

Work continued in the same philosophy of international openness and led to the MPEG-4 standard in 2003. This standard proposes a two fold reduction in the amount of information transmitted compared to MPEG-2. This will be one of the reasons for the transition to high definition in many countries, including France, which has launched DTT SD (standard definition) in MPEG-2 but will have to wait for MPEG-4 for HD.

Finally, in 2013, the same group presented the HEVC standard, which in turn offers a halved flow reduction compared to MPEG-4. One of the guiding ideas behind the design of this standard was to prepare for a new transition, this time to ultra high definition.

These three major standards share the same general principles: The images are divided into blocks and each block is predicted from its spatial or temporal neighbours, the information transmitted being what could not be predicted.

While the compression tools are in principle the same, significant differences have been made to reduce the compressed flow rate. For example, from one standard to another, the number of directions in which moving an object inside the image will be sought is considerably increased. Thus, the tools defined under the HEVC standard require about 10 times more computing power than those of the MPEG-4 standard, themselves being about 3 times more complex than those of the MPEG-2.

The best efficiency therefore has a cost in terms of the amount of calculations to be made to benefit from compression gains.

The more recent standards of the MPEG group, such as VVC and EVC, lead to even higher compression gains but are not yet deployed in operations.

Alongside the MPEG group, a consortium of private companies, the Alliance for Open Media (AOM), which includes Google and Netflix among its founding members in 2015, launched the AV1 standard in 2018 and is working on the AV2 standard. These standards deliver performance comparable to the MPEG group standards, but their authors guarantee that all royalties will be delivered.

ATEME's positioning is to remain agnostic in this standard war. ATEME is actively involved in the standardisation process of the MPEG group and the Alliance for Open Media, and ATEME's products support (and will support) all these standards. ATEME thus offers its customers the assurance that whatever compression standard they may choose in a few years, for example to broadcast 4 K or 8 K, this will not call into question their choice to have adopted the software solution Titan.

Other standards

ATEME (like Anevia before the merger) is also involved in many other standardisation bodies or forums that bring together the ecosystem of our industry. These include ATSC, Cable Labs, Dash Industry Forum, DVB, IABM, SMPTE, Video Alliance streaming.

ATSC (Advanced Television Systems Committee) is the group that contributed to the development of the new ATSC3.0 standard for digital terrestrial television in the United States.

Cable Labs, a research and standardisation organisation created by the American cable operators.

Dash Industry Forum, a group that promotes the DASH adaptive streaming standard (standardised by ISO, International Standard Organization, in 2012).

DVB (Digital Video Broadcasting) sets digital television standards, including DVB T for digital terrestrial television (used in Europe, where Americans use ATSC standards), DVB S for satellite, DVB C for cable.

IABM (International Trade Association for Broadcast & Media Technology) is an association that brings together the majority of broadcast and media technology providers.

SMPTE (Society of Motion Picture and Television Engineers) is a global association of media industry engineers, and has published more than 800 standards.

Streaming Video Alliance is a collaborative forum to facilitate interoperability between different technology providers, such as the Open caching group, which aims to standardise network architectures to facilitate their cooperation.

ATEME patent policy

ATEME has an active policy of protecting intellectual property and currently holds 62 international patents, including 12 filed in 2021.

Third party software

The company's software includes a few third party software modules, limited to non critical functions and which could be replaced or redeveloped if necessary.

They also include proprietary third party software libraries, such as Dolby audio coding libraries, which are licenced and for which there is no risk of no longer being able to distribute these functions in our software suites.

5.5.2. Dependence on industrial contracts

There is no such dependency to report.

5.5.3. Dependence on commercial contracts

The Group's largest customer, its five largest customers and its ten largest customers represented, respectively, 4.5%, 18% and 28% of its consolidated revenue for the 2021 financial year; 6%, 21% and 33% of its consolidated sales for 2020.

The Group's revenues are fairly balanced between its main customers and, to date, believes that it is only exposed to a limited risk of dependence on its customers.

5.5.4. Dependence on financial contracts

There is no such dependency to report.

5.5.5. Dependence on manufacturing processes

There is no such dependency to report.

5.6. COMPETITIVE POSITION OF THE COMPANY

It is well known that few competitors have such a comprehensive treatment offer, as shown in the following analysis.

	Contribution	File Xcoding	Broadcast	D2C Delivery	Channel Origination	Origin Server	Cloud DVR	DAI	CDN	Analytics
ATEME	x	x	x	x	x	x	x	x	x	x
harmonic	x	x	x	x	x	x	x	x	(3rd party)	
MediaKind	x		x	x	x	x	x	x	(Broadpeak)	
Synamedia	x			x	x	x	x	x	x	
aws elemental		x	x	x	(partners)	x	x	x	aws Cloudfront	aws Analytics
VECIMA						x	x	x	x	
VELOCIX						x	x	x	x	

This table is the aggregation of several sources:

- Analysis of the websites of all companies to clarify the offer of the competitor in question
    - Harmonic: https://www.harmonicinc.com/
    - Mediakind: https://www.mediakind.com/
    - Synamedia: https://www.synamedia.com/
    - AWS Elemental: https://aws.amazon.com/media/
    - Vecima: https://vecima.com/
    - Velocix: https://velocix.com/
- How these companies categorise themselves at trade shows, these categories being used by visitors to the show to find a company.
    - Example: ATEME categorises itself as a compression supplier, others do not do it
    - The list of sellers and categories for the IBC 2019 (last major show in the classroom) can be found here https://ibc19.mapyourshow.com/8_0/#/
- The screening of product/solution press releases, which makes it possible to understand the lines of communication and construction of the commercial pipe for the coming year.
- For listed companies, the analysis of financial communications shows how companies see their evolution in the medium to long term
    - Harmonic: https://investor.harmonicinc.com/investor-overview
    - AWS Elemental: https://ir.aboutamazon.com/overview/default.aspx
    - Vecima: https://vecima.com/investor-relations/

We can distinguish between two types of competitors:

- End to end competitors offering both processing solutions (competitors of TITAN) and delivery solutions (competitors of NEA) for an end to end offering. These competitors are Harmonic, Mediakind, Synamedia and AWS Elemental for part.
- Anevia's pure player competitors on the delivery part: Broadpeak, Vecima, Velocix

It should be noted that the 'end to end' competitors were already ATEME's main competitors before the acquisition of Anevia when ATEME had only the processing part in its catalogue. This part of the competition has gone through a fairly important merger acquisition phase in recent years, as evidenced by the following analysis.

Historical competitors have been acquired by other competitors

- Ericsson (now Mediakind) acquired Envivio;
- Harmonic acquired Thomson Video Networks

Other companies are purchased by larger groups:

- Elemental was acquired by AWS, AWS 'Cloud division,

ATEME's main competitor is the American company Harmonic. However, as the summary above shows, Harmonic is a leader in loss of speed and in transition to a new field:

- The video activity (blue bar) saw its revenue drop. This comes directly from market shares won by ATEME and taken to Harmonic
- Harmonic is positioned on cable access technologies (yellow bar)

In addition, recent transactions within the ATEME scope and at significant multiples of sales show the dynamism of the market (see column 2 in illustration above).

Finally, other companies, outside the ATEME market, have successfully switched to recurring revenues, validating ATEME's strategy towards this type of model.

ATEME's competitive landscape has been clarified since 2015. This created favourable conditions for the growth of ATEME, which was subsequently able to achieve external growth with the acquisition of Anevia, which strengthened its product offering.

Key advantages and competitors of Kyrion

The Kyrion range is intended for video processing in field operations often in real time: News duplex, sporting events. Kyrion encoders/decoders are so called material products, namely that ATEME:

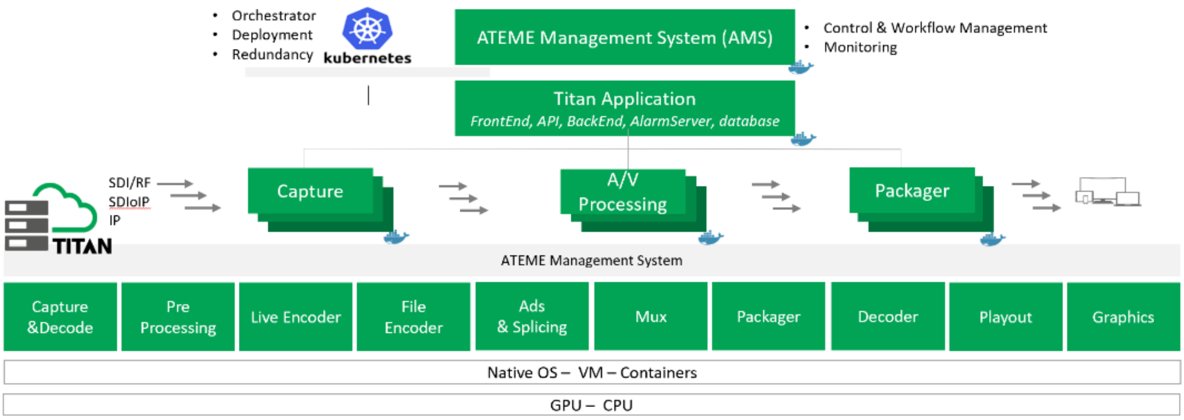
- Means compression/decompression software.
- Means the hardware for hosting this software. This equipment is built on shelf components.
- Sells all.

ATEME's added value lies in its ability to design the best software leveraging hardware performance. This product line, like all the others described below, embraces ATEME's know how in terms of video quality, bandwidth efficiency and simplified operations.

ATEME's competitors have chosen to base their design on predefined architectures: The product is delivered in its first version with fixed capacities and these can only be improved if the equipment is changed. ATEME decided to base its design on so called reprogrammable components. Because of its strong R & D team, ATEME is able to come with successive generations of software improving processing performance without changing the hardware in the field. This presents a continuity of service and a significant gain in terms of total cost of acquisition.

Titan's main advantages and competitors

Titan is ATEME's standard solution for everything related to video compression. It is a complete software suite covering the acquisition of content/signal, the right transmission and/or streaming format, and playout modules for creating and adding channels. This solution is intended for both Content Providers and Service Providers.

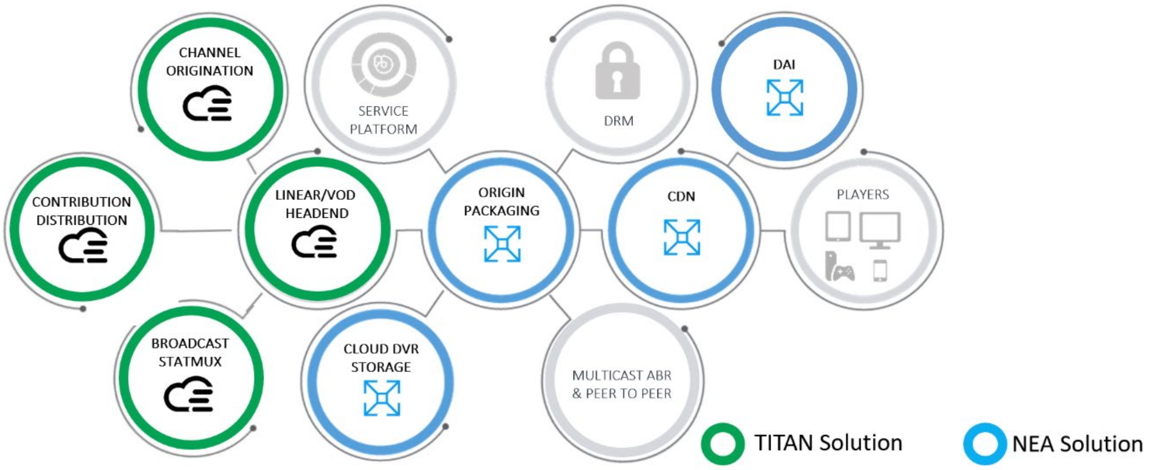


The competitive advantages of this solution are:

- ATEME bandwidth quality and efficiency enabling economies of scale in terms of transmission.
- The ability to support all resolutions from the smallest to the 4 K HDR.
- The ability to support all industry input/output and pressure relief/compression standards allowing TITAN to be used in a large number of applications, and thus simplify customer operations
- Adding key functions to manage everything around the video: Subtitles, sound level
- Software range completely independent of infrastructure:
    - Any type of PC on site
    - All types of cloud
    - Any type of virtualised environment

NEA's main advantages and competitors

The NEA range is ATEME's software suite for delivering OTT content. This range comes from the acquisition of Anevia. It covers many components from Origin (the network entry point) to CDN. The drawing below represents the NEA range and also shows its complementarity with the TITAN range.



The competitive advantages of this solution are:

- The ability to provide an all in one delivery solution: Origin, CDN, Cloud DVR and Analytics
- Optimised remote recording and storage management enabling Providers to reduce their operating costs.
- The ability to populate content across the CDN, as close as possible to the end user, depending on its popularity, which reduces the infrastructure costs for the Service Provider and increases the quality of experience (less waiting time, less rebuffering).

Glossary:

ATSC: Advanced Television Systems Committee, American Standardisation Committee

AVOD service: Advertising funded video on demand service

Catch up TV: Catch up television

CDN: Content Delivery Network, Content Distribution Networks

Cloud DVR: Cloud Digital Video Recording, Cloud Recording

CPM: Cost Per Mille, cost per thousand

D2C Distribution: Direct to Consumer Distribution, Direct to end user distribution

DTH: Direct to home, Satellite Television

DVB: Digital Video Broadcasting, European Standardisation Committee

HDR: High Dynamic Range, large dynamic beach (colours)

IPTV service: Internet Protocol TeleVision, Internet television service

OTT service: Over The Top service, bypass service

SVoD service: Subscription Video On Demand service, video on demand service by subscription

Video headend: Video network head

5.7. INVESTMENTS

5.7.1. MAIN INVESTMENTS MADE OVER THE LAST THREE FINANCIAL YEARS

(Amounts in € k)	31 Dec 2021	31 Dec 2020	31 Dec 2019
Capitalised development expenditure	(661)	(582)	(497)
Acquisition of intangible assets	(364)	(308)	(251)
Acquisition of property, plant and equipment	(1,982)	(1,588)	(1,020)
Total acquisitions	**(3,007)**	**(2,478)**	**(1,768)**

The Company's investments in intangible assets over the past three years are mainly related to the development costs of the TITAN File, TITAN Live OTT and TITAN Playout projects.

Investments in property, plant and equipment over the last three fiscal years correspond to the acquisition of It equipment used in its research and development activities and the construction work on its premises.

5.7.2. PRINCIPAL INVESTMENTS IN PROGRESS

The Company continues its research and development activities and will be required to capitalise development costs if the criteria are met and to renew its It base and will be financed mainly by equity.

5.7.3. MAIN PLANNED INVESTMENTS

The Company does not currently plan to make any significant investments in the coming years for which the Company's management bodies have made firm commitments.

The majority of the investments planned for 2021 are related to the launch and/or improvement of products and will be financed mainly by equity.

5.7.4. INFORMATION ABOUT JOINT VENTURES AND COMPANIES IN WHICH THE ISSUER HOLDS A SHARE OF CAPITAL

Investments are mainly made within ATEME SA and its subsidiary Anevia. The other significant subsidiaries have a commercial activity and not a production activity.

5.7.5. USE OF PROPERTY, PLANT AND EQUIPMENT AND ENVIRONMENTAL ISSUES

With regard to social responsibility and the use of fixed assets, the Group does not yet present a comprehensive report on the environmental and societal responsibility of ATEME SA, nevertheless on the social level, the company is developing a human resources policy focused on (i) the continuous development of talents, (ii) equal treatment of men and women, (iii) the absence of discriminating measures in recruitment, and (iv) compliance with ethical rules.

At the global level, ethical charters are ratified with most partners (suppliers and customers) and the company is developing a policy of contributing to NGOs specialising in the humanitarian and educational fields.

On the environmental front, the innovations that have been made to the TITAN and NEA product lines have reduced energy impacts by 65% in 3 years while improving the user experience in terms of the quality of the videos that can be viewed. The Group's objective is to continue its strategy of improving its energy consumption by around 50% more over the next three years; teleworking at 50% of the time has become the new operating rule in order to contribute to the reduction of the carbon footprint linked to the Group's operation.

ATEME's CSR strategy is divided into three main axes (environment, social, societal), regularly assessed since the beginning of 2022 to implement concrete action plans. On the subject of energy transition, which is crucial for the digital sector with the explosion in energy consumption at the data centre level, ATEME is working to decarbonise its digital solutions (commitment in line with the Paris agreements of 2015 with a commitment to reduce carbon emissions of around 50%), with the development of technology systems for encoding and decoding videos that emit less, optimised video flows in terms of energy consumption as well as its infrastructures and a working method that reduces the carbon footprint of the company's employees by adopting widespread telecommuting at each of the group's sites.

The company has set up multidisciplinary teams to deal with these complex challenges in order to strengthen the company's ability to create value, build approaches that will enable the organisation to respond to its stakeholders and support the change of the company towards a more sustainable model.

Among the initiatives implemented by this ATEME CSR Committee, the company focused in particular on:

- Mapping and identification of the most important CSR issues for the organisation and its stakeholders (materiality analysis)
- This committee assists senior management in defining the CSR vision and guidelines;
- Mapping and identification of the most important CSR issues for the organisation and stakeholders (materiality analysis)
- Support by Executive Management's CSR Committee in defining the CSR vision and guidelines
- Implementation and coordination of consultation mechanisms and dialogue with internal and external stakeholders
- Assessment of CSR initiatives, assessment, compliance with standards, benchmarks, recommendations
- Definition of objectives, CSR action plans and indicators for managing overall performance.

5.8. IMPORTANT EVENTS IN BUSINESS DEVELOPMENT

1991

Creation of the Company by Dominique Edelin and Michel Artières, initially as a software designer for processing flows (development of encoding/decoding algorithms for audio and video flows). These software is sold on a white label and the Company does not licence its software.

2004

Release of the H.264/MPEG-4 AVC encoding software, a new encoding standard initiated by the Moving Picture Experts Group (MPEG), which develops international standards for compression, decompression, processing and audio/video encoding.

2007

Strategic shift initiated with the launch of the first generation of the Kyrion decoder. Instead of designing and selling white label software, the Company now produces its own servers in which its proprietary encoding/decoding software solutions are integrated.

2008

Opening of a subsidiary in the United States with an office in Hollywood, CA (USA).

2009

Launch of the Titan (file transcoder) for the VoD/SVoD/TV catch up + first encoder/decoder MPEG-4 4: 2: 2 10-bit in the world, for the high quality/high end contribution segment.

2011

Opening of a second American office in Miami, dedicated to the east coast of the United States as well as Latin America.

Output of TITAN Live, in the multi screen video distribution segment, capable of managing 90 HD video flows simultaneously.

2012

Opening of the Korean office in Seoul, dedicated to the Asian market.

2013

The high quality contribution encoder Kyrion CM5000 receives the TV Technology Award at the NAB lounge in Las Vegas.

TITAN transcoders now support the new generation compression standard: The HEVC/H.265 (High Efficiency Video Coding), which shows a 50% improvement in yields compared to the AVC/H.264 standard and supports the Ultra HD/4 K definition.

Participating in Eutelsat's launch of the first UHDTV (Ultra HD) channel.

2014

The company successfully floated on Euronext, Eurolist C. The company's shares are now referred to as ISIN: ATEME (FR0011992700). On the occasion of this IPO, the company raised approximately €13.3M through a capital increase bringing its valuation in 2014 to 44.7 million euros.

2015

Opening of a subsidiary in Singapore. ATEME Singapore PTE LTD conducts sales and customer support activities in the Asia Pacific region.

2018

Opening of a subsidiary in Australia: Australia PTY Ltd provides sales and support services to Australian customers.

2020

Acquisition of Anevia SA, software publisher for OTT and IPTV distribution of live, deferred and on demand television and video (Vod); this company offers a full portfolio of video compression solutions, multi screen IPTV network heads, Cloud DVR and CDN.

Anevia develops innovative technologies that make it possible to watch television everywhere, at any time and on any terminal, including in 4 K Ultra HD.
Anevia addresses the world renowned telecommunications and pay TV market, content broadcasters, and video service providers in the hospitality, healthcare and public and private sector.
Founded in 2003, Anevia is a pioneer in the development of flexible and scalable software solutions.
The company actively contributes to several associations in the areas of television, health and companies of which it is a member.
Based in France, with regional offices in the United States, Dubai and Singapore.

Chapitre 6. ORGANISATIONAL STRUCTURE

6.1. GROUP MEMBERSHIP

At the date of registration of this universal registration document, the ATEME Group consists of 7 entities: ATEME SA, ATEME Inc. (USA), ATEME Canada Inc., ATEME Japan KK, ATEME Singapore PTE. Ltd., and ATEME Australia PTY, all fully consolidated.

The parent company ATEME SA concentrates part of the Group's R & D activities, management functions, sales and marketing functions.

ATEME Canada, ATEME USA, ATEME Australia ATEME Singapore revenues come from services billed to the Company and sales of products and services to local customers.

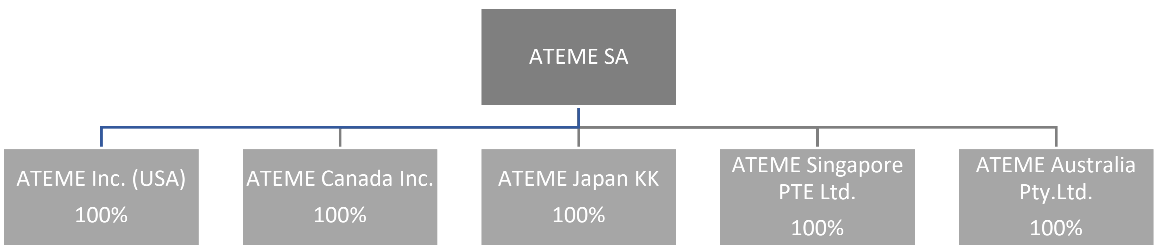
Since its head office was set up in Vélizy Villacoublay in January 2015, the company has held two secondary schools in Rennes and Meylan in France.

On 26 October 2020, the company acquired Anevia SA, whose registered office is located in Gentilly, itself held (i) Anevia Inc, a company incorporated under Us law, whose registered office is located in Newark, United States of America and Anevia Asia Pacific Pte. Ltd., a company incorporated under Singaporean law, whose registered office is located in Singapore, without activity and not consolidated.

Anevia SA has its own R & D activities and invoices products and services.

As of 1 January 2022, Anevia was the subject of a universal transfer of assets and liabilities to ATEME SA.

Organisation chart of the ATEME Group at 1 June 2022



6.2. MAIN SUBSIDIARIES

At the date of registration of this universal registration document, the ATEME Group consists of 6 entities: ATEME SA, ATEME Canada Inc., ATEME Inc (USA), ATEME Japan KK, ATEME Singapore PTE Ltd., and ATEME Australia PTD Ltd., all fully consolidated.

- ATEME, Inc. located at 750 W. Hampden Ave., Suite 290 in Englewood, Colorado USA. ATEME Inc., sales and customer support activities for the Americas region. ATEME Inc. had 42 employees at the end of 2021 (including external service providers) at 31 December 2021. This subsidiary does not hold any interest in ATEME SA or any other company.
- ATEME Canada Inc., located at 2800-630 Boulevard René-Lévesque, at Montreal, Quebec H3B1S6, carries out customer support activities and had 5 employees as of 31/12/2021.
- ATEME Japan KK. has been dormant since 2010 pending its final de listing in 2022.
- ATEME Singapore PTE LTD Ltd located at 152 Beach Road, Singapore. ATEME Singapore PTE LTD carries out the sales and customer support activities. At 31 December 2021, the workforce of ATEME Singapore PTE Ltd increased to 9 at the end of 2021 (including service providers). This subsidiary does not hold any interest in ATEME SA or any other company.
- ATEME Australia PTY Ltd., located at Suite 402 Level 4, 44 Miller Street, North Sydney NSW 2060, Australia, has sales and support activities and had 4 employees as at 31/12/2021.

The financial items at 31 December 2021 (shareholders' equity, revenues, income and value of investments) of subsidiaries and affiliates are presented in Note 22 'List of subsidiaries and affiliates' of the 2021 audited historical financial information presented at 18.01.01. 'Audited historical financial information' of this universal registration document.

List of significant subsidiaries of the issuer

Company	Country of establishment	% of share capital	% of voting rights
ATEME	France	Parent company	
Anevia *	France	100%	100%
ATEME Canada	Canada	100%	100%
ATEME USA	United States	100%	100%
ATEME Singapore	Singapore	100%	100%
ATEME Japan KK	Japan	100%	100%
ATEME Australia	Australia	100%	100%

(*) Universal transfer of assets and liabilities
on 01/01/2022 to ATEME

Chapitre 7. **OPERATING AND FINANCIAL REVIEW**

The financial information presented below is based on the consolidated financial statements for the years ended 31 December 2019, 31 December 2020 and 31 December 2021, prepared in accordance with IFRS as adopted by the European Union at the balance sheet date of these financial statements and which are mandatorily applicable at that date.

Pursuant to Article 19 of EU Regulation 2017/1129 of the European Commission, this Universal Registration Document incorporates by reference the following information to which the reader is invited to refer:

- The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2021, included respectively on pages 62 to 129 and page 160; and the management report for the year ended 31 December 2021, included on pages 5 to 31 of the Annual Financial Report filed with the AMF on 28 April 2022 Link: https://www.actusnews.com/en/telechargement/ATEME/2022/04/28/74254-fy21-ateme rapport financière 2021-28042022-vdef-clean.pdf

- The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2020 included respectively on pages 66 to 130 and page 156; and the management report for the year ended 31 December 2020 included on pages 4 to 31 of the Annual Financial Report filed with the AMF on 29 April 2021. Link: https://www.actusnews.com/documents_communiques/ACTUS-0-68967-fy20-Ateme-rapport-financier-2020-fr.pdf

- The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2019 included respectively on pages 31 to 66 and page 157; and the management report for the year ended 31 December 2019 included on pages 4 to 31 of the Annual Financial Report filed with the AMF on 29 April 2020. Link: https://www.actusnews.com/documents_communiques/ACTUS-0-63228-Ateme-rapport-financier-au-31-12-2019-v2904-1600-clean-vdef.pdf

Following the application of IFRS 5 as of 31 December 2021, columns 2020 of the income statement and the statement of financial flows have been updated (see note 10 of the financial statements in chapter 18.1 of this universal registration document) compared to the information historically published in 2020 unless otherwise indicated.

7.1. FINANCIAL POSITION

7.1.1. RESULTS OF OPERATIONS AND CHANGES

2021: IFRS accounts

Market share gains

Total revenue for the year ended 31 December 2021 was 81.1 million euros. After restatement of the sale of Anevia's former business dedicated to the corporate sector and the Flamingo product range in November 2021, sales amounted to 78.8 million euros.

As expected, the second half confirmed the improvement in the product mix with an inherent increase in the gross margin rate which exceeded 62% for the financial year, compared to 55% in 2020.

The Group thus confirms this long term trend of margin improvement, amplified by the success of the transition to cloud based applications and the shift to a business model based on recurring revenues.

Gross profit was 49.0 million euros, up 27%. Combined with the 31% increase in recurring monthly revenues (1.96 million euros in January 2022), this performance reflects the speed at which the company wins stable market share more precisely than the only observation of revenue growth.

New investments in growth in 2021

ATEME continued to invest in its future growth in 2021, with operating expenses up 31% to 47.9 million euros, linked to the integration of Anevia since November 2020 and the increase in the workforce from 450 to 490 employees in 2021. These investments are split equally between R & D and sales/marketing, including:

- The acceleration of the NEA roadmap (formerly Anevia's product range), which includes OTT diffusion technologies such as Cloud DVR and CDN solutions (content distribution networks).
- The creation of teams of global experts to help all regions position, sell and deploy the ATEME range of solutions, adapting to the growing complexity of end to end OTT broadcasting solutions, from video network heads to CDN networks.
- Optimising our streaming solutions, saving servers and storage for our customers and helping them achieve their carbon footprint reduction targets.
- The development of products, solutions and services to be launched in 2022 and 2023.

All income statement indicators higher than expected

Operating income amounted to 1.1 million euros, while net income from continuing operations (excluding operations dedicated to the corporate segment sold in 2021) amounted to 1.8 million euros (2.3% of sales), including positive financial income and tax income.

Restated EBITDA amounted to 6.4 million euros, in line with the forecasts published in January 2021 and above the conservative forecasts of January 2022.

Solid financial structure

Shareholders' equity amounted to 39.6 million euros at 31 December 2021, up from 35.6 million euros in 2020.

Cash and cash equivalents amounted to 11.4 million euros, compared to 17.1 million euros in 2020. Cash flows from investing activities amounted to 7.1 million euros, including 3.7 million euros dedicated to the finalisation of the Anevia acquisition.

At 31 December 2021, net financial debt stood at 10.3 million euros, compared with 3.7 million euros. The Group contracted new state guaranteed loans totalling 3 million euros in 2021.

Geopolitical situation

ATEME has only limited exposure to the current geopolitical situation involving Russia and Ukraine:

- Sales in Russia and Belarus are limited (approximately 1 million euros in 2021); shipments to these countries have been suspended since 24 February.
- ATEME does not depend in any way (supply chain, R & D or finance) on the countries concerned and does not have any late payments from customers in these markets.
- This risk is detailed in section 3.2.4 of this universal registration document.

2020: IFRS accounts

These data have been taken from the publications made in 2021 on the 2020 financial statements and do not take into account the minor impact of IFRS 5 in 2020 following the disposal of the Enterprise activity in 2021.

Revenue for the 2020 financial year (ended December 31) was 70.7 million euros, up 7% compared to 2019 revenue of 66.3 million euros (17% at constant exchange rates). ATEME thus recorded a ninth year of consecutive growth (average annual growth of 21% in 2011-2020).

In the EMEA region, revenue, which represents 35% of total revenue, increased by 2%. North America (37.4% of activity) recorded an increase of 8% with revenues of 26.5 million euros. On a comparable basis, sales were up 7%.

Latin America was down 16% to 7.5 million euros. At constant exchange rates and scope of consolidation, revenue was down 41%.

Surpassing Latin America, Asia Pacific took third place in the podium thanks to a surge in sales of 43% to reach 11.8 million euros. Sales were up 45% at constant exchange rates and scope of consolidation.

ATEME continued to invest in R & D and sales & marketing, increasing its workforce from 298 to 332 at the end of October 2020 and then to 453 with the integration of Anevia from November.

On a full year basis, operating expenses amounted to €37M, compared to €31.3M in 2019, reflecting an increase of approximately €3.1M in R & D and €1.6M in sales & marketing. General and administrative expenses increased by €0.9M.

Net financial income came to €1.4M, mainly due to foreign exchange losses (Us dollar/euro).

Net income for the year was € -0.3 million, including 0.7 million euros in exceptional costs related to the acquisition of Anevia, compared to 4.6 million euros a year earlier; in the second half, net income reached 2.3 million euros.

Shareholders' equity amounted to 35.6 million euros at 31 December 2020, compared with 27.1 million euros in 2019.

Given the sustained activity, cash flow increased by 6.8 million euros. Cash and cash equivalents amounted to 17.1 million euros, compared to 10.3 million euros in 2019.

At 31 December 2020, net financial debt (excluding rental debt) amounted to 3.7 million euros.

Consolidation of Anevia in 2020

As of 31 December 2020, Anevia's contribution to Group sales since its acquisition (i.e. a period of two months) amounted to 5.3 million euros. The contribution in terms of net income was a profit of 1.8 million euros. It has been consolidated since 31 October 2020.

If the acquisition of Anevia had taken place on 1 January 2020, Anevia's contribution to Group revenues at 31 December 2020 would have been 14.7 million euros, with recurring operating income of € (1,168) K and net income of € (1,553) K.

All alternative performance indicators are described in section 7.2.1 of this universal registration document. A detailed analysis of the formation of the result is explained in section 7.2.2 of this universal registration document.

Full business continuity during the Covid-19 crisis

During this period of uncertainty, ATEME's priorities were twofold: Protect the health and well being of its employees and partners, in strict compliance with official instructions in order to stop the spread of the virus, and provide all possible support to customers. Lockdown has been imposed in most of the regions in which we operate. Fortunately, we have an active and proven telecommuting culture and a robust business continuity plan that allows us to ensure full continuity of all our operations, including R & D, 24/7 support and supply chain functions.

In particular:

- Demonstrations, deliveries and installations of TITAN, ATEME software, can be carried out remotely.
- ATEME continues to offer video conferences and other webinars to its customers around the world, including the organization of a 24 hour webinar in mid April during which our experts from all continents shared their views on market trends, emerging technologies and presented ATEME solutions to 1,500 customers.
- Our research and development team continues to file new patents.

Impact of the Covid-19 crisis on the financial perspective

In terms of revenue, the immediate impact of the Covid crisis was the cancellation of some Kyrion orders due to the postponement of sporting events such as the UEFA football championship and the Olympic Games. In addition, some customers have deferred their investments, particularly those most exposed to the decline in advertising revenue or revenue from sports activities. Conversely, the rise in video on demand consumption per subscription and pressure on network capacity.
On 14 April 2020, ATEME benefited from a loan contract guaranteed by the State, 90% guaranteed by the State, with Société Générale for an amount of €4000k, with a guarantee premium of 0.5% per year.
At the end of 2020, the Company obtained an extension of the repayment period from 12 months to 60 months. Redemptions will begin in April 2021.

2019: IFRS accounts

Revenue for 2019 (ended December 31) was 66.3 million euros, up 17% compared to 2018 (+14% at constant exchange rates). ATEME thus recorded an eighth consecutive year of growth (average annual growth of 23% in 2011-2019).

In the EMEA region, revenue increased by 19% while in North America, it increased by 32%; these two regions now represent 37% of total revenue. In contrast to 2018, Latin America saw revenue growth of 37%, while Asia Pacific was down 23% after a 70% surge in 2017; over the last two years, these two regions have grown.

As previously reported, the acceleration in software sales in the second half was significant. This more favourable product mix resulted in a gross margin of 60.8% in the second half and a margin of 54.4% for 2019 as a whole, five points higher than in 2018.

ATEME continued to invest in its development. Over the year, operating expenses amounted to 31.4 million euros, compared to 26.5 million euros in 2018, up 18%, but well below the increase in software sales, as evidenced by the 30% increase in gross margin. About half of the additional operational expenditures represent investments in research and development, particularly in the new capabilities of the TITAN Playout software that are expected to generate significant additional revenues in 2020.

Net financial income amounted to € -0.2 million.

Net income was 4.6 million euros, compared with 1.7 million euros a year earlier; in the second half, net income was 5.8 million euros. As a result, the net margin more than doubled, reaching 6.9% compared to 3.0% in 2018.

Shareholders' equity amounted to 27.1 million euros at 31 December 2019, compared with 21.5 million euros in 2018.

Given the sustained activity, cash flow increased by 4.1 million euros. Cash and cash equivalents amounted to 10.3 million euros, compared to 6.2 million euros in 2018.

At 31 December 2019, net financial debt (excluding rental debt) amounted to -3.7 million euros (cash surplus).

All alternative performance indicators are described in section 7.2.1 of this universal registration document. A detailed analysis of the formation of the result is explained in section 7.2.2 of this universal registration document.

Key figures

Following the application of IFRS 5 as of 31 December 2021, columns 2020 of the income statement and the statement of financial flows have been updated (see note 10 to the financial statements in chapter 18.1 of this universal registration document) compared to the information historically published in 2020 unless otherwise indicated.

Income statement

Consolidated income statement for the last 3 years

Simplified income statement in euros IFRS (in K €)	31/12/2021 Audited 12 months	31/12/2020 Audited 12 months	31/12/2019 Audited 12 months
Gross profit	**48,957**	**38,528**	**36,102**
O/w revenues	78,798	70,104	66,325
O/w cost of sales	(29,841)	(31,576)	(30,223)
Operating expenses	**(47,853)**	**(36,325)**	**(31,372)**
O/w R & D costs	(16,012)	(12,639)	(9,570)
O/w marketing & sales	(27,086)	(20,052)	(18,588)
O/w overheads	(4,754)	(3,904)	(3,214)
Recurring Operating Income	**1,105**	**1,933**	**4,730**
O/w other recurring operating income and expenses	-	(713)	-
Operating profit	**1,105**	**1,220**	**4,730**
Net financial income	**511**	**(1,382)**	**(199)**
Taxes for the period	169	(86)	76
Net income from continuing operations	**1,785**	**(248)**	**4,607**
Income from discontinued operations	(648)	(27)	-
Net income	**1,137**	**(275)**	**4,607**
Earnings per share from continuing operations (In euros)	0.10	(0.02)	0.44

Balance sheet

Consolidated balance sheet for the last 3 years

Simplified balance sheet in euros IFRS	31/12/2021 Audited 12 months	31/12/2020 Audited 12 months	31/12/2019 Audited 12 months
TOTAL ASSETS	**93,153**	**93,473**	**57,135**
Non current assets	**30,311**	**31,942**	**8,931**
O/w Goodwill	12,886	13,186	-
O/w intangible assets	8,877	10,850	1,716
O/w property, plant and equipment	3,203	2,889	2,435
Of which other non current financial assets	975	1,198	823
Of which deferred tax assets	1,508	1,203	1,328
Of which right of use related to rental obligations	2,862	2,616	2,631
Current assets	**62,842**	**61,531**	**48,204**
Of which inventories	6,558	4,436	3,065
Of which trade receivables	32,289	31,665	29,333
O/w other receivables	12,548	8,335	5,462
Of which cash and cash equivalents	11,447	17,095	10,345
TOTAL LIABILITIES	**93,153**	**93,473**	**57,135**
Shareholders' Equity	**39,590**	**35,561**	**27,127**
Non current liabilities	**18,665**	**19,234**	**8,217**
O/w employee benefit obligations	1,224	1,223	749
Of which provisions for charges	41	41	36
Of which non current financial debt	15,189	16,154	5,420
O/w lease obligations	2,201	1,788	1,971
Of which deferred tax liabilities	10	28	42
Current liabilities	**34,898**	**38,678**	**21,791**
Of which debt on Anevia acquisition	-	3,738	-
O/w current financial debt	6,529	4,633	1,252
O/w lease obligations	745	909	719
O/w provisions	-	-	-
Of which trade payables	14,173	14,605	10,399
Of which tax and social security liabilities	5,728	6,490	3,105
Of which other creditors and other liabilities	7,723	8,303	6,317

Cash flow statement

Consolidated statement of cash flows for the last 3 years

Simplified cash flow statements IFRS	31/12/2021 Audited 12 months	31/12/2020 Audited 12 months	31/12/2019 Audited 12 months
Cash flow from operating activities	**(552)**	**6,007**	**5,364**
Of which cash flow	7,453	5,102	8,587
O/w change in WCR	(9,126)	778	3,224
Cash flows from investing activities	**(7,123)**	**(9,311)**	**(1,850)**
Cash flows from financing activities	**1,909**	**9,949**	**583**
Change in cash and cash equivalents	(5,645)	6,751	4,135
Cash and cash equivalents at beginning of period	17,092	10,341	6,206
Impact of exchange rate fluctuations	121	106	39
Closing cash and cash equivalents	11,447	17,092	10,341

7.1.2. PROBABLE FUTURE TRENDS AND RESEARCH AND DEVELOPMENT ACTIVITIES

Probable future development of the issuer's activities

Please refer to Chapter 10. 'Trend information.'

Research and development activities

The Company maintained its R & D activity and continued its policy on patent filings during the past financial year.

This R & D essentially covers solutions based on our H264 and HEVC video compression technology. It is also actively involved in defining a new standard (AV1) within the Alliance for Open Media.

The importance of R & D investments helps maintain the Group's reputation and know how in terms of the reliability and quality of its video encodings.

The R & D effort is split mainly between 4 historical business lines and 1 new business line related to the acquisition of Anevia:

- Research on codecs to maintain our competitive advantage in video quality and prepare for the future by working on new standards such as HEVC,
- Encoders and decoders of the broadcast contribution, Kyrion range,
- TITAN multi screen transcoding software solution for broadcasting content to boxes or streaming on the internet or to mobiles or tablets,
- Software solutions for processing and managing video for networks,
- Video diffusion technologies.

The net research and development costs incurred by CIR over the last few years are shown in the table below:

Research and development expenses

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Research and development costs	(21,625)	(16,388)	(12,800)
Research tax credit and innovation tax credit	5,169	3,347	2,535
Subsidies	445	402	695
Total research and development expenses	**(16,011)**	**(12,639)**	**(9,570)**

2021

As in previous years, ATEME continued to invest in its development, giving priority to R & D.

Between 2020 and 2021, the Company invested significantly in research and development to ensure its future development in terms of robustness and performance. (See section 5.5.1 of this Universal Registration Document).

7.2. CONSOLIDATED OPERATING INCOME

7.2.1. ALTERNATIVE PERFORMANCE INDICATORS

Restated EBITDA

'Recurring operating income' is defined as the difference between total operating income and 'Other operating income' and 'Other operating expenses.'

The term 'recurring EBITDA' refers to the Group's recurring operating income before it is excluded, depreciation, amortisation and impairment of fixed assets and share based payment expenses. It highlights the profit generated by the activity regardless of the conditions of its financing, the tax constraints and the renewal of the operating tool. Non recurring expenses (unusual, abnormal and infrequent items) are excluded.

Restated Ebitda (Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Recurring operating income	**1,105**	**1,933**	**4,730**
(-) DPA on intangible assets and property, plant and	(2,375)	(2,444)	(2,093)
(-) DPA on acquired technologies	(712)	(119)	-
(-) DPA on rights of use	(895)	(874)	(798)
(-) Provision/reversal	(152)	(262)	(110)
(-) IFRS share based payment 2	(1,187)	(1,208)	(715)
Restated Ebitda	**6,426**	**6,863**	**8,447**

* All of these expenses are broken down into cost of sales, R & D costs, marketing and sales costs, and general and administrative expenses detailed in section 7.2.2.

Gross profit

The gross margin was 62.1% for the year, 7% higher than in 2020.

Recurring monthly revenue (MRR)

Recurring monthly income rose from euros1500000 in January 2021 to euros1960000 in January 2022, surpassing annual growth expectations by euros400000. As a result, ATEME starts the year with more than 23.5 million euros in recurring revenue, which significantly improves the quality and visibility of its revenue.

The Group intends to expand its business models that generate recurring monthly revenue and to increase, each year, the share of monthly recurring revenue in total revenue.

7.2.2. FORMATION OF OPERATING INCOME AND NET INCOME

Revenue

Consolidated sales for the last 3 years

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
France	8,557	5,011	5,730
Rest of the world	70,241	65,093	60,594
Total revenue	**78,798**	**70,104**	**66,325**

Group revenue for 2021 (ended December 31) was €78.8M, up 12% compared to 2020. This revenue was stable at constant exchange rates and scope of consolidation.

Breakdown of revenue by type over the last 3 years:

BREAKDOWN OF REVENUE (Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Static licences, equipment	59,242	54,765	53,487
Dynamic licences	3,937	3,362	4,077
Maintenance	15,619	11,977	8,760
Total revenue	**78,798**	**70,104**	**66,325**

The Group recognises its revenue in accordance with IFRS 15 as follows:

Static licences, equipment

These perpetual licences (without any time limit) transfer to the customer:

- Or a right of use of intellectual property as it exists at the precise time the licence is granted (static license), These licenses only benefit from corrective updates
- Or a right of access to intellectual property as it exists throughout the licence term (dynamic license). These licences benefit from the upgrades provided by the Group.

Dynamic licences

Since 1 January 2019, the company has been offering dynamic licence offers to its customers, this multi year offer allows customers to benefit from unlimited licences including versions of the product roadmap during the contract term. The contractual analysis of these contracts leads to the identification of two performance obligations:

- Revenue is recognised as soon as the licence is granted. An analysis of the amount to be recognised is performed on a contract by contract basis to identify the fair value of the license;
- This revenue is recognised on a straight line basis over the term of the contract (in line with the rate of version upgrades).

The Group does not have any contracts falling within the scope of the definition of the order book under IFRS15. 120-122.

The Group has not implemented a commercial policy giving rise to variable counterparties.

Maintenance

The Group enters into multiple element service contracts, which may correspond to a combination of different services or deliveries of goods. Revenue is recognised separately for each item when it is separately identifiable and the customer can benefit from it separately.

When these activities transfer to the customer control of a separate service or property from which the customer can benefit independently of the recurring services, they are treated separately and revenue is recognized without waiting for the recurring services phase. These contracts mainly concern the 'contribution' activity, which includes the delivery of a hardware incorporating the license, which makes the whole inseparable and a maintenance contract over a period of 12 to 24 months. The maintenance contract can be sold independently of the hardware.

When a contract contains several performance obligations, the price is allocated to each of them on the basis of its individual selling price. This selling price is determined on the basis of the 'catalogue' price. The 'catalogue price is the observable price when the entity sells the service separately in similar projects. These contracts mainly concern the 'distribution' activity, which includes, in particular, the delivery of a right of use to a TITAN license, dissociable from hardware, a maintenance contract (which is optional and independent of license sales), in certain cases, a delivery of hardware on which the license will be installed and in certain cases, a service provision for the configuration of the solution.

Cost of sales

Cost of sales amounted to €30.2M in 2019, €31.8M in 2020 and €29.8M in 2021. Cost of sales includes purchases of goods, personnel costs, indirect production costs and transportation costs.

Indirect production expenses include a share of general expenses, production costs, impairment of goods inventories and impairment of receivables.

Gross profit

Gross profit for the last 3 years - IFRS

(In K €)	31/12/2021	31/12/2020	31/12/2019
Gross profit	**48,957**	**38,528**	**36,102**
Of which net sales	78,798	70,104	66,325
Of which cost of sales *	(29,841)	(31,576)	(30,223)
Gross margin in%	**62.13%**	**54.96%**	**54.43%**
* Of which DPA on fixed assets	(437)	(546)	(346)
* * Of which IFRS 2 Share based payment	(94)	(112)	(52)

Operating expenses by function

Research and development costs

Research and development expenses over the last 3 years

(In K €)	31/12/2021	31/12/2020	31/12/2019
Personnel expenses	(17,365)	(12,641)	(9,866)
Other	(340)	(456)	(154)
Amortisation of capitalised R & D costs and technology ranges	(1,180)	(785)	(590)
Depreciation, amortisation and provisions	(1,747)	(1,621)	(1,380)
Taxes and training	(209)	(142)	(153)
Rentals and share of general expenses	(682)	(566)	(517)
Purchases not stored	(337)	(300)	(216)
Travel, Missions and Reception	(47)	(25)	(142)
Share based payments	(377)	(372)	(202)
Capitalisation of R & D costs net of outflows	660	520	421
Research and Development expenses	**(21,625)**	**(16,388)**	**(12,800)**
Research tax credit and innovation tax credit	5,169	3,347	2,535
Subsidies	445	402	695
Research and Development expenditure, net	**(16,011)**	**(12,639)**	**(9,570)**

Subsidies amounting to €445k, recorded in the income statement, mainly correspond to operating subsidies whose main characteristics are as follows:

- The grant for the nested project granted by MINEFI in the amount of €326k. Income recognised in the income statement amounted to €109k over the period.
- The subsidy for the IA4SEC project granted by MINEFI in the amount of €473k. Income recognised in the income statement amounted to €172k over the period.
- The subsidy for the 3EMS project granted by the Brittany Region in the amount of €118k. Income recognised in the income statement amounted to €71k over the period.

Over the past three years, the Company has recognised €16M in R & D costs in 2021.12,7 € m in 2020 and €9.6M in 2019.

The increase between 2020 and 2019 and between 2021 and 2020 is due to two factors: An increase in R & D hires and the entry of Anevia into the scope of consolidation).

R & D expenses increased by 26% between 2021 and 2020 and by 32% between 2020 and 2019. These amounts are net of the research tax credit (CIR) and the innovation tax credit (CII) in the amount of €5.1M in 2021, €3.4M in 2020 and €2.5M in 2019.

Marketing and selling expenses

Marketing and selling expenses over the last 3 years

(In K €)	31/12/2021	31/12/2020	31/12/2019
Personnel expenses	(23,028)	(16,108)	(13,490)
Travel expenses	(671)	(563)	(1,851)
Other	(132)	(618)	(282)
Share of general expenses	(1,007)	(774)	-
Trade shows	(452)	(289)	(938)
Depreciation, amortisation and provisions	(582)	(540)	(460)
Taxes and training	(382)	(259)	(279)
Leases	(240)	(261)	(163)
Share based payments	(592)	(638)	(343)
Marketing and sales	**(27,086)**	**(20,052)**	**(18,588)**

Marketing and sales expenses include staff costs for marketing and selling the Company's products, participation in trade fairs, organisation of seminars and demonstrations with potential customers, marketing tools such as brochures or animated films, travel and travel expenses.

Marketing and sales expenses amounted to €27.0M in 2021, compared to €20.2M in 2020 and €18.6M in 2019. These increases are mainly due to the increase in marketing and sales staff.

General and administrative expenses

General and administrative expenses over the last 3 years

(In K €)	31/12/2021	31/12/2020	31/12/2019
Personnel expenses	(2,737)	(2,099)	(1,731)
Fees	(1,366)	(1,149)	(1,027)
Travel expenses	(17)	(14)	(47)
Depreciation, amortisation and provisions	(154)	(239)	(115)
Share of general expenses	(114)	(118)	(107)
Other	(244)	(199)	(67)
Share based payments	(122)	(86)	(118)
General and Administrative Expenses	**(4,754)**	**(3,904)**	**(3,214)**

General expenses rose from €3.2M in 2019 to €4.1M in 2020 and €4.8M in 2021, an increase of 28% between 2019 and 2020 and an increase of 15% between 2020 and 2021. These increases are due to the full integration of Anevia staff into the workforce.

General and administrative expenses include:

- Salaries and social security charges;

- Real estate and real estate leases;
- Fees;
- Banking and insurance expenses;
- Other administrative expenses.

Other operating income and expenses

In 2020, other operating income and expenses correspond to capital increase costs not eligible for recognition as a deduction from the issue premium, for €723k, and an impact related to the exit of Anevia Inc for €9k.

Share based expenses

Share based expenses

Type (in K €)	31/12/2021	31/12/2020	31/12/2019
Total SO	(309)	(234)	(252)
Total BSA	(129)	(277)	(96)
Total AGM	(748)	(697)	(366)
Share based payment expenses	**(1,186)**	**(1,208)**	**(715)**

All the criteria for the plans are described in the notes to Chapter 18 of this universal registration document.

Net financial income

Net investment result

(In K €)	31/12/2021	31/12/2020	31/12/2019
Amortised cost of the loan	(609)	(313)	(187)
Other financial expenses	(12)	(14)	(1)
Financial income	122	34	26
Foreign exchange gains and (losses)	1,010	(1,089)	(37)
Net investment result	**511**	**(1,383)**	**(199)**

Net financial income for 2021, 2020 and 2019 amounted to €511k, € (1,383) K and € (199) K, respectively. Financial expenses mainly comprise the unwinding of the discount on repayable advances and interest on finance leases.

It is mainly impacted by exchange rate differences over each period presented.

The increase in the cost of financial debt from 2019 to 2021 is mainly due to the impact of IFRS 16.

Income tax expense

At 31 December 2021, the tax benefit borne by the Group amounted to €169k. In 2020, the Group's net income included a tax expense of €86k, compared with income of €76k at 31 December 2019.

Net income for the year

Over the last three financial years, the Group recorded a profit of €1.1M in 2021 compared to a loss of € (0.3) million in 2020 and a profit of €4.6M in 2019.

Earnings per share

Basic earnings per share are calculated by dividing net income attributable to holders of Company shares by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Basic earnings per share

Amount in K €	31/12/2021	31/12/2020	31/12/2019
Net income for the year (in K €)	1,137	(275)	4,607
Weighted average number of shares outstanding for basic earnings	11,167,335	10,585,138	10,437,124
Weighted average number of shares outstanding for diluted earnings	11,591,429	11,027,161	10,708,902
Basic earnings per share (€/share) *	0.10	(0.02)	0.44
Diluted earnings per share (€/share) *	0.10	(0.02)	0.43

(*) from continuing operations following the disposal of the Enterprise business in 2021

7.2.3. Balance sheet analysis

Non current assets over the last 3 years

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Goodwill	12,886	13,186	-
Intangible assets	8,877	10,850	1,716
Property, plant and equipment	3,203	2,889	2,435
Rights of use	2,862	2,616	2,631
Deferred tax assets	1508	1,203	1,328
Other non current financial assets	975	1,198	823
Total non current assets	**30,311**	**31,942**	**8931**

Goodwill amounted to €12886k at 31 December 2021, compared with €13186k in 2020. They correspond to goodwill recognised following the acquisition of Anevia on 26 October 2020. The decrease in goodwill over the period is due to the derecognition of residual goodwill following the disposal of the Enterprise business. Intangible assets do not include any assets with indefinite useful lives. At the time of the acquisition of Anevia, a gross technological value of €9350k was recognised on the Telco and Enterprise product lines using the royalty method. They are amortised over a period of between 9 and 10 years. Amortisation for the year ended 31 December 2021 amounted to €712k.

Property, plant and equipment and office equipment mainly concern the layout of the premises of ATEME SA and Anevia SA

Financial assets mainly consist of security deposits related to the commercial leases of the French company, security withheld paid as part of the financing with Bpi France and loans.

Current assets over the last 3 years

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Inventories	6,558	4,436	3,065
Trade receivables	32,289	31,665	29,333
Other receivables	12,548	8,335	5,462
Cash and cash equivalents	11,447	17,095	10,345
Total current assets	**62,842**	**61,531**	**48,204**

Inventories of raw materials mainly consist of electronic components used in the manufacture of Kyrion and Titan products.

The provision for impairment of customers is mainly established on a case by case basis according to the estimated risk of non recovery and the statistical portion determined in accordance with IFRS 9. In addition, the amounts of net receivables with a maturity of more than 12 months are non material at Group level for the years presented.

In Other receivables, VAT receivables mainly come from deductible VAT and the refund of VAT requested. The increase in the item is due to the research tax credit for the period, repaid 3 years after its recognition. Prepaid expenses relate to current expenses and mainly correspond to insurance premiums and software maintenance costs.

For cash and cash equivalents, current bank overdrafts are immaterial and the Group no longer has a term account at 31 December 2021.

Shareholders' equity over the last 3 years

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Share capital	1,571	1,548	1,465
Additional paid in capital	26,554	25,137	17,307
Translation reserve	291	111	104
Other comprehensive income	(88)	(217)	(115)
Reserves - Group share	10,125	9,257	3,760
Net income - Group share	1,136	(275)	4,607
Total equity	**39,590**	**35,561**	**27,127**

At 31 December 2021, the share capital was set at €1571364. It is divided into 11,224,027 fully subscribed and paid ordinary shares with a nominal amount of €0.14.

At 31 December 2020, the share capital was set at €1548480. It is divided into 11,060,569 fully subscribed and paid ordinary shares with a nominal amount of €0.14.

No dividends were paid in 2021, 2020 or 2019.

Non current liabilities over the last 3 years

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Employee benefit obligations	1,224	1,223	749
Provisions	41	41	36
Deferred tax liabilities	10	28	42
Non current financial debt	15,189	16,154	5,420
Debt on lease obligations	2,201	1,788	1,971
Non current liabilities	**18,665**	**19,234**	**8,176**

Employee benefit obligations consist of the provision for retirement benefits, which varies according to the number of employees (up over the periods presented). The discount rate between 2019 and 2021 increased the provision.

Changes in borrowings (repayable advances and other borrowings) are described in paragraph 8.3. 'Funding needs and funding structure' of this Universal Registration Document.

Current liabilities

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Debt on Anevia acquisition	-	3,738	-
Current financial debt	6,529	4,633	1,252
Lease liability (IFRS 16)	745	909	719
Provisions	-	-	-
Trade payables and related accounts	14,173	14,605	10,399
Tax and social security liabilities	5,728	6,490	3,105
Other creditors and other liabilities	7,723	8,303	6,317
Current liabilities	**34,898**	**36,678**	**21,791**

Debts on the acquisition of Anevia correspond to the amount outstanding at 31 December 2020 following the acquisition of Anevia on 26 October 2020 for a total amount of €21145k and recognised in current liabilities. This amount was paid in the first half of 2021.

The other posts did not require comment.

Changes in borrowings (repayable advances and other borrowings) are described in section 8.3.2 'Financing requirements and funding structure' of this universal registration document.

For provisions, the Group may be involved in legal, administrative or regulatory proceedings in the normal course of its business. The amounts provisioned are valued, on a case by case basis, according to the estimated risks incurred to date by the group, on the basis of requests, legal obligations and opinions issued by the group's lawyers.

Changes in trade payables, tax and social security payables and other payables are linked to changes in the company's business.

Chapitre 8. **CASH AND CAPITAL RESOURCES**

The financial information presented below is based on the consolidated financial statements for the years ended 31 December 2019, 31 December 2020 and 31 December 2021, prepared in accordance with IFRS as adopted by the European Union at the balance sheet date of these financial statements and which are mandatorily applicable at that date.

Pursuant to Article 19 of EU Regulation 2017/1129 of the European Commission, this Universal Registration Document incorporates by reference the following information to which the reader is invited to refer:

- The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2021, included respectively on pages 62 to 129 and page 160; and the management report for the year ended 31 December 2021, included on pages 5 to 31 of the Annual Financial Report filed with the AMF on 28 April 2022
- Link: https://www.actusnews.com/en/telechargement/ATEME/2022/04/28/74254-fy21-ateme rapport financière 2021-28042022-vdef-clean.pdf

- The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2020, included respectively on pages 66 to 130 and page 156; and the management report for the year ended 31 December 2020, included on pages 4 to 31 of the Annual Financial Report filed with the AMF on 29 April 2021 Link: https://www.actusnews.com/documents_communiques/ACTUS-0-68967-fy20-Ateme-rapport-financier-2020-fr.pdf

- The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the year ended 31 December 2019 included respectively on pages 31 to 66 and page 157; and the management report for the year ended 31 December 2019 included on pages 4 to 31 of the Annual Financial Report filed with the AMF on 29 April 2020. Link: https://www.actusnews.com/documents_communiques/ACTUS-0-63228-Ateme-rapport-financier-au-31-12-2019-v2904-1600-clean-vdef.pdf

8.1. CONSOLIDATED SHAREHOLDERS' EQUITY AND FINANCIAL DEBT

Since its creation, the Group has been financed by:

- Capital increases;
- Refunds received in respect of the research tax credit;
- Innovation aid and BPI subsidies, COFACE prospecting insurance;
- Loans from credit institutions.

The most significant capital increase took place in July 2014 following the IPO on EURONEXT PARIS, which allowed it to raise a net amount of fees of €42661k.

The company has not paid any dividends since its creation.

The company's financial debt has grown since 2019, from €6672k at 31 December 2019 to €21718k at 31 December 2021 (excluding the impact of IFRS 16). IFRS debt stood at €24664k at 31 December 2021, in line with its commitments relating to commercial leases.

Current and non current financial debt over the last three years

CURRENT FINANCIAL LIABILITIES AND NON CURRENT (Amount in K €)	**31/12/2021**	**31/12/2020**	**31/12/2019**
Lease liability	2,201	1,788	1,971
Repayable advance	561	1,268	993
Loans from credit institutions	14,628	14,886	4,427
Non current financial debt	**17,390**	**17,942**	**7,391**
Lease liability	745	909	719
Repayable advances	750	782	564
Bank borrowings	5,779	3,848	684
Bank overdrafts	-	3	4
Current financial debt	**7,274**	**5,542**	**1,971**
Total financial liabilities	**24,664**	**23,484**	**9,361**
O/w -1 year portion	7,274	5,542	1,971
Of which 1 to 5 years	17,227	16,146	6,414
Of which due in more than 5 years	163	1,796	975

Principal borrowings taken out in 2020:

- **SOCIETE Generale: PGE**

On 14 April 2020, ATEME benefited from a loan agreement guaranteed by the State, 90% guaranteed by the State, with Société Générale for an amount of €4000k, the purpose of which is to deal with the financial consequences of the COVID-19 pandemic, under the following conditions:

- Duration: 12 months then 60 months
- Rate: 0.5%;
- Reimbursement: Monthly

At the end of 2020, the Company obtained an extension of the repayment period from 12 months to 60 months. Redemptions will begin in April 2021.

The fair value of this loan was determined on the basis of an estimated interest rate of 2.50% per annum as of 31 December 2020. The impact of €78k was considered a financial subsidy. Financial debt is measured at amortised cost.

- **BPIFRANCE: Atout loan**

On 7 April 2020, ATEME benefited from an asset loan agreement with Bpifrance for an amount of €4000k, the purpose of which is to strengthen the financial situation, according to the following conditions:

- Duration: 5 years;
- Rate: 2.5%;

- Repayment: 4 quarters of deferred amortisation followed by 16 quarterly payments from 31 July 2021

- **SOCIETE Generale: 'Equipéa Optima' loan**

On 3 December 2020, ATEME benefited from a single disbursement 'Equipéa Optima' loan agreement with Société Générale for an amount of €4000k, the purpose of which is to partially finance the acquisition of Anevia, under the following conditions:

- Duration: 7 years;
- Rate: 1.49%;
- Reimbursement: 84 monthly payments;

Following the implementation of this banking agreement, the Company is subject to the following financial ratios:

- R1: Consolidated net financial debt/Consolidated Ebitda ≤ 3.5, for the years ended 31 December 2021 and 31 December 2022;
- R1: Consolidated net financial debt/Consolidated Ebitda ≤ 2.5, with fiscal years ending after 31 December 2022.

Principal borrowings taken out in 2021:

- **CIC**

On 30 June 2021, Anevia benefited from a loan agreement guaranteed by the State with CIC for €1000k:

- Duration: 60 months;
- Rate: 0.70%;
- Repayment: Monthly with a delay of 12 months.

The loan is 90% guaranteed by the State.

- **HSBC**

On 22 December 2021, ATEME benefited from a loan agreement guaranteed by the State with Hsbc for €2000k:

- Duration: 12 months;
- Rate: 0%;
- Redemption: Ultimately, with the possibility of spreading the 5 year repayment period.

The loan is 90% guaranteed by the State.

- **Pre financing of the IRC**

On 29 June 2021, ATEME received the amount of the CIR 2020 pre financing. This pre financing is €2030k including interest at an annual interest rate of 3.65%.

The final maturity date is 30 June 2024.

The debt relating to the CIR's pre financing is recorded as a loan net of collateral withholding and the CIR receivable is reconstituted as an asset.

On 2 November 2021, Anevia contracted a loan for the pre financing of the CIR 2021. The programme amounts to €993k including interest. The interest rate is 3.65% per annum. The final maturity date is 30 June 2025.

The debt relating to the CIR's pre financing is recorded as a loan net of collateral withholding and the CIR receivable is reconstituted as an asset.

Available credit lines

The Company has the following available credit lines:

- Credit facility lines with its banking partners in the amount of €150k, unused as of 31 December 2021.

Cash and cash equivalents (assets less bank overdrafts) amounted to €11447k at 31 December 2021, compared with €17092k at 31 December 2019 and €10341k at 2018.

The table below shows changes in shareholders' equity between 2018 and 2021.

Change in consolidated shareholders' equity

(Amounts in K €)	Share capital	Share premium	Reserves and net income	Translation adjustments	Actuarial gains and losses	Equity, Group share
At 31 December 2018	**1,457**	**16,983**	**3,052**	**118**	**(73)**	**21,537**
Net income 2019	-	-	4,607	-	-	4,607
Other comprehensive income	-	-	-	(14)	(42)	(56)
Comprehensive income	**-**	**-**	**4,607**	**(14)**	**(42)**	**4,550**
Vesting of free shares	1	(1)	-	-	-	-
Exercise of stock options	7	325	-	-	-	332
Cancellation of treasury shares resulting from the liquidity contract (change)	-	-	(9)	-	-	(9)
Share based payments	-	-	715	-	-	715
At 31 December 2019	**1,465**	**17,307**	**8,366**	**104**	**(115)**	**27,127**
Net income 2020	-	-	(275)	-	-	(275)
Other comprehensive income	-	-	-	7	(102)	(95)
Comprehensive income	**-**	**-**	**(275)**	**7**	**(102)**	**(370)**
Issuance of new shares	70	7,390	-	-	-	7,460
Vesting of free shares	4	(4)	-	-	-	-
Exercise of stock options	9	444	-	-	-	453
Cancellation of treasury shares resulting from the liquidity contract (change)	-	-	132	-	-	132
Share based payments	-	-	1,208	-	-	1,208
Capital increase costs	-	-	(450)	-	-	(450)
At 31 December 2020	**1,549**	**25,137**	**8,981**	**111**	**(217)**	**35,560**
Net income 2021	-	-	1,137	-	-	1,137
Other comprehensive income	-	-	(22)	180	130	288
Comprehensive income	**-**	**-**	**1,115**	**180**	**130**	**1,425**
Issuance of new shares	10	1,113	-	-	-	1,123
Vesting of free shares	7	(7)	-	-	-	-
Exercise of stock options	6	311	-	-	-	317
Cancellation of treasury shares resulting from the liquidity contract (change)	-	-	(22)	-	-	(22)
Share based payments	-	-	1,187	-	-	1,187
At 31 December 2021	**1,571**	**26,554**	**11,261**	**291**	**(88)**	**39,590**

8.2. CONSOLIDATED CASH FLOWS

Simplified cash flow statements

(Amounts in K €)	31/12/2021 Audited 12 months	31/12/2020 Audited 12 months	31/12/2019 Audited 12 months
Cash flow from operating activities	**(552)**	**6,007**	**5,364**
Of which cash flow	*7,453*	*5,102*	*8,587*
O/w change in WCR	*(9,126)*	*778*	*3,224*
Cash flows from investing activities	**(7,123)**	**(9,311)**	**(1,850)**
Cash flows from financing activities	**1,908**	**9,949**	**583**
Change in cash and cash equivalents	**(5,645)**	**6,751**	**4,135**
Cash and cash equivalents at beginning of period	17,092	10,341	6,206
Impact of exchange rate fluctuations	121	106	39
Closing cash and cash equivalents	11,447	17,092	10,341

8.2.1. CASH FLOW FROM OPERATING ACTIVITIES

Cash flows from operating activities for the years ended 31 December 2021, 31 December 2020 and 31 December 2019 amounted to € (552) thousand, €6007k and €5364k, respectively.

8.2.2. CASH FLOWS FROM INVESTING ACTIVITIES

Cash used in investing activities for the years ended 31 December 2021, 31 December 2020 and 31 December 2019 amounted to € (7,123) K, € (9,311) K and € (1,850) K, respectively.

Changes mainly concern the capitalisation of R & D costs, acquisitions of intangible assets and property, plant and equipment (explained in paragraph 5.7. of this Universal Registration Document) and the entry of Anevia into the Group's scope of consolidation at the end of 2020 (see section 7.2.3 of this Universal Registration Document)

8.2.3. Cash flows from financing activities

Cash flows from financing activities for the years presented are as follows:

Cash flows from financing activities

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Exercise of stock options	1,440	453	332
Allocation of capital increase costs	-	(450)	-
Collection of new borrowings	5,430	12,078	2,067
Gross interest paid	(563)	(242)	(101)
Repayment of conditional loans and advances	(3,654)	(975)	(1,189)
Repayment of IFRS16 debt	(794)	(859)	(783)
Changes in assets related to financing flows	50	(56)	257
Cash flows from financing activities	**1,909**	**9,949**	**583**

In 2021, the Company increased its debt by obtaining loans for €5.4M, which enabled it to increase its cash position (see section 8.1. of this Universal Registration Document 'Consolidated shareholders' equity and Group debt' for more details). The company also repaid €3.7M in conditional loans and advances, which reduced its cash position.

In 2020, the Company increased its debt by obtaining 3 loans for €12M, which increased its cash position (see section 8.1. of this Universal Registration Document 'Consolidated shareholders' equity and Group debt' for more details).

8.3. FUNDING REQUIREMENTS AND FUNDING STRUCTURE

Positive cash flows from operating activities and financing activities (mainly borrowings) finance investment activities.

The company also partially finances its research and development expenses through the research tax credit. (See section 8.3.1 of this Universal Registration Document)

8.3.1. Funding through the research tax credit

Amount of research tax credit over the last 3 years

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Research tax credit	5,169	3,347	2,535

Since its creation, the Company has benefited from the research tax credit ('CIR'). The Company benefits from public financing to which all innovative companies have access, in particular the research tax credit ('CIR'). Research expenses eligible for the RIC include salaries and wages, consumables, operating expenses, patent maintenance costs and technology watch expenses. Until 31 December 2019, she was entitled to the immediate return of the CIR.

As the company is no longer considered as a Community SME as of 31 December 2020, and in the event of the absence of the possibility of charging its CIR against its corporate tax due in the same year, the reimbursement will be made after three years. To this end, the company will have to find alternative pre financing financing.

8.3.2. Financing through repayable advances and grants

Change in repayable advances and reduced rate loans

(Amounts in K €)	31/12/2021	31/12/2020	31/12/2019
Repayable advances and other reduced rate loans	1,310	2,050	1,557

The Group benefited from six repayable advance programmes in the fiscal years presented. All the characteristics of these advances are described in Chapter 18.01.06 of this Universal Registration Document.

8.3.3. Financing by lease commitment

The amount of debt per lease commitment was €2945k in 2021 compared to €2696k in 2020 and €2689k in 2019 (debt relating to finance leases in accordance with IAS 17).

8.4. POSSIBLE RESTRICTION ON THE USE OF CAPITAL

The 'Equipéa Optima' loan is subject to compliance with certain covenants detailed in 8.1 of this Universal Registration Document.

8.5. EXPECTED SOURCES OF FUNDS

As indicated in paragraph 3.3.1. 'Liquidity risk,' on the date of publication of this universal registration document, the Company carried out a specific review of its liquidity risk and adopted the principle of going concern on the basis of the following elements:

- Available cash of €11447k at 31 December 2021, including in 2021 a PGE loan obtained for €1000k from CIC, a PGE obtained for €2000k from Hsbc, pre financing from CIR 2020 for €2030k;
- Available cash of €17092k at 31 December 2020, including a PGE loan obtained for €4000k from Société Générale, an asset loan of €4000k from Bpifrance and a 'Equipéa Optima' loan of €4000k from Société Générale. The 'Equipéa Optima' loan is subject to compliance with certain covenants detailed in 8.1 of this Universal Registration Document;
- A cost structure controlled in 2021.

The financial statements for the year ended 31 December 2021 have been approved by the Board of Directors on a going concern basis in view of the business and cash flow forecasts for more than 12 months and, as of the date of this universal registration document, the Company considers that it will be able to meet its 12 month maturity.

The Company has not obtained any additional financing since 31 December 2021.

In addition, the Company continues to explore complementary financing solutions to support its development strategy and accelerate its transformation.

Chapitre 9. **REGULATORY ENVIRONMENT**

9.1. REGULATIONS APPLICABLE TO ATEME'S ACTIVITIES

The Group operates in a complex, evolving and multi jurisdictional regulatory environment. This chapter presents the main applicable regulations by focusing on the geographic areas in which the Group is most active. The rules applicable to all types of companies (company law, labor law, taxation) are not mentioned here, although of course they apply to the different companies of the Group. As part of the process of harmonization within the European Union, the rules applicable in the different Member States of the Union tend to be closer and on many subjects the differences are now minor.

9.1.1. Stock market regulations

As the securities issued by the Company are admitted to trading on a regulated market (Euronext Paris), the Company must comply with the stock market regulations applicable to French issuers, in particular the following provisions:

• French Monetary and Financial Code (Book IV);

• General Regulation of the Autorité des Marchés Financiers (available on the AMF website: https://www.amf-France.org), in particular the provisions of Book II applicable to issuers and financial information.

9.1.2. Regulation of electronic waste

The products marketed by the Group include various electrical and electronic compounds with a high potential for recycling the materials that make up them. The Group must comply with waste recovery rules (in France these rules are defined in the French Environment Code) and in particular the ROHS Directive 'Restriction of the use of certain Hazardous Substances in electrical and electronic equipment.' 'This system aims to' restrict the use of certain hazardous substances in electrical and electronic equipment 'the RoHS Directive is increasingly used in the electrical and electronic industries. This directive was officially adopted in July 2006 by the European Union with the aim of protecting humans and the environment from hazardous chemicals found in electronic and electrical products. Since 1 July 2006, all electrical and electronic products sold in the European Union must be compatible with the requirements of the RoHS standard. This RoHS standard or 'lead free directive' effectively limits the use of 6 substances by 0.1% per unit weight of homogeneous material: Lead: This material is frequently used in the manufacture of batteries, televisions and screens. RoHS limits the use of lead to 1000ppm (Part Per Million).

Mercury: Mercury has been used in the manufacture of fluorescent lamps, printed circuit boards, aluminium galvanization, steam lamps, thermostats and fuel cells. The RoHS Directive limits mercury use to 1000ppm.

Cadmium: Cadmium, which has been limited to 100ppm, can act as a stabiliser for some plastics and is used in nickel cadmium batteries, galvanising, Universal Registration Document 2020 79/297 pigment production, soda, brazing alloys, alarm systems, automatic sprinklers as well as in nuclear protection.

Le Chrome Exavalent: Used in photography, paints, plastics and stainless steel products, this material is limited by the RoHS Directive to 1000ppm.

- Polybrominated biphenyls (PBB): They are used in plastic foams, flame retardant products and certain plastics used in household appliances. The RoHS Directive limits the use of polypromobiphenyls to 1000ppm.

- Polybrominated diphenyl ether (PBDE): They are used in household appliances, printed circuits and capacitors. The RoHS directive limits the use of polybrominated diphenyl ether to 1000ppmThe Group ensures that its suppliers of electronic components comply with these regulations.

9.1.3. Local and sector regulations

The Group's activities are not subject to any specific sector regulations that could have a direct impact on its financial position. However, since the Group generates most of its revenues internationally, it must comply with local regulations put in place by the various States, the competent authorities and international organizations. The laws and regulations to which the Company is subject apply in many areas, such as the supervision of business practices, competitive practices, the fight against corruption, personal data management, corporate governance, labor laws, internal controls, local and international tax regulations, compliance of high tech products intended for export.

The Group may face substantiated or unsubstantiated allegations that it has failed to comply with applicable national or international regulations. This could damage its reputation, potentially damage its growth prospects and weigh on its financial performance. Any substantial change in these laws and regulations may have an impact on the Group's activities.

The Group ensures that all of these standards are compliant and therefore limits its exposure to this type of risk with its legal department and external advisers.

9.1.4. Intellectual property regulations

The products and services marketed by the Group use innovative technologies, the protection and use of which are governed by intellectual property law. This mainly concerns software created or used by the Group (copyright) and inventions (patent rights), but also to a lesser extent trademark law and registered model law. These rules are, to a fairly large extent, unified at the global level (eg: Paris Convention for the Protection of Industrial Property, Bern Copyright Treaty) and codified in French law (in France, in the Intellectual Property Code)

The Group, which specialises in the development and manufacture of video compression equipment and software, is subject to certain intellectual property regulations, and more specifically the rules relating to the audiovisual sector, in particular following the inclusion of SMAD in the scope of application of 42 broadcasting, made effective by Act No. 2009-258 of 5 March 2009 on audiovisual communication and the new public television service and related decrees.

Directive 2001/29/EC of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society. This directive aims to harmonise the legal protection of copyright and related rights with a particular emphasis on the information society.

9.1.5. Personal data protection regulations

As part of its business and the solutions it markets, the Group may process information subject to laws and regulations relating to the protection of personal data in Europe as well as in other regions where the Group operates. The processing of personal data is carried out only by the Group's customers using the technology produced by the Group and its subsidiaries, in their capacity as data controller.

The GDPR laid down the new regulatory framework for the protection of personal data in Europe as soon as it came into force on 25 May 2018.

The GDPR applies to automated or non automated processing of personal data. Personal data is broadly defined as any information relating to a natural person identified or identifiable directly or indirectly, regardless of the country of residence or nationality of that person. The GDPR has three objectives:

- Strengthen the rights of natural persons, in particular by creating a right to the portability of personal data and provisions specific to minors;
- Make those involved in data processing (processing managers and subcontractors) accountable;
- Give credibility to regulation through enhanced cooperation between data protection authorities, which will be able to adopt joint decisions when data processing is transnational and strengthened sanctions. To this end, the GDPR:
- Introduces data protection principles ‘from design’ and ‘default’;
- Provides for a reduction of the reporting formalities to the supervisory authority and a strengthening of the responsibility of the processing managers and subcontractors, requiring them to demonstrate at all times and on a continuous basis compliance with the rules imposed by the GDPR, in particular through the implementation of technical and organisational measures and an obligation of documentation (principle of responsibility);
- Strengthens the rights of those affected by the processing, in particular by the introduction of additional information on, for example, the legal basis of the processing, the legitimate interests pursued by the controller, the right to the limitation of the processing of data and the portability of data and where the processing is based on consent, the right to withdraw his consent;
- Requires the maintenance of a register of treatments implemented;
    - Strengthens the security obligations of the processing responders;
- Requires notification of data breaches to the supervisory authority and to the persons concerned;
- Order, for at risk treatments that handle sensitive data, to conduct a comprehensive impact study showing the characteristics of the treatment, the risks and the measures adopted;
- Provides for specific obligations for subcontractors. The GDPR also offers Member States of the European Union (the ‘Member States’) the opportunity to adopt local specificities. France used this option in the context of the law of 20 June 2018, amending law no. 78-17 of 6 January 1978 relating to computers, files and freedoms. Therefore, in addition to the GDPR, local data protection laws should be taken into account in the countries in which the Group is established or offers services. For example, the GDPR offers Member States the opportunity to lower the age of digital majority, provided that this age is not below 13 years. In France, the legislator has set the digital majority at 15 years, and has provided for specific rules for the processing of data relating to minors. French law also authorises group actions in the area of data protection: An association or organisation may be authorised to make a claim on its behalf to CNIL, to appeal to the National Commission for Informatics and Freedoms (CNIL) or to a controller or subcontractor. The Group is part of a compliance process that is being rolled out within the various Group entities concerned by these regulations and is constantly evolving in accordance with the spirit

of the regulations. For example, the Group updated its policy on the protection of the personal data of its services and implemented a contact procedure via a dedicated email address. In addition, as of the date of the Universal Registration Document, the actions currently being finalised within the Group concern in particular the data security policy, the updating of the data mapping, the improvement of data security and the inclusion of clauses relating to personal data in the various Group contracts.

The GDPR compliance process at Group subsidiary level is harmonised from the parent company, as the main person in charge of collecting, storing and processing all Group data. Depending on the shortcomings, failure to comply with the GDPR provisions could lead to the imposition of sanctions of up to 20 million euros or 4% of global annual sales, it being specified that the highest amount will be that taken into account. The Group believes that it can comply with the significant provisions of the GDPR before the end of 2020.

9.1.6. Export related regulations

Because the Group uses increasingly sophisticated technologies and develops its international sales that may be used in the field of Defence and Security, which are subject to restrictions in certain countries, it must comply with applicable export control rules (dual use products, countries or persons subject to restrictive measures). European exporting companies are particularly affected by Council Regulation (EC) No 428/2009 of 5 May 2009 'establishing a Community regime for the control of exports, transfers, brokering and transit of dual use goods' (regularly amended since 2009). The Group must pay particular attention to the extraterritorial application of certain regulations, in particular the rules enacted by the United States of America that may apply due to the use of technologies or components of American origin even when the manufacturer is not himself American (see chapter III. 'Risk factors').

Chapitre 10. **TREND INFORMATION**

10.1. MAIN TRENDS

10.1.1. MAIN TRENDS SINCE 31 DECEMBER 2021

Press release of 5 May 2022 on first quarter sales

ATEME generated revenue of 19.8 million euros in the first quarter of 2022, up 34% on a current basis and 28% on a comparable basis.

Revenue in the EMEA region remained virtually stable at 6.07 million euros (down 1% year on year and 2% on a comparable basis), despite a difficult basis of comparison with the 77% increase recorded in the first quarter of 2021.

The United States/Canada region generated revenue of 7.26 million euros, up 37% (28% on a comparable basis), making it the dominant market with 37% of total revenue.

Sales in Latin America increased by 21% to 2.09 million euros and by 14% on a comparable basis.

The Asia Pacific region recorded remarkable growth of 170% (153% on a comparable basis) with revenues of 4.4 million euros and a significant contribution from most of the countries in which ATEME operates, including Australia, China, India, Korea, Malaysia, Singapore and Vietnam.

Recurring monthly income (MRR) rose from €1960k in January 2022 to €2011k in April 2022. This growth is limited, as it was in the first quarter of 2021, due to seasonal factors, the first quarter being usually the least active of the year.

The return of trade fairs

After a two year break, the NAB Show, the industry benchmark, reopened last week in Las Vegas. While the overall attendance of the show was around 60% compared to pre COVID levels, visits to the ATEME stand were very strong, close to 90% of the level of previous years.

This was an opportunity for ATEME to demonstrate, for the first time, the potential of its end to end OTT broadcasting solution Titan + Nea, and to arouse strong interest from key US players, current and prospective customers.

Notable demonstrations include:

- Low latency OTT broadcasting in the cloud allowing streaming platforms to improve the quality of their subscribers' experience;
- Monetisation through dynamic advertising for OTT and NextGenTV; latest standard for terrestrial TV reaching 400 million people across the United States;
- 5G streaming for a more engaging audience experience in stadiums;
- Reduced carbon footprint of the end to end video channel thanks to the innovation of compression, streaming and broadcasting solutions.

10.2. FACTORS THAT MAY AFFECT ATEME'S PROSPECTS

The overall operating environment remains difficult in early 2022 due to the COVID situation and problems affecting global supply chains and the situation in Ukraine. Supply chains around the world are not expected to return to normal before 2023, resulting in delays in the delivery of certain projects in which a material component is taken into account.

Nevertheless, ATEME continues to innovate and invest to continue to win market share.

Chapitre 11. **PROFIT FORECASTS OR ESTIMATES**

11.1. PREVIOUS PUBLICATIONS OF FORECASTS OR ESTIMATES

The financial targets projected revenue growth of 10 to 15%, and EBITDA in the range of 5 to 10 million euros for 2022 and 2023, in parallel with the ongoing development of recurring monthly revenues, with a target of 3 million euros by 2024.

11.2. NEW FORECAST OR ESTIMATE

The strength of the end of 2021, the strong growth in the first quarter of 2022 and the knock on effect of the NAB Show led ATEME to raise its financial targets. The Group now expects revenue growth of 15 to 20% (on a comparable basis) for the current financial year (compared with previously announced growth of 10 to 15%) and EBITDA close to 10 million euros (compared with a range of 5 to 10 million euros previously). The Company maintained its target of 3 million euros in recurring monthly income in 2024.

11.3. FORECAST OR ESTIMATE STATEMENT

None.

Chapitre 12. ADMINISTRATIVE BODIES, MANAGEMENT AND SUPERVISORY BOARD AND EXECUTIVE MANAGEMENT

12.1. GENERAL INFORMATION

12.1.1. Board of Directors and Company Committees

As of the date of this Universal Registration Document, the Company is incorporated as a société anonyme with a Board of Directors. The Company is managed by a Chairman and Chief Executive Officer.

The Company's Board of Directors is supervised by an Audit Committee, a Compensation Committee and a Strategic Committee, the composition and operation of which are detailed in paragraph 14.3 'Information on Committees' of this Universal Registration Document.

Article 18 of the Company's bylaws provides for the possibility for the Board of Directors to appoint non voting directors. The composition and functioning of the non voting board are detailed in paragraph 14.4 'The non voting board' of this Universal Registration Document.

Name and surname	Mandate/Operational function within the Company	Main offices and activities held over the last 5 years	Directorships and positions held on the Company's Committees
Michel Artières	Chairman and Chief Executive Officer	Chairman of ATEME Inc. Chairman of ATEME Canada Manager of Sereitra	Member and Chairman of the Strategy Committee
GAUDETO sprl represented by Jacques Galloy	Director	No other significant office or activity outside the Company	Member and Chairwoman of the Audit Committee Member of the Nomination and Compensation Committee Member of the Strategy Committee
Benoit Fouchard	Director	Head of the European Automotive Market at	Member of the Nomination and

Name and surname	Mandate/Operational function within the Company	Main offices and activities held over the last 5 years	Directorships and positions held on the Company's Committees
		Simulation Software Publisher MSC Software Regional Director Western Europe at Peak Scientific SARL	Compensation Committee Member of the Strategy Committee
Joanna Darlington	Director	Director of EBI (Euro Broadcast Infrastructure) ASSOCIEE Finsbury Glover Hering	Member of the Audit Committee Member and Chairwoman of the Nomination and Compensation Committee

The persons mentioned above have, for their business address, the Company's registered office at 6 rue Dewoitine -78140 Vélizy Villacoublay, France.

Management of ATEME

Michel Artières, Chairman and Chief Executive Officer since 27 March 2002

Michel Artières is co founder, Chairman and Chief Executive Officer of ATEME.

Previously, at the Directorate General of Arms, Michel Artières led a research team in the field of image processing. In particular, he carried out work on the compression without loss of very high resolution images, and on the restoration of highly noisy images. Michel Artières graduated as an engineer in Supélec Paris, specialising in signal processing and telecommunications.

Since 23 September 2020, Michel Artières has been remunerated for his duties as Chief Executive Officer under a mandate agreement as indicated in paragraph 14.2 'Information on service contracts' of this Universal Registration Document.

ATEME Board of Directors - members on the URD registration date

GAUDETO sprl, independent director since 23 January 2015 represented by its permanent representative Jacques Galloy

GAUDETO sprl is a foreign company whose registered office is located at 46 chemin du Frise (4671) Blegny in Belgium. GAUDETO sprl is an investment and advisory company specialising in media and technology companies.

It is represented by Jacques Galloy, founder and Managing Partner of GAUDETO sprl. He has over twenty (20) years of experience in corporate management and international expansion in the capital and business markets. For twelve (12) years and until 2014, he was a member of EVS 'Board of

Directors and CFO, world leader in a technology niche in television, a listed company, and top 30 in Belgium. He co founded and chaired the Board of Directors of Dcinex for eight (8) years until 2013.

Benoit Fouchard, director since 23 December 2005

Benoit Fouchard is responsible for the European automotive market at the simulation software publisher MSC Software, which he joined in 2016. From 2001 to 2015, Benoit Fouchard was successively commercial director of ATEME and then director of strategy from 2010 until 30 June 2015, the date of his departure from the company, in charge of defining the positioning and vectors of growth of the company. Before joining ATEME in 2001, Benoît Fouchard held international business development positions with the IT logistics specialist ModusLink and was a major artisan of the group's expansion in Southern and Eastern Europe.

Benoît Fouchard is a graduate of HEC Paris and CEMS.

Joanna Darlington, independent director since 9 June 2015

Joanna Darlington is Director of Financial Communication and Director of Transformation at Eutelsat, Europe's leading satellite operator.

Before joining Eutelsat, Joanna was a consultant at KPMG Makinson Cowell. Previously, she held management positions at BNP Paribas where she led European equity research and at ABN AMRO in similar positions.

Joanna Darlington is a British citizen and a graduate of Cambridge University.

Members who resigned from 1 January 2021 to the registration date of the URD

No member of the Company's administrative, management, supervisory and executive management bodies resigned between 1 January 2021 and the registration date of the URD.

12.1.2. Company statements

To the Company's knowledge:

- There are no family ties between the persons mentioned in paragraph 12.1 above. 'General information';
- No conviction for fraud has been pronounced in the last five (5) years for the persons mentioned above in paragraph 12.1. 'General information';
- No bankruptcy, receivership, liquidation or placement of companies under judicial administration concerns the persons mentioned above in paragraph 12.1. 'General information';
- No statutory or regulatory authority has issued an official public indictment or sanction against the persons mentioned above in paragraph 12.1. 'General information'; and
- No person mentioned above in paragraph 12.1. 'General information' has not been lost, in the last five (5) years, by a court of the right to hold the position of member of an administrative, management or supervisory body of an issuer or to participate in the management or conduct of the affairs of an issuer.

12.2. CONFLICTS OF INTEREST AT THE LEVEL OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND GENERAL MANAGEMENT

12.2.1. Conflicts of interest

At the time of their appointment, each member of the Board of Directors is made aware of their responsibilities: He/she is encouraged to observe the rules of ethics relating to the obligations resulting from his/her term of office, to comply with the legal rules on multiple terms of office, to inform the Board of Directors in the event of a conflict of interest occurring after obtaining his/her term of office, to be diligent at meetings of the Board of Directors, to ensure that he/she has all the necessary information on the agenda of Board of Directors' meetings before making any decision and to respect professional secrecy (Recommendation R1 of the MiddleNext Code).

Each member of the Board of Directors strives to avoid any conflict that may exist between his or her moral and material interests and those of the Company. In cases where he can not avoid finding a conflict of interest, he refrains from participating in the debates and any decision on the matters concerned (Recommendation R2 of the MiddleNext Code).

To the best of the Company's knowledge, there are no situations of potential conflicts of interest between the private interests or the duties of any member of the Executive Management or any member of the Board of Directors with respect to the Company.

12.2.2. Arrangement or agreement

To the best of the Company's knowledge, no agreement or arrangement or agreement has been entered into with the principal shareholders or with customers, suppliers or others pursuant to which any of the persons referred to in paragraph 12.1. 'General information' has been appointed as a member of an administrative, management or supervisory body or as a member of the general management.

12.2.3. Restrictions on the sale of ATEME shares for members of a management or supervisory body or General Management

To the best of the Company's knowledge, there are no restrictions accepted by the persons referred to in paragraph 12.1. 'General information' concerning the sale, for a given period, of the Company's shares they hold.

Chapitre 13. COMPENSATION AND BENEFITS

In accordance with Article L. 22-10-08 of the French Commercial Code, the compensation policy for corporate officers is established by the Board of Directors.

The tables in this chapter have been prepared in the format recommended by AMF position recommendation No. 2021-02.

13.1. REMUNERATIONS PAID AND BENEFITS IN KIND GRANTED

13.1.1. 2021 AND 2022 COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER AND COMPENSATION PRINCIPLES 2021

The compensation policy for the Chairman and Chief Executive Officer for 2021 provides for the following:

- A fixed annual compensation. The compensation policy for corporate officers is set by the Board of Directors, on the recommendation of the Compensation Committee, and is reviewed annually to determine any adjustments to be made. Any other revision of the remuneration policy outside this timetable follows the same procedure. The fixed compensation of the Chairman and Chief Executive Officer is intended to compensate for the responsibilities and duties assigned to this function by law. The determination of the amount of this remuneration also takes into account the skills and experience of the beneficiary.

- Short term variable compensation, subject to performance conditions and representing a maximum gross amount of euros180,000. Variable annual compensation is based on quantifiable criteria that are predominant and qualitative criteria.

These remuneration principles will also apply for 2022.

13.1.2. COMPENSATION PAID TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR 2020 AND 2021

We remind you that Michel Artières received fixed compensation in respect of his term of office as Chairman and Chief Executive Officer of the Company during the past financial year pursuant to a corporate office agreement approved by the Board of Directors of the Company on 23 September 2020 retroactive to 1 July 2020 on the recommendation of the Compensation Committee.

The Board of Directors therefore unanimously decided to set for the financial year a gross annual compensation of euros175,000 payable monthly over a period of 12 months, i.e. a monthly amount of euros14,583.

Michel Artières may also receive variable compensation of a maximum amount of euros180,000, broken down as follows:

- euros60,000 based on a gross margin target identical to that of the Executive Committee;
- euros60,000 based on a net income target identical to that of the Management Committee;

- euros30,000 based on a 'Monthly reccuring revenue' target;

- euros30,000 in exceptional bonus linked to qualitative objectives relating to the integration of Anevia.

As a result, the Board of Directors duly decided on the compensation policy for the Chairman and Chief Executive Officer in accordance with Article L. 225-37-2 of the French Commercial Code and Recommendation No. 13 of the Middlenext Code.

As a director of the Company, compensation for his duties (formerly called directors' fees) may be paid to the Chairman of the Board of Directors based on his attendance at the various meetings of the Board of Directors held during each financial year.

During the financial year ended 31 December 2021, no compensation in respect of his directorship was paid to the Chairman and Chief Executive Officer.

As Michel Artières receives for the second time compensation in respect of his corporate office and in accordance with the provisions of Article L. 225-37-3 I 6° of the French Commercial Code, it is specified that the compensation of the Chairman and Chief Executive Officer for the 2021 financial year may be compared for this first financial year with the following data on the average and median compensation applied within the company on a full time basis in 2022:

(i) Average: Euros81586
(ii) Median: Euros61146

Pursuant to Article L. 225-37-3 I 6° of the French Commercial Code, the ratio for 2021 between the level of the compensation of the Chairman and Chief Executive Officer and the average compensation as mentioned above is 4 and the ratio between the level of the compensation of the Chairman and Chief Executive Officer and the median compensation is 5.

(In euros)	**31/12/2021**	**31/12/2020 (a)**
Michel Artières - Chairman and Chief Executive Officer - Director		
Compensation due for the year (a)	318,173	366,759
Value of options granted during the year		
Value of free shares granted	46,860	
TOTAL	**365,033**	**366,759**

(A) Fees including tax due to SEREITRA, of which Michel Artières is the Executive Chairman, for the period from 1 January 2020 to 30 June 2020, then compensation of Michel Artières under his corporate office contract for the period from July 1 to 31 December 2020.

(In euros)	**31/12/2021**		**31/12/2020 (a)**	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Michel Artières - Chairman and Chief Executive Officer - Director				
Fixed compensation (a)	175,000	175,000	274,340	274,340
Annual variable compensation	143,173	107,790	63,195	15,790
Multi year variable compensation				
Exceptional compensation			29,224	0
Remuneration of the director in respect of his mandate (formerly called attendance fees)				
Benefits in kind				

TOTAL	**318,173**	**282,790**	**366,759**	**290,130**

(A) Fees including tax due to SEREITRA, of which Michel Artières is the Executive Chairman, for the period from 1 January 2020 to 30 June 2020, then compensation of Michel Artières under his corporate office contract for the period from July 1 to 31 December 2020.

13.1.3. Compensation paid to directors for 2020 and 2021

The compensation allocated to directors is part of an overall allocation approved by shareholders at the Annual General Meeting.

Under the terms of the deliberations of 9 June 2021, the General Meeting authorised the allocation of an amount of euros100000 as directors' fees to be distributed among the directors until the meeting of the Board of Directors deciding on the annual financial statements for the current financial year.

Pursuant to the decisions of 26 January 2022, the Board of Directors, after consulting the Compensation Committee, decided to allocate the sum of euros55125 in directors' fees.

In accordance with recommendation R10 of the Middlenext Code, the allocation of directors' fees was determined by the Board of Directors based on the directors' attendance at meetings of the Board of Directors and, where applicable, the committees and the time they devote to their duties. In particular, the conditions for the allocation of directors' fees are as follows: Condition of presence and condition of participation (preparation of the meeting, participation in the meeting and drafting of minutes); application of a fixed scale by type of meeting (Board, Committees, etc., Chairman or not).

It will be determined in the same way for the year ended 31 December 2022.

None of the corporate officers listed below and members of the Company's Board of Directors is bound by an employment contract.

Non executive corporate officers (members of the Board of Directors) **(In euros)**	**Amounts granted during the year ended 31/12/2021**	**Amounts granted during the year ended 31/12/2020**
Benoît Fouchard		
Directors' fees	20,563	24,500
Other remuneration		-
Joanna Darlington		
Directors' fees	16,625	24,500
Other remuneration		-
Gaudeto sprl represented by Jacques Galloy		
Directors' fees	17,938	28,000
Other remuneration		-
TOTAL	**55,125**	**77,000**

13.1.4. INCENTIVE PLAN AND BONUSES

History of share subscription or purchase options granted during the fiscal year by each corporate officer

None

History of free share grants to each corporate officer

Information on stock options		
Date of the meeting	08.06.17	**TOTAL**
Date of Board meeting	05.11.18	
Total number of shares that may be subscribed or purchased, the number of which may be subscribed or purchased by:	69,000	69,000
Corporate officers:		
Michel Artières, Chairman and Chief Executive Officer and Director	25,000	25,000
Start date for exercising options	(1)	(1)
Expiry date	04.11.26	04.11.26
Subscription or purchase price	10.80 €	10.80 €
Exercise conditions (when the plan includes several tranches)	(1)	(1)
Number of shares subscribed at 31.12.2021	5,000	5,000
Cumulative number of share subscription or purchase options expired or cancelled	18,000	18,000
Subscription or purchase options remaining at the end of the year	**46,000**	**46,000**

Stock options granted to and exercised by the top 10 employee beneficiaries other than corporate officers	**Total number of options granted/shares subscribed or purchased**	**Weighted average price**	**1 Plan**
Options granted during the fiscal year by the Company and any company included in the scope of allocation of options to the ten employees of the Company and of any company included in this scope, whose number of options thus granted is the highest (global information)	28,500	15.30 €	05.05.21
Options held on the Company and the companies referred to above, exercised during the financial year by the ten employees	24,025	7.79	

of the Company and these companies, whose number of options thus purchased or subscribed is the highest (overall information)			

3000 free shares were granted to the Chairman and Chief Executive Officer in 2021.
These free shares are subject to presence conditions.

13.2. AMOUNTS PROVISIONED OR CONSTATED BY ATEME OR ITS SUBSIDIARIES FOR THE PAYMENT OF PENSIONS, PENSION OR OTHER BENEFITS

For the persons referred to in paragraph 12.1. 'General information,' there are no benefits for them:

(i) No pension commitment or other similar benefits, other than those granted under the basic and mandatory supplementary pension plan,

(ii) No compensation or benefits due or likely to be due as a result of the termination or change of duties,

(iii) No compensation relating to a non competition clause.

Executive corporate officers	**Employment contract**		**Supplementary pension plan**		**Indemnities or benefits due or likely to be due as a result of termination or change of duties**		**Compensation relating to a non compete clause**	
	YES	**NO**	**YES**	**NO**	**YES**	**NO**	**YES**	**NO**
Michel Artières Chairman and Chief Executive Officer Start of term: 27 March 2002 Term of office expires at the end of the Ordinary General Meeting called to approve the financial statements for the year ended 31 December 2026		X		X		X		X

Chapitre 14. FUNCTIONING OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

14.1. TERMS OF OFFICE (EXPIRY DATE AND TERM OF OFFICE)

14.1.1. MANAGEMENT OF ATEME

In accordance with the decisions taken by the Company's shareholders on 9 June 2015, Michel Artières was appointed as a director for a term of 6 years, i.e. until the end of the Ordinary General Meeting called to approve the financial statements for the year ended 31 December 2020, which will be held on 9 June 2021.

At its meeting of 27 March 2002, the Company's Board of Directors appointed Michel Artières as Chief Executive Officer for a renewable six year term.

Michel Artières is therefore currently Chairman and Chief Executive Officer of the Company.

Name and surname	Mandate/Operational function within the Company	Expiry date and term of office	Directorships and positions held on the Company's Committees	Expiry date and term of office
Michel Artières	Chairman and Chief Executive Officer	Directorship: Expires at the end of the Shareholders' Meeting Approving the financial statements for the year ended 31 December 2026 Chairman and Chief Executive Officer: Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2026	Member of the Strategy Committee	Expires at the end of the Shareholders' Meeting Approving the financial statements for the year ended 31 December 2026

Name and surname	Mandate/Operational function within the Company	Expiry date and term of office	Directorships and positions held on the Company's Committees	Expiry date and term of office
GAUDETO sprl represented by Jacques Galloy (Independent Director)	Director	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2022	Member of the Audit Committee	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2022
			Member of the Nomination and Compensation Committee	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2022
			Members of the Strategic Committee	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2022
Benoît Fouchard	Director	Expires at the end of the Annual General Meeting called to approve the financial statements	Member of the Nomination and Compensation Committee	Expires at the end of the Annual General Meeting called to approve the

Name and surname	Mandate/Operational function within the Company	Expiry date and term of office	Directorships and positions held on the Company's Committees	Expiry date and term of office
		31 December 2023		financial statements 31 December 2023
			Member of the Strategy Committee	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2023
Joanna Darlington (Independent Director)	Director	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2026	Member of the Audit Committee	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2026
			Member of the Nomination and Compensation Committee	Expires at the end of the Annual General Meeting called to approve the financial statements 31 December 2026

14.2. INFORMATION ON SERVICE CONTRACTS

N/A

14.3. INFORMATION ON THE COMMITTEES

The Board of Directors has adopted Rules of Procedure (the 'Rules of Procedure'), the purpose of which is to specify the operating and organisational procedures of the Board of Directors. The Internal Regulations were last amended on 28 March 2017.

The Chairman organises and directs the work of the Board of Directors, ensures that the Directors are able to fulfil their duties and, in particular, ensures that they have the information and documents necessary to carry out their duties. It also ensures that representatives of the staff representative bodies are regularly invited to meetings and have the information and documents necessary to carry out their duties.

The Board of Directors has set up three Committees whose role is to assist it in certain specific missions:

- The Nomination and Compensation Committee
- The Audit Committee
- The Strategic Committee

14.3.1. APPOINTMENTS AND REMUNERATION COMMITTEE

The Company has had an Appointments and Compensation Committee since 2010. Pursuant to the decisions of 24 March 2014, the Board of Directors formalised the creation of this Committee and defined its missions, which were further specified by the Board of Directors on 28 March 2017.

Composition

The Nomination and Compensation Committee is made up of at least two (2) members chosen from among the members of the Board of Directors, including non voting directors, excluding members holding executive management positions.

As of the date of this Universal Registration Document, the Nomination and Compensation Committee is composed of the following three (3) members:

- Mrs. Joanna Darlington,
- Benoit Fouchard, and
- GAUDETO sprl, represented by Jacques Galloy.

It is chaired by Mrs. Joanna Darlington.

Joanna Darlington, Benoît Fouchard and GAUDETO sprl are members of the Appointments and Compensation Committee for their directorships.

The term of office of the members of the Nomination and Compensation Committee is six years and follows their term of office as directors.

Operation - Missions

The role of the Nomination and Compensation Committee is to make proposals or recommendations to the Board of Directors on the compensation of all types of corporate officers and, where applicable, any members of the Board of Directors representing employees.

In addition, it may make recommendations to the Board of Directors on the total amount and distribution of directors' fees.

The Nomination and Compensation Committee meets at least once a year, and as often as necessary, in particular before the Board of Directors, which reviews the compensation of corporate officers.

It also meets before any decision to grant stock options or bonus shares to corporate officers, Group executives or members of the Board of Directors.

In addition, it meets as needed when convened by its Chairman, at its initiative or at the request of the Chairman of the Board of Directors.

In addition, the Nomination and Compensation Committee gives its opinion on (i) the appointment and dismissal of corporate officers and (ii) the recruitment of any employee whose gross annual compensation exceeds euros150,000.

The Nomination and Compensation Committee may invite senior management to attend its meetings when it deals with issues relating to the recruitment of any employee whose gross compensation exceeds euros150,000.

These recommendations concern all the components of the compensation of the corporate officers, in any capacity whatsoever, and in particular: The fixed portion (including benefits in kind), the variable portion, any severance payments, supplementary pension and death & disability plans, grants of stock options, share purchase options or bonus shares, whether these items are paid, granted or assumed by the Company, the company that controls it or a company that it controls. They also concern the balance of the various components of the total compensation and the conditions under which they are awarded, particularly in terms of performance.

The Compensation Committee also proposes to the Board of Directors the text of the resolutions to be put to the vote of the shareholders at the annual ordinary general meeting concerning the compensation of executive corporate officers.

14.3.2. THE AUDIT COMMITTEE

Pursuant to the decisions of 23 January 2015, the Board of Directors decided to set up an Audit Committee separate from the Board of Directors.

It met for the first time on 18 March 2015.

Composition

The Audit Committee is composed of at least two (2) members chosen from among the members of the Board of Directors, including at least one (1) independent member with specific expertise in financial, accounting or statutory auditing matters.

At the date of the Universal Registration Document, the Audit Committee is composed of the following two (2) members:

- GAUDETO sprl, represented by Jacques Galloy and
- Mrs. Joanna Darlington.

It is chaired by GAUDETO sprl, represented by Jacques Galloy.

GAUDETO sprl and Joanna Darlington are members of the Audit Committee as directors.

The term of office of the members of the Nomination and Compensation Committee is six years and follows their term of office as directors.

Operation - Missions

The Audit Committee monitors issues relating to the preparation and control of accounting and financial information and ensures the effectiveness of the risk monitoring and operational internal control system, in order to facilitate the Board's exercise of its control and verification missions in this area.

In accordance with Article L. 823-19 of the French Commercial Code, the Audit Committee has the following main duties:

- It monitors the process of preparing financial information and, where applicable, internal audit, with regard to the procedures relating to the preparation and processing of accounting and financial information (in particular the annual or half yearly parent company and consolidated financial statements), without compromising its independence;

- It monitors the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with regard to the procedures relating to the preparation and processing of accounting and financial information, without prejudice to its independence;
- It issues a recommendation on the Statutory Auditors proposed for appointment or renewal by the General Meeting or the body performing a similar function;
- It monitors the performance by the Statutory Auditors of their duties and takes into account the findings and conclusions of the High Council of the Statutory Auditors following the checks carried out by this body on the professional activity of the Company's Statutory Auditors;
- He ensures that the Statutory Auditors comply with the conditions of independence provided for by law;
- It approves the provision of any services other than the statutory audit of the financial statements performed by the Company's statutory auditors;
- It reports regularly to the Board of Directors on the performance of its duties. It also reports on the results of the audit engagement, how this engagement contributed to the integrity of financial information and the role it played in this process. He shall inform him without delay of any difficulties encountered.

The Audit Committee monitors the statutory audit of the parent company and consolidated financial statements by the Company's Statutory Auditors.

In order to perform its duties, the Committee must interview the Statutory Auditors and also the Company's Chief Financial Officers. These hearings must be able to be held, when the Committee so wishes, without the presence of the Company's senior management.

The Committee may call on external experts, at the Company's expense, after informing the Chairman of the Board of Directors and is responsible for reporting on this to the Board of Directors. The Committee must ensure the competence and independence of the experts it uses.

The review of the financial statements by the Audit Committee must be accompanied by a presentation by the Statutory Auditors highlighting the essential points of the results of the legal audit and the accounting options selected. It must also be accompanied by a presentation by the Company's Chief Financial Officer describing the risk exposure and significant off balance sheet commitments of the Group/Company.

The Statutory Auditors must inform the Audit Committee of the nature and extent of the anomalies observed in the financial statements, and in accordance with the provisions of Article L. 823-16 of the French Commercial Code, of significant weaknesses in internal control with regard to the procedures relating to the preparation and processing of accounting and financial information.

The Chairman of the Board of Directors or the Statutory Auditors shall refer to the Audit Committee any event exposing the Group/the Company to a significant risk.

As part of its duties, the Audit Committee:

- Ensures compliance with the accounting standards adopted for the preparation of the parent company and consolidated financial statements;
- Examines the accounting and financial information and in particular the financial statements by questioning the accounting translation of significant events or complex transactions that have had an impact on the parent company and consolidated financial statements;
- Ensures the existence of internal control and risk management systems and their deployment and ensures that any weaknesses identified give rise to corrective actions;
- Reviews changes to the accounting standards applied in the preparation of the financial statements, as well as any possible non compliance with these standards;

- Ensures the quality of procedures to ensure compliance with applicable financial and stock market regulations;
- Examines with the Statutory Auditors the factors that may affect their independence and the safeguards taken to mitigate these risks;
- Monitors the Statutory Auditors' fees budget to ensure that the proposed budgets are in line with the mission; and
- Ensures that the process for preparing press releases exists when all accounting or financial information is published.

In accordance with the provisions of Article L. 823-16-III of the French Commercial Code, the Statutory Auditors must now submit to the Audit Committee an additional report in accordance with the provisions of Article 11 of Regulation (EU) No 537/2014 of 16 April 2014, which will include the following information:

- Nature, frequency and scope of communication with the Audit Committee, the management body and the administrative or supervisory body of the controlled entity;
- Audit approach used and comparison with the previous year;
- Scope of the statutory audit and timetable for its completion;
- Distribution of tasks between the statutory auditors;
- Quantitative materiality threshold applied to perform the statutory audit of the financial statements;
- Assessments of events or conditions that could cast serious doubt on the Company's ability to continue as a going concern, specifying whether they constitute significant uncertainties;
- Analysis of the valuation methods applied, including the potential impact of changes in methods;
- Significant deficiencies identified in the internal financial control system or its accounting system; and
- Any other important point for the Audit Committee, for the supervision of the financial reporting process.

At its meeting of the Board of Directors on 25 March 2020, the Board of Directors proposed to the Committee that the Board of Directors set up a procedure to regularly assess whether agreements relating to ordinary operations and concluded under normal conditions meet these conditions.

Persons directly or indirectly interested in any of these agreements will not be able to participate in its assessment.

14.3.3. THE STRATEGIC COMMITTEE

Pursuant to the decisions of 23 January 2015, the Board of Directors decided to set up a Strategic Committee.

Composition

The Strategy Committee is made up of at least three (3) members chosen from among the members of the Board of Directors, including non voting directors. The Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer are ex officio members of the Strategy Committee.

As of the date of this report, the Strategy Committee is composed of the following members:

- Michel Artières (Chairman and Chief Executive Officer),
- Benoit Fouchard, and
- GAUDETO sprl, represented by Jacques Galloy.

It is chaired by Michel Artières (Chairman and Chief Executive Officer).

Michel Artières, Benoit Fouchard and GAUDETO sprl are members of the Strategy Committee in their capacity as directors.

The term of office of the members of the Nomination and Compensation Committee is six years and follows their term of office as directors.

Missions - Operation

The Strategic Committee is responsible for analysing the Company's major strategic orientations. It prepares the work of the Board of Directors on major strategic interests such as:

- External growth opportunities,
- Divestment opportunities,
- Areas of development,
- Financial and stock market strategies,
- Reviewing for opinion the document to be submitted to the Works Council on the Company's strategic orientations and their consequences;
- And more generally, any option deemed essential for the future of the Company.

14.4. THE COLLEGE OF NON VOTING DIRECTORS

The function of non voting director is provided for in Article 18 of the Company's Articles of Association.

Non voting Directors are appointed by the Ordinary General Meeting, on the proposal of the Board of Directors or directly by the Board of Directors, subject to ratification by the next General Meeting.

As of the date of this Universal Registration Document, the Board of Non Voting Directors consists of the following members:

Mr Laurent CADIEU.

Laurent CADIEU was appointed as a non voting member of the Company in order to bring his experience, expertise and knowledge to meetings of the Board of Directors and general meetings.

Laurent CADIEU does not receive any compensation in his capacity as non voting director.

The non voting directors are appointed for a term of four (4) years ending at the end of the Ordinary General Meeting of Shareholders called to approve the financial statements for the year ending 31 December 2024.

The term of office of non voting directors is renewable for a further period of four (4) years.

The non voting director, or the panel of non voting directors, examines the issues that the Board of Directors or its Chairman submits, for its opinion, to its examination in order to provide any useful and necessary information based on its expertise and knowledge.

Non voting directors attend Board meetings and are responsible for sharing their analysis of the decisions taken. They may speak at meetings of the Board of Directors to set out their observations. They therefore have an advisory vote and no decision making power. The absence of non voting Board members cannot impair the validity of the decisions taken at Board meetings.

They are invited to Board meetings under the same conditions as the directors and receive the same information.

Non voting directors are subject to the internal rules of the Board of Directors, particularly in terms of competence and independence, as well as to the Directors' Charter, the purpose of which is to enable directors to fully exercise their skills and to ensure the full effectiveness of each director's contribution, in compliance with the rules of independence, ethics and integrity that are expected of them.

14.5. DECLARATION OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REGIME IN FORCE IN FRANCE

In order to comply with the requirements of Article L. 225-37-4 of the French Commercial Code, the Company has designated the Middlenext Code as its reference code. The Company refers to the MiddleNext corporate governance code for medium and small companies published on 17 December 2009 and amended in September 2016 (hereinafter the 'Reference Code') as part of the implementation of its governance (decision of the Board of Directors of 24 April 2017).

The table below gives an initial assessment of the Middlenext1 recommendations that the Company has complied with since the listing of its shares on the Euronext Paris regulated market, and those that it intends to follow in the future.

The Reference Code contains nineteen (19) recommendations that specifically concern executive officers and the Board of Directors.

The Reference Code also contains points of vigilance arising from the framework for reasonable governance of French companies, which recall the questions that the Board of Directors must ask to promote the proper functioning of governance.

The Board of Directors considers that its organisation complies with the recommendations of this Reference Code.

In this context, the Board of Directors has implemented a self assessment process, in accordance with the provisions of the eleventh recommendation of the Reference Code.

During each fiscal year, the members of the Board of Directors are invited by the Chairman to complete a questionnaire on the functioning of the Board of Directors and its work. The latest results of these questionnaires show an overall assessment of 5 out of 5.

For the year ended 31 December 2021, in addition to the information contained in this Universal Registration Document, the status of application of the recommendations of the Reference Code is as follows:

Table 33. Status of implementation of Middlenext Code recommendations - other

Recommendations Of the Middlenext Code	**Adoption**
R1: Ethics of Board members	YES
R2: Conflicts of interest	YES
R3: Composition of the Board - Independent members	YES
R4: Information to Board members	YES
R5: Organisation of Board and Committee meetings	YES
R6: Establishment of Committees	
R7: Establishment of internal rules of the Board of Directors	YES
R8: Selection of each director	YES
R9: Term of office of Board members	
R10: Director's compensation	YES
R11: Implementation of an assessment of the Board's work	YES
R12: Relations with 'shareholders'	

R13: Definition and transparency of the compensation of executive corporate officers	YES
R14: Preparation of the succession of senior executives	YES
R15: Combining employment contract and corporate office	YES
R16: Severance pay	YES
R17: Supplementary pension plan	No
R18: Stock options and free shares	YES
R19: Review of points of vigilance	YES

The Company has not set up a supplementary pension plan for its executive officers.

The Reference Code may be consulted at the Company's registered office. It is also available on the following website: http://www.middlenext.com.

R3: Composition of the Board - Independent members

The third Recommendation of the Reference Code recommends that the Board of Directors include at least two (2) independent members. As such, five (5) criteria justify the independence of the members of the Board of Directors with regard to the Reference Code, which is characterized by the absence of a significant financial, contractual or family relationship likely to affect the independence of the judgment:

- Not to have been, during the last five (5) years, and not to be an employee or executive corporate officer of the Company or a company of its group;
- Have been, in the last two (2) years, and have not been in a significant business relationship with the Company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.);
- Not to be a reference shareholder of the Company or to hold a significant percentage of voting rights;
- Not to have a close or close family relationship with a corporate officer or major shareholder;

- Has not been, during the last six (6) years, a statutory auditor of the Company.

Accordingly, the Board of Directors considers that, in light of these criteria and the criteria set out in the Board of Directors' Internal Regulations (i.e. 'a Director is considered to be independent when he or she has no significant financial, contractual or family relationship (except that of a non significant shareholder) with the Company, its group or its management that could alter his or her independence of judgment'), two of the Directors, Joanna Darlington and GAUDETO sprl represented by Jacques Galloy, are independent Directors.

The main qualities expected of a director are the company's experience, personal commitment to the work of the Board and the various committees attached to it, understanding of the economic and financial world, the ability to work together in mutual respect of opinions, the courage to affirm a potentially minority position, the sense of responsibility towards shareholders and other stakeholders and integrity.

14.6. POTENTIAL MATERIAL IMPACTS ON CORPORATE GOVERNANCE

No decision of the administrative, management or general meeting of shareholders has a potential material impact on corporate governance and no future change in the composition of the administrative, management or committee bodies has been decided by the administrative, management or general meeting of shareholders.

Chapitre 15. **EMPLOYEES**

ATEME is above all a technology company in the video software industry whose value is mainly based on the ability of its employees to innovate. The ability to attract, retain and motivate talented employees is therefore a focus of development.

15.1. CHANGE IN HEADCOUNT

The workforce includes individuals under an employment contract who were present in the workforce as of December 31, excluding non salaried interns (paid or unpaid), temporary workers and service providers. The tables below summarise the quantitative indicators used to describe employment within the Company and its six subsidiaries over the last four years:

Evolution of salaried workforce over the last 3 years

Salaried workforce	**31/12/2021**	**31/12/2020**	**31/12/2019**
ATEME SA *	252	207	172
Anevia SA	79	92	
ATEME USA INC	42	41	30
ATEME CANADA INC	5	5	2
ATEME JAPON KK	0	0	0
ATEME SINGAPOUR PTE LTD	9	10	9
ATEME AUSTRALIA PTY LTD	4	4	4
Total	**391**	**359**	**298**

(*) includes employees in France and those in wage management or export carry

Some of the Company's employees are seconded abroad to assist customers as closely as possible.

ATEME Japan KK. was dormant in 2010 and therefore has no headcount. The latter will be definitively delisted during the financial year ending 31/12/2022.

Anevia SA joined the Group in November 2020.

Change in non salaried workforce over the last 3 years

Non salaried workforce	31/12/2021	31/12/2020	31/12/2019
ATEME Group	97	94	81

In 2019, ATEME increased its workforce to a total of 298. The majority of these reinforcements are placed with the Research and Development and Operations teams, where the use of the provision of services has proved necessary to cope with the growing need for the development of new solutions and the operational deployment of these solutions at the customer.

In 2020, the acquisition of Anevia SA led to 114 new employees joining the Group (mainly in France). As of 31 December 2020, the Group had 453 employees worldwide.

In 2021, the Group had a total of 488 employees.

The change in the workforce is part of a forward looking management of jobs and skills. The Company makes every effort to regularly assess skills needs according to its strategic orientations, during budget preparation meetings and during Executive Committee meetings.

In addition, the company continued its policy of welcoming new entrants by setting up training modules on their arrival to facilitate their taking up a position and their integration into the company and their team.

Changes in the Company's projects and activities and the skills and expectations of employees in terms of development or reorientation may lead staff to change team, function or have new responsibilities. Reassignments and internal mobility are managed by the Executive Committee in agreement with the middle management. They enable employees to expand their scope of activity and develop new skills. Some of the managerial positions thus released were filled through internal changes.

The development of ATEME's international activities in Europe, Asia and North America has also been the source of opportunities for its employees, in the form of secondments of varying duration, complete expatriation (management of subsidiaries, in particular) or brief missions of technical support and support. In all cases, ATEME has implemented the necessary means to ensure that these movements are carried out in the best conditions of safety and comfort for its employees and their families.

15.2. INVESTMENTS AND STOCK OPTIONS

As of 31 December 2021, employees held stock options, Bsas or AGMs that could grant them 548,485 shares, representing 4.89% of the share capital in the event of full exercise on the basis of fully diluted share capital (see paragraph 19.01.04. 'Amount of convertible securities, exchangeable securities or securities with warrants

The interest held by the members of the Management and the Board of Directors is indicated in paragraph 16.1. 'Changes in the shareholding structure of the ATEME group.'

15.3. ARRANGEMENTS FOR INVOLVING EMPLOYEES IN THE CAPITAL

At the date of registration of the URD, there is no incentive scheme, company savings plan or employee profit sharing agreement set up within the Company, allowing employees to directly acquire shares of the Company or companies related to it.

Chapitre 16. **MAJOR SHAREHOLDERS**

16.1. CHANGES IN THE GROUP'S SHAREHOLDING STRUCTURE

As of the date of the Universal Registration Document, the Company is incorporated in the form of a public limited company (société anonyme) with a Board of Directors, the shareholders of which are distributed as follows:

Shareholders	**% of share capital at 31/12/2021**	**% of voting rights at 31/12/2021**	**% of share capital at 31/12/2020**	**% of voting rights at 31/12/2020**	**% of share capital at 31/12/2019**	**% of voting rights at 31/12/2019**
Michel Artières	1.78%	3.24%	1.81%	3.24%	1.91%	3.25%
SEREITRA	9.03%	16.41%	9.16%	16.41%	9.68%	16.47%
Total concert Artières	10.81%	19.65%	10.97%	19.65%	11.60%	19.73%
Keren Finance	5.30%	4.82%	5.38%	4.82%	5.82%	4.95%
AXA IM	NC	NC	4.59%	4.11%	5.86%	4.98%
NJJ Capital (X.Niel)	5.02%	4.56%	5.10%	4.56%	5.49%	9.33%
Otus	10.29%	9.35%	9.39%	8.41%	5.24%	4.46%
Other < 5%	68.57%	69.96%	64.58%	58.44%	65.99%	56.55%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Shareholders	**31/12/2021**	**%**	**Double voting**	**Theoretical number of voting rights**	**% of voting rights**
Michel Artières	200,001	1.81%	2	400,002	3.24%
SEREITRA	1,013,478	9.16%	2	2,026,956	16.41%
Total concert Artières	1,213,479	10.97%		2,426,958	19.65%
Keren Finance	595,058	5.30	1	595,058	4.82%
AXA IM	NC	NC			
NJJ Capital (X.Niel)	563,762	5.10%	1	563,762	4.56%
Otus	1,155,310	10.29%	1	1,155,310	9.35%
Other < 5%	7,696,418	68.57%		7,696,418	69.96%
TOTAL	**100**	**100.00%**	**Theoretical total DDV**	**12,350,274**	**100.00%**

Shareholders	**31/12/2020**	**%**	**Double voting**	**Theoretical number of voting rights**	**% of voting rights**
Michel Artières	200,001	1.81%	2	400,002	3.24%
SEREITRA	1,013,478	9.16%	2	2,026,956	16.41%
Total concert Artières	1,213,479	10.97%		2,426,958	19.65%
Keren Finance	595,118	5.38%	1	595,118	4.82%
AXA IM	507,974	4.59%	1	507,974	4.11%
NJJ Capital (X.Niel)	563,762	5.10%	1	563,762	4.56%
Otus	1,038,543	9.39%	1	1,038,543	8.41%
Other < 5%	7,144,841	64.58%		7,217,919	58.44%
TOTAL	**11,063,717**	**100.00%**	**Theoretical total DDV**	**12,350,274**	**100.00%**

Shareholders	31/12/2019	%	Double voting	Theoretical number of voting rights	% of voting rights
Michel Artières	200,001	1.91%	2	400,002	3.25%
SEREITRA	1,013,478	9.68%	2	2,026,956	16.47%
Total concert Artières	1,213,479	11.60%		2,426,958	19.73%
Keren Finance	609,241	5.82%	1	609,241	4.95%
AXA IM	613,100	5.86%	1	613,100	4.98%
X. Niel	574,207	5.49%	2	1,148,414	9.33%
Otus	548,623	5.24%	1	548,623	4.46%
Other < 5%	6,905,913	65.99%		6,957,417	56.55%
TOTAL	**10,464,563**	**100.00%**	**Theoretical total DDV**	**12,303,753**	**100.00%**

On 23 September 2020, the Company's Board of Directors noted the creation of 56,000 shares following the exercise of stock options.

On 26 October 2020, the Board of Directors of the Company:

(i) Acknowledged the creation of 10,500 shares as a result of the exercise of stock options; and

(ii) Issued 428,362 new shares in consideration for the contribution of 4,283,620 shares of Anevia SA as part of the acquisition of said company.

On 28 October 2020, the Company's Board of Directors issued 68,979 new shares in consideration for the contributions made in connection with the acquisition of Anevia SA.

On 4 November 2020, the Board of Directors of the Company decided to issue new shares of the Company by way of a capital increase following the final allocation of 32,000 free shares (AGAs).

On 11 January 2021, the Board of Directors approved the contribution by the shareholders of Anevia, a public limited company whose registered office is at 79 rue Benoît MALON, 94250 Gentilly, registered with the company register under number 448,819,680 R.C.S. Créteil, 689,790 shares of the latter. This contribution, valued at euros2,622,200, resulted in (i) the payment in cash of a total amount of euros1,498,400 (ie two (2) euros per Anevia share contributed) and (ii) a capital increase of a nominal amount of euros10,488.80, resulting from the issue of 74,920 new ordinary shares with a nominal value of euro0.14 each, with a contribution premium of a total amount of euros1,113,311.20, allocated to the contributors in consideration for their contribution.

On 28 January 2021, the Board of Directors of the Company noted:

(i) The creation of 165 shares as a result of the exercise of stock options; and

(ii) The creation of 3,148 shares as a result of the exercise of stock options.

They were recorded in the 2021 accounts because they were settled in January 2021.

On 15 July 2021, the Board of Directors recorded the capital increases resulting from the allocation of 52,500 free shares.

The Articles of Association have been amended accordingly.

16.2. DIFFERENT VOTING RIGHTS

EACH SHARE OF THE COMPANY GRANTS ITS HOLDER A VOTING RIGHT. ARTICLES 13 AND 23 OF THE COMPANY'S BYLAWS DO NOT IN ANY WAY PRECLUDE THE PRINCIPLE SET OUT IN ARTICLE L. 225-123, PARAGRAPH 3, OF THE FRENCH COMMERCIAL CODE RELATING TO DOUBLE VOTING RIGHTS FOR ALL FULLY PAID UP SHARES THAT HAVE BEEN REGISTERED IN THE NAME OF THE SAME SHAREHOLDER FOR TWO YEARS.

Pursuant to Article L. 233-7 of the French Commercial Code, the Company must disclose the identity of shareholders holding more than 5% of the share capital and voting rights during the last three fiscal years.

These shareholders and their respective holdings are shown in the following table:

Shareholders	At 31/12/2021	At 31/12/2020	At 31/12/2019
	% of voting rights	**% of voting rights**	**% of voting rights**
Michel Artières	3.24%	3.24%	3.25%
SEREITRA	16.41%	16.41%	16.47%
Total concert Artières	**19.65%**	**19.65%**	**19.73%**
Otus Capital	9.35%	8.41%	4.46%
Keren Finance	4.82%	4.82%	4.95%
NJJ Capital/X. Niel	4.56%	4.56%	9.33%
AXA IM	NC	4.11%	4.98%
TOTAL	**38.38%**	**41.55%**	**43.45%**

16.3. CONTROL OF THE COMPANY

As of the date of the Universal Registration Document, the percentages of ownership and voting rights of the Company's shareholders attest that the Company is not directly or indirectly controlled by one or more shareholders.

Furthermore, no shareholders' agreement has been entered into between the Company's shareholders.

Thus, the Company is not controlled, directly or indirectly, in a contractual manner.

16.4. AGREEMENT THAT MAY RESULT IN A CHANGE OF CONTROL

As of the date of the Universal Registration Document and to the best of the Company's knowledge, there are no agreements whose implementation could, at a later date, lead to a change of control.

Chapitre 17. **RELATED PARTY TRANSACTIONS**

17.1. RELATED PARTY TRANSACTIONS

Related parties to the Company include shareholders of the Company, its non consolidated subsidiaries, companies under joint control, associates, and entities over which the various executives of the Company exercise at least significant influence.

STATUTORY AUDITOR'S REPORT ON REGULATED AGREEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

A l'Assemblée Générale de la société Ateme,

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

It is our responsibility to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements that have been disclosed to us or that we may have discovered in the course of our engagement, as well as the reasons justifying why they are in the Company's interest. It is not our responsibility to comment as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to determine whether the agreements are appropriate and should be approved.

In addition, it is our responsibility, where applicable, to provide you with the information provided for in Article R. 225-31 of the French Commercial Code relating to the implementation, during the past financial year, of the agreements already approved by the General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information provided to us was consistent with the source documents from which it was extracted.

Agreements submitted for approval by the Annual General Meeting

In accordance with Article L.225-40 of the French Commercial Code, we have been advised of the following agreements which were previously authorised by your Board of Directors.

With Michel Artières, Chairman and Chief Executive Officer and Director of your Company

Nature and purpose

At its meeting of 23 September 2020, the Board of Directors of your company authorised the conclusion of a corporate office agreement between your company and Mr. Michel Artières in order to define more precisely some of the conditions under which he will exercise his mandate as Chairman of the Board of Directors of your company and his mandate as Chief Executive Officer, it being specified that these functions were the subject of a service agreement with Sereitra S.A.R.L., a contract that was terminated at this same meeting of the Board of Directors with retroactive effect from 1 July 2020.

The agreement was entered into with effect from 1 July 2020 for the duration of Michel Artières' term of office as Chairman of the Board of Directors and Chief Executive Officer and will expire at the end of his two terms of office.

The duties of Chief Executive Officer are subject to a fixed annual compensation of euros175,000, payable monthly over a period of 12 months, i.e. a monthly amount of euros14,583.

Michel Artières may also receive variable compensation of a maximum amount of euros180,000, broken down as follows:

- euros60,000 based on a gross margin target identical to that of the Executive Committee;
- euros60,000 based on a net income target identical to that of the Management Committee;
- euros30,000 based on a 'Monthly reccuring revenue' target;
- euros30,000 in exceptional bonus linked to qualitative objectives relating to the integration of Anevia.

Terms and conditions

Michel Artières' compensation recognised for the year ended 31 December 2021 amounted to euros175,000 for his fixed compensation and euros143,173 for his variable compensation, for a total amount of euros318,173.

Reasons justifying the interest of the agreement for the company

Your Board of Directors has motivated this agreement by the numerous advantages conferred by the corporate office contract. It gives managers the means to focus on their work without being affected by financial issues that may arise due to poor risk coverage (illness in particular). It promotes performance by clarifying the variable compensation criteria and ensuring the alignment of the interests of the executive and your company. The implementation of this agreement was also recommended by the Nomination and Compensation Committee.

Savigny-sur-Orge et Paris-La Défense18 May 2022

The Statutory Auditors

BL2A	Ernst & YOUNG Audit
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Chapitre 18. FINANCIAL INFORMATION CONCERNING THE ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS OF THE ISSUER

18.1. HISTORICAL FINANCIAL INFORMATION

18.1.1. AUDITED HISTORICAL FINANCIAL INFORMATION

Historical financial information of the audited parent company financial statements 2021

Parent company financial statements of ATEME SA for the year ended 31 December 2021

Balance sheet	Notes	31/12/2021 K €	31/12/2020 K €
ASSETS			
Intangible assets	2.1	304	269
Property, plant and equipment	2.1	2,503	2,075
Financial assets	2.1	22,398	18,844
Total non current assets		**25,205**	**21,188**
Inventories and work in progress	2.2	4,474	3,453
Trade receivables	2.3	29,352	21,477
Other receivables	2.3	11,689	6,262
Prepaid expenses		1,422	891
Cash and cash equivalents		8,979	12,784
Total current assets		**55,916**	**44,867**
Accruals - assets		252	441
Total Assets		**81,373**	**66,496**
LIABILITIES			
Equity			
Share capital	2.4	1,571	1,548
Additional paid in capital		26,600	25,183
Other reserves and retained earnings		5,108	6,463
Net income for the year		6,453	(1,355)
Equity		**39,733**	**31,839**
Provisions for liabilities and charges	2.5	94	482
Borrowings from credit institutions	2.6	16,965	17,997
Other borrowings, group and associates		3,679	87
Advances and down payments received on orders in progress		316	281
Trade payables		11,591	9,528
Tax and social security liabilities and other		3,686	2,986
Deferred income		4,729	3,079
Accruals - liabilities		581	217
Total Liabilities		**81,373**	**66,496**

Income statement	Notes	31/12/2021 K €	31/12/2020 K €
Revenue	3.1	63,983	51,620
Other operating income		4,197	2,242
Total operating income		**68,180**	**53,862**
Purchases and change in inventory		17,093	13,485
Other purchases and external charges		22,628	23,098
Taxes other than income taxes		1,179	1,019
Personnel expenses		21,368	16,096
Operating charge		2,205	2,429
Other operating expenses		909	1,101
Total operating expenses		**65,383**	**57,226**
Operating income		**2,797**	**(3,364)**
Financial income	3.2	1,314	417
Financial expenses	3.2	(1,524)	(1,543)
Net financial income		**(210)**	**(1,126)**
Profit before tax		**2,587**	**(4,490)**
Non recurring income	3.3	14	84
Exceptional expenses	3.3	0	(31)
Exceptional items		**14**	**53**
Research Tax Credit		3,852	3,082
Employee profit sharing		0	0
Income tax		0	0
Net income for the year		**6,453**	**(1,355)**

Accounting Principles and Highlights of the Year

1.1 Accounting principles

The general accounting policies have been applied in accordance with the General Accounting Plan (C.Com. R.123-80 and PCG Art. 831-1 § 1), in accordance with the principle of prudence, in accordance with the general rules for the preparation and presentation of the annual financial statements, and according to the following basic assumptions:
Going concern,
Consistency of accounting methods from one financial year to the next,
Independence of financial years, in accordance with the general rules for the preparation and presentation of the annual financial statements.

The basic method used to measure items recorded in the accounts is the historical cost method.

Accounting options:

ATEME applies the following methods:
Research and Development expenses are recorded as expenses
Capital increase costs are deducted from share premiums

Retirement indemnities are not recognised in ATEME's parent company financial statements but are subject to an assessment, the assumptions of which are detailed in Note 4.7.2.

1.2 Business continuity

The assumption of going concern over the next 12 months from 31 December 2021 has been adopted by the Board of Directors on the basis of available cash and revised revenue and gross margin growth assumptions.

1.3 Significant events of the year

On 19 January 2021, ATEME announced the completion of the acquisition of Anevia, a software publisher for the distribution of live, deferred and on demand television and video (VOD) following the successful takeover bid and the squeeze out.

On 28 January 2021, the company announced that it had received three Emmy ® Awards in the 'Technology & Engineering' category from the National Academy of Arts and Television Sciences (NATAS) for its outstanding achievements in video compression that contribute to the efficient delivery and distribution of media, content and TV:
Development of perceptual measurements for video encoding optimisation
Optimising artificial intelligence processes for video compression
Development of optimised compression technologies for mass processing
On 4 February 2021, ATEME announced that its multi platform video broadcasting solution was deployed by Viya, the largest telecommunications and entertainment service provider in the Virgin Islands (United States), part of ATN International.

On 25 February 2021, the company announces that it will facilitate more than 50% of ATSC 3.0 deployments in North America in 2020, guaranteeing technological leadership to the largest American broadcasters.

On 9 March 2021, Anevia (now owned by ATEME) and the company celebrate the tenth anniversary of their technological partnership. This collaboration was a key factor in making Net + one of Switzerland's most innovative TV service providers.

On 12 March 2021: ATEME supports the Chinese video industry with the integration of AVS2.
ATEME today announced that it has integrated the AVS2 codec into its TITAN range, which is the second generation digital audio video compression standard, defined by the AVS working group, designed to meet the needs of the audio and video industry in China. This is a strengthening of its commitment to the Chinese market, where the company already enjoyed a strong reputation as a supplier of innovative video compression solutions. ATEME's Chinese customers, all leading players, can now take advantage of high quality low speed video and HDR technology to offer viewers an unforgettable quality of experience.

On 16 March 2021: ATEME teamed up with Digitalrich to offer an integrated solution of advertising inserts to customers around the world.
Digitalrich remains the leading supplier of advertising insertion technology in Korea. Thanks to this partnership, ATEME TITAN Live and TITAN Mux and Digitalrich's advertising insertion server are now available as an integrated solution for ATEME customers worldwide. Customers will benefit from a comprehensive advertising replacement solution capable of managing analogue or digital markers as well as advertising campaigns for channels processed by ATEME video processing components.

On 23 March 2021: ATEME's TITAN solutions improve the video quality of more than a million viewers across Denmark.
ATEME today announces that Nuuday, a subsidiary of TDC Group, Denmark's largest telecommunications company, has adopted its TITAN range of solutions to improve the video experience of its viewers. To serve more than a million viewers through its YouSee brands, which provide them with 100 linear channels and VoD services, and Blockbuster, which offers a complete VoD catalogue, Nuuday needed a video encoding solution that could improve video quality and sustain its workflows. To achieve this goal, Nuuday implemented ATEME's TITAN software solutions for live and VOD applications.

On 15 April 2021, ATEME announced today that Nilesat has chosen to deploy its TITAN Live platform for two projects, thereby increasing ATEME's presence in the region.

On 6 May 2021, DU joined forces with ATEME on OTT and SHT projects to improve supply in the United Arab Emirates.

On 11 May 2021, ATEME launched a green delivery solution for video service providers. The Green Delivery solution - an integrated end to end solution allows OTT and DTH operators to significantly reduce the carbon footprint of their video broadcasts, helping them achieve their sustainable development goals.

On 18 May 2021, ATEME added a latency in broadcasting via just in time conditioners to a world first. These updates make ATEME the first to market a low latency JIT package - a complex technical challenge that ATEME has taken up using its own patented technology.

On 25 May 2021, ATEME transcoders took over the first live sports video project on the Huawei cloud in Brazil.

On 1 June 2021, ATEME announced the launch of PILOT Media, a native cloud solution that brings business intelligence, workflow automation and efficiency to the media supply chain.

On 8 June 2021, ATEME announced that its NEA streaming solution now supports the creation of complete channels. This allows content owners, broadcasters and service providers to offer content that is more relevant to their viewers through personalised Tv channels, resulting in more viewers and increased loyalty to OTT and OTA services.

On 15 June 2021, ATEME announced that Korean broadcaster KBS has selected ATEME's Kyrion encoders to update its existing infrastructure, allowing high quality MPEG-2 HD broadcasting.

On 17 June 2021, ATEME worked with Intel to double coding performance by integrating the latest 3rd generation Intel Xeon scalable processors. The company announces a revolutionary increase in the performance of its video encoders. By working closely with Intel and exploiting the combination of Intel processors and ATEME encoders, ATEME customers will benefit from delivery of up to twice as efficient encoding for OTT, resulting in high visual quality at lower cost.

On 22 June 2021, ATEME announced that TCCL (Thamizhaga Cable TV Communication Pvt Ltd), one of the largest cable distribution companies in India, with a strong focus on quality of service and content, has chosen to implement ATEME's TITAN Live solution for its cable television platform.

On 24 June 2021, ATEME allows AIS to move to next generation OTT delivery.
The company announces that it has provided a state of the art, just in time packaging and storage solution for AIS, Thailand's largest telecommunications and mobile phone operator.

On 29 June 2021, ATEME and Hoist Group, one of the leading providers of new generation hotel technology in the EMEA region, announced the availability of personal network video recording (NPVR) and catch up television, two new television services designed to improve guest entertainment in the hotel sector.

On 6 July 2021, it announced that it had integrated Dolby Vision ® HDR and Dolby Atmos ® immersive audio technologies into its solution, which makes it the first solution on the market to encode and offer the two experiments in native mode.

On 3 August 2021 ATEME announces that the integrated OTT video broadcasting solution has been selected for the re launch of its TV offering in the Armenian market. With a legacy system in place, Telecom Armenia has identified a need for a scalable and efficient video delivery solution as part of a planned service update that included a new front and back office. The operator has chosen ATEME as the sole supplier, allowing the organisation to benefit from a range of OTT technologies, from reception to CDN.

The 5 August ATEME announces that its encoders and decoders Kyrion provide contribution links to enable the Thai operator National Telecommunications (NT PCL) to distribute the Tokyo 2020 Olympic Games to all broadcasters across Thailand.
The use of ATEME's Kyrion encoders/decoders allows NT PCL to offer Thai viewers a high quality viewing experience thanks to the ultra low latency of the technology and its contribution of high video quality.

On September 16, the National Association of Broadcasters decided to cancel the NAB Show 2021, which was scheduled to be held in October in Las Vegas, United States.
'For more than a year, we worked tirelessly to bring our industry together safely in Las Vegas at the NAB Show. Unfortunately, the pandemic and the thrust of the Delta variant presented unexpected and insurmountable challenges for our global community, 'said Chris Brown, Executive Vice President of the National Association of Broadcasters
The next edition will be held on 22 and 23 April 2022 with the participation of ATEME.

On 4 November 2021: Vitec strengthened its leadership position with the acquisition of Anevia's 'Hotels and Businesses' video broadcasting business.
Vitec, a world leader in IP video streaming solutions, acquired the video broadcasting business 'Hotels and Businesses' Flamingo of Anevia, a subsidiary of ATEME. This acquisition strengthens the corporate IPTV activity, Vitec's core business, and with the acquisition of Exterity in April 2021, Vitec is positioned as the world leader in IPTV solutions in the hospitality and business sectors. ATEME will continue to focus on its core business of video broadcasting software for broadcasting, cable, DTH, IPTV and OTT. This operation will provide existing users of Flamingo products with a sustainable video delivery solution for applications in the hospitality and business sectors.

1.4 Impacts of the COVID-19 health crisis on the financial statements at 31 December 2020

Full business continuity during the Covid-19 crisis
During this period of uncertainty, ATEME's priorities were twofold: Protect the health and well being of its employees and partners, in strict compliance with official instructions in order to stop the spread of the virus, and provide all possible support to customers. Lockdown has been imposed in most of the areas in which the Company operates. Fortunately, the Company has an active and proven telecommuting culture and a robust business continuity plan that ensures complete continuity of all operations, including R & D, 24/7 support and supply chain functions.
In particular:
Demonstrations, deliveries and installations of TITAN, ATEME software, can be carried out remotely.
ATEME continues to offer video conferences and other webinars to its customers around the world,
The research and development team continues to file new patents

Impact of the Covid-19 crisis on the financial perspective

In the first half of the year; given the restrictions on international travel still in force in most countries, very few customers have resumed meeting with their suppliers. The major trade shows in the sector were postponed (from April to October for the NAB in Las Vegas and from September to December for the IBC in Amsterdam) before being finally cancelled.

However, the situation gradually improved in the second half of the year on the travel front thanks to the deployment of vaccination, which contributed to a rebound in sales in the fourth quarter.

In addition, some semiconductor manufacturers face production difficulties that impact the main server manufacturers. This leads to longer lead times and higher costs, resulting in delays in delivery and impacting the gross margin of projects when our customers purchase equipment through us. ATEME has tried to build a security buffer stock to mitigate the impact on customers.

The impacts on 2021 activity related to the health crisis and are therefore considered ad hoc. This situation does not call into question the medium- and long term trajectory of the ATEME Group's activity by its management.

Notes on balance sheet items

2.1 Fixed assets

2.1.1 Intangible Assets

Intangible assets consist of software and licenses. They are measured at cost or production cost.

GROSS VALUE OF INTANGIBLE ASSETS (Amounts in K €)	Gross value at beginning of year	Acquisition or creation	Disposals	Gross value at year end
Other intangible assets	1,463	416	-120	1760
Total Intangible Assets	**1,463**	**416**	**-120**	**1760**

AMORTISATION (Amounts in K €)	Cumulative amort Beginning of year	Allowance Year	Amort. Related to disposals	Cumulative amort Year end	Net Value Year end
Other intangible assets	1,195	318	57	1,455	304
Total Amort. on Intangible Assets	**1,195**	**318**	**57**	**1,455**	**304**

- Software is amortised on a straight line basis over a two year period. Other intangible assets (licenses, etc.) are amortised on a straight line basis over twelve months, with the exception of ERP (SAP), which has a depreciation period of 5 years.
All R & D expenses are expensed.

2.1.2 Property, Plant And Equipment

Property, plant and equipment are measured at acquisition cost (purchase price and incidental expenses) or production cost. Depreciation for impairment is calculated according to the expected useful life.

Property, plant and equipment are depreciated on a straight line basis over the following periods:

- Furniture 10 years
- Fixtures and fittings 9 years
- Tools/Instruments 6 years
- Office equipment 4 years
- It (Hardware) 3 years

Schedule of Fixed Assets and Depreciation

GROSS VALUE OF PROPERTY, PLANT AND EQUIPMENT (Amounts in K €)	Gross value at beginning of year	Acquisition or creation	Disposals	Reclassifications	Gross value at year end

Install. Techn. MAT. & Tools	278	1	0		279
Fixtures and fittings	873	348	0	82	1,304
Transport equipment	7	0	0		7
Office, It & Furniture	7,710	1263	0	5	8,978
Property, plant and equipment in progress	87	16	0	-87	15
Total Property, plant and equipment	**8,956**	**1,628**	**0**		**10,583**

AMORTISATION (Amounts in K €)	**Total amort Beginning fiscal year**	**Additions**	**Amortisation on related to disposals**	**Total amort at year end**	**Net value at year end**
Install. Techn. MAT. & Tools	77	34	0	110	169
Fixtures and fittings	489	135	0	625	679
Transport equipment	7	0	0	7	0
Office, It & Furniture	6,307	1,031	9	7,338	1640
Property, plant and equipment in progress	0	0	0	0	15
Total depreciation on property, plant and equipment	**6,880**	**1,200**	**0**	**8,080**	**2,503**

2.1.3 Financial Assets

Financial assets consist of equity investments, loans and other.

Investments in subsidiaries and affiliates are recognised at their acquisition date at their subscription or contribution price. Their recoverable amount is assessed at the end of each financial year. The latter is determined according to the discounted cash flow method, where applicable, or according to the share of net equity. If the recoverable amount is less than the carrying amount, an impairment loss shall be recognised

Equity investments represented a total of €21504k before provisions, broken down as follows:

- Equity interests in ATEME Canada Inc €0.65
- Equity interests in ATEME Inc (USA) €263974.75
- Equity interests in ATEME Japan KK €60631.78
- Equity interests in ATEME Singapore €33602.72
- Equity interests in ATEME Australia €61.65
- Equity interests in Anevia SA €21145352.12

Financial assets also include a loan granted by ATEME SA to its Australian subsidiary for an amount of €258k fully provisioned.

A provision for impairment was made in 2010 for €61k following the suspension of the business of the subsidiary ATEME Japan KK (see the item on subsidiaries).

Other Financial Assets for a total of €955k correspond to various guarantees:

- Rent guarantee deposit €48k
- Retention of collateral for Bpifrance loans €200k
- Liquidity contract ➞ €96k
- Other loans (construction) €372k
- Retained earnings in connection with the pre financing of the CIR €188k
- Other €50k

The loans granted in the amount of €372k relate to employer contributions to the construction effort.

2.2 Inventories and work in progress

Inventories are valued using the weighted average cost method.
Inventories are recognised at purchase cost or net realisable value, whichever is lower.
In the latter case, the impairment loss is recognised in the income statement.

Composition of inventories
Raw material inventories consist mainly of electronic components used to manufacture Kyrion products.
Work in progress is identified individually by project codes that are linked to each customer order in progress. They consist of study costs (engineering hours) and material costs.
Inventories of goods mainly consist of finished products (encoders, decoders, transcoders and third party equipment) and electronic components.
The provision for impairment of inventories concerns components or goods that are the subject of an internal loan, testing or repair. Components or goods whose technological advances are beginning to make inventories obsolete or showing little or no movements during the year are scrapped.

INVENTORIES	31/12/2021	31/12/2020
(Amounts in K €)		
Raw material inventories	192	179
Provisions for inventories components	(14)	(20)
Total raw materials	**178**	**159**
Inventories of goods	3,710	2,521
Provision for stock cards	(191)	(155)
Goods	**3,518**	**2,367**
Work in progress Goods	778	928
Work in progress	**778**	**928**
Total Stock	**4,474**	**3,453**

2.3 Receivables

2.3.1 Customers invoices to be issued

The total amount of invoices to be issued at 31 December 2021 was €1242k.

2.3.2 Provisions for impairment of trade receivables

The provision for impairment of trade receivables is established on a case by case basis according to the estimated risk of non recovery. It is supplemented by a provision based on a statistical analysis.
The provision for impairment of trade receivables amounted to €663k, compared with €367k at 31 December 2020. It was increased by €613k and reversed by €317k.

2.3.3 Other receivables

Valuation and monitoring of the Research Tax Credit (CIR) and the Innovation Tax Credit (CII)

The CIR covers projects to search for algorithms, software and designs for video encoding technologies to advance the state of art.
The IIC concerns projects that enable the design of prototypes with superior technical performance, functionalities, ergonomics or eco design compared to the products marketed by its competitors at the start of the work.
Monitoring is ensured by individualised project codes on which engineers point their working time. Hours are valued on the basis of paid individual salaries.
The Cif receivables break down as follows:

- Cir ATEME 2021 for €3852k
- Cir ATEME 2020 for €3082k

- Cir Anevia (as part of the tax consolidation) for €1452k

No CII was reported for 2021.

Other Receivables

Details of other receivables and their due dates are provided in Note 4.1.

2.3.4 Provisions for impairment of other receivables

Other receivables are covered by a provision of €866k to cover advances and loans granted to subsidiaries according to their ability to repay at the closing date (see 4.5).

2.4 Shareholders' Equity

2.4.1 Share Capital

The share capital is set at €1578928.78. It is divided into 11,278,027 fully subscribed and paid ordinary shares with a nominal amount of €0.14.
This number excludes Stock Options ('SO') granted to certain Group individuals.

COMPOSITION OF SHARE CAPITAL	31/12/2021	31/12/2020
Share capital (in K €)	1,578	1,548
Number of shares	11,224,027	11,060,569
O/w Ordinary shares	11,224,027	11,060,569
Nominal value (in €)	**0.14**	**0.14**

In 2021, 36,038 warrants or stock options were exercised, 52,500 free shares were vested and 74,920 new shares were issued.

Statement of changes in equity

Statement of changes in equity 2021 (K €)

Equity at beginning of year	**31,839**
Capital increase	23
Increase in share premiums	1,417
Profit or loss for the year	6,453
Shareholders' equity at the end of the year	**39,733**

Shareholders' equity is equal to €39733k.

2.5 Provision for risks and charges

Provisions for liabilities and charges are recognised when there is an obligation towards a third party and it is probable or certain that the obligation will result in an outflow of resources to the third party without at least equivalent consideration being expected from the third party.

Litigation and liabilities

The Company may be involved in legal, administrative or regulatory proceedings in the normal course of its business. A provision is recorded by the Company when there is a sufficient probability that such disputes will result in costs to be borne by the Company.

Labour disputes

The amounts provisioned are valued, on a case by case basis, according to the estimated risks incurred to date by the Company, on the basis of requests, legal obligations and the positions of lawyers.

PROVISIONS (Amounts in K €)	31/12/2021				
	Amount at beginning of year	Additions	Reversals with objects	Reversals without objects	Amount at year end
Provisions for litigation	30	0	0	0	30
Provisions for foreign exchange losses	441	53	441	0	441
Provisions for charges	11	0	0	0	11
Total provisions for liabilities and charges	**482**	**53**	**441**	**0**	**94**

2.6 Borrowings

Debts are recorded at their nominal redemption value. They are not discounted.
The research tax credit is subject to pre financing, the counterpart of which is a financial debt. Expenses and interest are recorded as deferred expenses over the term of the financing.

Other liabilities
Details of other liabilities and their maturity are provided in Note 4.2.

2.7 Foreign currency receivables and payables

Receivables and payables denominated in foreign currencies are translated at the exchange rate prevailing at the closing date, with a corresponding translation adjustment account in the balance sheet.
Provisions are set aside for unrealised foreign exchange losses.
At 31 December 2021, unrealised foreign exchange losses amounted to €53k and resulted in the recognition of a provision for foreign exchange losses of the same amount.
Unrealised foreign exchange losses amounted to €581k.

Notes to the Income Statement

3.1 Breakdown of revenue

BREAKDOWN OF SALES (Amount in K €)	France	Export	Total
Production sold	4,789	59,194	63,983
NET SALES	**4,789**	**59,194**	**63,983**

The Company's revenues result from the sale of professional video compression solutions, maintenance contracts and services.

Software related revenue is recognised when the licence key for the professional video compression solution is transmitted electronically.
Sales of goods are recognised on the basis of incoterms, which are generally
Ex Works and occasionally Delivered Duty Paid for certain customers. In the latter case, revenue is recognised when the goods are received by the customer.

Revenue from maintenance contracts is recognised on a straight line basis over the term of the contract.

3.2 Financial income and expenses

Net financial income amounted to € (210) thousand. It mainly consists of changes in financial provisions (hedging of subsidiaries' current account advances), exchange differences on foreign currency bank accounts and financial expenses relating to borrowings.

3.3 Exceptional income and expenses

Exceptional income and expenses include transactions that are not related to the company's current operations. Exceptional items amounted to €14k.

Other Information

4.1 Maturity of receivables

SCHEDULE OF RECEIVABLES (Amounts in K €)	Gross Amount	Of which related companies	-1 year	+1 year
Loans and advances to subsidiaries and affiliates	**258**	**258**	**258**	**0**
Other loans (1% housing)	**372**	**0**	**0**	**372**
Financial assets	**583**	**0**	**96**	**487**
Trade receivables	**30,015**	**0**	**29,814**	**201**
Advances and down payments on cdes	28	0	28	0
Personnel	13	0	13	0
Social organisations	1	0	1	0
Is - Research tax credit	8,386	0		8,386
VAT	1,251	0	1,251	0
Grants receivable	276	0	276	0
Group	3,463	3,463	3,463	0
Miscellaneous debtors	150	0	150	0
Total other receivables, advances and down payments	**13,569**	**3,463**	**5,183**	**8386**
Prepaid expenses	**1,422**	**0**	**1,422**	**0**
TOTAL	**46,219**	**3,722**	**36,774**	**9,445**

4.2 Maturity of debt

4.2.1 Detailed list of borrowings (€ K)

BORROWINGS AND FINANCIAL LIABILITIES

	Name of institution		Due at 31/12/21			
At 1 year max Originally			**Up to 1 year**	**1 to 5 years**	**Over 5 years**	**Total payables**
	Accrued interest payable		25	0	0	
		A	**25**	**0**	**0**	
	Name of institution		**Due at 31/12/20**			
			Up to 1 year	**1 to 5 years**	**More than 5 years**	**Total payables**
	Coface advances		0	109	36	145
	PTZI from BPI France (€500k)		50	0	0	50
	PTZI from BPI France (€1,500k)		300	0	0	300
	PI FEI from BPI France (€1,000k)		200	100	0	300
	Loan from Bpi France (€1,000k)		200	550	0	750
	Loan from Bpi France (€1,000k)		200	650	0	850
	BPI loan France DOS0094025/00 (€1,000k)		200	750	0	950
	BPI loan France DOS0110973/00 (€4,000k)		1,000	2,500	0	3,500
Originally 1 year	Banque PALATINE loan (€1,000k)		201	356	0	557
	HSBC loan of 20/07/2017		101	17	0	118
	HSBC loan of 14/11/2017		101	42	0	144
	HSBC loan of 22/12/2021		2,000	0	0	2,000
	SG loan of 09/06/2017		101	207	0	307
	SG loan of 01/10/2018		19	26	0	44
	SG (PGE) loan of 14/04/2020		797	2,673	0	3,470
	SG (Equipéa) loan of 11/12/2020		554	2,899	0	3,454
		B	**6,024**	**10,879**	**36**	**16,939**
Total borrowings		**A + B**	**6,049**	**10,879**	**36**	**16,965**

Borrowings taken out during the year totaled €2000k and borrowings repaid €3054k.
Following the implementation of the SG Equipéa loan at the end of 2020, the Company is subject to the following financial ratios:

- R1: Consolidated net financial debt/Consolidated Ebitda ≤ 3.5, for the years ended 31 December 2021 and 31 December 2022;
- R1: Consolidated net financial debt/Consolidated Ebitda ≤ 2.5, with fiscal years ending after 31 December 2022.

This ratio was respected at year end 2021.

4.2.2 List of other liabilities (€ K)

OTHER LIABILITIES (Amounts in K €)		**Up to 1 year**	**1 to 5 years**	**Over 5 years**	**Total payables**
Trade payables	**C**	**11,591**	**0**	**0**	**11,591**
Personnel and related accounts		1,563	0	0	1,563
Social security and other social agencies		1,782	0	0	1,782
Income tax		0	0	0	0
Value Added Tax		45	0	0	45
Other taxes		186	0	0	186
Debts on property, plant and equipment and related accounts		109	0	0	109
Group and associates (tax consolidation)		1,462	0	0	1,462
Other borrowings		0	2,217		
Total Tax, social and other liabilities	**D**	5,148	2,217	0	7,365
Deferred income	**E**	4,729	0	0	4,729
Total other liabilities	**C + D + E**	**21,467**	**2,217**	**0**	**23,684**

4.3 Off balance sheet financial commitments

Commitments given:

Real estate lease commitments

The amount of rents recognised at the end of 2021 and the commitments up to the next firm commitment period break down as follows:

Property leases	Effective start date of the lease	End date of lease	Expenses at 31/12/2021	Commitment until the next termination period: Not more than 1 year	1 to 5 years	More than 5 years
Head office - Velizy Villacoublay	01/12/2014	30/11/2023	341	331	331	0
Administrative premises - Rennes	15/11/2017	14/11/2026	151	150	470	0
Administrative premises - MEXICO (Mexico)	01/06/2017	31/05/2021	22	0	0	0
Administrative premises - SAO PAULO (Brazil)	01/03/2017	30/06/2021	17	0	0	0
Administrative premises - Southampton (UK)	01/04/2018	31/03/2021	78	0	0	0
Administrative premises - MADRID (ES)	30/01/2020	31/01/2021	13	0	0	0
		TOTAL € K	**611**	**481**	**801**	**0**

Finance lease commitments

Royalties Crédit Bail	Royalties paid at 31/12/21		Fees payable at 31/12/21			
	For the year	Cumulative	Up to 1 year	1 to 5 years	Over 5 years	Total payables
Total € K	**89**	**801**	**63**	**22**	**0**	**85**

Assets under a finance lease include servers, photocopiers and a vehicle.

The gross value of assets financed amounts to €856k and accumulated depreciation to €801k, i.e. a net book value of €55k.
The depreciation charge that would have been recorded for the year ended 31 December 2021 had the property been acquired by ATEME would have amounted to €60k.

Pledge of goodwill

July 2015: Pledge of business assets of ATEME SA of €667k to Société Générale. This pledge was counterguaranteed by Bpifrance for 60%.
October 2015: Pledge of business assets of ATEME SA of €600k to Hsbc. This pledge was counterguaranteed by Bpifrance for 50%.
July 2017: Pledge of business assets of ATEME SA of €805k to Société Générale. This pledge was counterguaranteed by Bpifrance for 50%.
July 2017: Pledge of business assets of ATEME SA of €600k to Hsbc. This pledge was counterguaranteed by Bpifrance for 40%.

November 2017: Pledge of business assets of ATEME SA of €600k to Hsbc. This pledge was counterguaranteed by Bpifrance for 40%.
September 2019: Pledge of business assets of ATEME SA for €1150k to Banque Palatine. This pledge was counterguaranteed by Bpifrance for 40%.

Signature commitment entered into by Societe Generale

Société Générale has taken out a financial guarantee in the amount of €80k in favour of Société Internationales Immobilien Institut GMBH for the rental of offices located in Vélizy- Villacoublay.

Société Générale has taken out a financial guarantee in the amount of €38k in favour of SCI Novalis for the rental of offices located in Rennes.

SOCIETE Generale has taken out various guarantees for customer projects:
- Submission guarantees response to calls for tenders for €13k
- Performance bonds for €275k

4.4 Details of accrued income

4.4.1 Prepaid expenses

Prepaid expenses amounted to €1422k at 31 December 2021 and break down as follows:

Amounts € K	
Component purchases	400
Insurance	20
Communication	53
Maintenance contract	480
Other	8
Electricity/Telephone/Internet	192
Fees	40
Rent + Expenses	186
Salon	43
Grand Total	**1,422**

4.4.2 Deferred income

Income recognised at 31 December 2021 amounted to €4729k relating to maintenance contracts.

4.5 Subsidiaries

Anevia SA

Subsidiary specialised in the design of software for the distribution of live, deferred and on demand television and video (Vod.)

Anevia was acquired by ATEME on 26 October 2020. It is 87% owned by ATEME SA as of 31 December 2020 and 100% as of January 2021.

As of 1 January 2022, a single transfer of assets and liabilities (TUP) between Anevia SA and ATEME SA was completed. Anevia has been delisted since 1 January 2022.

ATEME Canada Inc

Marketing subsidiary created in 2004. It is 100% owned by ATEME SA.
ATEME Canada Inca signed a service agreement in January 2013 with ATEME SA. As such, ATEME Canada Inc receives compensation based on monthly expenses plus a fixed margin of 5%.

In addition, ATEME SA and ATEME Canada Inc have signed a loan agreement allowing ATEME SA to grant cash advances to ATEME Canada Inc if necessary.

ATEME Japan KK

Marketing subsidiary created on 29 May 2007. It is 100% owned by ATEME SA. ATEME Japan KK signed an ATEME product representation agreement on Japan. ATEME Japan KK receives a commission calculated as a percentage of sales made in its territory.
In addition, ATEME SA and ATEME Japan KK signed a loan agreement allowing ATEME SA to grant cash advances to ATEME Japan KK if necessary.

The poor performance of the subsidiary in 2009 forced the restructuring of the subsidiary during the first half of 2010 and the suspension of the structure. The current account advances and the shares of the subsidiary have been provisioned at 100% in ATEME SA

ATEME Inc (USA)

Marketing subsidiary based in the United States, created on 2 November 2007. It is 100% owned by ATEME SA.
ATEME Inc signed a service agreement in January 2010 with ATEME SA. As such, ATEME Inc receives compensation based on monthly expenses plus a fixed margin of 5%.

In addition, ATEME SA and ATEME Inc have signed a loan agreement allowing ATEME SA to grant cash advances to ATEME Inc if necessary.

ATEME Singapore Pte Ltd

Marketing subsidiary based in Singapore, created in March 2015. It is 100% owned by ATEME SA.
ATEME Singapore signed a service agreement in March 2015 with ATEME SA. As such, ATEME Singapore receives compensation based on monthly expenses plus a fixed margin of 5%.

In addition, ATEME SA and ATEME Singapore have signed a loan agreement allowing ATEME SA to grant cash advances to ATEME Singapore if necessary.

ATEME Australia Pty Ltd

Marketing subsidiary based in Australia, created in November 2018. It is 100% owned by ATEME SA.
ATEME SA and ATEME Autralia have signed a loan agreement allowing ATEME SA to grant cash advances to ATEME Australia if necessary.

The current account advances granted to subsidiaries to cover the deficit are provisioned at 100% in ATEME SA (financial provisions).

Table of subsidiaries and investments in K €

Financial information in K € Subsidiaries and affiliates	Share capital	Reserves and retained earnings before appropriation of net income	Share of capital held (in%)	Carrying amount of shares held	Loans and advances granted by the company and not yet repaid	Amount of guarantees given by the company	Net sales for the last financial year (12 months)	Results (profit or loss for the last financial year ended (12 months)	Dividends received by the Company during the year

				Gross	Net					
Anevia SA 79 rue Benoit MALON 94250 Gentilly, France	300	765	100%	21,145	21,145	0	0	10,199	-1,822	0
ATEME Canada Inc 615 bd René-Lévesque Ouest Montreal, Quebec, CANADA	0	-115	100%	0	0	41	0	737	35	0
ATEME Japan KK Shin Yokohama 19-03-11 Kouhoku, Kase Bldg 88, 4F Yokohama shi, Kanagawa ke, JAPAN	77	-996	100%	61	0	920	0	0	0	0
ATEME Inc 750 W. Hampden Ave., Suite 290 Englewood, CO 80110, USA	312	225	100%	264	264	1,357	0	17414	79	0
ATEME Singapore Ldt Pte 152 Beach Road Singapore 189721	33	265	100%	34	34	262	0	2058	-58	0
ATEME Australia Ldt Pty Suite 402, Level4, 44 Miller Street NTH Sydney NSW 2060, Australia	0	-597	100%	0	0	1,142	0	874	-219	0

4.6 Tax loss carryforwards

ATEME SA's tax loss carryforwards amounted to € 26.7 million at the end of this fiscal year. These deficits can be carried forward indefinitely under current tax legislation.

Tax consolidation

ATEME SA has been subject to the tax consolidation regime since 2021, following the consolidation of Anevia SA.
The tax consolidation agreement provides that the tax expense or, where applicable, the tax saving (tax loss carryforwards, etc.) resulting from this regime is the responsibility of the head company of the tax consolidation group.

4.7 Headcount

4.7.1 Average headcount of ATEME SA staff in 2021: 205 people

4.7.2 Calculation of the retirement benefit

The commitment in respect of the IDRs amounted to €917k at 31 December 2021
The commitment is evaluated in accordance with ANC recommendation 2013-02 (method 1).
This commitment concerns only employees covered by French law. The main actuarial assumptions used to measure retirement benefits are as follows:

ACTUARIAL ASSUMPTIONS	31/12/2021		31/12/2020	
	Managers	Non executives	Managers	Non executives
Retirement age	Voluntary departure (65-67 years)			
Collective agreements	SYNTEC			
Discount rate	1.25%		0.50%	
Mortality table	INSEE 2017			

Salary increase rate	2.00%			
Turnover rate	Strong (see details below)			
Social security charges rate	47%	43%	47%	43%

The turnover rate was determined based on a study carried out by INSEE on inflows and outflows by age group in correlation with the average turnover level of the Company.

The rates used can be summarised as follows:

- 20 to 30 years: Declining rate from 18.30% to 10.90%
- 30 to 40 years: Declining rate from 10.90% to 6.30%
- 40 to 50 years: Declining rate from 6.30% to 4.20%
- 50 to 60 years: Declining rate from 4.20% to 1%
- 60 to 67 years: Declining rate from 1% to 0%

4.9 Managers and Directors

Compensation paid to members of the Board of Directors breaks down as follows (in K €):

Compensation of corporate officers	**31/12/2021**
Fixed remuneration	175
Annual variable compensation	108
Exceptional compensation	0
Directors' fees	55
TOTAL	**338**

3,000 free shares were granted to the Chairman and Chief Executive Officer in 2021.
No advance or credit has been granted to the corporate officers, nor has any pension commitment been made to them.

4.10 Related party disclosures

Since 1 July 2020, Michel Artières has been Chief Executive Officer under a corporate office agreement.

Financial risk management and assessment

ATEME may be exposed to different types of financial risks: Market risk, credit risk and liquidity risk. Where appropriate, ATEME uses simple means proportionate to its size to minimise the potentially adverse effects of these risks on financial performance. ATEME's policy is not to subscribe financial instruments for speculative purposes. ATEME does not use derivative financial instruments.

Interest rate risk
ATEME has no significant exposure to interest rate risk, as:

- marketable securities consist of short term money market funds,
- cash and cash equivalents include term accounts,
- no floating rate debt was subscribed.

Credit risk

Credit risk is associated with deposits (bank accounts) with banks and financial institutions. ATEME uses leading financial institutions for its cash investments and therefore does not bear any significant credit risk on its cash position.

It has policies in place to ensure that its clients have an appropriate credit risk history.

Currency risk

The main risks related to the foreign exchange impact of sales and purchases in foreign currencies mainly concern sales of products and expenses in US dollars as well as the financing of subsidiaries in their local currency.

The Company has not, at its development stage, made any hedging arrangements to protect its business against fluctuations in exchange rates. However, the Company cannot rule out the possibility that a significant increase in its business would lead to greater exposure to currency risk. The Company will then consider using an appropriate policy to cover these risks.

Equity risk

The Company does not hold any equity interests or marketable securities traded on a regulated market.

Subsequent events

As of 1 January 2022, a single transfer of assets and liabilities (TUP) between Anevia SA and ATEME SA was completed. Anevia has been delisted since 1 January 2022.

War in Ukraine

The war in Ukraine unleashed by Russia on 24 February 2022 will have significant global economic and financial consequences.

Sanctions against Russia are expected to have a significant impact on companies that have business or business ties with Russia.

ATEME has only limited exposure to the current geopolitical situation involving Russia and Ukraine:

- Sales in Russia and Belarus are limited (approximately 1 million euros in 2021); shipments to these countries have been suspended since 24 February 2022
- ATEME does not depend in any way (supply chain, R & D or finance) on the countries concerned and does not have any late payments from customers in these markets.

However, the Company's activities could be impacted by the direct or indirect consequences of the conflict, which cannot be fully quantified to date.

The Company could be exposed in several ways:

- Supply problems, particularly on metals (titanium, etc.) or electronics;
- Higher product production costs linked to the surge in raw materials and energy.

On 11 January 2022, the long standing collaboration between Canal + and ATEME moved up a gear. Canal + subscribers can now enjoy HP and UHD streaming sports events with low

latency via the myCANAL app, with an almost non existent offset between the live event and its broadcast on the screen.

On 2 March 2022, Globecast, a global provider of media and content management solutions, and ATEME announced that they had worked together to add ATEME's BISS CA standard to Globecast's arsenal of cutting edge security options. Given the central role of content security in the sector, this is an important addition.

On 10 March 2022, ATEME announced that the SBTVD Forum has chosen the TITAN Live solution to select VVC as the mandatory video encoding system for the new TV 3.0 standard in Brazil, which will be used for the next generation digital terrestrial television system in the country.

On 22 March 2022, ATEME announced that it had implemented live streaming in 4 K UHD with Dolby Audio ™ for Mola TV, an Indonesian subscription video on demand platform and over the top video streaming platform.

On 29 March 2022, ATEME announced that it had enabled Solbox, the market leader in CDN and cloud computing solutions in Korea, to build a private cloud Vod transcoding platform for OTT service providers.

18.1.2. AUDIT OF HISTORICAL FINANCIAL INFORMATION 2021

BL2A 10, Parc François Villon 91600 Savigny sur Orge S.A.S. with share capital of €34400 403,136,351 R.C.S. Evry	**Ernst & YOUNG Audit** Tour First TSA 14444 92037 Paris La Défense cedex S.A.S. with variable capital 344,366,315 R.C.S. Nanterre
Statutory Auditor Company Member Régionale de Paris	Statutory Auditor Company Member Of Versailles and the Centre

18.1.3. Statutory Auditors' report on the financial statements

To the Shareholders' Meeting of ATEME,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of ATEME for the year ended 31 December 2021.

In our opinion, the financial statements give a true and fair view of the results of operations for the year then ended and of the financial position and assets of the Company at the end of the year, in accordance with French accounting principles.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis of opinion

- **Audit standards**

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the 'Statutory Auditors' Responsibilities for the Audit of the Financial Statements' section of our report.

- **Independence**

We conducted our audit engagement in accordance with the independence rules set out in the French Commercial Code and the French Code of Ethics for Statutory Auditors for the period from 1

January 2021 to the date of our report, and in particular we did not provide any prohibited non audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014.

Justification of our assessments - Key audit matters

The global crisis related to the Covid-19 pandemic creates special conditions for the preparation and audit of the financial statements for this financial year. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the internal organisation of companies and the procedures for implementing audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 8239 and R. 8237 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These assessments were made in the context of our audit of the financial statements as a whole and in forming our opinion thereon. We do not express an opinion on individual items of these financial statements.

Valuation of equity investments

Risk identified	Our response
At 31 December 2021, the net carrying amount of investments in subsidiaries and affiliates amounted to K €21443, corresponding mainly to Anevia shares. These securities are recognised at their entry date and at the acquisition, subscription or contribution price. Their recoverable amount is assessed at the end of each financial year. The latter is determined using the discounted cash flow method, where applicable, or according to the share of net equity, as indicated in Note 2.1.3 to the annual financial statements. If the recoverable amount is less than the carrying amount, an impairment loss shall be recognised. Given their importance in the financial statements and the sensitivity to estimates, we considered the valuation of equity investments to be a key audit matter.	Our work consisted mainly in examining the justification provided by management in respect of the valuation method used and the figures used. In particular, we have: ► Obtaining an understanding of the process implemented by management to estimate the recoverable amount of equity investments, and the documentation of management's choices with respect to the items to be considered; ► Assessed the consistency of the key assumptions used to determine discounted cash flows and the long term growth rates of these flows: We assessed the consistency of the assumptions with respect to historical performance and operating budgets approved by management for the coming financial year, including growth forecasts for subsequent years; ► Examined the possible existence of indications of impairment of the Anevia entity;

	▶ Assessed the appropriateness of the financial information provided in the notes to the financial statements.

Impairment of inventories

Risk identified	Our response
The gross value of your company's inventories amounted to K €4680 at 31 December 2021 and was written down by K €205. These inventories mainly consist of goods. As disclosed in Note 2.2 'Inventories and work in progress' to the annual financial statements, the provision for inventory impairment concerns components or goods that are subject to internal loan, testing or repair. Components or goods for which technological advances are beginning to render obsolete inventories or those with little or no movement during the year are scrapped. We considered that the impairment of inventories was a key audit matter due to the relative importance of inventories in the company's financial statements and due to management's judgement in identifying inventories to be impaired.	Our audit procedures consisted in: ▶ Obtaining an understanding of the internal control procedures implemented to identify inventories requiring impairment; ▶ Attend physical inventories at the end of the year; ▶ Compare, on a test basis, the cost of the main items in inventory with the net selling price during the year; ▶ Analysing the data and assumptions used by management to identify inventories to be impaired; ▶ Perform a retrospective analysis of inventory run off based on inventory movements during the year.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by law and regulations.

Information given in the management report and in the other documents provided to shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the shareholders with respect to the financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information relating to the payment terms mentioned in Article D. 441-6 of the French Commercial Code.

Information on corporate governance

We attest that the section of the Board of Directors' management report on corporate governance contains the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-09 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-09 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received or granted to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlled by it that are included in the scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information relating to items that your company considered likely to have an impact in the event of a public tender or exchange offer, provided in accordance with the provisions of Article L. 22-10-11 of the French Commercial Code, we have verified their compliance with the documents from which they are sourced and which have been communicated to us. On the basis of our work, we have no matters to report on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests, the identity of shareholders and holders of voting rights and reciprocal shareholdings has been properly disclosed in the management report.

Other verifications or information required by law and regulations

Presentation format of the annual financial statements for inclusion in the annual financial report

We have also verified, in accordance with the professional standard on the Statutory Auditor's procedures relating to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, compliance with this format defined by European Delegated Regulation No. 2019/815 of 17 December 2018 in the presentation of the annual financial statements intended to be included in the annual financial report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer.

Based on our work, we conclude that the presentation of the annual financial statements for inclusion in the annual financial report respects, in all material respects, the single European electronic information format.

It is not our responsibility to verify that the annual financial statements that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we conducted our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of ATEME by your Annual General Meeting of 30 June 1997 for BL2A and 11 April 2014 for ERNST & YOUNG Audit.

As at 31 December 2021, BL2A was in the twenty fifth year of its uninterrupted engagement (including eight years since the company's securities were admitted to trading on a regulated market) and ERNST & YOUNG Audit in the eighth year.

Responsibilities of management and those charged with corporate governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, internal audit, with respect to the accounting and financial reporting procedures.

The annual financial statements have been approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the annual financial statements

Audit objective and approach

Our responsibility is to prepare a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may arise from fraud or error and are considered material when, individually or in the aggregate, they can reasonably be expected to influence the economic decisions that users of the financial statements make based on them.

As specified in Article L. 823101 of the French Commercial Code, our statutory audit does not include assurance on the viability or quality of management of your Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit. In addition:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of its report. However, subsequent events or circumstances may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, the statutory auditor draws attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, issues a qualified opinion or a disclaimer of opinion;
- Evaluates the overall presentation of the financial statements and assesses whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the conclusions of our audit. We also bring to its attention, where applicable, any significant weaknesses in internal control that we have identified with respect to the procedures relating to the preparation and processing of accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014 confirming our independence within the meaning of the rules applicable in France as set in particular by Articles L. 82210 to L. 82214 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the related safeguards.

Savigny sur Orge and Paris La Défense, 28 April 2022

The Statutory Auditors

BL2A	Ernst & YOUNG Audit
Mélanie Hu Charles	Jean Christophe Pernet

18.1.4. Change in accounting reference date

None.

18.1.5. Accounting standards

For the consolidated accounts, financial information shall be prepared in accordance with international financial reporting standards as adopted in the Union in accordance with Regulation (EC) No 1606/2002.

18.1.6. Change in accounting standards

None.

18.1.7. National accounting standards

Please refer to section 18.01.01. 'Audited historical financial information.'

18.1.8. CONSOLIDATED FINANCIAL STATEMENTS

Statement of Financial Position	Notes	31/12/2021 K €	31/12/2020 K €
Goodwill	11	12,886	13,186
Intangible assets	12	8,877	10,850
Property, plant and equipment	13	3,203	2,889
Rights of use	14	2,862	2,616
Other non current financial assets	16	975	1,198
Deferred tax assets	8	1,508	1,203
Total non current assets		**30,311**	**31,942**
Inventories	17	6,558	4,436
Trade receivables	18.1	32,289	31,665
Other current receivables	18.2	12,548	8,335
Cash and cash equivalents	19	11,447	17,095
Total current assets		**62,842**	**61,531**
Total Assets		**93,153**	**93,473**
Share capital	21	1,571	1,548
Additional paid in capital	21	26,554	25,137
Translation reserve	21	291	111
Other comprehensive income	21	(88)	(217)
Reserves - Group share	21	10,125	9,257
Net income - Group share	21	1,137	(275)
Equity, Group share		**39,590**	**35,561**
Employee benefit obligations	24	1,224	1,223
Provisions for charges	25	41	41
Non current financial debt	23	15,189	16,154
Non current lease liabilities	23.2	2,201	1,788
Deferred tax liabilities	8	10	28
Non current liabilities		**18,665**	**19,234**
Debt on Anevia acquisition	11	-	3,738
Current financial debt	23	6,529	4,633
Current lease liabilities	23.2	745	909
Trade payables and related accounts	26.1	14,173	14,605
Tax and social security liabilities	26.2	5,728	6,490
Other current liabilities	26.3	7,723	8,303
Current liabilities		**34,898**	**38,678**
Total Liabilities		**93,153**	**93,473**

Income statement	Notes	31/12/2021 12 months K €	31/12/2020 Restated * 12 months K €	31/12/2020 Published 12 months K €
Revenue	3	78,798	70,104	70,739
Cost of sales	4.1	(29,841)	(31,576)	(31,836)
Gross profit		**48,957**	**38,528**	**38,903**
Research and development costs	4.2	(16,012)	(12,639)	(12,693)
Marketing and selling expenses	4.3	(27,086)	(20,052)	(20,171)
General and administrative expenses	4.4	(4,754)	(3,904)	(4,133)
Recurring operating income		**1,105**	**1,933**	**1,906**
Other recurring operating income and expenses	4.5	-	(713)	(713)
Operating profit		**1,105**	**1,220**	**1,193**
Financial expenses	7	(621)	(327)	(327)
Financial income	7	122	34	34
Foreign exchange gains and losses	7	1,010	(1,089)	(1,089)
Income before tax		**1,616**	**(162)**	**(189)**
Income tax expense/income	8	169	(86)	(86)
Net income from continuing operations		**1,785**	**(248)**	**(275)**
Income from discontinued operations		251	(27)	
Gains or losses on disposal of discontinued operations		(899)	-	
Net income		**1,137**	**(275)**	**(275)**
Group share		*1,137*	*(275)*	*(275)*
Non controlling interests			-	
Weighted average number of shares outstanding for basic earnings	*9*	*11,167,335*	*10,585,138*	*10,585,138*
Weighted average number of shares outstanding for diluted earnings	*9*	*11,591,429*	*11,027,161*	*11,027,161*
Basic earnings per share (€/share) from continuing operations	**9**	**0.10**	**(0.02)**	**(0.03)**
Diluted earnings per share (€/share) from continuing operations	**9**	**0.10**	**(0.02)**	**(0.03)**
Basic earnings per share (€/share) from discontinued operations	**9**	**0.02**	**0.00**	**0.00**
Diluted earnings per share (€/share) from discontinued operations	**9**	**0.02**	**0.00**	**0.00**

* Following the disposal of the Enterprise business, the consolidated financial statements have been prepared in accordance with IFRS 5 on discontinued operations (see Note 2.2.1 and Note 10).

IFRS Consolidated Statement of Comprehensive Income	31/12/2021 K €	31/12/2020 K €
Net income for the year	1,137	(275)
Actuarial gains and losses	150	(109)
Tax effect related to these items	(20)	7
Items not recyclable to income	**130**	**(102)**
Consolidation translation adjustments	180	7
Items recyclable to income	**180**	**7**
Comprehensive Income	**1,447**	**(370)**
Group share	*1,447*	*(370)*
Non controlling interests	-	-

Change in consolidated shareholders' equity	Share capital Number of shares	Share capital K €	Share premium K €	Reserves and Income K €	Goodwill Conversion K €	Actuarial gains and losses K €	Equity, Group share K €	Interest Non controlling interests K €	Capital Own K €
At 31 December 2019	**10,464,562**	**1,465**	**17,307**	**8,366**	**104**	**(115)**	**27,127**	**0**	**27,127**
Net income 2020				(275)			(275)		(275)
Other comprehensive income					7	(102)	(95)		(95)
Comprehensive income							**(370)**		**(370)**
Issuance of new shares	497,343	70	7,390				7,460		7,460
Vesting of bonus shares	32,000	4	(4)				0		0
Exercise of stock options	66,664	9	444				453		453
Cancellation of treasury shares resulting from the liquidity				132			132		132
Share based payments				1,208			1,208		1,208
Capital increase costs				(450)			(450)		(450)
At 31 December 2020	***11,060,569,***	**1,548**	**25,137**	**8,981**	**111**	**(217)**	**35,560**	**-**	**35,560**
Net income 2021				1,137			1,137		1,137
Other comprehensive income					180	130	310		310
Comprehensive income							**1,447**		**1,447**
Issuance of new shares	*74,920*	10	1,113				1,123		1,123
Vesting of free shares	*52,500*	7	(7)				0		0
Exercise of stock options	*36,038*	6	311				317		317
Cancellation of treasury shares resulting from the liquidity				(44)			(44)		(44)
Share based payments				1,187			1,187		1,187
At 31 December 2021	***11,224,027,***	**1,571**	**26,554**	**11,261**	**291**	**(88)**	**39,590**	**-**	**39,590**

Consolidated statement of cash flows	Notes	31/12/2021 K €	31/12/2020 Restated *	31/12/2020 Published
Net income from continuing operations		**1,785**	**(248)**	**(275)**
Net income from discontinued operations		**(648)**	**(27)**	**-**
Net income		**1,137**	**(275)**	**(275)**
Elimination of amortisation of intangible assets	12	792	966	966
Elimination of technology depreciation	12	712	119	144
Elimination of depreciation of property, plant and equipment	13	1,583	1,501	1,510
Elimination of IFRS amortisation 16	14	895	874	874
Additions to provisions	25	152	262	262
Share based payment expense	22	1,187	1,208	1,208
Gross interest paid	7	561	231	231
Losses on disposal of fixed assets		(92)	(5)	(5)
Other		48	109	109
Income taxes (including deferred taxes)	8	(169)	85	85
Cash flow from operating activities before net finance costs and taxes		**7,453**	**5,102**	**5,109**
Change in operating working capital	27	(9,126)	778	898
Operating cash flow from continuing operations		**(1,673)**	**5,880**	**6,007**
Operating cash flow from discontinued operations		**1,121**	**127**	**-**
Cash flow from operating activities		**(552)**	**6,007**	**6,007**
Acquisition of intangible assets	12	(364)	(308)	(308)
Capitalised development costs	12	(661)	(582)	(582)
Acquisition of property, plant and equipment	13	(1,982)	(1,588)	(1,588)
Change in other non current financial assets	16	21	(97)	(97)
Exercise of Anevia Warrants by minority interests	22	0	702	702
Anevia: Earn out		(3,738)	(7,417)	(7,417)
Deconsolidated (Anevia Inc)		0	(21)	(21)
Vitec receivable		(399)	-	-
Net cash from (used in) investing activities		**(7,123)**	**(9,311)**	**(9,311)**
Net cash from (used in) investing activities		-	-	-
Cash flows from investing activities		**(7,123)**	**(9,311)**	**(9,311)**
Exercise of stock options	22	1,440	453	453
Allocation of capital increase costs		0	(450)	(450)
Collection of new borrowings	23	5,430	12,078	12,078
Gross interest paid	7	(563)	(242)	(242)
Repayment of conditional loans and advances	23	(3,654)	(975)	(975)
Repayments of lease liabilities (IFRS 16)	23.2	(794)	(859)	(859)
Changes in assets related to financing flows	23	50	(56)	(56)
Cash flows from continuing operations		**1,909**	**9,949**	**9,949**
Cash flows from discontinued operations		**-**	**-**	**-**
Cash flows from financing activities		**1,909**	**9,949**	**9,949**
Impact of exchange rate fluctuations		121	106	106
Net cash from (used in) discontinued operations				
Increase (decrease in cash and cash equivalents)		**(5,645)**	**6,751**	**6,751**

		31/12/2021 K €	31/12/2020 Restated *	31/12/2020 Published
Net cash and cash equivalents at beginning of period		17,092	10,341	10,341
Net cash and cash equivalents at end of period	19	11,447	17,092	17,092
Increase (decrease in cash and cash equivalents)		**(5,645)**	**6,751**	**6,751**
Cash and cash equivalents	19	11,447	17,095	17,095
Bank overdrafts		0	(3)	(3)
Cash and cash equivalents at end of period (including bank overdrafts)		**11,447**	**17,092**	**17,092**

* Following the disposal of the Enterprise business, the consolidated financial statements have been prepared in accordance with IFRS 5 on discontinued operations (see Note 2.2.1 and Note 10).

Detailed analysis of the change Working Capital Requirement (in K €)	31/12/2021	31/12/2020 restated	31/12/2020 published
Inventories (net of inventory impairment)	(1,983)	(918)	(999)
Trade receivables (net of trade receivables)	188	(751)	(689)
Other receivables	(4,438)	(542)	(642)
Trade payables and related accounts	(846)	2,220	2,281
Tax and social security liabilities	(860)	(8)	125
Other current liabilities	(1,187)	777	822
Total changes	**(9,126)**	**778**	**898**

Notes to the Financial Statements

(Unless otherwise indicated, the amounts mentioned in these notes are in K €)

Table of contents

Note 1: Presentation of business and major events

The following information constitutes the Notes to the consolidated financial statements Under IFRS, which is an integral part of the financial statements presented for the years ended 31 December 2021 and 2020. As part of the application of IFRS 5 as of 31 December 2021, the income statement and cash flow statement data have been restated compared to the publication of 31 December 2020. For this purpose, the data of 31 December 2020 have been restated.

Each of these financial years has a duration of twelve months covering the period from January 1 to December 31.

1.1 Information on the Company and its business

Created in June 1991, ATEME (a French public limited company) is responsible for the production of electronic and computer devices and instruments for the acquisition, processing and transmission of information.

ATEME offers products and solutions to cover:

- The contribution: Encoders embedded in mobile control cars and decoders installed in studios,
- The 'File' and 'Live' broadcasts: Content transcoding solution for broadcast on all types of screens to monetise content.

Registered office address: 6 rue Dewoitine, 78140 Vélizy Villacoublay

Number of the Trade and Companies Register: 382,231,991 RCS de VERSAILLES

ATEME and its subsidiaries are hereinafter referred to as the 'Company' or the 'Group' or 'ATEME.' The Company is listed on Euronext Paris Compartment B.

1.2 Significant events of the financial year 2021

On 19 January 2021, ATEME announced the completion of the acquisition of Anevia, a software publisher for the distribution of live, deferred and on demand television and video (VOD) following the successful takeover bid and the squeeze out.

On 28 January 2021, the company announced that it had received three Emmy ® Awards in the 'Technology & Engineering' category from the National Academy of Arts and Television Sciences (NATAS) for its outstanding achievements in video compression that contribute to the efficient delivery and distribution of media, content and TV:

- Development of perceptual measurements for video encoding optimisation
- Optimising artificial intelligence processes for video compression
- Development of optimised compression technologies for mass processing

On 4 February 2021, ATEME announced that its multi platform video broadcasting solution was deployed by Viya, the largest telecommunications and entertainment service provider in the Virgin Islands (United States), part of ATN International.

On 25 February 2021, the company announces that it will facilitate more than 50% of ATSC 3.0 deployments in North America in 2020, guaranteeing technological leadership to the largest American broadcasters.

On 9 March 2021, Anevia (now owned by ATEME) and the company celebrate the tenth anniversary of their technological partnership. This collaboration was a key factor in making Net + one of Switzerland's most innovative TV service providers.

On 12 March 2021: ATEME supports the Chinese video industry with the integration of AVS2.

ATEME today announced that it has integrated the AVS2 codec into its TITAN range, which is the second generation digital audio video compression standard, defined by the AVS working group, designed to meet the needs of the audio and video industry in China. This is a strengthening of its commitment to the Chinese market, where the company already enjoyed a strong reputation as a supplier of innovative video compression solutions. ATEME's Chinese customers, all leading players, can now take advantage of high quality low speed video and HDR technology to offer viewers an unforgettable quality of experience.

On 16 March 2021: ATEME teamed up with Digitalrich to offer an integrated solution of advertising inserts to customers around the world.

Digitalrich remains the leading supplier of advertising insertion technology in Korea. Thanks to this partnership, ATEME TITAN Live and TITAN Mux and Digitalrich's advertising insertion server are now available as an integrated solution for ATEME customers worldwide. Customers will benefit from a comprehensive advertising replacement solution capable of managing analogue or digital markers as well as advertising campaigns for channels processed by ATEME video processing components.

On 23 March 2021: ATEME's TITAN solutions improve the video quality of more than a million viewers across Denmark.

ATEME today announces that Nuuday, a subsidiary of TDC Group, Denmark's largest telecommunications company, has adopted its TITAN range of solutions to improve the video experience of its viewers. To serve more than a million viewers through its YouSee brands, which provide them with 100 linear channels and VoD services, and Blockbuster, which offers a complete VoD catalogue, Nuuday needed a video encoding solution that could improve video quality and sustain its workflows. To achieve this goal, Nuuday implemented ATEME's TITAN software solutions for live and VOD applications.

On 15 April 2021, ATEME announced today that Nilesat has chosen to deploy its TITAN Live platform for two projects, thereby increasing ATEME's presence in the region.

On 6 May 2021, DU joined forces with ATEME on OTT and SHT projects to improve supply in the United Arab Emirates.

On 11 May 2021, ATEME launched a green delivery solution for video service providers. The Green Delivery solution - an integrated end to end solution allows OTT and DTH operators to significantly reduce the carbon footprint of their video broadcasts, helping them achieve their sustainable development goals.

On 18 May 2021, ATEME added a latency in broadcasting via just in time conditioners to a world first. These updates make ATEME the first to market a low latency JIT package - a complex technical challenge that ATEME has taken up using its own patented technology.

On 25 May 2021, ATEME transcoders took over the first live sports video project on the Huawei cloud in Brazil.

On 1 June 2021, ATEME announced the launch of PILOT Media, a native cloud solution that brings business intelligence, workflow automation and efficiency to the media supply chain.

On 8 June 2021, ATEME announced that its NEA streaming solution now supports the creation of complete channels. This allows content owners, broadcasters and service providers to offer content that is more relevant to their viewers through personalised Tv channels, resulting in more viewers and increased loyalty to OTT and OTA services.

On 15 June 2021, ATEME announced that Korean broadcaster KBS has selected ATEME's Kyrion encoders to update its existing infrastructure, allowing high quality MPEG-2 HD broadcasting.

On 17 June 2021, ATEME worked with Intel to double coding performance by integrating the latest 3rd generation Intel Xeon scalable processors. The company announces a revolutionary increase in the performance of its video encoders. By working closely with Intel and leveraging the combination of Intel processors and ATEME encoders, ATEME customers will benefit from delivery of up to 2 times more efficient encoding for OTT, resulting in high visual quality at lower cost.

On 22 June 2021, ATEME announced that TCCL (Thamizhaga Cable TV Communication Pvt Ltd), one of the largest cable distribution companies in India, with a strong focus on quality of service and content, has chosen to implement ATEME's TITAN Live solution for its cable television platform.

On 24 June 2021, ATEME allows AIS to move to next generation OTT delivery.

The company announces that it has provided a state of the art, just in time packaging and storage solution for AIS, Thailand's largest telecommunications and mobile phone operator.

On 29 June 2021, ATEME and Hoist Group, one of the leading providers of new generation hotel technology in the EMEA region, announced the availability of personal network video recording (NPVR) and catch up television, two new television services designed to improve guest entertainment in the hotel sector.

On 6 July 2021, it announced that it had integrated Dolby Vision ® HDR and Dolby Atmos ® immersive audio technologies into its solution, which makes it the first solution on the market to encode and offer the two experiments in native mode.

On 8 July 2021, ATEME announced that its Flamingo network head is being deployed to provide next generation television entertainment for the entire family at SODIC October Plaza, a major residential development in the Greater Cairo area.

On 3 August 2021 ATEME announces that the integrated OTT video broadcasting solution has been selected for the re launch of its TV offering in the Armenian market. With a legacy system in place, Telecom Armenia has identified a need for a scalable and efficient video delivery solution as part of a planned service update that included a new front and back office. The operator has chosen ATEME as the sole supplier, allowing the organisation to benefit from a range of OTT technologies, from reception to CDN.

The 5 August ATEME announces that its encoders and decoders Kyrion provide contribution links to enable the Thai operator National Telecommunications (NT PCL) to distribute the Tokyo 2020 Olympic Games to all broadcasters across Thailand.

The use of ATEME's Kyrion encoders/decoders allows NT PCL to offer Thai viewers a high quality viewing experience thanks to the ultra low latency of the technology and its contribution of high video quality.

On September 16, the National Association of Broadcasters decided to cancel the NAB Show 2021, which was scheduled to be held in October in Las Vegas, United States.

'For more than a year, we worked tirelessly to bring our industry together safely in Las Vegas at the NAB Show. Unfortunately, the pandemic and the thrust of the Delta variant presented unexpected and insurmountable challenges for our global community, 'said Chris Brown, Executive Vice President of the National Association of Broadcasters

The next edition will be held on 22 and 23 April 2022 with the participation of ATEME.

On 4 November 2021: Vitec strengthened its leadership position with the acquisition of Anevia's 'Hotels and Businesses' video broadcasting business.

Vitec, a world leader in IP video streaming solutions, acquired the video broadcasting business 'Hotels and Businesses' Flamingo of Anevia, a subsidiary of ATEME. This acquisition strengthens the corporate IPTV activity, Vitec's core business, and with the acquisition of Exterity in April 2021, Vitec is positioned as the world leader in IPTV solutions in the hospitality and business sectors. ATEME will continue to focus on its core business of video broadcasting software for broadcasting, cable, DTH, IPTV and OTT. This operation will provide existing users of Flamingo products with a sustainable video delivery solution for applications in the hospitality and business sectors.

1.3 Impacts of the COVID-19 health crisis on the financial statements at 31 December 2021

Full business continuity during the Covid-19 crisis

During this period of uncertainty, ATEME's priorities were twofold: Protect the health and well being of its employees and partners, in strict compliance with official instructions in order to stop the spread of the virus, and provide all possible support to customers. Lockdown has been imposed in most of the regions in which we operate. Fortunately, the Company has an active and proven telecommuting culture and a robust business continuity plan that ensures complete continuity of all operations, including R & D, 24/7 support and supply chain functions.

In particular:

- Demonstrations, deliveries and installations of TITAN, ATEME software, can be carried out remotely.
- ATEME continues to offer video conferences and other webinars to its customers around the world,
- The research and development team continues to file new patents

Impact of the Covid-19 crisis on the financial perspective

In the first half of the year; given the restrictions on international travel still in force in most countries, very few customers have resumed meeting with their suppliers. The major trade shows in the sector were postponed (from April to October for the NAB in Las Vegas and from September to December for the IBC in Amsterdam) before being finally cancelled.

However, the situation gradually improved in the second half of the year on the travel front thanks to the deployment of vaccination, which contributed to a rebound in sales in the fourth quarter.

In addition, some semiconductor manufacturers face production difficulties that impact the main server manufacturers. This leads to longer lead times and higher costs, resulting in delays in delivery and impacting the gross margin of projects when our customers purchase equipment through us. ATEME has tried to build a security buffer stock to mitigate the impact on customers.

The impacts on 2021 activity related to the health crisis are therefore considered ad hoc. This situation does not call into question the medium- and long term trajectory of the ATEME Group's activity by its management.

1.4 Subsequent events 2021

War in Ukraine

The war in Ukraine unleashed by Russia on 24 February 2022 will have significant global economic and financial consequences.

Sanctions against Russia are expected to have a significant impact on companies that have business or business ties with Russia.

ATEME has only limited exposure to the current geopolitical situation involving Russia and Ukraine:

- Sales in Russia and Belarus are limited (approximately 1 million euros in 2021); shipments to these countries have been suspended since 24 February.
- ATEME does not depend in any way (supply chain, R & D or finance) on the countries concerned and does not have any late payments from customers in these markets.

However, the Company's activities could be impacted by the direct or indirect consequences of the conflict, which cannot be fully quantified to date.

The Company could be exposed in several ways:

- Supply problems, particularly on metals (titanium, etc.) or electronics;
- Higher product production costs linked to the surge in raw materials and energy.

On 11 January 2022, the long standing collaboration between Canal + and ATEME moved up a gear. Canal + subscribers can now enjoy HP and UHD streaming sports events with low latency via the myCANAL app, with an almost non existent offset between the live event and its broadcast on the screen.

On 2 March 2022, Globecast, a global provider of media and content management solutions, and ATEME announced that they had worked together to add ATEME's BISS CA standard to Globecast's arsenal of cutting edge security options. Given the central role of content security in the sector, this is an important addition.

On 10 March 2022, ATEME announced that the SBTVD Forum has chosen the TITAN Live solution to select VVC as the mandatory video encoding system for the new TV 3.0 standard in Brazil, which will be used for the next generation digital terrestrial television system in the country.

On 22 March 2022, ATEME announced that it had implemented live streaming in 4 K UHD with Dolby Audio ™ for Mola TV, an Indonesian subscription video on demand platform and over the top video streaming platform.

On 29 March 2022, ATEME announced that it had enabled Solbox, the market leader in CDN and cloud computing solutions in Korea, to build a private cloud Vod transcoding platform for OTT service providers.

Note 2: Accounting principles, rules and methods

The financial statements are presented in K € unless otherwise indicated.

2.1 Accounting principles

Statement of compliance

ATEME has prepared its consolidated financial statements approved by the Board of Directors on 23 March 2022, in accordance with the standards and interpretations published by the International Accounting Standards Boards (IASB) and adopted by the European Union on the date of preparation of the financial statements, for all periods presented.

These standards, which are available on the European Commission's website, incorporate international accounting standards (IAS and IFRS), the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Interpretations Committee (IFRIC).

The accounting principles, methods and options adopted by the Company are described below. In some cases, IFRS leaves the choice between the application of a reference or other permitted treatment.

Principle of preparation of financial statements

The Group's financial statements have been prepared on a historical cost basis, with the exception of certain categories of assets and liabilities, in accordance with IFRS. The categories concerned are mentioned in the following notes.

Going concern

The assumption of going concern over the next 12 months from 31 December 2021 has been adopted by the Board of Directors on the basis of available cash and revised revenue and gross margin growth assumptions.

Accounting policies

The accounting policies described below have been applied on an ongoing basis to all periods presented in the financial statements, after taking into account, or with the exception of the new standards and interpretations described below:

- ***Amendments to IFRS 4 published on 16 December 2020,***
- ***Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 published on 14 January 2021,***
- ***Amendments to IFRS 16 - Covid-19- Related Rent Concessions beyond 30 June 2021, published on 31 August 2021.***

The other standards, amendments and interpretations have had no impact on the Group's financial statements or are not applicable

These new standards and interpretations published by the IASB did not have a material impact on the Company's financial statements.

The other standards, amendments and interpretations have had no impact on the Group's financial statements or are not applicable.

Standards, amendments to standards and interpretations adopted by the European Union but not yet mandatory for the annual financial statements 2021

The Group has elected not to early adopt the standards, amendments and interpretations adopted by the European Union but whose early application would have been possible and which will come into force after 31 December 2021.

These mainly include:

- ***Amendments to IFRS 3, IAS 16, IAS 37, published on 14 May 2020,***
- *Improvements to IFRS 2018-2020 cycle of IAS 41, IFRS 1, IFRS 9 and IFRS 16, published on 28 June 2021.*
- ***IFRS 17 - Insurance contract published on 23 November 2021.***

The Group does not expect the amendments to have a material impact on its financial statements.

There are no standards, amendments and interpretations published by the IASB and mandatorily applicable for financial years beginning on or after 1 January 2021, but not yet approved at European level (and whose early application is not possible at European level), which would have a significant impact on the financial statements for this financial year.

Standards and interpretations published by the IASB and not yet adopted by the European Union at 31 December 2021

- ***Amendments to IAS 12: 'Deferred tax on assets and liabilities arising from the same transaction (application planned for 1 January 2023 by the IASB, date of application by the EU not known),***
- ***IFRS 14: Regulatory deferral accounts (application scheduled for 1 January 2016 by the IASB, date of application by the EU not known),***
- ***Amendments to IAS 1: Classification of liabilities as current or non current (application planned by the IASB on 1 January 2023, date of application by the EU not known),***
- ***Amendments to IAS 1: Disclosures on accounting principles and methods (application planned for 1 January 2023 by the IASB, date of application by the EU not known),***
- ***Amendments to IAS 8: Definition of an accounting estimate (application planned for 1 January 2023 by the IASB, date of application by the EU not known),***
- ***Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and an associate or joint venture.***

The Group is currently assessing the impacts resulting from the first time application of these new standards and does not anticipate any significant impact on its financial statements.

Consolidation principles

<u>Fully consolidated companies</u>

The consolidated financial statements include, in full consolidation, the financial statements of subsidiaries over which the Group directly or indirectly exercises exclusive control. The Group considers that it has exclusive control over an entity when it has the ability to direct the operating and financial policies of that entity in order to obtain economic benefits. Full consolidation makes it possible to take into account, after elimination of internal transactions and results, all assets, liabilities and income statement items of the companies concerned, the share of income and equity reselling to Group companies (Group share) being distinguished from that relating to the interests of other shareholders (Non controlling interests). All material transactions between the Consolidated Companies as well as internal results (including dividends) are eliminated.

Main Group companies at 31 December 2021

Subsidiaries

Subsidiaries are all entities for which the Company has the power to govern financial and operating policies, generally accompanied by the holding of more than half of the voting rights. Subsidiaries are fully consolidated from the date on which the Company acquires control. They are deconsolidated from the date on which control ceases to be exercised.

Intra group transactions and balances are eliminated. The financial statements of the subsidiary are prepared over the same reference period as those of the parent company, on the basis of homogeneous accounting methods.

At 31 December 2021, seven companies were fully consolidated. The companies held directly are as follows:

Companies	Countries	Group control	Interest
ATEME SA	France	Parent company	
ATEME USA Inc	United States	100	100
ATEME Canada Inc	Canada	100	100
ATEME Singapore	Singapore	100	100
ATEME Japan KK	Japan	100	100
ATEME Australia	Australia	100	100
Anevia SA	France	100	100

2.2 Recent events and changes to previously published financial statements

Discontinued operations

On 4 November 2021, ATEME signed an agreement with Vitec to sell the Hotels and Enterprise business line.

This agreement concerns the sale of the 'Flamingo' business including:

- The customer file comprising all commercial, trading, previous orders, past support and guarantees and customer disputes;
- All exclusive rights and source codes on the following software:
  - Flamingo software suite;
  - Any other codes necessary for the operation of the product;
- The domain name 'anevia-hospitality.com' filed with Amen, whose name was renewed on 25 March 2021, accompanied by all the functionalities necessary for its use;
- All intellectual property rights relevant to the operation of the transferred fund;
- The right of use and the right to licence the 'Packeng' bookshop;
- The social file of each employee transferred;
- Tangible and material items made available to transferred employees;
- Any marketing and commercial material and content;
- All contracts concluded with customers and not yet completed;
- All contracts with suppliers and the integrator network;
- All ongoing support contracts with customers;
- Inventories of products related to the transferred Fund.

The sale price of the business is set at €800k, with an earn out for a maximum amount of €1200k, which will be paid in the event that Vitec reaches a gross margin on the business over the next 2 financial years (2022 and 2023).

In accordance with IFRS 5 on discontinued operations, the income statement, other comprehensive income and statement of cash flows relating to discontinued operations are presented separately in the financial statements for all periods presented.

2.3 Use of judgements and estimates

To prepare the financial statements in accordance with IFRS, estimates, judgements and assumptions have been made by Group Management; they may have affected the amounts presented for assets and liabilities, contingent liabilities at the date of preparation of the financial statements, and the amounts presented for income and expenses for the year.

These estimates are based on the assumption of going concern and are based on information available at the time of preparation. They are measured continuously on the basis of past experience and various other factors considered reasonable which form the basis of the assessments of the carrying amount of assets and liabilities. Estimates may be revised if the circumstances on which they were based change or as a result of new information. Actual results may differ significantly from these estimates depending on different assumptions or conditions.

The main estimates or significant judgements made by the Company's management relate in particular to the following:

- Allocation of stock options or equity warrants to employees and executives
  - The fair value of share based payments is determined using the Black & Scholes option pricing model, which takes into account assumptions about complex and subjective variables. These variables include the value of the Company's shares, the expected volatility of the share price over the life of the instrument and the current and future behavior of the holders of these instruments. There is a high inherent risk of subjectivity arising from the use of an option pricing model in determining the fair value of share based payments in accordance with IFRS 2.
  - The valuation assumptions used are presented in Note 22.
- Revenue recognition
  - Some perpetual licence agreements include a maintenance component subject to the transfer of final ownership. Thus, in this context, the Group may have to take into account comparable data to determine the revenue to be recognized on each contract.
  - The accounting principles are presented in Note 3.
- Capitalised development costs
  - The Group devotes significant efforts to research and development. In this context, the Group must make judgements and interpretations in determining the development costs to be capitalised as soon as all of the six criteria defined by IAS 38 are met.
  - The accounting principles and the amount of capitalised costs are presented in Note 12.
- Impairment of inventories
  - The Group determines a provision for inventory impairment based on an analysis of the probable net realisable value of its inventories, which is based on historical and forecast data. In this context, the Group may have to take into account assumptions (particularly in terms of technological changes in the different versions of maps and the risk of obsolescence of these products).
  - The accounting principles and the amount of provisions are presented respectively in Note 17.
- Provision for retirement obligations
  - The Group uses assumptions related to turnover, discount rate and salary increases based on historical data. In this context, the Group may have to take into account assumptions.
  - The accounting principles and the amount of provisions are presented in Note 24.
- Impairment of trade receivables
  - The Group determines a provision for customer impairment based on historical losses recognised on certain categories of customers. In this context, the Group may have to take into account assumptions (particularly in terms of customer risk).
  - The accounting principles and the amount of provisions are presented respectively in Note 18.1.
- Lease obligations
  - The determination of the lease terms and renewal options used to determine the value of the debts and rights of use in accordance with IFRS 16 'Leases.' The accounting principles are presented in Notes 7 and 14 and in the section on accounting principles.

- Allocation of the acquisition price of assets and liabilities at fair value (see Note 11)
- Impairment tests on assets (see Note 15)

2.4 Presentation functional currency

The Group's financial statements are prepared in euros, the presentation and functional currency of ATEME SA.

2.5 Foreign currency

Foreign currency transactions

Foreign currency transactions are translated into the Company's functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency using the exchange rate at that date.
Foreign exchange gains and losses resulting from the translation of monetary items correspond to the difference between the amortised cost denominated in the functional currency at the beginning of the period, adjusted for the impact of the effective interest rate and payments over the period, and the amortized cost denominated in the foreign currency translated at the closing exchange rate.

Non monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency using the exchange rate at the date the fair value was determined. Exchange differences resulting from these conversions are recognised in the income statement, with the exception of differences resulting from the translation of available for sale equity instruments, a financial liability designated as a hedge of a net investment in a foreign operation, or instruments qualified as cash flow hedges, which are recognised directly in equity.

Translation of the financial statements of foreign subsidiaries

The euro, used as the presentation currency, is the currency in which most of the cash flows are generated within the Group. The Company's functional currency is the euro and the functional currencies of its subsidiaries are as follows:

- ATEME SA Inc.: US dollar
- ATEME Canada Inc.: Canadian dollar
- ATEME Singapore: Singapore Dollar
- ATEME Japan KK: Yen
- ATEME Australia: Australian dollar

The financial statements of Group entities whose functional currencies are different from the euro are translated into euros as follows:

- Assets and liabilities are translated at the closing exchange rate at 31 December 2021;

- Income and expenses in each income statement are translated at the average exchange rate for the period or period, which is considered to reflect the rates prevailing on the effective date of the transactions.

Translation differences resulting from the application of these different rates are recorded in a specific equity item, 'Translation differences.'

As of 31 December 2021, the Japanese subsidiary was considered as a long term net investment in accordance with IAS 21. The impact on the translation reserve in the financial statements at 31 December 2021 was € (28) thousand.

2.6 Current and non current distinction

The Group applies a balance sheet presentation distinguishing between current and non current portions of assets and liabilities.

The distinction between current and non current items was made according to the following rules:

- Assets and liabilities forming the working capital requirement in the normal business cycle are classified as 'current';
- Assets and liabilities, excluding the normal operating cycle, are presented in 'current' on the one hand and 'non current' on the other hand, depending on whether their maturity is more or less than one year or following the application of specific cases covered by IAS 1.

2.7 Recoverable amount of non current assets

Amortised assets are tested for impairment whenever there is an internal or external indication that an asset may be impaired.

At 31 December 2021 and 2020, there were no internal or external indications of impairment (see Note 15).

2.8 Receivables and payables denominated in foreign currencies

Payables and receivables denominated in foreign currencies are recognised at the exchange rate prevailing on the initial transaction. At the balance sheet date, the corresponding asset and liability items are measured at the closing exchange rate.

2.9 Segment reporting

The Group operates in a single segment: Marketing professional video compression solutions.

The assets and activity presented are located in France. Revenue by geographic area is described in Note 3.

Research and development costs, most of the administrative costs are incurred in France. At this stage, these costs are not allocated to the geographical areas in which these products are marketed.

Thus, the Company's performance is currently analysed at the level of the identified segment. The Company monitors two performance indicators:

- Revenue
- Restated EBITDA (see Note 5)

2.10 Other comprehensive income

Items of income and expenses for the period recognised directly in equity are presented, where applicable, under the heading 'Other comprehensive income.'

Note 3: Revenue

The Group's revenues result from the sale of professional video compression solutions, maintenance contracts and services.

Multiple element service contracts

The Group enters into multiple element service contracts, which may correspond to a combination of different services or deliveries of goods. Revenue is recognised separately for each item when it is separately identifiable and the customer can benefit from it separately.

When these activities transfer to the customer control of a separate service or property from which the customer can benefit independently of the recurring services, they are treated separately and revenue is recognized without waiting for the recurring services phase. These contracts mainly concern the 'contribution' activity, which includes the delivery of a hardware incorporating the license, which makes the whole inseparable and a maintenance contract over a period of 12 to 24 months. The maintenance contract can be sold independently of the hardware.

When a contract contains several performance obligations, the price is allocated to each of them on the basis of its individual selling price. This selling price is determined on the basis of the 'catalogue' price. The 'catalogue price is the observable price when the entity sells the service separately in similar projects. These contracts mainly concern the 'distribution' activity, which includes, in particular, the delivery of a right of use to a TITAN license, dissociable from hardware, a maintenance contract (which is optional and independent of license sales), in certain cases, a delivery of hardware on which the license will be installed and in certain cases, a service provision for the configuration of the solution.

The licence attached to these contracts consists of a basic encoding feature and multiple options to be chosen by the customer, which makes the licence price very variable from one contract to another.

Revenue recognition at a given date over time or continuously

Revenue is recognised when the Group transfers control of goods or services sold to the customer, either on a given date over time or continuously.

For recurring services, revenue is recognised continuously as the customer benefits immediately from the services as soon as they are provided by the Group. When the Group has a right to bill the customer that corresponds directly to the performance obligation achieved at the date, revenue is recognized for this amount.

Intellectual property licences

These perpetual licences (without any time limit) transfer to the customer:

- Or a right of use of intellectual property as it exists at the precise time the licence is granted (static license), These licenses only benefit from corrective updates
- Or a right of access to intellectual property as it exists throughout the licence term (dynamic license). These licences benefit from the upgrades provided by the Group.

Since 1 January 2019, the company has been offering dynamic licence offers to its customers, this multi year offer allows customers to benefit from unlimited licences including versions of the product roadmap during the contract term. The contractual analysis of these contracts leads to the identification of two performance obligations:

- Revenue is recognised as soon as the licence is granted. The amount to be recognised is analysed on a contract by contract basis to identify the value to be allocated to the initial licence;
- This revenue is recognised on a straight line basis over the term of the contract (in line with the rate of version upgrades).

The Group does not have any contracts falling within the scope of the definition of the order book under IFRS15. 120-122.
The Group has not implemented a commercial policy giving rise to variable counterparties.

The Group's revenue mainly comprises the marketing of products (decoders, encoders, etc.), solutions for the acquisition, processing and transmission of information, as well as maintenance and service contracts.

Revenue by geographic area for the last 2 years ended 31 December 2021 and 2020 is as follows:

REVENUE BY GEOGRAPHICAL AREA (Amounts in K €)	31/12/2021	31/12/2020 *
France	8,557	5,011
Rest of the world	70,241	65,093
Total revenue	**78,798**	**70,104**

REVENUE BY GEOGRAPHICAL AREA (Amounts in K €)	31/12/2021	31/12/2020 *
EMEA	31,118	24,298
USA Canada	26,552	26,451
Latin America	8,140	7,549
Asia Pacific	12,990	11,805
Total	**78,798**	**70,104**

* restated for the disposal of the Enterprise business line in accordance with the provisions of IFRS 5 relating to discontinued operations

The Group's largest customer, its five largest customers and its ten largest customers represented, respectively, 4.5%, 18% and 28% of its consolidated revenue for the 2021 financial year; 6%, 21% and 33% of its consolidated sales for 2020

The Group's revenues are fairly balanced between its main customers and, to date, believes that it is only exposed to a limited risk of dependence on its customers.

The Group's revenue recognition rate is as follows:

Category of sales (Amounts in K €)	IFR recognition method 15	31/12/2021	31/12/2020 *
Static licences, equipment	Immediately	59,242	54,765
Dynamic licences	Gradually	3,937	3,362
Maintenance	Gradually	15,619	11,977
Total		**78,798**	**70,104**

* restated for the disposal of the Enterprise business line in accordance with the provisions of IFRS 5 relating to discontinued operations

Net assets and liabilities of customer contracts

The timing of revenue recognition may differ from the timing of billing to the Group's customers.

The trade receivables presented in the Consolidated Statement of Financial Position represent an unconditional right to the counterparty (essentially receipt), ie the services or goods promised to the client have been provided.

Contract liabilities represent the amounts for which the customer made a payment to ATEME before obtaining the goods and/or services promised in the contract. This is typically the case for advances received from customers or amounts billed and received for goods or services that remain to be provided, for example, for maintenance services (deferred income).

Customer contract assets and liabilities are presented in current assets and current liabilities, respectively, as they fall within the Group's normal operating framework.

Customer contract liabilities (deferred income on advances) evolved over the period as follows:

Change in customer contract liabilities (Amount in K €)	31/12/2021	31/12/2020
Opening balance	**7,411**	**5,391**
Amount recognised in sales for the period	(7,354)	(4,419)
Amount to be recognised in future periods	7,085	6,537
Translation adjustment	103	(98)
Closing balance	**7,245**	**7,411**

Note 4: Breakdown of income and expenses by function

The Company presents its income statement by function.

Impairment of trade receivables and inventories

Impairment of trade receivables is presented in 'Cost of sales.'
Impairment of inventories is recorded under 'Cost of sales.'

Operating leases

Payments made under these operating leases, net of any incentive measures, are expensed in the income statement on a straight line basis over the term of the lease.

Subsidies

Subsidies received are recorded as soon as the corresponding receivable becomes certain, taking into account the conditions laid down for the grant.
Operating subsidies are recognised as current income, taking into account, where applicable, the rate of corresponding expenditure.

Research tax credit

Research tax credits are granted to companies by the French State to encourage them to carry out technical and scientific research. Companies that justify expenses meeting the required criteria benefit from a tax credit that can be used for the payment of the corporation tax due for the fiscal year in which the expenses are incurred and for the next three fiscal years or, where applicable, be reimbursed for its excess share.
The research tax credit is presented in the statement of comprehensive income as a grant at the level of research and development expenses based on the origin of the expense.
The portion of the research tax credit relating to capitalised development costs is recorded as a deduction from assets.
The Company has benefited from the research tax credit since 1996.

4.1 Cost of Sales

Cost OF SALES (Amounts in K €)	31/12/2021	31/12/2020
Purchases of goods	(20,890)	(24,839)
Personnel expenses	(7,172)	(4,804)
Indirect production costs	(1,036)	(1,330)
Transport costs	(743)	(603)
Cost of sales	**(29,841)**	**(31,576)**

Indirect production expenses include a share of general expenses, production costs, impairment of goods inventories and impairment of receivables.

4.2 Research and Development expenses

Subsidies

Subsidies amounting to €445k, recorded in the income statement, mainly correspond to operating subsidies whose main characteristics are as follows:

- The grant for the nested project granted by MINEFI in the amount of €326k. Income recognised in the income statement amounted to €109k over the period.
- The subsidy for the IA4SEC project granted by MINEFI in the amount of €473k. Income recognised in the income statement amounted to €172k over the period.
- The subsidy for the 3EMS project granted by the Brittany Region in the amount of €118k. Income recognised in the income statement amounted to €71k over the period.

RESEARCH AND DEVELOPMENT (Amounts in K €)	31/12/2021	31/12/2020
Personnel expenses	(17,365)	(12,641)
Other	(340)	(456)
Share of general expenses	(551)	(424)
Amortisation of capitalised R & D costs	(468)	(666)
Amortisation of technology	(712)	(119)
Depreciation, amortisation and provisions	(1,747)	(1,621)
Taxes and training	(209)	(142)
Leases	(131)	(143)
Purchases not stored	(337)	(300)
Travel, Missions and Reception	(47)	(25)
Share based payments	(377)	(372)
Capitalisation of R & D costs net of outflows	660	520
Research and Development expenses	**(21,625)**	**(16,388)**

Research tax credit and Innovation tax credit	5,169	3,347
Subsidies	445	402
Research and Development expenses	**(16,011)**	**(12,639)**

4.3 Marketing & Sales Fees

MARKETING AND SALES EXPENSES (Amounts in K €)	31/12/2021	31/12/2020
Personnel expenses	(23,028)	(16,108)
Travel expenses	(671)	(563)
Other	(132)	(618)
Share of general expenses	(1,007)	(774)
Trade shows	(452)	(289)
Depreciation, amortisation and provisions	(582)	(540)
Taxes and training	(382)	(259)
Leases	(240)	(261)
Share based payments	(592)	(638)
Marketing and sales expenses	**(27,086)**	**(20,052)**

4.4 General and administrative expenses

GENERAL AND ADMINISTRATIVE EXPENSES (Amounts in K €)	31/12/2021	31/12/2020
Personnel expenses	(2,737)	(2,099)
Fees	(1,366)	(1,149)
Travel expenses	(17)	(14)
Depreciation, amortisation and provisions	(154)	(239)
Share of general expenses	(114)	(118)
Taxes and training	(43)	(106)
Other	(201)	(93)
Share based payments	(122)	(86)
General and administrative expenses	**(4,754)**	**(3,904)**

4.5 Other operating income and expenses

Other operating income and expenses correspond to capital increase costs not eligible for recognition as a deduction from the share premium, for €723k, and an impact related to the disposal of Anevia INC for €9k as of 31 December 2020.

Note 5: Restated EBITDA

‘Recurring operating income’ is defined as the difference between total operating income and ‘Other operating income’ and ‘Other operating expenses.’

The term ‘recurring EBITDA’ refers to the Group's recurring operating income before it is excluded, depreciation, amortisation and impairment of fixed assets and share based payment expenses. It highlights the profit generated by the activity regardless of the conditions of its financing, the tax constraints and the renewal of the operating tool. Non recurring expenses (unusual, abnormal and infrequent items) are excluded.

Restated Ebitda (Amounts in K €)	31/12/2021	31/12/2020 * Restated
Recurring operating income	**1,105**	**1,933**
(-) DPA on intangible assets and property, plant and equipment	(2,375)	(2,444)
(-) DPA on acquired technologies	(712)	(119)
(-) DPA on rights of use	(895)	(874)
(-) Provision/reversal	(152)	(262)
(-) IFRS share based payment 2	(1,187)	(1,208)
Restated Ebitda	**6,426**	**6,863**

* restated for the disposal of the Enterprise business line in accordance with the provisions of IFRS 5 relating to discontinued operations

Note 6: Group headcount

The number of employees at the end of each fiscal year of the Group over the last two fiscal years is as follows:

Headcount at 31 December	Fiscal year 2021	Fiscal year 2020
Cost of sales	90	81
Research and development	245	206
Marketing and sales	118	133
General expenses	35	33
Total headcount at 31 December	**488**	**453**
Of which Anevia		114
O/w service providers	**97**	**94**

Note 7: Financial income and expenses, net

Net financial income includes:

- Expenses related to the financing of the Company: Interest paid and accretion of repayable advances and financial liabilities (see Note 23).
- Interest income.

Any foreign exchange gains or losses are also recognised in the financial result.

FINANCIAL INCOME AND EXPENSES (Amounts in K €)	31/12/2021	31/12/2020
Amortised cost of the loan	(609)	(313)
Other financial expenses	(12)	(14)
Financial income	122	34
Foreign exchange gains and (losses)	1,010	(1,090)
Total financial income and expenses	**511**	**(1,383)**

Other financial expenses mainly comprise discounts granted.

Financial expenses mainly comprise the unwinding of the discount on repayable advances and interest on finance leases.

Foreign exchange gains and losses are mainly due to the translation of bank accounts into USD.

Note 8: Income taxes

Current and prior year tax assets and liabilities are measured at the amount expected to be recovered or paid to the tax authorities.

The tax rates and tax regulations used to determine these amounts are those enacted or substantively enacted at the balance sheet date.

Deferred taxes are recognised, using the balance sheet method and the liability method, for all temporary differences existing at the balance sheet date between the tax base of assets and liabilities and their carrying amount in the balance sheet, as well as on tax loss carryforwards.

Deferred tax assets are recognised in respect of tax loss carryforwards when it is probable that the Company will have future taxable profits against which these unused tax losses can be offset. The determination of the amount of deferred tax assets that can be recognised requires management to make estimates of both the period of consumption of tax loss carry forwards and the level of future taxable profits, with regard to tax management strategies.

The tax rate applicable to the Company is the rate in force in France at 31 December 2021, i.e. 26.5%. This rate will continue to decrease gradually to 25% from 2022.

At 31 December 2021, temporary taxation was taken into account. A deferred tax has been recognised in the amount of the forecast taxable income estimated prudently over a short period (3 years). The Group recognised part of its tax losses for a deferred tax amount of €1291k. This assessment will be reviewed at each closing based on future results. Anevia's total tax loss carryforwards amounted to €32683k. ATEME's tax loss carryforwards amounted to €26722k.

In the income statement, taxes consist of the following amounts:

INCOME TAX EXPENSE (Amounts in K €)	31/12/2021	31/12/2020
Current taxes	(170)	-
Deferred taxes	339	(86)
Income tax expense	**169**	**(86)**

In the balance sheet, the change in the net amount of deferred tax assets and liabilities is as follows:

Deferred Taxes (Amounts in K €)	
Statement of Financial Position as at 31 December 2020	**1,175**
Deferred tax (expense)/income	339
Change in deferred tax relating to actuarial gains and losses IAS 19	(20)
Impact of exchange rates	4
Statement of Financial Position as at 31 December 2021	**1,498**

Reconciliation between theoretical and actual taxes

TAX PROOF (Amounts in K €)	31/12/2021	31/12/2020
Net income	1,137	(275)
Consolidated tax	169	(86)
Income before tax	**967**	**(190)**
Current tax rate in France	26.50%	28.00%
Theoretical tax at current rate in France	**(256)**	**53**
Permanent differences	(404)	(1,067)
Share based payments	314	338
Impact of deferred tax	515	589
Group tax expense/income	**169**	**(86)**

Permanent differences mainly correspond to the impact of the research tax credit (non taxable operating income).

Nature of deferred taxes

NATURE OF DEFERRED TAXES (Amounts in K €)	31/12/2021	31/12/2020
Temporary differences	570	375
Tax loss carryforwards	1,334	1,186
Total deferred tax assets	**1,904**	**1,561**
Temporary differences	406	386
Total items with a deferred tax liability	**406**	**386**
Total net deferred taxes	**1,498**	**1,175**

Note 9: Earnings per share

Basic earnings per share are calculated by dividing net income attributable to holders of Company shares by the weighted average number of ordinary shares outstanding during the period.

Per share is determined by adjusting the earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

BASIC EARNINGS PER SHARE	31/12/2021	31/12/2020
Net income for the year (in K €)	1,137	(275)
Weighted average number of shares outstanding for basic earnings *	11,167,335	10,585,138
Basic earnings per share (€/share)	**0.10**	**(0.03)**
Weighted average number of shares outstanding	11,167,335	10,585,138
Stock options outstanding	228,615	336,523
Weighted average free shares outstanding	86,575	105,500
Weighted average BSA	108,904	-
Weighted average number of shares for diluted earnings	**11,591,429**	**11,027,161**
Diluted earnings per share (€/share) * *	**0.10**	**(0.03)**

** Net of treasury shares issued under the liquidity contract*

** * from continuing operations*

Basic earnings per share are calculated by dividing net income attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding during the year.

Instruments granting deferred rights to equity are considered anti dilutive as they reduce losses per share. Diluted losses per share are therefore identical to basic losses per share.

Note 10: Discontinued operations

A non current asset or group of assets and liabilities is held for sale when its carrying amount will be recovered primarily through a sale and not through continuing use. For this to be the case, the asset must be available for immediate sale and highly probable sale.

These assets or groups of assets are presented separately from other assets or groups of assets, on the line 'Assets held for sale' of the consolidated balance sheet when they are material.

These assets or groups of assets are measured at the lower of the carrying amount or the estimated selling price, net of costs relating to the sale. The liabilities of a group of assets held for sale are presented in the line 'Liabilities related to assets held for sale' in the consolidated balance sheet.

A discontinued operation is defined as a component of the entity that is either sold or classified as held for sale, which represents a significant activity or geographical area for the Group.

The Company considered that the disposal of the Enterprise business fell within the definition of a discontinued operation within the meaning of IFRS 5.

10.1 Income statement

In accordance with IFRS 5 § 33 et seq. the 'Net income from discontinued operations' presented in the consolidated income statement of €251k includes:

- The result of the 'Hotels and Business' activity from January 1 to 31 October 2021 for an amount of €377k.

- €126k in amortisation of technology allocated to the Enterprise business from January 1 to January 31, October 2021.

The contribution of discontinued operations breaks down as follows:

NET INCOME FROM DISCONTINUED OPERATIONS	31/12/2021 12 months K €	31/12/2020 12 months K €
Revenue	2,302	635
Cost of sales	(1,043)	(260)
Gross Margin	**1,259**	**375**
Research and development costs	(507)	(54)
Marketing and selling expenses	(501)	(119)
General and administrative expenses	-	(229)
Operating profit	**251**	**(27)**
Net income from discontinued operations	**-**	**-**
Net income from discontinued operations	**251**	**(27)**

The disposal of the Enterprise business line led the Company to recognise a net gain of € (899) thousand for the year ended 31 December 2021, which can be broken down as follows:

Proceeds from disposals recognised in 2021 + €800k
Expenses incurred (86) K €
Net book value of assets and liabilities sold (1,605) € K
Gains (losses) on disposal of discontinued operations (899) € K

The assets and liabilities sold mainly comprise the sale of the technology range for €1368k and the goodwill related to the divested business for €300k.

10.2 Cash flow statement

In accordance with IFRS 5, 'Cash flows from discontinued operations' in the consolidated statement of cash flows include cash flows from ATEME group companies from January 1 to 31 October 2021 and from the divested business, as follows:

CASH FLOW STATEMENT OF DISCONTINUED OPERATIONS	31/12/2021 12 months K €	31/12/2020 12 months €
Operating cash flow from discontinued operations	**1,121**	**126**
Net cash from (used in) investing activities	**-**	**-**
Cash flows from discontinued operations	**-**	**-**
Impact of exchange rate fluctuations	-	-
Net cash from discontinued operations	**1,121**	**126**

Note 11: Business combinations and goodwill

Business combinations are accounted for using the acquisition method as defined in IFRS 3. Under this method, the identifiable assets acquired and liabilities assumed of the acquiree are recognised at their fair value at the acquisition date.
Goodwill arising from the business combination is measured as the excess of the total amount of consideration transferred, the amount of any non controlling interest and, where applicable, the fair value of the previously held interest over the net balance of the acquisition date amounts of the identifiable assets acquired and liabilities assumed. Goodwill is measured in the functional currency of the acquired entity and is recognised as an asset in the statement of financial position.
The Group may choose, on a transaction by transaction basis, at the acquisition date, to measure non controlling interests either at fair value ('full goodwill' method) or at the share in the fair value of the identifiable net assets of the acquiree ('partial goodwill' method).
In accordance with IFRS, goodwill is not amortised but is tested for impairment annually and whenever there is an indication that it may be impaired (see Notes 12 and 15).
When the business combination is carried out on advantageous terms, negative goodwill ('badwill') is identified. The corresponding gain is recognised in profit or loss on the acquisition date.
Acquisition related costs are recognised in profit or loss in the periods in which the costs are incurred and the services received.
In accordance with IFRS 3, the Group has a measurement period to finalise the accounting for business combinations, which ends as soon as the latest necessary information is obtained and no later than one year after the acquisition date.
In accounting for acquisitions of joint ventures, the Group applies the acquisition method as defined by IFRS 3 'Business Combinations.'
<u>Determination of goodwill:</u>
Goodwill is measured as the excess of the total:

- The consideration transferred;
- The amount of any non controlling interest in the acquiree; and
- In a business combination achieved in stages, the fair value of the acquirer's previously held interest in the acquiree;

Compared to the net carrying amount of identifiable assets acquired and liabilities assumed.
The amount of goodwill recognised on the acquisition of control cannot be adjusted after the end of the measurement period. Goodwill relating to investments in associates and joint ventures is recorded respectively under 'Investments in associates.'
<u>Valuation of goodwill</u>
Goodwill is not amortised but is tested for impairment once a year or more frequently if there is an indication of impairment. Goodwill is tested at the level of Cash Generating Units (CGUs), which are homogeneous groups generating cash flows that are largely independent of the cash flows generated by the other CGUs.
The methods used to perform these impairment tests are presented in Note 15 'Impairment tests.'
The 'IFRS 3' business combination standard was applied in connection with the acquisition of Anevia.

In 2020, ATEME acquired 100% of Anevia, resulting in the recognition of goodwill of €13186k.
The disposal of the Enterprise business resulted in the disposal of a €300k share of goodwill, resulting in goodwill recognised in connection with the acquisition of Anevia amounting to
€12886k at 31 December 2021.

Note 12: Intangible assets

Intangible assets mainly comprise licences, software development and development costs.

Research and development costs

Research costs are systematically expensed.

In accordance with IAS 38, development costs are recognised as intangible assets only if all of the following criteria are met:

a) Technical feasibility necessary for the completion of the development project,
b) The Company's intention to complete the project,
c) Its ability to use this intangible asset,
d) Demonstration of the probability of future economic benefits attached to the asset,
e) Availability of technical, financial and other resources to complete the project and
f) Reliable evaluation of development expenditure.

Capitalised costs are costs that are directly attributable to the production of the asset, which include:

- The costs of services used or consumed to generate the intangible asset;
- Salaries and expenses of personnel engaged in generating the asset.

Expenses are capitalised only from the date on which the conditions for activating the intangible asset are met. Expenditure ceases to be recognised as an asset when the intangible asset is ready for use and marketed.

Capitalised development costs are amortised on a straight line basis from 1 to 4 years, depending on their useful life.

Amortisation of capitalised development costs is presented in the 'Research and development expenses' category.

Software

Costs related to the acquisition of software licences are recognised as assets on the basis of the costs incurred to acquire and bring the software into service.

Other intangible assets

In accordance with IAS 38 criteria, acquired intangible assets are recognised as assets at acquisition cost.

Amortisation period and expense

When they have a finite useful life, depreciation is calculated on a straight line basis in order to allocate the cost over their estimated useful life, namely:

Items	Amortisation period
Development costs	1 to 4 years
Licences and software development	1 to 5 years
Developed technologies	9 to 10 years

The amortisation expense of intangible assets related to software licences and developments is recognised in the income statement and allocated according to their use in the following categories: Costs of sales, marketing and selling expenses, research and development expenses and general and administrative expenses.

The amortisation expense of intangible assets relating to capitalised development costs and technology is recognised in the income statement under research and development expenses.

GROSS VALUE OF INTANGIBLE ASSETS (Amounts in K €)	Other intangible assets	Software	Technologies	Development costs	Work in progress	Total	*Of which cash impact*
Statement of Financial Position as at 31 December 2020	**41**	**1,548**	**9,350**	**5,933**	**63**	**16,935**	**1,639**
Capitalised development costs				165	495	**660**	660
Acquisition		239			125	**364**	324
Disposals/scrapping	(41)	(193)	(1,520) *			**(1,754)**	
Impact of exchange rates		1				**1**	
Transfer		63			(63)	**0**	
Statement of Financial Position as at 31 December 2021	**0**	**1,658**	**7,830**	**6,098**	**621**	**16,207**	**1,025**
AMORTISATION							
Statement of Financial Position as at 31 December 2020	**41**	**1,336**	**144**	**4,565**	**0**	**6,085**	**-**
Increase		324	838	468		**1,631**	
Disposals/scrapping	(41)	(192)	(152) *			**(386)**	
Statement of Financial Position as at 31 December 2021	**0**	**1,467**	**830**	**5,033**	**0**	**7,330**	**-**
CARRYING AMOUNT							
At 31 December 2020	**-**	**213**	**9,206**	**1,369**	**63**	**10,850**	
At 31 December 2021	**-**	**191**	**7,000**	**1,065**	**621**	**8,877**	

* Of which impact of exit from the Enterprise business line

The projects whose development costs have been capitalised concern the Kyrion, TITAN File and TITAN Live projects for the years 2010 to 2021.

The Covid-19 health crisis, although not in itself an indication of impairment, did not call into question medium term business projections by Group management. Accordingly, no impairment losses were recognised in accordance with IAS 36.

At the time of the acquisition of Anevia, a gross technology value of €9350k was recognised on the Telco and Enterprise product lines. They are amortised over a period of between 9 and 10 years. Amortisation for the year ended 31 December 2021 amounted to €838k, of which €126k related to the Enterprise business.

The disposal of the Enterprise business resulted in the disposal of the technology recognised in 2020 for a gross amount of €1520k and €152k in depreciation.

Note13: Property, plant and equipment

Property, plant and equipment are measured at acquisition cost (purchase price and incidental costs) or production cost.
The assets are subject to depreciation plans determined according to the actual useful life of the asset.
The depreciation periods and methods used are mainly as follows:

Machinery and equipment	6 years - Straight line
General installations, fixtures and fittings	9 years - Straight line
Transport equipment	5 years - Straight line
Office equipment	4 years - Straight line
It equipment	3 years - Straight line
Furniture	10 years - Straight line

Depreciation of property, plant and equipment is recognised in the income statement and allocated according to their use in the following categories: Selling, marketing and selling, research and development, general and administrative expenses.

Property, plant and equipment mainly comprise It equipment.

No impairment losses were recognised in accordance with IAS 36
In accordance with the rules described in the notes to the consolidated financial statements for the year ended 31 December 2021.

GROSS VALUE OF PROPERTY, PLANT AND EQUIPMENT (Amounts in K €)	Installations and fixtures	Office equipment, computer equipment, furniture	Transport equipment	Work in progress	Total	O/w Cash impact
Statement of Financial Position as at 31 December 2020	**1,927**	**9,893**	**7**	**87**	**11,913**	**4,617**
Acquisition	531	1,435		16	1,982	1,982
Disposal/scrapping	(245)	(603)			(847)	
Impact of exchange rates	4	79			83	
Transfer		87		(87)	0	
Statement of Financial Position as at 31 December 2021	**2,217**	**10,892**	**7**	**16**	**13,131**	**1,982**
AMORTISATION						
Statement of Financial Position as at 31 December 2020	**1,172**	**7,845**	**7**	**-**	**9,024**	**-**
Increase	280	1,318			1,598	
Disposal/scrapping	(220)	(524)			(744)	
Impact of exchange rates	1	48			50	
Statement of Financial Position as at 31 December 2021	**1,234**	**8,687**	**7**	**-**	**9,928**	
CARRYING AMOUNT						
At 31 December 2020	**755**	**2,048**	**-**	**87**	**2,889**	
At 31 December 2021	**983**	**2,205**	**-**	**16**	**3,203**	

Note 14: Rights of use

General accounting rules on the recognition of leases under IFRS 16:

IFRS 16 no longer distinguishes between finance leases and operating leases, as previously defined by IAS 17.

Leases are leases (or contracts that contain a lease) that confer the right to control the use of a specified asset for a period of time in exchange for consideration.

Leases that meet this definition are accounted for in accordance with the methods defined below, except in the case of exemptions provided for by the standard (duration of contracts less than 12 months, and/or low value underlying assets), and except in contracts not restated because of their immaterial impact.

In practice, the analysis led to the restatement only of property leases and office equipment. For contracts not restated as leases, rents are maintained in operating expenses. For contracts falling within the scope of IFRS 16, the accounting rules are presented below.

At the inception of the contract, the Group recognises a right of use asset and a financial liability for a lease obligation. Assets and liabilities are presented on a separate line of the balance sheet.

The lease obligation is measured at the present value of lease payments not yet paid over the term of the contract.

The present value is determined using the marginal borrowing rate calculated for each country, depending on the term of the contract. Pending a decision by IFRS IC (see above referral in June 2019), the marginal borrowing rate corresponds to a duration rate (taking into account the lease payment profile), and not to a maturity rate.

The term of a lease is the enforceable period, which corresponds to the non cancellable period, plus any option to extend the contract that the Group has reasonable certainty to exercise, and any option to terminate the contract that the Group has reasonable certainty not to exercise.

In practice, the terms used for the main leases in France correspond to an enforceable period of 9 years (commercial leases 3/6/9): Non cancellable period of 3 years and certainty of exercising extension options after 3 years and 6 years.

On 26 November 2019, the IFRS Interpretation Committee clarified that as long as the lessor or lessee had an economic incentive not to terminate the lease to the extent that it would incur a more than insignificant termination penalty, the contract would be enforceable beyond the date on which the contract could be terminated. After analysis, this interpretation had no impact on the Group's financial statements.

There are no early termination clauses in the various leases, and there are no clauses that could cause lessors to pay the Group more than insignificant compensation in the event of non renewal of the lease at the end of the non cancellable period.

Lease payments correspond to fixed payments, variable payments that depend on an index or rate, and the exercise prices of the purchase options that the lessee has reasonable certainty to exercise. In practice, there are no call options and there are no more than insignificant penalties in the event of lease termination at the lessor's initiative.

The right of use asset is measured using the cost model as follows: The cost is reduced by accumulated depreciation and impairment losses and adjusted to take into account any revaluations of the rental obligation. No impairment loss or revaluation of the rental obligation was recognised in the financial years presented. In the absence of a call option, the assets related to the right of use are amortized over the term of the contract as defined above.

Deferred tax on restated leases:
The Group has elected to recognise a deferred tax on the restatement of leases corresponding to the impact on the income statement of the change recorded over the period.
The Group has not identified any situations where it is lessor or sale and leaseback situations.

The following table details the application of IFRS 16 and the recognition of rights of use as assets:

GROSS VALUE OF RIGHTS OF USE (Amounts in K €)	Office equipment	Vehicles	Commercial leases	Total
Statement of Financial Position as at 31 December 2020	**1,507**	**18**	**3,597**	**5,122**
Increases			1,113 *	1,113
Impact of exchange rates	2		44	45
Statement of Financial Position as at 31 December 2021	**1,509**	**18**	**4,753**	**6,280**
AMORTISATION				
Statement of Financial Position as at 31 December 2020	**1,362**	**4**	**1,141**	**2,506**
Increase	99	4	793	895
Impact of exchange rates			18	18
Statement of Financial Position as at 31 December 2021	**1,460**	**7**	**1,951**	**3,419**
CARRYING AMOUNT				
At 31 December 2020	**146**	**14**	**2,456**	**2,616**
At 31 December 2021	**49**	**11**	**2,801**	**2,861**

The increase in the gross value of commercial leases corresponds to an update of the commitment period for the premises in Vélizy, Sydney and Denver.

The table below shows the rental expense before the application of IFRS 16:

Reconstitution of rental charges (in € K)	31/12/2021	31/12/2020
Rental expense restated under IFRS 16	979	984
Lease expenses not restated under IFRS 16	161	266
Total Rental expense	**1,140**	**1,250**

Note 15: Impairment

In accordance with IAS 36 'Impairment of Assets,' an entity shall perform an impairment test of its property, plant and equipment and intangible assets when it identifies an indication of impairment of one of them. In addition, an entity shall also, even if there is no indication of impairment,:

- annually testing an intangible asset with an indefinite useful life or in the process of production;

- perform an annual impairment test of goodwill acquired in a business combination.

Thus, changes in the general economic and financial context, the deterioration of local economic environments, as well as changes in performance, are in particular external impairment indicators that are analyzed by the Group to determine whether it is necessary to carry out impairment tests at a more frequent frequency.

If the recoverable amount is less than the net carrying amount of the asset or group of assets, an impairment loss is recognised.

Impairment of non current assets is reversible, except for goodwill.

Goodwill

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For impairment testing purposes, goodwill is allocated to each of the Cash Generating Units (CGUs) or groups of Cash Generating Units that benefit from the combination effects. Goodwill is not amortised but is tested for impairment at each balance sheet date or when there is an indication of impairment. Any impairment recognised is irreversible.

To determine the CGUs, the Group has adopted a segmentation based on the operational organization of the business lines, the management and reporting system and the segment information, ie a single CGU.

Determination of recoverable amount

The need to recognise an impairment loss is assessed by comparing the carrying amount of the CGU with its recoverable amount.

Recoverable amount is defined as the higher of fair value less costs to sell and value in use.

Fair value less costs to sell is determined on the basis of available information that enables the best estimate of the selling value net of costs necessary to make the sale, on an arm's length basis, between knowledgeable, willing parties.

Value in use is determined based on:

- cash flows relating to an explicit five year forecast period, the first year of this period based on the budget and subsequent periods corresponding to the business plan presented to ATEME shareholders;

- a normative cash flow representative of cash flows after this five year period, to which is applied a perpetual growth rate reflecting the expected real growth rate of the long term economy.

Cash flow forecasts for the explicit period take into account the projected growth rate of the CGU. Cash flows are discounted at weighted average cost of capital:

If the carrying amount of the CGU, comprising intangible assets (including goodwill), property, plant and equipment and working capital requirements (WCR), exceeds its recoverable amount, the CGU's assets are written down to their recoverable amount.

The impairment loss is allocated first to goodwill and recorded in the income statement under 'Other non recurring operating income and expenses.'

The recognition of an impairment loss allocated to goodwill is definitive.

The determination of value in use is sensitive to the discount rate, estimated future cash flows and the long term growth rate used.

The ATEME group presents a single CGU.

The company carried out an impairment test on all these assets at 31 December 2021. Impairment tests are carried out on the basis of a 5 year projection of net cash flows from operating activities (operating cash flows, cash flows related to working capital requirements and investments). This projection is determined using the Company's budget data taking into account past experience and future prospects. Beyond this period, the Group calculates a terminal value of the CGU corresponding to the discounting of net cash flows from operations to infinity.

The assumptions used to construct future cash flows at 31 December 2021 are as follows:

- 5 year projections of post tax cash flows, based on the business plan over the explicit period from the 2022 budget and forecasts to 2026 excluding external growth transactions, as well as the determination of normative cash flows, impacting the terminal value taking into account the following assumptions:
- Beyond these 5 years, the terminal value of the cash flows is obtained by applying to the normative cash flow at the end of the explicit period a long term growth rate This long term growth rate is estimated at 2%. The terminal value represents approximately 87% of the enterprise value at 31 December 2021.
- Cash flows are discounted using a weighted average cost of capital (WACC) after tax and including a risk premium. At 31 December 2021, this rate was 11%.

For information, the following sensitivity tests would not lead to impairment:

- An increase of 2 points in the discount rate;
- The scenario of a 10 pts decline in recurring operating income on the terminal value,
- A perpetuity growth rate scenario of 1%.

Note 16: Other non current financial assets

The Company's financial assets are classified into two categories according to their nature and the intention to hold them:

- Financial assets at fair value through profit or loss,
- Loans and receivables.

All financial assets are initially recognised at cost, which corresponds to the fair value of the price paid plus acquisition costs.

Financial assets at fair value through profit or loss

This category represents assets held for trading, ie assets acquired by the company with the objective of selling them in the short term. They are measured at fair value and changes in fair value are recognised in profit or loss. Some assets may also be classified voluntarily in this category.

Loans and receivables

This category includes other loans and receivables as well as trade receivables.

Non current financial assets include advances and guarantee deposits given to third parties as well as term deposits that are not considered as cash equivalents. Advances and guarantee deposits are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are now classified as 'Financial assets at amortised cost.'

Such assets are recognised at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when loans and receivables are derecognised or impaired in accordance with IFRS 9.

OTHER FINANCIAL ASSETS (Amounts in K €)	31/12/2021	31/12/2020
Loans	372	317
Guarantee deposits	250	325
Liquidity contract - Balance	146	202
Retention of Bpi France guarantee	200	200
CIR pre financing guarantee retention	0	98
Financing reserves Cautions Factor	6	56
Total other non current financial assets	**975**	**1,198**

Guarantee deposits mainly concern deposits paid under commercial leases signed.

Note 17: Inventories

Inventories are valued using the weighted average cost method.
Inventories are recognised at their purchase cost or net realisable value, whichever is lower.
In the latter case, the impairment loss is recognised in the income statement.

Composition of inventories

Raw material inventories consist mainly of electronic components used to manufacture Kyrion products.

Work in progress is identified individually by project codes that are linked to each customer order in progress. They consist of study costs (engineering hours) and material costs.

Inventories of goods mainly consist of finished products (encoders, decoders, transcoders and third party equipment) and electronic components.

The provision for impairment of inventories concerns components or goods that are the subject of an internal loan, testing or repair. Components or goods whose technological advances are beginning to make inventories obsolete or with little or no movement during the year are scrapped

INVENTORIES (Amounts in K €)	31/12/2021	31/12/2020
Raw material inventories	192	179
Work in progress Goods and Services	778	1,494
Inventories of goods	5,973	3,114
Total gross inventories	**6,943**	**4,786**
Impairment of raw material inventories	(14)	(20)
Impairment of work in progress for goods and services	0	(95)
Impairment of goods inventories	(371)	(235)
Total impairment of inventories	**(385)**	**(351)**
Net inventory	**6,558**	**4,436**

Note 18: Receivables

Receivables are valued at their nominal value. Where appropriate, they are written down on a case by case basis by means of a provision to take into account the difficulties of recovery to which they may give rise.
The Group has opted for the simplified method to measure the impairment of its trade receivables. Credit risk on financial receivables and loans was measured in accordance with the full IFRS 9 model. No significant increase in credit risk was identified in the two periods presented.
Trade receivables are partially sold as part of a factoring agreement or as part of a 'Dailly' assignment, which is subject to regular recourse depending on its needs.
In accordance with IFRS 9, these transfers are not derecognised as the Company retains substantially all the risks and rewards of the transferred asset. As a result, all of the transferred asset is recorded under trade receivables and a current financial liability is recorded for the amount of net cash received.
Other receivables include the nominal value of the research tax credit, which is recognised as an asset over the acquisition period corresponding to the year in which eligible expenses giving rise to the tax credit were incurred.

18.1 Trade receivables

TRADE RECEIVABLES AND ACCOUNTS (Amounts in K €)	31/12/2021	31/12/2020
Trade receivables	33,352	32,606
Impairment of trade receivables	(1,064)	(941)
Net total trade receivables	**32,289**	**31,665**

The Company's products are sold to television channels and video broadcasters on demand. The risk of default was assessed as low.

The provision for impairment of customers is established on a case by case basis according to the estimated risk of non recovery and the statistical portion determined in accordance with IFRS 9.

Allocation of trade receivables by maturity (Amounts in K €)	31/12/2021	31/12/2020
Portion not yet due	16,707	16,526
Less than 90 days overdue	10,292	10,900
90 days to six months	2,139	2,230
Six months to twelve months	2,036	1,319
Due beyond twelve months	2,178	1,631
Total trade receivables	**33,352**	**32,606**

Allocation of impairment of trade receivables by maturity (Amounts in K €)	31/12/2021	31/12/2020
Portion not yet due	-	-
Less than 90 days overdue	-	(408)
90 days to six months	-	-
Six months to twelve months	-	(345)
Due beyond twelve months	(1,064)	(188)
Total impairment of trade receivables	**(1,064)**	**(941)**

18.2 Other current receivables

OTHER CURRENT RECEIVABLES (Amounts in K €)	31/12/2021	31/12/2020
Research tax credit (1)	8,386	4,509
Value added tax (2)	1,730	1,557
Prepaid expenses (3)	1,693	1,335
Trade payables	75	278
Receivables on disposal of Entreprise (4)	399	-
Other	265	654
Total other current receivables	**12,548**	**8,335**

(1) **Research tax credit ('CIR')**
The Company benefits from the provisions of Articles 244 quater B and 49 septies F of the French General Tax Code relating to research tax credits. In accordance with the principles described in Note 4, the research tax credit is recognised as a deduction from research expenses in the year to which eligible research expenses relate. This has been pre financed (see Note 23.1)
It is presented as a grant under the 'Research and development expenses' category.
(2) VAT receivables relate mainly to deductible VAT and the refund of VAT requested.
(3) Prepaid expenses relate to current expenses and mainly correspond to component purchases.
(4) The receivable on the disposal of the Enterprise business corresponds to the balance receivable, including €200k blocked in an escrow account.

Note 19: Marketable securities and cash

Cash, Cash Equivalents and Financial Instruments

Cash and cash equivalents recognised in the balance sheet include cash at bank and on hand. Cash equivalents are held for trading, readily convertible into a known amount of cash and are subject to a negligible risk of change in value. They are measured at fair value and changes in value are recognised in financial income or expense. They include term accounts corresponding to this impairment.

Bank overdrafts are included in current borrowings. In the cash flow statement, they are included in cash and cash equivalents.

Fair value of financial instruments

The fair value of trade receivables and trade payables is treated as their carrying amount, given the very short payment terms of these receivables. The same applies to other receivables and other current liabilities.

The Company has distinguished three categories of financial instruments according to the consequences of their characteristics on their valuation method and uses this classification to set out some of the information required by IFRS 7:

- Level 1 category: Financial instruments quoted in an active market;
- Level 2 category: Financial instruments measured using valuation techniques based on observable inputs;
- Level 3 category: Financial instruments whose valuation involves the use of valuation techniques based in whole or in part on unobservable parameters; an unobservable parameter is defined as a parameter whose value results from assumptions or correlations that are not based on observable market transaction prices, on the same instrument at the valuation date, or on observable market data available at the same date.

The only instruments recognised at fair value through profit or loss held by the Company are cash equivalents classified as Level 1.

Cash and cash equivalents break down as follows:

CASH AND CASH EQUIVALENTS (Amounts in K €)	31/12/2021	31/12/2020
Bank accounts	11,447	17,095
Total cash and cash equivalents	**11,447**	**17,095**

Note 20: Financial assets and liabilities and impact on income

The Company's assets and liabilities are valued as follows for each year:

(Amounts in K €)	31/12/2021			
Balance sheet items	Value Statement of Financial Position	Fair Value	Fair value through profit or loss	Assets and liabilities at amortised cost
Non current financial assets	975	975		975
Trade receivables	32,289	32,289	-	32,289
Other current receivables	474	474	-	474
Cash and cash equivalents	11,447	11,447	11,447	-
Total assets	**45,185**	**45,185**	**11,447**	**33,738**
Non current financial debt	15,189	15,189	-	15,189
Current financial debt	6,529	6,529	-	6,529
Non current lease liabilities	2,201	2,201	-	2,201
Current lease liabilities	745	745	-	745
Trade payables	14,173	14,173	-	14,173
Other current liabilities	479	479	-	479
Total liability items	**39,315**	**39,315**	-	**39,315**

(Amounts in K €)	31/12/2020			
Balance sheet items	Value Statement of Financial Position	Fair Value	Fair value through profit or loss	Assets and liabilities at amortised cost
Non current financial assets	1,198	1,198	-	1,198
Trade receivables	31,665	31,665	-	31,665
Other current receivables	278	278	-	278
Cash and cash equivalents	17,095	17,095	17,095	-
Total assets	**50,236**	**50,236**	**17,095**	**33,141**
Non current financial debt	16,154	16,154	-	16,154
Current financial debt	4,633	4,633	-	4,633
Non current lease liabilities	1,788	1,788	-	1,788
Current lease liabilities	909	909	-	909
Debt on the Anevia acquisition	3,738	3,738	-	3,738
Trade payables	14,605	14,605	-	14,605
Other current liabilities	892	892	-	892

Total liability items	**42,719**	**42,719**	**-**	**42,719**

The only instruments recognised at fair value through profit or loss held by the Company are cash equivalents classified as Level 1.

(Amounts in K €)	Impact on the income statement at 31 December 2021		Impact on the income statement at 31 December 2020	
	Interest	Change in fair value	Interest	Change in fair value
Liabilities				
Liabilities measured at amortised cost: Bank borrowings	561		222	**-**
Liabilities measured at amortised cost: Bonds			-	**-**
Liabilities measured at amortised cost: Advances	(48)		68	**-**

Note 21: Share capital

Classification in equity depends on the specific analysis of the characteristics of each instrument issued. Common and preferred shares are classified as equity instruments.

Incidental costs directly attributable to the issue of shares or stock options are deducted from equity.

Issued capital

The share capital is set at €1571364. It is divided into 11,224,027 fully subscribed and paid ordinary shares with a nominal amount of €0.14.

This number excludes financial instruments granted to certain Group individuals.

COMPOSITION OF SHARE CAPITAL	31/12/2021	31/12/2020
Share capital (in K €)	1,571,364	1,548
Number of shares	11,224,027	11,060,569
(Including common shares)	11,224,027	11,060,569
Nominal value (in €)	€0.14	€0.14

Exercise of stock options and allocation of free shares of the Company

In 2021, 163,458 Company stock options were exercised and recorded in the financial statements:

- Each holder paid the subscription price of the shares upon exercise of the options for a total amount of €1454k, including €1432k charged to issue premiums.

The impact on earnings per share is presented in Note 9.

Capital management

The Company's policy is to maintain a solid capital base in order to preserve the confidence of investors, creditors and support the future development of the business.

Dividend distribution

The Company did not pay any dividends for the years ended 31 December 2020 and 31 December 2021.

Note 22: Stock warrants, stock options, founders' share warrants and free shares

Since its creation, the Company has implemented several equity settled compensation plans in the form of 'stock options' ('SO') or 'founders' equity warrants' ('BSPCE') granted to employees, executives and members of the Board of Directors.
In accordance with IFRS 2, the cost of equity settled transactions is recognised as an expense in the period in which the rights to benefit from the equity instruments are acquired, with a corresponding increase in equity.
The Company has applied IFRS 2 to all equity instruments granted since the Company's inception to employees of the Company, the Group or members of the Board of Directors.
The fair value of BSPCE and stock options granted to employees is determined using the Black Scholes option pricing model.
All the assumptions used to value the plans are described below.

Stock options ('SO')

The table below summarises the data relating to the stock option plans issued and the assumptions used for the valuation in accordance with IFRS 2:

Date	Type	Number of warrants issued	Number of options expired	Number of warrants exercised	Number of options outstanding	Maximum number of shares to be issued
Board Meeting of 5 November 2018	SO2017-1	69,000	18,000	5,000	46,000	46,000
Board Meeting of 5 November 2018	BSA2018-1	28,000	6,000	2,000	24,000	20,000
Board Meeting of 18 July 2019	SO2017-2	82,000	3,000	10,000	69,000	69,000
Board Meeting of 18 July 2019	BSA2018-2	45,000	5,000	5,000	35,000	35,000
Board Meeting of 6 May 2020	BSA2019-1	36,000	3,000	-	33,000	33,000
Board Meeting of 6 May 2020	SO2017-3	87,000	-	3,015	83,985	83,985
Board Meeting of 5 May 2021	SO2020-1	40,500	-	-	40,500	40,500
Board Meeting of 5 May 2021	BSA2020-1	10,500	1,500	-	9,000	9,000
At 31 December 2021		**398,000**	**36,500**	**25,015**	**336,485**	**336,485**

Assumptions used - calculation of fair value under IFRS 2					
Type	Subscription price per share	Exercise period	Volatility	Risk free rate	Total IFRS 2 valuation (Black & Scholes) At grant date
SO2017-1	€10.80	8 years	41.60%	0.00%	€257k
BSA2018-1	€10.80	8 years	41.60%	0.00%	€104k
SO2017-2	€12.60	8 years	42.57%	0.00%	€360k
BSA2018-2	€12.60	8 years	42.57%	0.00%	€198k
BSA2019-1	€12.60	8 years	42.78%	0.00%	€168k
SO2017-3	€12.60	8 years	42.78%	0.00%	€405k
SO2020-1	€15.62	8 years	41.98%	0.00%	€262k
BSA2020-1	€15.62	8 years	41.98%	0.00%	€68k
					€1869k

Exercise rights are vested for 1/4 of the stock options granted to the holder at the end of a period of 12 months and then for 6.25% of the stock options granted every 3 months for three years.

On 5 May 2021, the Board of Directors granted 10,500 BSA and 40,500 stock options.

Free shares

The table below summarises the data relating to the stock option plans issued and the assumptions used for the valuation in accordance with IFRS 2:

Date	Type	Number of warrants issued	Number of options expired	Number of shares finally granted	Number of AGMs outstanding	Maximum number of shares to be issued	Total valuation
Board Meeting of 6 May 2020	AGA2019-1	56,000	2,000	-	54,000	54,000	€704k
Board Meeting of 5 May 2021	AGA2019-2	44,000	1,000	-	43,000	43,000	€687k
Board Meeting of 5 May 2021	AGA2020-1	2,500	-	-	2,500	2,500	€39k
At 31 December 2021		**102,500**	**3,000**	**-**	**99,500**	**99,500**	**€1431k**

On 5 May 2021, the Board of Directors granted 46,500 free shares to the Company's employees. They will vest after 24 months following the grant subject to presence conditions.

Valuation of stock options and bonus shares

The fair value of the options was determined using the Black & Scholes valuation model. The valuation methods used to estimate the fair value of the options are described below:

- The share price used is equal to the investors' subscription price or by reference to internal valuations;
- The risk free rate is determined based on the average life of the instruments;
- Volatility was determined on the basis of a sample of listed companies operating in the same sector of activity, on the date of subscription of the instruments and over a period equivalent to the life of the option.
- For free share plans, the fair value of the benefit granted based on the share price at the grant date adjusted for all specific conditions that may have an impact on fair value (e.g. dividends). As stated above, no dividend was taken into account during the valuation.

Breakdown of the expense recognised in accordance with IFRS 2 for the two reference periods

		31/12/2020					31/12/2021				
Date	**Type**	**Number of options outstanding**	**Probabilised cost of plan adjusted for lapses**	**Cumulative expense at beginning of period**	**Expense for the period**	**Cumulative expense at 31/12/2020**	**Number of options outstanding**	**Probabilised cost of plan adjusted for lapses**	**Cumulative expense at beginning of period**	**Expense for the period**	**Cumulative expense at 31/12/2021**
Board Meeting of 7 March 2013	SO2011-3	-	€289k	€289k	-	€289k	-	-	-	-	-
Board Meeting of 24 March 2014	SO2013-2	9,125	€250k	€250k	-	€250k	-	-	-	-	-
Board Meeting of 20 January 2016	SO2014-1	-	€66k	€65k	€1k	€66k	-	-	-	-	-
Board Meeting of 4 May 2016	SO2014-2	5,625	€29k	€29k	€0k	€29k	-	-	-	-	-
Board Meeting of 28 March 2017	SO2014-3	3,125	€395k	€360k	€30k	€390k	-	€395k	€390k	€5k	€395k
Board Meeting of 5 November 2018	SO2017-1	46,000	€269k	€144k	€70k	€214k	46,000	€269k	€214k	€39k	€253k
Board Meeting of 5 November 2018	BSA2018-1	24,000	€116k	€62k	€30k	€92k	20,000	€115k	€92k	€17k	€109k
Board Meeting of 18 July 2019	SO2017-2	77,000	€360k	€75k	€134k	€209k	69,000	€343k	€209k	€64k	€273k
Board Meeting of 18 July 2019	BSA2018-2	45,000	€198k	€41k	€73k	€115k	35,000	€198k	€115k	€41k	€156k
Board Meeting of 6 May 2020	BSA2019-1	33,000	€168k	€0k	€50k	€50k	33,000	€168k	€50k	€54k	€105k
Board Meeting of 6 May 2020	SO2017-3	87,000	€405k	€0k	€122k	€122k	83,985	€405k	€122k	€132k	€254k
Board Meeting of 5 May 2021	SO2020-1	-	-	-	-	-	40,500	€242k	-	€69k	€69k
Board Meeting of 5 May 2021	BSA2020-1	-	-	-	-	-	9,000	€63k	-	€18k	€18k
Total - SO - BSA		**329,875**	**€2545k**	**€1316k**	**€511k**	**€1827k**	**336,485**	**€2199k**	**€1193k**	**€438k**	**€1631k**

Date	Type	31/12/2020					31/12/2021				
Date	Type	Number of options outstanding	Probabilised cost of the plan	Cumulative expense at beginning of period	Expense for the period	Cumulative expense at 31/12/2020	Number of options outstanding	Probabilised cost of plan adjusted for lapses	Cumulative expense at beginning of period	Expense for the period	Cumulative expense at 31/12/2021
Board Meeting of 5 November 2018	AGA2016-3	-	€368k	€215k	€153k	€368k	-	-	-	-	-
Board Meeting of 18 July 2019	AGA2016-4	52,500	€663k	€151k	€314k	€465k	-	€663k	€465k	€180k	€645k
Board Meeting of 6 May 2020	AGA2019-1	56,000	€704k	-	€230k	€230k	54,000	€679k	€230k	€331k	€562k
Board Meeting of 5 May 2021	AGA2019-2	-	-	-	-		43,000	€679k	-	€223k	€223k
Board Meeting of 5 May 2021	AGA2020-1	-	-	-	-		2,500	€39k	-	€13k	€13k
Total AGM		**108,500**	**€1736k**	**€366k**	**€697k**	**€1063k**	**99,500**	**€2061k**	**€695k**	**€748k**	**€1443k**

Note 23: Borrowings

Financial liabilities are classified in one category: Financial liabilities recognised at amortised cost.

Financial liabilities recognised at amortised cost
Borrowings and other financial liabilities, such as conditional advances, are recognised at amortised cost using the effective interest rate. The current portion of borrowings is presented under 'Current borrowings.'

Conditional advances
The Group benefits from a certain number of public subsidies or conditional advances. Details of this aid are provided in Note 23.3.
They have been recognised in accordance with IAS 20. In the case of financial advances granted at interest rates below market rates, these advances are measured in accordance with IFRS 9 at amortised cost:

- The interest rate benefit is determined using a discount rate corresponding to a market rate at the grant date. The amount resulting from the interest rate benefit obtained on the grant of non interest bearing repayable advances is considered as a grant recognised as income in the statement of comprehensive income.
- The financial cost of repayable advances calculated at the market rate is then recorded as financial expenses.

Grants are presented at the level of the category:

- 'Research and development' for those relating to aid for innovation and the financing of research activities,
- 'Marketing and Sales' for those relating to the exploration of new geographical areas.

These advances are recorded in 'Non current financial debt' and 'Current financial debt' depending on their maturity. In the event of a declared failure, the debt waiver granted is recorded as a subsidy.

Leases
Assets financed by finance leases within the meaning of IFRS 16, which in substance transfer to ATEME the risks and rewards inherent in their ownership, are recognised as assets on the balance sheet. The corresponding debt is recorded as a liability under 'Borrowings on lease obligations' (Note 23.2).

CURRENT AND NON CURRENT FINANCIAL LIABILITIES (Amount in K €)	31/12/2021	31/12/2020
Lease liability (IFRS 16)	2,201	1,788
Repayable advances	561	1,268
Loans from credit institutions	14,628	14,886
Non current financial debt	**17,390**	**17,942**
Lease liability (IFRS 16)	745	909
Repayable advances	750	782
Bank borrowings	5,779	3,848
Bank overdrafts	-	3
Current financial debt	**7,274**	**5,542**
Total financial liabilities	**24,664**	**23,484**
O/w -1 year portion	7,274	5,542
Of which 1 to 5 years	17,227	16,146
Of which due in more than 5 years	163	1,796

CHANGE IN FINANCIAL DEBT (Amount in K €)		Loans from credit institutions	Repayable advances	Lease liabilities (IFRS 16)	Total	Bank overdrafts
At 31 December 2020		**18,734**	**2,050**	**2,696**	**23,481**	**3**
Change in cash	Collection	5,430			5,430	-
	Disbursement	(2,884)	(770)	(794)	(4,448)	-
	Cash flows	**2,546**	**(770)**	**(794)**	**(1,448)**	**-**
Non cash change	Translation adjustment	-	-	28	28	-
	CIR pre financing	(912)	-	-	(912)	-
	IFRS increase 16	-	-	1,016	1,016	-
	Amortised cost	39	30	-	68	-
	Total non cash	**(873)**	**30**	**1,043**	**200**	**-**
At 31 December 2021		**20,406**	**1,310**	**2,945**	**24,663**	**-**

Breakdown of financial debt by maturity

The maturities of borrowings break down as follows during the fiscal years presented:

CURRENT AND NON CURRENT FINANCIAL LIABILITIES AT REDEMPTION VALUE (Amount in K €)	31/12/2021			
	Gross Amount	Current portion	1 to 5 years	Over 5 years
Lease liability (IFRS 16)	2,946	745	2,201	-
Repayable advances	1,345	782	527	36
Bank borrowings	20,408	5,779	14,501	127
Total financial liabilities	**24,698**	**7,306**	**17,229**	**163**

CURRENT AND NON CURRENT FINANCIAL LIABILITIES AT REDEMPTION VALUE (Amount in K €)	31/12/2020			
	Gross Amount	Current portion	1 to 5 years	Over 5 years
Lease liability (IFRS 16)	2,696	909	1,655	132
Repayable advances	2,115	846	1,191	78
Bank borrowings	18,773	3,887	13,300	1,586
Bank overdrafts	3	3	-	-
Total financial liabilities	**23,588**	**5,645**	**16,146**	**1,796**

Reconciliation between carrying amount and redemption value

BALANCE SHEET VALUE/REDEMPTION VALUE RECONCILIATION (Amounts in K €)	Redemption value 31/12/2021	Fair Value	Carrying amount
Lease liability (IFRS 16)	2,946		2,946
Repayable advances	1,345	(34)	1,311
Bank borrowings	20,408		20,408
Bank overdrafts			
Total financial liabilities	**24,698**	**(34)**	**24,664**

BALANCE SHEET VALUE/REDEMPTION VALUE RECONCILIATION (Amounts in K €)	Redemption value 31/12/2020	Fair Value	Carrying amount
Lease liability (IFRS 16)	2,696	-	2,696
Repayable advances	2,115	(64)	2,050
Bank borrowings	18,773	(39)	18,734
Bank overdrafts	3	-	3
Total financial liabilities	**23,588**	**(104)**	**23,484**

23.1 Due to credit institutions

CHANGE IN LOANS TO CREDIT INSTITUTIONS (Amount in K €)	Bank borrowings	Pre financing of the IRC
At 31 December 2020	**17,771**	**963**
(+) Decrease	3,000	2,430
(-) Reimbursement	(2,884)	(912)
(-) PGE update	39	-
At 31 December 2021	**17,926**	**2,483**

Principal borrowings taken out during the year

- **CIC**

On 30 June 2021, Anevia benefited from a loan agreement guaranteed by the State with CIC for €1000k:

- Duration: 60 months;
- Rate: 0.70%;
- Repayment: Monthly with a delay of 12 months.

The loan is 90% guaranteed by the State.

- **HSBC**

On 22 December 2021, ATEME benefited from a loan agreement guaranteed by the State with Hsbc for €2000k:

- Duration: 12 months;
- Rate: 0%;
- Redemption: Ultimately, with the possibility of spreading the 5 year repayment period.

The loan is 90% guaranteed by the State.

- **SOCIETE Generale**

On 3 December 2020, ATEME benefited from a single disbursement 'Equipéa Optima' loan agreement with Société Générale for an amount of €4000k, the purpose of which is to partially finance the acquisition of Anevia, under the following conditions:

- Duration: 7 years;
- Rate: 1.49%;
- Reimbursement: 84 monthly payments;

Following the implementation of this banking agreement, the Company is subject to the following financial ratios:

- R1: Consolidated net financial debt/Consolidated Ebitda ≤ 3.5, for the years ended 31 December 2021 and 31 December 2022;
- R1: Consolidated net financial debt/Consolidated Ebitda ≤ 2.5, with fiscal years ending after 31 December 2022.

These ratios were respected at 31 December 2021.

- **Pre financing of the IRC**

On 29 June 2021, ATEME received the amount of the CIR 2020 pre financing. This pre financing is €2030k including interest at an annual interest rate of 3.65%.

The final maturity date is 30 June 2024.

The debt relating to the CIR's pre financing is recorded as a loan net of collateral withholding and the CIR receivable is reconstituted as an asset.

On 2 November 2021, Anevia contracted a loan for the pre financing of the CIR 2021. The programme amounts to €855k including interest. The interest rate is 3.65% per annum. The final maturity date is 30 June 2025.

The debt relating to the CIR's pre financing is recorded as a loan net of collateral withholding and the CIR receivable is reconstituted as an asset.

Available credit lines

The Company has the following available credit lines:

- Credit facilities with its banking partners in the amount of €150k, unused as of 31 December 2021;

23.2 Financial liabilities on lease obligations

CHANGE IN LEASE LIABILITIES (Amount in K €)	Financial debt - Transport equipment	Financial debt - Office equipment	Financial debt - Construction	Total
At 31 December 2020	**14**	**187**	**2,497**	**2,696**
(+) Increase			1,016	1,016
(-) Reimbursement	(3)	(97)	(694)	(794)
(+/-) Foreign exchange gains and losses			28	28
At 31 December 2021	**11**	**90**	**2,847**	**2,945**

23.3 Redeemable advances

The table below shows the change in repayable advances:

CHANGE IN REPAYABLE ADVANCES AND SUBSIDIES (Amounts in K €)	PTZI	EIF	IA4SEC	BPIFRANCE Innovation	Anevia PTZI	Total
At 31 December 2020	**584**	**496**	**140**	**97**	**734**	**2,051**
(-) Reimbursement	(300)	(200)		(50)	(220)	(770)
Financial expenses	9	3	1	3	14	30
At 31 December 2021	**293**	**298**	**141**	**50**	**528**	**1,310**

The Company did not receive a new repayable advance in 2021 as indicated in the schedule.

Repayable advances

The long term portion of advances received is recorded in 'Non current financial debt'; while the short term portion is recorded in 'Current financial debt.'

Under IFRS, the fact that the repayable advance does not bear the payment of an annual interest amounts to considering that the Company has benefited from a zero rate loan, is more favorable than market conditions. The difference between the amount of the advance at historical cost and that of the advance discounted at a market rate is considered a subsidy received from the State.

Innovation loan EIF (European Investment Fund)

The company obtained an FEI innovation loan from Bpifrance for an amount of €1000k to finance intangible expenses related to the industrial and commercial launch of an innovation. This loan is repayable in 28 quarterly instalments, the first 8 quarters of which are deferred at a fixed rate of 3.52%. The loan amount was collected in November 2015.

- This loan was covered by a guarantee received in respect of the PPI fund for 30% of the principal
- This loan was secured by 50% of the principal from the Innov Fin facility of the European Investment Fund.

The repayment value of the debt was €300k at 31 December 2021, compared with €500k at 31 December 2020.

Zero Innovation Rate Loan ('PTZI') Bpifrance

On 1 October 2015, Bpifrance obtained a €1500k zero interest loan (PTZI) for innovation, repayable in 20 linear quarterly instalments from 30 September 2017.

The fair value of this advance was determined based on the EIF innovation loan interest rate of 3.52% per annum.

At 31 December 2021, the balance of the debt at redemption value was €300k, compared with €600k at 31 December 2020.

The Group obtained a zero rate innovation loan from BPI France worth €500k for the development of a HEVC HD contribution encoder. The repayment began on 31 March 2017 over a 5 year period with an annual maturity of €100k. This loan was received by the Company on 16 May 2014. The fair value of this advance was determined on the basis of an estimated interest rate of 4.85% per annum. The repayment value of the debt was €50k at 31 December 2021, compared with €100k at 31 December 2020.

Aid for the 'IA4SEC' project

The company obtained from Bpifrance, on 14 November 2019, aid on the 'IA4SEC' project in the amount of €709049, which consists of a subsidy for €472699 and a recoverable advance for €236350.

The fair value of this advance was determined on the basis of the interest rate of the Bpifrance international growth loan, i.e. 1.24% per annum (TEG).

The advance will be received in 4 tranches over 4 years according to the following schedule:

- €66667 after signing the contract;
- €78276 from 31/08/2020;
- €44138 from 31/08/2021;
- €47269 from 14/03/2022.

The repayment of this debt will begin on 31 March 2024, from the first euro of revenue unless the programme fails.

Anevia PTZI

This is a zero rate innovation loan obtained by Anevia from Bpi France Financement in June 2015 for €1100k. The share capital is to be repaid in 20 quarterly payment schedules of €55k with a deferred amortisation period of 3 years. The first repayment took place on 30 June 2018 and the last on 31 March 2024. The repayment value of debt at 31 December 2021 was €550k, compared with €770k in 2020.

The fair value of this advance was determined on the basis of the average credit rate of the company on the basis of borrowings contracted from 2014 to 2017. The rate used is 5.33%. The fair value of the debt at 31 December 2021 was €528k, compared with €734k in 2020.

Note 24: Employee benefit obligations

The Company's French employees benefit from the pension benefits provided for by law in France:

- Receipt of a retirement indemnity, paid by the Company, upon retirement (defined benefit plan);
- Payment of retirement pensions by social security bodies, which are financed by contributions from companies and employees (defined contribution plan).

Pension plans, similar indemnities and other employee benefits that are analysed as defined benefit plans (plan in which the Company undertakes to guarantee a defined amount or level of benefit) are recognised in the balance sheet on the basis of an actuarial valuation of the obligations at the balance sheet date, less the fair value of the assets of the related plan that are dedicated to them.

This assessment is based on the use of the projected unit credit method, taking into account staff turnover and mortality probabilities. Any actuarial gains and losses are recognised in equity under 'Other comprehensive income.'

The Company's payments for defined contribution plans are recognised as expenses in the income statement for the period to which they relate.

The Group's American employees are members of a 401 k defined contribution plan.

In a decision dated 20 April 2021, the IFRIC Committee considers that, since, on the one hand, no rights are acquired in the event of departure before retirement age and, on the other hand, the rights are capped after a certain number of years of service, the pension expense must be recognized over the years conferring rights to employees at the time of departure.

The collective agreement does not meet these criteria and the change in assessment is not applicable.

Employee benefit obligations consist of the provision for end of career benefits, assessed on the basis of the provisions of the applicable collective agreement, namely the SYNTEC collective agreement.

This commitment concerns only employees covered by French law. The main actuarial assumptions used to measure retirement benefits are as follows:

ACTUARIAL ASSUMPTIONS	31/12/2021		31/12/2020	
	Managers	Non executives	Managers	Non executives
Retirement age	Voluntary departure (65-67 years)			
Collective agreements	SYNTEC			
Discount rate	1.25%		0.50%	
Mortality table	INSEE 2017			
Salary increase rate	2.00%			
Turnover rate	Strong (see details below)			

Social security charges rate	47%	43%	47%	43%

The turnover rate was determined based on a study carried out by INSEE on inflows and outflows by age group in correlation with the average turnover level of the Company.

The rates used can be summarised as follows:

- 20 to 30 years: Declining rate from 18.30% to 10.90%
- 30 to 40 years: Declining rate from 10.90% to 6.30%
- 40 to 50 years: Declining rate from 6.30% to 4.20%
- 50 to 60 years: Declining rate from 4.20% to 1%
- 60 to 67 years: Declining rate from 1% to 0%

The change in the provision for pension obligations is as follows:

Amounts in K €	Retirement commitments
At 31 December 2020	**1,223**
Past service cost	180
Financial costs	6
Actuarial gains and losses	(185)
At 31 December 2021	**1,224**

Note 25: Provisions

Provisions correspond to commitments arising from litigation and other risks, the timing and amount of which are uncertain, to which the Company may be exposed in the course of its activities.

A provision is recognised when the Company has an obligation to a third party as a result of a past event that is likely to result in an outflow of resources to the third party, without at least equivalent consideration expected from the third party, and when future cash outflows can be estimated reliably. The amount recognised as a provision is the estimate of the expenditure required to settle the obligation, discounted if necessary at the balance sheet date.

PROVISIONS (Amount in K €)		31/12/2021				
	Amount at beginning of year	Newly consolidated companies	Additions	Reversals	Reversals without objects	Amount at year end
Provisions for charges	11					11
Provisions for litigation	30					30
Total provisions for liabilities and charges	**41**	**0**	**0**	**0**	**0**	**41**

PROVISIONS (Amount in K €)		31/12/2020				
	Amount at beginning of year	Newly consolidated companies	Additions	Reversals	Reversals without objects	Amount at year end
Provisions for charges	11	-	-	-	-	11
Provisions for litigation	25	-	30	(25)	-	30
Total provisions for liabilities and charges	**36**	**-**	**30**	**(25)**	**-**	**41**

Litigation and liabilities

The Company may be involved in legal, administrative or regulatory proceedings in the normal course of its business. A provision is recorded by the Company when there is a sufficient probability that such disputes will result in costs to be borne by the Company.

Labour disputes

The amounts provisioned are valued, on a case by case basis, according to the estimated risks incurred to date by the Company, on the basis of requests, legal obligations and the positions of lawyers.

Note 26: Trade payables and other current liabilities

26.1. Trade payables

For trade payables, no discounting has been made since the amounts did not represent more than one year of age at the end of each financial year in question.

TRADE PAYABLES AND ACCOUNTS PAYABLE (Amounts in K €)	31/12/2021	31/12/2020
Trade payables	10,953	9,906
Invoices not received	3,219	4,700
Total trade payables	**14,173**	**14,605**

26.2 Tax and social security liabilities

Tax and social security liabilities break down as follows:

TAX AND SOCIAL SECURITY LIABILITIES (Amounts in € k)	31/12/2021	31/12/2020
Personnel and related accounts	2,518	2,789
Social security and other social agencies	2,508	3,037
Other taxes, duties and similar payments	702	664
Total tax and social security liabilities	**5,728**	**6,490**

26.3 Other current liabilities

OTHER CURRENT LIABILITIES (Amounts in € k)	31/12/2021	31/12/2020
Advances from customers - RRR	285	366
Debts on fixed assets	139	-
Deferred income (1)	7,245	7,411
Other liabilities	10	439
Directors' fees payable	45	87
Total other current liabilities	**7,723**	**8,303**

(1) BCPs are related to customer contract liabilities and are detailed in Note 3.

Note 27: Analysis of changes in WCR

ANALYSIS OF CHANGES IN WCR (Amount in K €)	31/12/21	31/12/20	Change 31/12/21	WCR Business Activity	Restatement Change in receivable	Exchange differences	Change Of WCR * Restated
Inventories (net of inventory impairment)	6,558	4,436	(2,122)	27		139	(1,983)
Trade receivables (net of impairment of trade receivables)	32,289	31,665	(624)	(21)		812	188
Other current receivables	12,548	8,335	(4,214)	33	(399)	175	(4,438)
Trade payables and related accounts	(14,173)	(14,605)	(433)	(20)		(413)	(846)
Tax and social security liabilities	(5,728)	(6,490)	(762)	(44)		(98)	(860)
Other current liabilities	(7,723)	(8,303)	(580)	(15)		(608)	(1,187)
	23,771	**15,037**	**(8,735)**	**(40)**	**(399)**	**8**	**(9,126)**

* Following the disposal of the Enterprise business, the consolidated financial statements have been prepared in accordance with IFRS 5 on discontinued operations (see Note 2.2.1 and Note 10).

Note 28: Related parties

28.1 Related party transactions

The Group entered into an assistance and services agreement until 30 June 2020 with SEREITRA, of which Michel Artières is the manager.

The remuneration paid to this company is mentioned in section 28.2.

Since 1 July 2020, Michel Artières has been Chief Executive Officer under a corporate office agreement.

28.2 Executive compensation

No post employment benefits are granted to members of the Board of Directors.

Compensation paid to members of the Board of Directors and senior executives breaks down as follows (in K €):

Compensation of corporate officers	31/12/2021	31/12/2020
Fixed remuneration	175	274
Annual variable compensation	108	63
Exceptional compensation	0	29
Directors' fees	55	77
Share based payments (1)	48	0
TOTAL	**386**	**443**

(1) Value of the shares at the time of their allocation as adopted in the context of the application of IFRS2 before spreading the expense over the vesting period

The allocation of variable portions is based on performance criteria.

The methods used to measure the benefit related to share based payments are presented in Note 22.

Note 29: Off balance sheet commitments

29.1 Lease agreement

The amounts of rent remaining to be paid according to the different types of contract are detailed below by maturity:

Rental expense commitment Amounts in K €	Not more than 1 year	1 to 5 years	More than 5 years
Commercial leases	682	2,092	-
Finance leases	43		-
Other	7	9	-
Total	**732**	**2,101**	**-**

29.2 Obligation under other contracts

Having subcontracted several important functions (production), the Company is required to enter into subcontracting agreements with various third parties, in France and abroad, in the ordinary course of its operations, which include various obligations customary in these circumstances.

The contracts or specifications also set the conditions for the validation of manufacturing processes, control procedures, processing of non compliant products and intellectual property rights.

There is no reciprocal commitment between the Company and its subcontractors in terms of quantity or production capacity.

29.3 Other financial commitments

Documentary credits and discounts

The Company may set up documentary credits or discounts in certain markets.

There were no documentary loans outstanding at 31 December 2021.

Pledge of goodwill

- July 2015: Pledge of business assets of ATEME SA of €667k to Société Générale. This pledge was counterguaranteed by Bpifrance for 60%.
- October 2015: Pledge of business assets of ATEME SA of €600k to Hsbc. This pledge was counterguaranteed by Bpifrance for 50%.
- July 2017: Pledge of business assets of ATEME SA of €805k to Société Générale. This pledge was counterguaranteed by Bpifrance for 50%.
- July 2017: Pledge of business assets of ATEME SA of €600k to Hsbc. This pledge was counterguaranteed by Bpifrance for 40%.
- November 2017: Pledge of business assets of ATEME SA of €600k to Hsbc. This pledge was counterguaranteed by Bpifrance for 40%.
- September 2019: Pledge of business assets of ATEME SA for €1150k to Banque Palatine. This pledge was counterguaranteed by Bpifrance for 40%.

Signature commitment entered into by Societe Generale

Société Générale has taken out a financial guarantee in the amount of €80k in favour of Société Internationales Immobilien Institut GMBH for the rental of offices located in Vélizy- Villacoublay.

Société Générale has taken out a financial guarantee in the amount of €38k in favour of SCI Novalis for the rental of offices located in Rennes.

SOCIETE Generale has taken out various guarantees for customer projects:

Tender bonds response calls for tenders for €13k

Performance bonds for €275k

Loan Guaranteed by the State

On 14 April 2020, the Group received a loan of 4 million euros with a 90% State Guarantee.

On 30 June 2021, Anevia took out a loan of 1 million euros, benefiting from the State Guarantee for 90% of the amount borrowed from CIC Paris 9. The loan will be repaid over a period of 60 months including a 12 month deferral.

In May 2021, ATEME obtained a 12 month 2 million euros loan from HSBC Continental Europe to finance its operating cycle. The interest rate is set at 0% per annum. The deferred amortisation period is 11 months.

Note 30: Financial risk management and assessment

ATEME may be exposed to different types of financial risks: Market risk, credit risk and liquidity risk. Where appropriate, ATEME uses simple means proportionate to its size to minimise the potentially adverse effects of these risks on financial performance. ATEME's policy is not to subscribe financial instruments for speculative purposes. ATEME does not use derivative financial instruments.

Interest rate risk

ATEME has no significant exposure to interest rate risk, as:

- Marketable securities consist of short term money market funds,
- Cash and cash equivalents include term accounts,
- No floating rate debt was subscribed.

Credit risk

Credit risk is associated with deposits (bank accounts) with banks and financial institutions. ATEME uses leading financial institutions for its cash investments and therefore does not bear any significant credit risk on its cash position.

It has policies in place to ensure that its clients have an appropriate credit risk history.

Currency risk

The main risks related to the foreign exchange impact of sales and purchases in foreign currencies mainly concern sales of products and expenses in US dollars as well as the financing of subsidiaries in their local currency.

The Company has not, at its development stage, made any hedging arrangements to protect its business against fluctuations in exchange rates. However, the Company cannot rule out the possibility that a significant increase in its business would lead to greater exposure to currency risk. The Company will then consider using an appropriate policy to cover these risks.

Equity risk

The Company does not hold any equity interests or marketable securities traded on a regulated market.

Note 31: Statutory Auditors' fees

STATUTORY AUDITORS' FEES (Amounts in K €)	Fiscal year 2021				Fiscal year 2020			
	Ernst & Young		BL2A		Ernst & Young		BL2A	
	Amount excluding tax	%	Amount excluding tax	%	Amount excluding tax	%	Amount excluding tax	%
Certification of individual and consolidated financial statements	91	88%	85	93%	84	57%	56	68%
Non audit services *	12	12%	6	7%	65	43%	26	32%
Total fees	**103**	**100%**	**91**	**100%**	**149**	**100%**	**82**	**100%**

* Fees related to services other than the certification of the financial statements concerning fees related to the integration of Anevia for the 2020 financial year, the completion of certificates for the 2020 and 2021 financial years, the review of the ESEF reporting for 2021.

18.1.9. Date of latest financial information

The latest annual financial information is dated 31 December 2021 and is presented in this Universal Registration Document.

18.2. INTERIM AND OTHER FINANCIAL INFORMATION

18.2.1. Quarterly financial information

Press release of 5 May 2022

ATEME generated revenue of 19.8 million euros in the first quarter of 2022, up 34% on a current basis and 28% on a comparable basis.

Revenue in the EMEA region remained virtually stable at 6.07 million euros (down 1% year on year and 2% on a comparable basis), despite a difficult basis of comparison with the 77% increase recorded in the first quarter of 2021.
The United States/Canada region generated revenue of 7.26 million euros, up 37% (28% on a comparable basis), making it the dominant market with 37% of total revenue.
Sales in Latin America increased by 21% to 2.09 million euros and by 14% on a comparable basis.
The Asia Pacific region recorded remarkable growth of 170% (153% on a comparable basis) with revenues of 4.4 million euros and a significant contribution from most of the countries in which ATEME operates, including Australia, China, India, Korea, Malaysia, Singapore and Vietnam.

Recurring monthly income (MRR) rose from €1960k in January 2022 to €2011k in April 2022. This growth is limited, as it was in the first quarter of 2021, due to seasonal factors, the first quarter being usually the least active of the year.

The return of trade fairs
After a two year break, the NAB Show, the industry benchmark, reopened last week in Las Vegas. While the overall attendance of the show was around 60% compared to pre COVID levels, visits to the ATEME stand were very strong, close to 90% of the level of previous years.
This was an opportunity for ATEME to demonstrate, for the first time, the potential of its end to end OTT broadcasting solution Titan + Nea, and to arouse strong interest from key US players, current and prospective customers.
Notable demonstrations include:
Low latency OTT broadcasting in the cloud allowing streaming platforms to improve the quality of their subscribers' experience;
Monetisation through dynamic advertising for OTT and NextGenTV; latest standard for terrestrial TV reaching 400 million people across the United States;
5G streaming for a more engaging audience experience in stadiums;
Reduced carbon footprint of the end to end video channel thanks to the innovation of compression, streaming and broadcasting solutions.

Raising financial targets for the current financial year
The strength of the end of 2021, the strong growth in the first quarter and the knock on effect of the NAB Show led ATEME to raise its financial targets. The Group now expects revenue growth of 15 to 20% (on a comparable basis) for the current financial year (compared with previously announced

growth of 10 to 15%) and EBITDA close to 10 million euros (compared with a range of 5 to 10 million euros previously). We maintain our target of 3 million euros in recurring monthly income in 2024.

18.3. AUDIT OF HISTORICAL ANNUAL FINANCIAL INFORMATION

18.3.1. Statutory Auditors' report on the consolidated financial statements

BL2A	Ernst & YOUNG Audit
10, Parc François Villon	Tour First
91600 Savigny sur Orge	TSA 14444
S.A.S. with share capital of €34400	92037 Paris La Défense cedex
403,136,351 R.C.S. Evry	S.A.S. with variable capital
	344,366,315 R.C.S. Nanterre
Statutory Auditor	Statutory Auditor
Company Member	Company Member
Régionale de Paris	Of Versailles and the Centre

Statutory Auditors' report on the consolidated financial statements

To the Shareholders' Meeting of ATEME.

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of ATEME for the year ended 31 December 2021.

In our opinion, the consolidated financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted by the European Union, of the results of operations for the year then ended and of the financial position and assets and liabilities of the consolidated group as at the end of the year.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis of opinion

Audit standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the 'Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements' section of our report.

Independence

We conducted our audit engagement in accordance with the independence rules set out in the French Commercial Code and the French Code of Ethics for Statutory Auditors for the period from 1 January 2021 to the date of our report, and in particular we did not provide any prohibited non audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014.

Justification of our assessments - Key audit matters

The global crisis related to the Covid-19 pandemic creates special conditions for the preparation and audit of the financial statements for this financial year. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency have multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the internal organisation of companies and the procedures for implementing audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 8239 and R. 8237 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year, as well as how we addressed those risks.

These assessments were made in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon. We do not express an opinion on individual items of these consolidated financial statements.

Revenue recognition

Risk identified	Our response
An analysis is performed for multi element customer contracts in order to recognise revenue separately for each of the items when they are separately identifiable and the customer can benefit from it separately. When a contract contains several performance obligations, the price is allocated to each of them on the basis of its selling price. This selling price is determined on the basis of the 'catalogue' price. Revenue is recognised when the Group transfers control over the goods or services sold to the customer, either on a given date over time or continuously as specified in Note 3 'Revenue' to the consolidated financial statements. In particular, for licenses, revenue is recognised when the service obligation promised to the contract is satisfied (static license) or as it is satisfied (dynamic license). The terms of commercial contracts between the Group and its customers include terms for the transfer of ownership and the performance of services, the analysis of which is therefore decisive for the proper recognition of revenue. The accounting standards for recording this type of contract require some judgement in the interpretation to be given to the contracts. An error in the analysis of the obligations of this type of contract and their realization may lead to incorrect recognition of revenue. As a result, we considered the recognition of revenue in accordance with IFRS 15 to be a key audit matter.	We familiarised ourselves with the procedures and, where applicable, specific information systems contributing to the formation of consolidated revenue. We examined the compliance of the revenue recognition rules with IFRS 15 on new key contracts signed in 2021. We familiarised ourselves with the internal control procedures implemented to recognise revenue. Based on a selection of contracts based on quantitative criteria (amount of revenue to be recognised) and qualitative criteria (complex contracts with several services), we performed the following procedures: ► We analysed the contractual clauses and reconciled the financial data with the invoices issued; ► For a sample of contracts, we assessed whether the revenue allocated for each service corresponds to the fair value of the consideration received or receivable for the goods sold in the ordinary course of the company's business; ► We verified that each service is then accounted for in accordance with applicable accounting rules and methods; ► We also examined the relevance of the note presented in the notes to the consolidated financial statements.

Measurement of goodwill

Risk identified	Our response

At 31 December 2021, goodwill amounted to €12.9 in net value, or 14% of consolidated assets. As disclosed in Note 11 'Business combinations and goodwill' to the consolidated financial statements, goodwill is not amortised but is tested for impairment annually or more frequently if there is an indication of impairment. Goodwill is tested for impairment at the level of Cash Generating Units (CGUs), which together generate cash flows that are largely independent of the cash flows generated by the other CGUs. As indicated in Note 15 'Impairment,' the need to recognise an impairment loss is assessed by comparing the carrying amount of the CGU with its recoverable amount. Recoverable amount is defined as the higher of fair value less costs to sell and value in use. The determination of value in use is sensitive to the discount rate, the estimated future cash flows and the long term growth rate used. As a change in these assumptions may affect the recoverable amount of goodwill, and given their importance in the consolidated financial statements, we considered the measurement of goodwill to be a key audit matter.	After reviewing and assessing the process developed by management to estimate the recoverable amount of goodwill, we obtained the CGU's impairment test from management. On the basis of this information, with the help of our evaluation experts integrated into the audit team, we conducted our work with particular attention to the following elements: ▶ Regarding the key assumptions used to determine cash flows and long term growth rates: We assessed the consistency of the assumptions with respect to the Group's historical performance and the operating budgets drawn up by management for the coming financial year, including forecasts for the following five years; ▶ Discount rates: We compared the rates used with market benchmarks; ▶ Regarding sensitivity analyses performed by management: We analysed the calculations made to identify whether a change in assumptions would lead to a significant impairment of goodwill.

Impairment of inventories

Risk identified	Our response
The gross value of the company's inventories amounted to K €6943.1 at 31 December 2021 and was written down by K €384.9. They mainly consist of goods. As presented in Note 17 'Inventories' to the consolidated financial statements, the provision for inventory impairment concerns components or goods that are subject to internal loan, testing or repair. Components or goods for which technological advances are beginning to render obsolete inventories or those with little or no movement during the year are scrapped. We considered impairment of inventories to be a key audit matter due to the relative importance of inventories in the company's financial statements and due to management's judgement in identifying the inventories to be impaired.	Our audit procedures consisted in: ▶ Obtaining an understanding of the internal control procedures implemented to identify inventories requiring impairment; ▶ Attend physical inventories at the end of the year; ▶ Compare by sampling the cost of the main items in inventory with the net selling price during the year; ▶ Analysing the data and assumptions used by management to identify inventories to be impaired; ▶ Perform a retrospective analysis of inventory run off based on inventory movements during the year.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by law and regulations of the information relating to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other verifications or information required by law and regulations

Presentation format of the consolidated financial statements for inclusion in the annual financial report

We have also verified, in accordance with the professional standard on the Statutory Auditor's procedures relating to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, compliance with this format defined by European Delegated Regulation No. 2019/815 of 17 December 2018 in the presentation of the consolidated financial statements intended to be included in the annual financial report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chief Executive Officer. As regards the consolidated financial statements, our procedures include verifying that the marking of these financial statements complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic information format.

It is not our responsibility to verify that the consolidated financial statements that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we conducted our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of ATEME by your Annual General Meeting of 30 June 1997 for BL2A and 11 April 2014 for ERNST & YOUNG Audit.

As at 31 December 2021, BL2A was in the twenty fifth year of its uninterrupted engagement (including eight years since the company's securities were admitted to trading on a regulated market) and ERNST & YOUNG Audit in the eighth year.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, internal audit, with respect to the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Audit objective and approach

Our responsibility is to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may arise from fraud or error and are considered material when, individually or in the aggregate, they can reasonably be expected to influence the economic decisions that users of the financial statements make based on them.

As specified in Article L. 823101 of the French Commercial Code, our statutory audit does not include assurance on the viability or quality of management of your Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit. In addition:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of its report. However, subsequent events or circumstances may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, they issue a qualified opinion or refuse to certify;

- Evaluates the overall presentation of the consolidated financial statements and assesses whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Regarding the financial information of the persons or entities included in the scope of consolidation, it gathers sufficient and appropriate information to express an opinion on the consolidated financial statements. It is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the conclusions of our audit. We also bring to its attention, where applicable, any significant weaknesses in internal control that we have identified with respect to the procedures relating to the preparation and processing of accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014 confirming our independence within the meaning of the rules applicable in France as set in particular by Articles L. 82210 to L. 82214 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the related safeguards.

Savigny sur Orge and Paris La Défense, 28 April 2022

BL2A Mélanie Hu Charles	Ernst & YOUNG Audit Jean Christophe Pernet

18.3.2. Other information contained in the universal registration document audited by the Statutory Auditors

None.

18.3.3. Financial information in the Universal Registration Document that is not extracted from the audited financial statements of the issuer

None.

18.4. PRO FORMA FINANCIAL INFORMATION

None

18.5. DIVIDEND POLICY

18.5.1. Dividend policy

Given the Company's stage of development, no short term dividend payment policy is planned.

18.5.2. Historical distribution

Since its creation, the Company has not distributed a dividend.

18.6. LEGAL AND ARBITRATION PROCEEDINGS

The Group may be involved in legal, administrative or regulatory proceedings in the normal course of its business. The amounts provisioned are valued, on a case by case basis, according to the estimated risks incurred to date by the group, on the basis of requests, legal obligations and opinions issued by the group's lawyers.

The Group is involved in a lawsuit of unfair competition and parasitism against a small entity operating in the same market. In 2019, the company initiated a legal action before the Rennes Commercial Court in order to put an end to acts of parasitism and unfair competition against it. The procedures in this case are still in progress, with the intervention of technical experts, and the exchanges of conclusions falling within the competence of the Trial Chambers on the merits are still under study. In its pleadings, the company asked the court to grant it up to approximately 2.5 million euros for all the claims raised. This litigation is accompanied by a portion of industrial tribunal litigation that is regularly managed by the Legal Department and its counsel and for which the company has not issued a provision to the extent that it is in demand in each of these proceedings.

Apart from the above, as of the date of registration of this universal registration document, there are no other governmental, legal or arbitration proceedings, including any proceedings of which the Company is aware, which are pending or of which it is threatened, likely to have or have had during the last 12 months significant effects on the financial position or profitability of the Company and/or the Group.

18.7. SIGNIFICANT CHANGES IN THE ISSUER'S FINANCIAL OR TRADING POSITION

Impacts of COVID-19

As of the date of publication of this universal registration document, the COVID-19 pandemic does not yet seem to mark a complete and definitive decline, the only event that would provide sufficient reassurance on a return to normal activity.

In the meantime, the Company remains vigilant about the conditions for carrying out its operations, both internally and at its customers' premises. It proved in 2021 that it was able to adapt its operations and expenditures to the constraints imposed by the pandemic; it intends to give itself the means to continue on this line in 2022 and subsequent years.

War in Ukraine

The war in Ukraine unleashed by Russia on 24 February 2022 will have significant global economic and financial consequences.

Sanctions against Russia are expected to have a significant impact on companies that have business or business ties with Russia.

ATEME has only limited exposure to the current geopolitical situation involving Russia and Ukraine:

- Sales in Russia and Belarus are limited (approximately 1 million euros in 2021); shipments to these countries have been suspended since 24 February 2022
- ATEME does not depend in any way (supply chain, R & D or finance) on the countries concerned and does not have any late payments from customers in these markets.

However, the Company's activities could be impacted by the direct or indirect consequences of the conflict, which cannot be fully quantified with precision at the date of publication of this universal registration document.

The Company could be exposed in several ways:

- Supply problems, particularly on metals (titanium, etc.) or electronics;
- Higher product production costs linked to the surge in raw materials and energy.

To date, the Company estimates that supply problems on metals or electronics may have an impact of up to 5 million euro in annual deferred or cancelled revenues.

The increase in production costs is partly passed on to customers and partly to the Company's gross margin (up to 2 margin points).

Chapitre 19. **ADDITIONAL INFORMATION**

19.1. SHARE CAPITAL

19.1.1. Amount of issued capital

On the date of filing of this universal registration document, the share capital is set at €1,578,923.78. It is divided into 11,278,027 fully subscribed and paid ordinary shares with a nominal amount of €0.14. There are no unpaid shares issued.

COMPOSITION OF SHARE CAPITAL	31/12/2021	31/12/2020
Share capital in €	1,571,364	1,548,480
Number of shares	11,224,027	11,060,569
(Including common shares)	11,224,027	11,060,569
Nominal value (in euros)	€0.14	€0.14

19.1.2. Shares not representing capital

There are no shares that do not represent capital.

19.1.3. Treasury shares and share buyback programme

On 14 October 2019, the Company announced that it had signed a liquidity agreement with asset management company Kepler Cheuvreux. This agreement complies with the Code of Ethics of the French Financial Markets Association (AMAFI) of 8 March 2011, approved by the Amf on 21 March 2011.

The next Annual General Meeting called to approve the financial statements for the year ended 31 December 2021, which will take place on 8 June 2022, will decide on the renewal of the share buyback programme.

At 31 December 2021, the Company held 11,357 ATEME shares acquired at an average price of €11.67 and valued at that date for a total amount of €132575.

At 31 December 2020, the Company held 6,560 ATEME shares acquired at an average price of €16.7 and valued at that date for a total amount of €110k.

Information on the purchase by the company of its own shares

Summary of shares purchased and sold since the implementation of the liquidity contract with Kepler Cheuvreux:

Under the liquidity contract entrusted by ATEME to Kepler Cheuvreux on 31 December 2021, the following resources were recorded in the liquidity account:

- 11,357 shares

- €96157.84 in cash

Course animation

At year end, the 11,357 shares held under the share buyback programme were allocated to the following objectives:

Objectives	Securities	Nominal value (€)	Carrying amount (€)	% of share capital
Liquidity contract	11,357	11.67	132,575	0.10%
Hedging of stock option plans				
Subsequent delivery for exchange or payment as part of an external growth transaction				
Hedging of debt securities giving access to capital				
Cancellation of shares:				
Total	**11,357**	**11.67**	**132,575**	**0.10%**

Share buyback programme

ATEME share buyback programme authorised by the Shareholders' Meeting of 9 June 2021

Activity in the second half of 2021
Number of transactions executed during the six month period: 557
Number of transactions executed during the half year on sale: 534
Volume traded over the six months at purchase: 56,081 shares for 748,606.92 €
Volume traded during the half year for sale: 54,546 shares for 717,500.68 €

Activity in the first half of 2021
Number of transactions executed during the six month period: 485
Number of transactions executed during the half year on sale: 405
Volume traded over the six months at purchase: 45,334 shares for 746,030.77 €
Volume traded during the half year for sale: 42,072 shares for 697,864.00 €

19.1.4. AMOUNT OF CONVERTIBLE SECURITIES, EXCHANGEABLE SECURITIES OR SECURITIES WITH WARRANTS

The Company has issued or granted securities or rights giving future access to the Company's share capital in order to retain and interest the teams working on the development of the Company:

- Stock options ('SO');
- Equity warrants (the 'Warrants');
- Free shares (the 'AGMs').

As of 31 December 2021, the definitive allocation of the AGMs and the full exercise of all instruments giving access to the share capital granted and outstanding to date would allow the subscription of 435,985 new shares, i.e. a dilution of 3.88% on the basis of the share capital as of 31 December 2021, i.e. 11,224,027 shares.

BSA

The exercise of the warrants is not subject to a performance condition. However, it is subject to a presence condition.

These plans are equity settled or equity settled share based payment plans. The Company has no commitment to buy back these instruments from employees.

BSA 2018

At its meeting of 5 November 2018, the Board of Directors granted 28,000 share subscription warrants to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 8 June 2017.
The warrants under the '2018 BSA' plan are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

BSA 2018 2

At its meeting of 18 July 2019, the Board of Directors granted 45,000 share subscription warrants to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 7 June 2018.
The warrants under the '2018-2 BSA' plan are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

BSA 2019 1

At its meeting of 6 May 2020, the Board of Directors granted 36,000 share subscription warrants to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 6 June 2019.
The warrants under the '2019-1 BSA' plan are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

BSA 2020 1

On 5 May 2021, the Board of Directors granted 10,500 share subscription warrants to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 10 June 2020
The share subscription warrants of the '2020-1 BSA' plan are definitively acquired after one year following the grant subject to presence conditions.

As of 31 December 2021, the BSA outstanding represented a potential number of 97,000 shares, representing a potential dilution of less than 1% (taking into account the share capital comprised of 11,224,027 shares as of 31 December 2021).

Stock options (SO)

These plans are equity settled or equity settled share based payment plans. The Company has no commitment to buy back these instruments from employees.

SO 2010

On 4 May 2010, the Board of Directors granted 152,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 12 March 2010.
The 'SO 2010' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2011 1

On 11 May 2011, the Board of Directors granted 42,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 11 May 2011.
The 'SO 2011-1' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2011 2

On 18 January 2012, the Board of Directors granted 20,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 11 May 2011.
The 'SO 2011-2' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2011 3

On 7 March 2013, the Board of Directors granted 92,400 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 11 May 2011.
The 'SO 2011-3' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2013 1

On 7 March 2013, the Board of Directors granted 117,500 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 20 February 2013.
The 'SO 2013-1' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2013 2

On 24 March 2013, the Board of Directors granted 92,500 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 20 February 2013.
The 'SO 2013-2' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2014 1

On 20 January 2016, the Board of Directors granted 80,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 2 June 2014.
The 'SO 2014-1' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2014 2

On 4 May 2016, the Board of Directors granted 30,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 2 June 2014.
The 'SO 2014-2' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2014 3

On 28 March 2017, the Board of Directors granted 106,500 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 2 June 2014.
The 'SO 2014-3' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2017 1

On 5 November 2018, the Board of Directors granted 69,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 8 June 2017.

The 'SO 2017-1' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2017 2

On 18 July 2019, the Board of Directors granted 82,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 8 June 2017.
The 'SO 2017-2' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2017 3

On 6 May 2020, the Board of Directors granted 87,000 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 8 June 2017.
The 'SO 2017-3' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

SO 2020 1

On 5 May 2021, the Board of Directors granted 40,500 stock options to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 10 June 2020.
The 'SO 2020-1' share subscription warrants are divided into 4 tranches and vest after one year following the grant subject to presence conditions.

As of 31 December 2021, the SO outstanding represented a potential number of 239,485 shares, representing a potential dilution of 2% (taking into account a share capital of 11,224,027 shares as of 31 December 2021).

Summary table of outstanding stock option plans (SO and BSA)

Date	Type	Number of warrants issued	Number of options expired	Number of warrants exercised	Number of options outstanding	Maximum number of shares to be issued
Board Meeting of 5 November 2018	SO2017-1	69,000	18,000	5,000	46,000	46,000
Board Meeting of 5 November 2018	BSA2018-1	28,000	6,000	2,000	24,000	20,000
Board Meeting of 18 July 2019	SO2017-2	82,000	3,000	10,000	69,000	69,000
Board Meeting of 18 July 2019	BSA2018-2	45,000	5,000	5,000	35,000	35,000
Board Meeting of 6 May 2020	BSA2019-1	36,000	3,000	-	33,000	33,000
Board Meeting of 6 May 2020	SO2017-3	87,000	-	3,015	83,985	83,985
Board Meeting of 5 May 2021	SO2020-1	40,500	-	-	40,500	40,500
Board Meeting of 5 May 2021	BSA2020-1	10,500	1,500	-	9,000	9,000
At 31 December 2021		**398,000**	**36,500**	**25,015**	**336,485**	**336,485**

Free shares

AGM 2016-01

The Board of Directors' meeting of 26 July 2016 granted 29,500 free shares to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 9 June 2016.
The free shares of the 'AGA 2016-01' plan vest after one year following the grant subject to presence conditions.

AGM 2016-02

The Board of Directors' meeting of 28 July 2017 granted 8,000 free shares to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 9 June 2016.
The free shares of the 'AGA 2016-02' plan vest after one year following the grant subject to presence conditions.

AGM 2016-03

The Board of Directors' meeting of 5 November 2018 granted 33,000 free shares to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 9 June 2016.
The free shares of the 'AGA 2016-03' plan vest after one year following the grant subject to presence conditions.

AGM 2016-04

The Board of Directors' meeting of 18 July 2019 granted 53,500 free shares to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 9 June 2016.
The free shares of the 'AGA 2016-04' plan vest after 24 months following the grant subject to presence conditions.

AGM 2019-01

The Board of Directors' meeting of 6 May 2020 granted 56,000 free shares to the Company's employees pursuant to the authorisation granted by the Shareholders' Meeting of 6 June 2019.
The free shares of the 'AGA 2019-01' plan vest after 24 months following the grant subject to presence conditions.

AGM 2019-02

On 5 May 2021, the Board of Directors granted 44,000 free shares to the Company's employees.
They will vest after 24 months following the grant subject to presence conditions.

AGM 2020-01

On 5 May 2021, the Board of Directors granted 2,500 free shares to the Company's employees.
They will vest after 24 months following the grant subject to presence conditions.

Summary table of outstanding free share plans

Date	Type	Number of warrants issued	Number of options expired	Number of shares finally granted	Number of AGMs outstanding	Maximum number of shares to be issued	Total valuation
Board Meeting of 6 May 2020	AGA2019-1	56,000	2,000	-	54,000	54,000	€704k
Board Meeting of 5 May 2021	AGA2019-2	44,000	1,000	-	43,000	43,000	€687k
Board Meeting of 5 May 2021	AGA2020-1	2,500	-	-	2,500	2,500	€39k
At 31 December 2021		**102,500**	**3,000**	**-**	**99,500**	**99,500**	**€1431k**

As of 31 December 2021, the outstanding Ams represented a potential number of 99,500 shares, representing a potential dilution of 1% (taking into account the share capital of 11,224,027 shares as of 31 December 2021).

19.1.5. Conditions governing any right of acquisition or any obligation attached to authorised capital (but not issued) or any undertaking to increase the capital

The Extraordinary General Meetings of 10 June 2020 and 9 June 2021 delegated to the Board of Directors its authority and/or powers, under the following conditions:

Chapitre 20. **REPORT ON THE DELEGATIONS OF AUTHORITY GRANTED BY SHAREHOLDERS' MEETINGS TO THE BOARD OF DIRECTORS**

Date of the meeting	Type of authorisation	Duration and end date of the delegation	Amount authorised	Use of delegations by the Board of Directors during the past financial year/Amount used/Number of securities issued/subscribed
9 June 2021	Authorisation granted to the Board of Directors to issue equity warrants ('BSA 2021') with cancellation of shareholders' preferential subscription rights for the benefit of categories of persons. (200,000) (28th resolution)	18 months (Until 10 December 2023)	Maximum number of shares that may be subscribed under the delegation is 200,000.	None
10 June 2020	Authorisation granted to the Board of Directors to grant free shares ('2020 AGM'), existing or to be issued. (200,000) (25th resolution)	38 months (Until 10 August 2023)	The total number of shares that may be granted under this delegation may not exceed 200,000	None
9 June 2021	Authorisation granted to the Board of Directors to issue shares, securities or securities with preferential subscription rights (Euros700,000; 15 million euros) (19th resolution)	26 months (Until 10 August 2023)	**(I) The total maximum nominal amount of capital increases that may be carried out pursuant to the sixteenth, seventeenth, eighteenth, nineteenth, twentieth and twenty first resolutions of the Ordinary and Extraordinary Shareholders' Meeting may not exceed**	None
9 June 2021	Authorisation granted to the Board of Directors to issue shares, securities or	26 months (Until 10 August 2023)		None

Date of the meeting	Type of authorisation	Duration and end date of the delegation	Amount authorised	Use of delegations by the Board of Directors during the past financial year/Amount used/Number of securities issued/subscribed
	securities without preferential subscription rights by public offering (Euros700,000; 15 million euros) (20th resolution)		**euros700,000, it being specified that the nominal amount of any additional shares to be issued in the event of new financial transactions in order to preserve the rights of holders of securities giving access to the share capital shall be added to this ceiling, if applicable.** **(II) The total nominal amount of debt securities giving access to the Company's share capital that may be issued under the above mentioned delegations may not exceed 15 million euros.**	
9 June 2021	Authorisation granted to the Board of Directors to increase the share capital by issuing, without preferential subscription rights, ordinary shares and/or securities giving access to the Company's share capital and/or by issuing securities giving entitlement to the allocation of debt securities, by private placement referred to in Article L.411-2, II of the French Monetary and Financial Code (Euros700,000; 15 million euros; limit of 20% of share capital) (21st resolution)	26 months (Until 10 August 2023)		None
9 June 2021	Authorisation granted to the Board of Directors to increase the amount of each issue with or without preferential subscription rights that would be decided pursuant to the delegations of authority referred to in the three previous resolutions (Limit of 15% of the initial issue) (22nd resolution)	26 months (Until 10 August 2023)		None

Date of the meeting	Type of authorisation	Duration and end date of the delegation	Amount authorised	Use of delegations by the Board of Directors during the past financial year/Amount used/Number of securities issued/subscribed
9 June 2021	Authorisation granted to the Board of Directors to issue ordinary shares and/or securities giving access to the Company's share capital in the event of a public exchange offer initiated by the Company (Euros700,000; 15 million euros) (23rd resolution)	26 months (Until 10 August 2023)		None
9 June 2021	Authorisation granted to the Board of Directors to issue ordinary shares and/or securities giving access to the Company's share capital, in consideration for contributions in kind granted to the Company and consisting of equity securities or securities giving access to the Company's share capital (Limit of 10% of the share capital) (24th resolution)	26 months (Until 10 August 2023)		None
9 June 2021	Authorisation granted to the Board of Directors to increase the share capital by capitalising premiums, reserves, profits or other items (27th resolution)	26 months (Until 10 August 2023)	Maximum nominal amount: Euros700,000	None
9 June 2021	Authorisation granted to the Board of Directors to issue 500,000 equity warrants ('BSA 2021') with cancellation of shareholders' preferential subscription rights to categories of persons	18 months (Until 10 December 2023)	Maximum number of shares that may be issued, purchased, subscribed, granted under the delegations (or authorizations) granted under the terms of (i) the 25th resolution of the Ordinary and Extraordinary General	1 - Board of Directors' meeting of 5 November 2018 Number of shares granted: 28,000 ('BSA 2018-1') Subscription price: Euros10.8 Opening date: 1

Date of the meeting	Type of authorisation	Duration and end date of the delegation	Amount authorised	Use of delegations by the Board of Directors during the past financial year/Amount used/Number of securities issued/subscribed
	(28th resolution)		Meeting of 7 June 2018 (BSA), (ii) the 19th resolution of the Combined General Meeting of 8 June 2017 (SO) and (iii) the 24th resolution of the Combined General Meeting of 9 June 2016 (AGM): 500,000	December 2019 Maturity date: 4 November 2026 included 2 - Board of Directors' meeting of 18 July 2019 Number of shares granted: 45,000 ('BSA 2018-2') Subscription price: Euros12.6 Opening date: 1 August 2020 Maturity date: 17 July 2027 included
10 June 2020	Authorisation to grant 500,000 stock options ('SO 2020') (26th resolution)	38 months (Until 10 August 2023)	Maximum number of shares that may be issued, purchased, subscribed, granted under the delegations (or authorizations) granted under the terms of (i) the 19th resolution of the Combined General Meeting of 8 June 2017 (SO) and (ii) the 24th resolution of the Combined General Meeting of 9 June 2016 (AGM): 500,000	1 - Board of Directors' meeting of 5 November 2018: Number of shares granted: 69,000 ('SO 2017-1') Subscription price: Euros10.8 Opening date: 1 December 2019 Maturity date: 4 November 2026 included 2 - Board of Directors' meeting of 18 July 2019: Number of shares granted: 102,000 ('Options 2017-2') Subscription price:

Date of the meeting	Type of authorisation	Duration and end date of the delegation	Amount authorised	Use of delegations by the Board of Directors during the past financial year/Amount used/Number of securities issued/subscribed
				Euros12.6 Opening date: 1 August 2020 Maturity date: 17 July 2027 included
10 June 2020	Authorisation granted to the Board of Directors to grant free shares in the Company ('2020 AGM') (500,000) (25th resolution)	38 months (Until 10 August 2023)		1 - Board of Directors' meeting of 26 July 2016: Number of shares granted: 29,500 ('2016-1 AGM') Vesting period: 12 months Holding period: 12 months 2 - Board of Directors' meeting of 26 July 2017: Number of shares granted: 8,000 ('2016-2 AGM') Vesting period: 24 months No holding period 3 - Board of Directors' meeting of 5 November 2018: Number of shares granted: 33,000 ('2016-3 AGM') Vesting period: 24 months No holding period 4 - Board of Directors' meeting of 18 July 2019

Date of the meeting	Type of authorisation	Duration and end date of the delegation	Amount authorised	Use of delegations by the Board of Directors during the past financial year/Amount used/Number of securities issued/subscribed
				27 4 - Board of Directors' meeting of 18 July 2019: Number of shares granted: 53,500 ('2016-4 AGM') Vesting period: 24 months No holding period

Chapitre 21.

22.1.1. Capital under option or agreed conditionally or unconditionally to be put under option

ATEME's capital is not subject to any option or conditional or unconditional agreement to put it under option.

22.1.2. History of share capital

Change in ATEME's share capital since 31 December 2017

Date	Nature of the transaction	Number of shares issued	Increase in Share Capital	Number of shares comprising the share capital	Amount of share capital
31 Dec 21		**130,733**	**18,302.62 €**	**11,191,137**	**1,566,759.18 €**
15.07.21	Allocation of free shares	52,200			
28.01.21	Exercise of stock options	3,313			
11.01.21	Capital increase	74,920			
31 Dec 20		**634,920**	**88,888.80 €**	**11,060,404**	**1,548,456.56 €**
04.11.20	Allocation of free shares	32,000			
28.10.20	Capital increase	68,979			
26.10.20	Capital increase	428,362			
06.10.21	Exercise of stock options	10,500			
23.09.20	Exercise of stock options	56,000			
30.01.20	Exercise of stock options	39,079			
31 Dec 19		**140,945**	**19,732.30 €**	**10,425,484**	**1,459,567.76 €**
18.07.19	Allocation of free shares	6,500			
30.01.19		134,445			
31 Dec 18		**50,031**	**7,004.34 €**	**10,284,539**	**1,439,835.46 €**
31.01.18	Exercise of stock options	50,031			
31 Dec 17		**156,625**	**21,927.50 €**	**10,234,508**	**1,432,831.12 €**

22.2. MEMORANDUM AND ARTICLES OF ASSOCIATION

During the period of validity of this universal registration document, the latest version of ATEME's memorandum and articles of association can be consulted in physical form at ATEME's registered office.

22.2.1. CORPORATE PURPOSE OF ATEME - ARTICLE 2 OF THE BY LAWS

The Company's purpose in France and abroad is:

- All achievements of electronic and computer devices and instruments intended for the acquisition, processing and transmission of information.
- All intellectual services, particularly in terms of advice, training, assistance, product development and distribution in the fields of microinformatics, electronics and microelectronics.
- The Company's participation, by any means, in all transactions that may relate to its purpose through the creation of new companies, the subscription or purchase of securities or corporate rights, mergers or otherwise.
- And generally all financial, commercial, industrial, movable and immovable property transactions that may be directly or indirectly related to the above purpose or to all similar or related purposes, likely to promote its development or expansion.

Please refer to paragraph 4.2 for the registration number of the Company.

22.2.2. SHARE CLASSES

There is only one class of shares for the share capital of ATEME.

Fully paid up shares may be held in registered or bearer form, at the shareholder's discretion. They are recorded in an account under the terms and conditions provided for by the laws and regulations in force.

Shares are freely negotiable.

Each share entitles the holder to ownership of the Company's assets in proportion to the fraction of the share capital that it represents. It also entitles the holder to a proportionally equal share of the Company's profits.

22.2.3. CONDITIONS THAT MAY DEFER, DELAY OR PREVENT A CHANGE OF CONTROL

The Company's Articles of Association do not contain any mechanism to delay, defer or prevent a change of control.

Chapitre 23. **MATERIAL CONTRACTS**

As of the date of the Universal Registration Document and during the last two financial years, the Company has not entered into any material contracts other than those entered into in the ordinary course of its business.

Chapitre 24. **DOCUMENTS AVAILABLE**

During the period of validity of this universal registration document, the documents listed below may be consulted in physical form at ATEME's registered office:

- The latest version of ATEME's Memorandum and Articles of Association;
- All reports, letters and other documents, assessments and statements prepared by an expert at the request of ATEME, part of which is included or referred to in the universal registration document.

The Company has set up an 'Investors' section on its website: www.ateme.com, where regulated information can also be consulted.

In addition to these regular means of information, the Company would not fail to strengthen its communication policy during any significant transaction, or any change in its environment or policy.

Person responsible for financial information: Fabrice Sana, Chief Financial Officer

Contact: investors@ateme.com

24.1. FINANCIAL CALENDAR

Indicative calendar of publications in 2022

Date	Press release
Thursday, 27 January 2022	Annual revenue 2021
Thursday, 24 March 2022	Annual results 2021
Thursday, 5 May 2022	First quarter 2022 sales
Wednesday, 8 June 2022	Combined General Meeting.
Tuesday, 12 July 2022	First half 2022 sales
Thursday, 29 September 2022	Half year results 2022
Wednesday, 9 November 2022	Third quarter 2022 sales

All publications will take place after the closing of the Euronext Paris markets.

ANNEXE 1. Cross reference table for the annual financial report

Title	URD Section
Parent company financial statements	Paragraph 18.01.01. Audited historical financial information
Consolidated financial statements	Paragraph 18.01.06. Consolidated Financial Statements
Management report	Appendix 2 - Cross reference table for the Management Report
Analysis of revenue trends	Chapter 7. Operating and financial review
Analysis of results	Chapter 7. Operating and financial review
Analysis of the financial position	Chapter 7. Operating and financial review
Main risks and uncertainties	Chapter 3. Risk factors
Buyback by the company of its own shares	Paragraph 19.01.03. Treasury shares and share buyback programme
Statutory Auditors' report on the parent company financial statements	Paragraph 18.01.01. Audited historical financial information
Statutory Auditors' report on the consolidated financial statements	18.01.06 Audit of historical annual financial information
Board of Directors' report on corporate governance	Not included in the Universal Registration Document - Annual Financial Report filed with the AMF on 29/04/2021
Statements by persons responsible for the annual financial report	Paragraph 1.2. Statement by the person responsible

ANNEXE 2. Cross reference table for the management report

The cross reference table below makes it possible to identify in this universal registration document the information that constitutes the annual management report in accordance with Articles L. 225-100-1 et seq. of the French Commercial Code.

Title	URD Section
1. Information on the Company's and Group's business	Chapter 5. Business overview Chapter 7. Operating and financial review
Presentation of the business position and results of the issuer, subsidiaries and companies it controls by business line	Chapter 5. Business overview Chapter 7. Operating and financial review
Foreseeable development of the issuer and/or the group	Chapter 10. Trend information Chapter 11. Profit forecasts or estimates
Post closing events of the issuer and/or group	Paragraph 10.1.1. Main trends since 31 December 2019
Research and development activities of the issuer and the group	Paragraph 7.1.2. Probable future trends and research and development activities
Analysis of the development of the issuer's business, results and financial position, in view of the volume and complexity of the issuer's and the group's business	Chapter 7. Operating and financial review
Main risks and uncertainties facing the issuer	Chapter 3. Risk factors
Financial risks related to the effects of climate change and presentation of measures taken to reduce them	Chapter 3. Risk factors
Main characteristics of internal control and risk management procedures relating to the preparation and processing of accounting and financial information	Chapter 3. Risk factors
Information on the use of financial instruments, - Exposure to price, credit, liquidity and cash flow risks of the company and the group	Chapter 3. Risk factors
Five year financial summary of ATEME SA	Paragraph 18.01.01. Audited historical financial information
2. Legal, financial and tax information of the issuer	
Ownership structure and changes	Paragraph 16.1. Changes in the shareholding structure of the ATEME Group
Names of controlled companies	Chapter 6. Organisational structure
Employee share ownership	Paragraph 15.3. Arrangements for involving employees in the capital
Significant investments in companies having their registered office in France	Chapter 6. Organisational structure
Acquisition and disposal by the issuer of its own shares (share buyback programme)	Paragraph 19.01.03. Treasury shares and share buyback programme
Injunctions or financial penalties for anti competitive practises	None.

Dividends distributed over the last 3 years	Paragraph 18.5. Dividend policy
Supplier and customer payment terms	Paragraph 3.4.1. Supplier related risks
Conditions for exercising and retaining options by corporate officers	Paragraph 15.2. Shareholdings and stock options
Conditions for holding free shares granted to senior executives and corporate officers	Paragraph 15.2. Shareholdings and stock options
Summary of trading in the Company's shares by executives	Paragraph 15.2. Arrangements for involving employees in the capital
Social and environmental information	Chapter 15. Employees

ANNEXE 3. Cross reference table for the governance report

Title	French Commercial Code	Section of the URD or Afr
Compensation policy for corporate officers	Article L. 22-10-08, I., paragraph 2 of the French Commercial Code Article R. 22-10-14 of the French Commercial Code	Chapter B/REMUNERATION POLICY FOR CORPORATE OFFICERS Section 1.3 p. 45 (Afr)
Compensation and benefits of any kind paid during the year or granted for the year to each corporate officer	Article L. 22-10-09, I., 1° of the French Commercial Code Article R. 22-10-15 of the French Commercial Code	Chapter B/REMUNERATION POLICY FOR CORPORATE OFFICERS section 2.1 P. 46 (Afr)
Relative proportion of fixed and variable compensation	Article L. 22-10-09, I., 2° of the French Commercial Code	Chapter B/Appendix 4 - compensation of corporate officers Table 2 p. 60 (Afr)
Compensation paid or awarded by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	Article L. 22-10-09, I., 5° of the French Commercial Code	Chapter B section 2.1/Total compensation and benefits in kind (Afr)
Ratios between the level of compensation of each executive corporate officer and the average and median compensation of the Company's employees	Article L. 22-10-09, I., 6° of the French Commercial Code	Chapter 13/p. 94 (URD)
Manner in which the vote of the last ordinary general meeting provided for in I of Article L. 22-10-34 of the French Commercial Code was taken into account	Article L. 22-10-09, I., 9° of the French Commercial Code	Table 33 P 108 (URD)
List of all offices and positions held in any company by each of the corporate officers during the financial year	Article L. 225-37-4, 1° of the French Commercial Code	Chapter 17.1 Related party transactions, P.116 (URD)

Summary table of current delegations of authority granted by the General Meeting with respect to capital increases	Article L. 225-37-4, 3° of the French Commercial Code	Chapter 19, section 10.1.5/. 284 (URD)
Executive management procedures	Article L. 225-37-4, 4° of the French Commercial Code	Chapter 3 - Report of the Board of Directors on corporate governance. Section 1. P.31 (Afr)

ATEME

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