

€ 420 MILLION NEW FINANCING AND DELEVERAGING THROUGH € 660 MILLION DEBT EQUITIZATION

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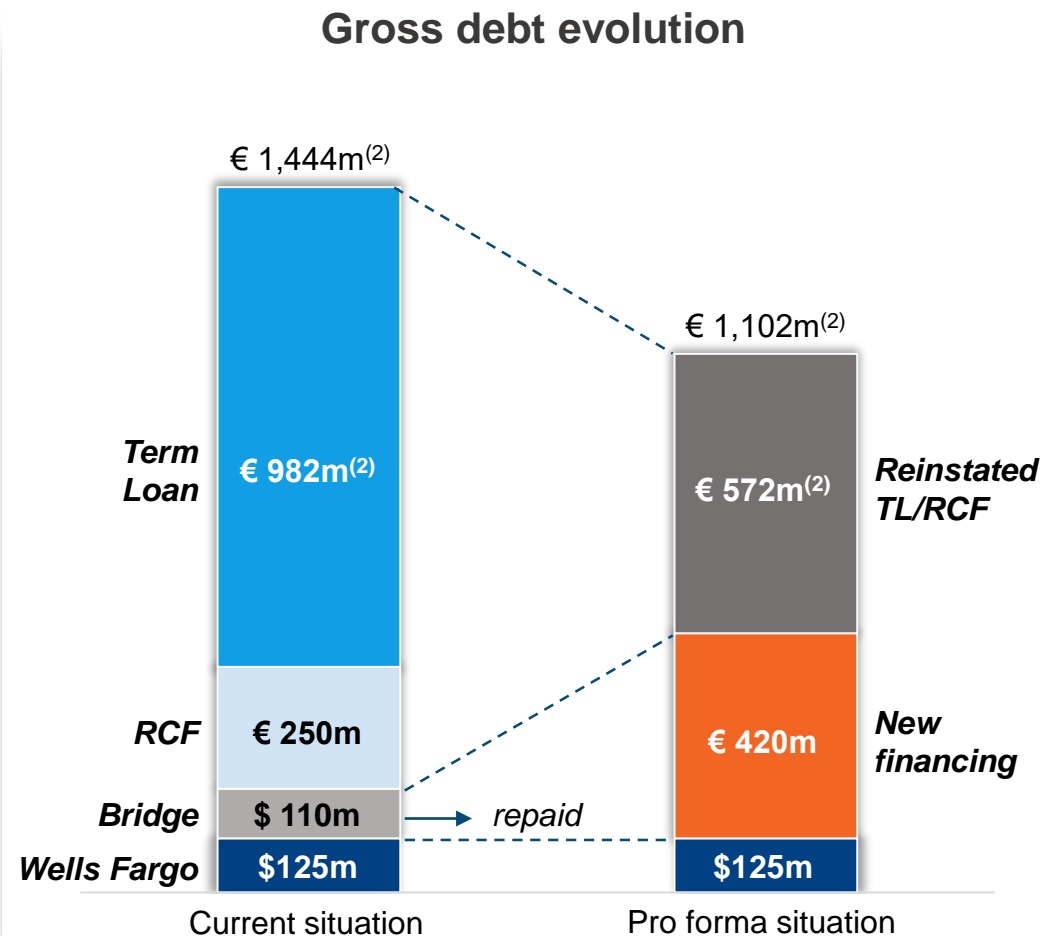


A COMPREHENSIVE FINANCIAL RESTRUCTURING PLAN TO ENHANCE STRATEGIC FLEXIBILITY

- **Technicolor's leadership positions are key and valuable assets and we have a great story to build for the future**
- **This agreement in principle is a key milestone in Technicolor's financial restructuring**
 - It will bring € 420m in new financing and deleveraging through € 660m of debt equitization
 - It will address the liquidity needs of the group and will provide a new framework for long-term sustainability, for the company's businesses, employees, customers, and suppliers
- **The accelerated financial safeguard procedure (SFA) will allow the implementation of the plan with only 2/3 majority of the existing creditors**
- **We expect that shareholders will bring their support and vote in favor of this restructuring at the Extraordinary General Assembly on 20 July 2020**
 - A positive vote on all resolutions is key to execute the restructuring and in particular the debt equitization through the proposed € 330m rights issue, and the € 330m reserved capital increase
 - A negative vote will lead to rehabilitation proceedings (*redressement judiciaire* or liquidation) under which all of the Company's assets could be attributed / sold to the new financing lenders
- **The plan is designed to offer existing shareholders the opportunity to participate in Technicolor's recovery and long-term value creation**
 - Free warrants giving access to 5% of the share capital of the Company on a fully diluted basis to be offered to existing shareholders
 - Ability for existing shareholders to participate to the capital increase at a c. 17% discount relative to the capital increase reserved to the creditors
- **All our teams are fully engaged to continue delivering the high quality services expected by our customers**

KEY TRANSACTION PRINCIPLES

- **New money cash injection of € 420m, under a debt format, to fund the company's operational needs and repay the \$ 110m bridge loan set up in March 2020 by July 31st 2020**
 - € 400m fully underwritten by a group of lenders under the existing Term Loan and RCF creditors and € 20m provided by Bpi France Participations⁽¹⁾
 - Maturity of this new financing will be June 2024
- **Debt reduction of € 660m across the Term Loan and the RCF on a *pari passu* basis**
 - Debt reduction to be implemented through (i) a € 330m rights issue backstopped by TL/RCF creditors with commitment by Bpi France Participations⁽¹⁾ to participate pro rata their current shareholding and (ii) a € 330m reserved capital increase to TL/RCF creditors
 - Maturity of this new financing will be December 2024
- **Reinstated TL/RCF debt of € 572m⁽²⁾ extended to December 2024 with a bullet repayment**
- **Repayment of the \$ 110m bridge facility**
- **Maturity extension of the \$ 125m Wells Fargo facility to December 2023**



Notes:

(1) Bpi France Participations will subscribe to the rights issue in cash pro rata its current shareholding (c. 7.5%) for an aggregate amount up to € 25.5m

(2) Rounded figure; based on EUR/USD of 1.13

CAPITAL INCREASE – KEY TERMS

▶ Total capital increase of € 660m in 2 tranches

Rights issue tranche

Amount	▶ € 330m (i.e. 50% of total capital increase)
Price	▶ € 2.98 per share
Underwriting	▶ Term Loan and RCF lenders pro rata by way of set-off of claims
Use of proceeds	▶ Cash proceeds to be used to repay Term Loan and RCF pro rata at par
Participation Undertaking	▶ Commitment by Bpifrance to participate in the rights issue pro rata their current shareholding ▶ Bpifrance to maintain 1 board seat

Reserved Capital Increase

Amount	▶ € 330m (i.e. 50% of total capital increase)
Price	▶ € 3.58 per share
Subscribers	▶ Term Loan and RCF lenders pro rata by way of set-off of claims at par
Use of proceeds	▶ No cash proceeds (by way of set-off of claims only)

PRO FORMA SHAREHOLDING

► Shareholding will depend on the take-up in cash by existing shareholders on the rights issue

(%) Subscription in cash to the Rights Issue	Excl. shareholders warrants			Pro forma shareholders warrants		
	0%	50%	100%	0%	50%	100%
<i>Subscription in cash to the R.I. (€m)⁽¹⁾</i>	-	€ 165m	€ 330m	-	€ 165m	€ 330m
Existing shareholders existing shares	6.5%	6.5%	6.5%	6.2%	6.2%	6.2%
Existing shareholders R.I. ⁽¹⁾ subscription	-	23.5%	46.9%	-	22.3%	44.6%
Existing shareholders warrants exercise				5.0%	5.0%	5.0%
Existing shareholders % equity	6.5%	30.0%	53.4%	11.2%	33.5%	55.8%
TL/RCF % through R.I. ⁽¹⁾	46.9%	23.5%	-	44.6%	22.3%	-
TL/RCF % through R.C.I. ⁽²⁾	39.1%	39.1%	39.1%	37.1%	37.1%	37.1%
TL/RCF % equity	86.0%	62.5%	39.1%	81.7%	59.4%	37.1%
Equity attached to the New Money	7.5%	7.5%	7.5%	7.1%	7.1%	7.1%

- 1 Shareholders not reinvesting are diluted to 6.5% of pro forma equity
- 2 Warrants distributed to existing shareholders
 - Represent 5% of fully diluted equity
 - 4 years maturity
 - Striked at the R.C.I.⁽²⁾ price
- 3 Equity remuneration attached to the New Money (see next page)

Notes:

(1) R.I.: Rights Issue

(2) R.C.I.: Reserved Capital Increase

NEW MONEY FACILITY – KEY FINANCIAL TERMS

Amount	<ul style="list-style-type: none"> ▶ € 420m (€ 400m from creditors and € 20m from Bpifrance), split in a EUR tranche and a USD tranche (with the USD tranche aimed at refinancing the existing \$ 110m Bridge facility)
Underwriting	<ul style="list-style-type: none"> ▶ Fully underwritten by a group of existing Term Loan and RCF lenders
Underwriting fees	<ul style="list-style-type: none"> ▶ 3.5% under an OID format for the underwriters of the € 400m to be provided by creditors
Participants	<ul style="list-style-type: none"> ▶ Term Loan lenders and RCF lenders for the € 400m to be provided by creditors
Use of proceeds	<ul style="list-style-type: none"> ▶ Repayment of the existing \$ 110m Bridge Loan ▶ General corporate purposes
Maturity / Amortisation	<ul style="list-style-type: none"> ▶ June 2024 / Bullet repayment
Prepayment	<ul style="list-style-type: none"> ▶ NC2 then par
Disposal proceeds	<ul style="list-style-type: none"> ▶ Up to € 75m of disposal proceeds to be kept as cash on balance sheet, and ▶ Up to € 125m of disposal proceeds can be applied in prepayment with a 6% redemption premium
OID / margins	<ul style="list-style-type: none"> ▶ OID at 5.0% ▶ EUR Tranche: Euribor (0% floor) + 6.0% cash interest + 6.0% PIK ▶ USD Tranche: Libor (0% floor) + 6.0% cash interest + 6.0% PIK ▶ Commitment fee of 1.5% p.a. of the unutilized and available part of the principal amount
Equity allocation	<ul style="list-style-type: none"> ▶ 7.5%
Rating	<ul style="list-style-type: none"> ▶ CFR Rating to be maintained; Facility Rating from two rating agencies

REINSTATED DEBT – KEY FINANCIAL TERMS

Existing Term Loan

- ▶ EUR tranche: € 725m
- ▶ USD tranche: \$ 290m

Existing RCF

- ▶ € 250m



Reinstated Term Loan + RCF

- ▶ Only 1 reinstated debt facility (merging the existing TL and the existing RCF) with 2 tranches (EUR and USD)

Amount

- ▶ **Amount: € 572m**
 - EUR tranche: € 453m⁽¹⁾ (€ 337m from existing TL and € 116m of the existing RCF)
 - USD tranche: € 119m⁽²⁾

Maturity / Amortization

- ▶ December 2024 / Bullet repayment

Margins

- ▶ EUR Tranche: Euribor (0% floor) + **3.0% cash interest + 3.0% PIK**
- ▶ USD Tranche: Libor (0% floor) + **2.75% cash interest + 3.0% PIK**

Note:

(1) Rounded figure

(2) EUR amount set at € 119m; USD amount to be determined at closing based on the then relevant EUR / USD exchange rate

CONSIDERATIONS ON STRUCTURING

- 1 Initial new money to be made available mid-July to Technicolor USA, Inc. (the "US New Money") to repay Bridge Loan by 31 July 2020
 - 2 Another initial new money tranche will be made available mid-July to Tech 6, a direct subsidiary of Technicolor SA incorporated in France (the "Initial FR New Money")
 - 3 Remaining new money (the "Balance FR New Money") to be made available end of August 2020 to Tech 6
- *New Money to be secured by "fiducies-sûretés" (equivalent of a trust under French law) in respect of the shares of sub-holding companies, holding quasi all of the members of the Group (the "Fiducies"), it being specified that the implementation of the Fiducie for the Balance FR New Money will be submitted to a consultative vote of the EGM, in accordance with the AMF recommendation n°2015-05 on transfer of assets. The New Money shall also be secured by certain other security interests, including by security over the assets currently securing the Bridge Loan (for the US New Money only), the TLB and the RCF.*

Targeted structure presented in appendix

KEY NEXT STEPS

22 June 2020	<ul style="list-style-type: none"> ▶ Opening of the SFA
29 June 2020	<ul style="list-style-type: none"> ▶ Publication of the EGM meeting notice (SFA rules allow a shorter publication timeline than usual)
3 July 2020	<ul style="list-style-type: none"> ▶ Financial Creditors Committee votes on the SFA plan (minimum majority: 2/3 in value)
10 July 2020	<ul style="list-style-type: none"> ▶ Approval of the prospectus by the AMF and availability of the independent expert report ▶ Publication of the EGM convening notice
Around Mid July	<ul style="list-style-type: none"> ▶ First drawdown of the New Money facility (USD and First EUR tranches) for an amount of c. € 240m to repay the Bridge Loan and address the short term liquidity needs of the Group (subject to positive vote of the financial creditors committee, approval of the judge and other conditions)
20 July 2020	<ul style="list-style-type: none"> ▶ Extraordinary shareholders' meeting to vote on the capital increases and the Fiducie implemented for the Balance FR New Money
End of July	<ul style="list-style-type: none"> ▶ Court approval of the SFA plan (subject to financial creditors' committee favourable vote at a 2/3 majority and favourable EGM vote)
End of August	<ul style="list-style-type: none"> ▶ Second drawdown of the New Money facility for the remainder, i.e. c € 180m (subject to, among other conditions, approval of the SFA plan or continuation plan by the Court) ▶ Alternatively, if no SFA Plan (or continuation plan) can be approved by the Court before end of August, the Balance FR New Money should be made available to Tech 6 in September, provided quasi all the Group's assets have been attributed or sold to the benefit of the lenders as part of a bankruptcy process
September	<ul style="list-style-type: none"> ▶ If Court approval is received on SFA plan, launching of the capital increases and allocation of warrants

KEY | | | | | | | | | |

**PERFORMANCE
FIGURES**



KEY FIGURES – POST-IFRS 16

Continuing operations - post IFRS 16

€m ; FYE-Dec post-IFRS 16	2019a	Base Case			High Case		
		2020e	2021e	2022e	2020e	2021e	2022e
Revenues	3,800	3,118	3,476	3,632	3,274	3,820	4,035
<i>% Growth</i>		(17.9%)	+11.5%	+4.5%	(13.9%)	+16.7%	+5.6%
Adj. Continuing EBITDA	324	169	340	425	255	471	578
<i>% of revenues</i>	8.5%	5.4%	9.8%	11.7%	7.8%	12.3%	14.3%
Adj. Continuing EBITA	42	(64)	105	202	20	236	342
<i>% of revenues</i>	1.1%	(2.1%)	3.0%	5.6%	0.6%	6.2%	8.5%
Continuing FCF*	(26)	(162)	89	259	(47)	223	402

* Before financial results and tax

- At end of March 2020, LTM EBITDA was around € 319m, trading is in line with management expectations
- Based on the proposed new financing plan, net leverage⁽¹⁾ target is around 3x at end of 2021, decreasing thereafter

Note:

(1) Net debt / EBITDA, after IFRS 16 adjustments

PRODUCTION SERVICES

STRONG GROWTH PROSPECTS ALBEIT CURRENT CONTEXT

Revenues (in € million)

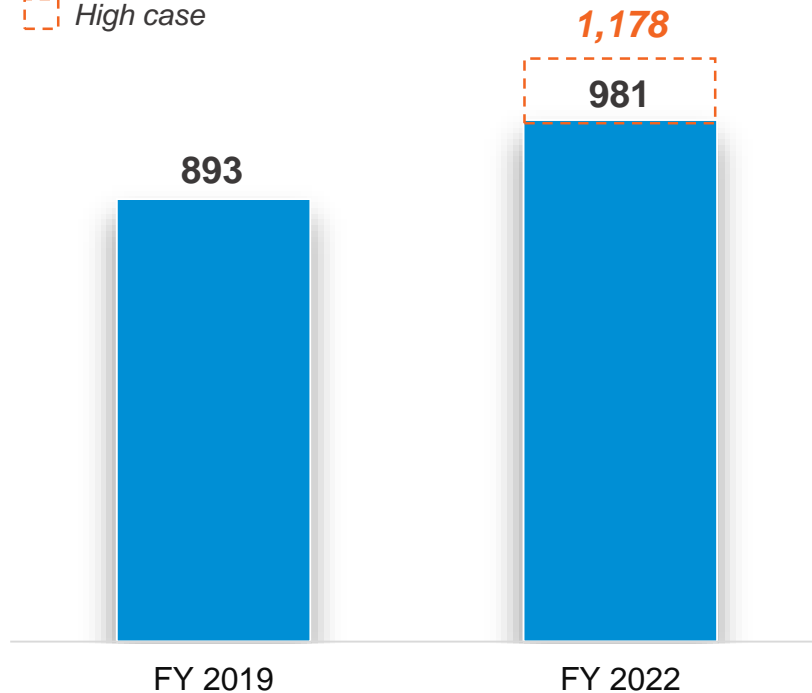
CAGR 19-22

Base: +3%

High: +10%

■ Base case

▨ High case

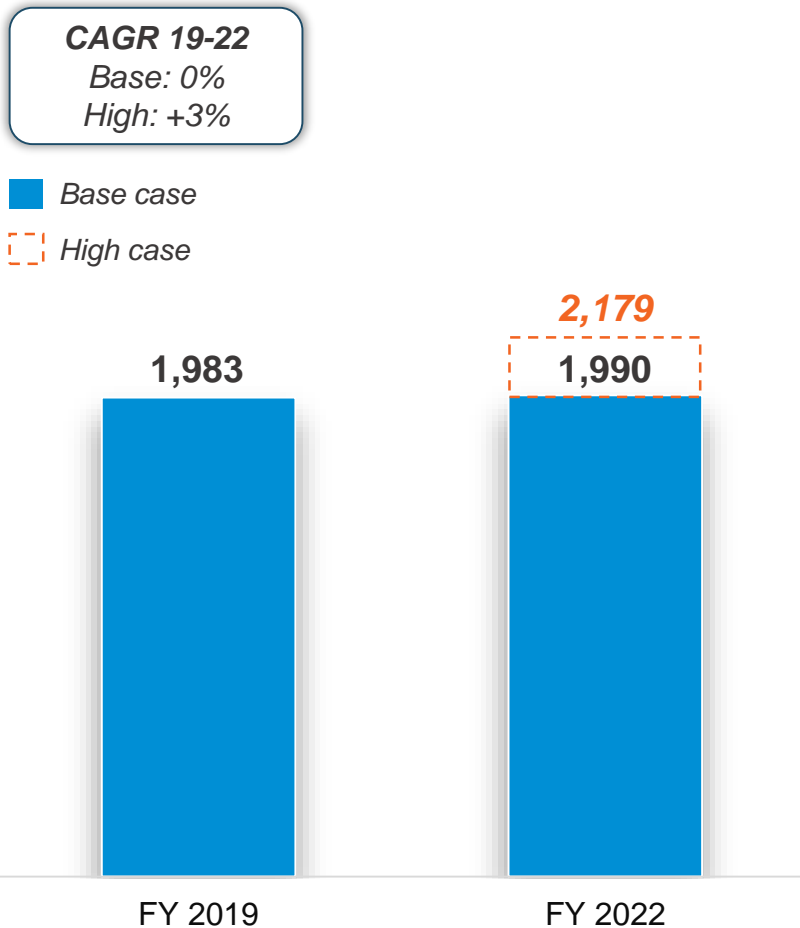


- **Film & Episodic VFX** revenues largely impacted by the cessation of all live-action shoots, pushed back to third / fourth quarter 2020 and 2021; visual effects cannot be produced until live shoots are completed:
 - Volume of movies under production in 2023 expected to be similar to what was originally planned for in 2022, with more weight toward episodic vs. tentpole movies
- **Animation & Games** not as severely impacted by the COVID-19 crisis as it is less dependent on live-action
- **Advertising** expects more resilience to COVID-19 as it is less reliant on large crewed, on-location live shoots and has a customer base that includes large crewed / Big Tech companies
- **Post-Production** impacted for similar reasons as Film & Episodic VFX:
 - Still handles a larger number of smaller and quicker turnaround projects and can take on work from clients with whom Film & Episodic VFX does not typically work at the beginning of live shooting. This, along with Film & Episodic VFX growth, should allow a faster recovery in the second half

CONNECTED HOME

STABLE AND RESILIENT REVENUES OVER THE PLAN

Revenues (in € million)



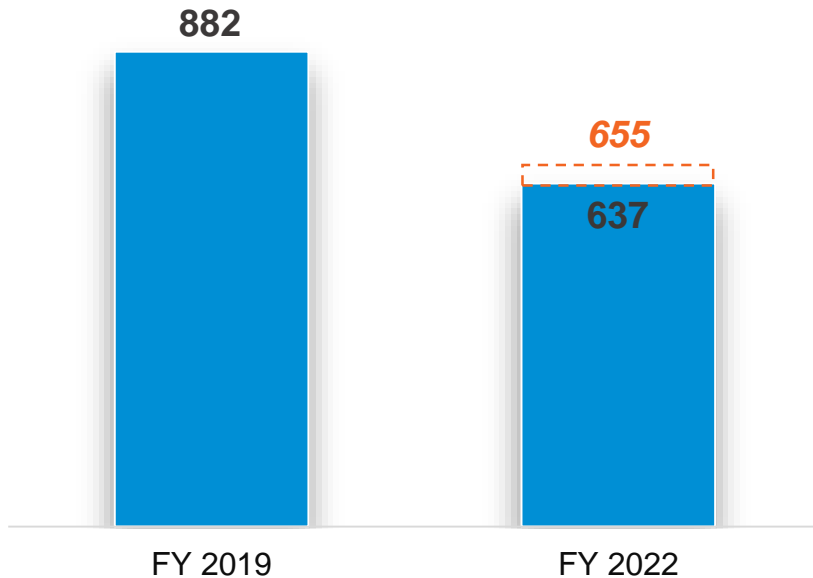
- Despite early March supply chain disruption due to Covid-19, the Connected Home division is headed for a good year driven by strong demand in the US
- The Group expects stable and resilient revenues over the plan mostly driven by growth in gateway / broadband that offsets video revenues decrease
- EBITDA is set to grow on the back of cost savings and lower component costs, in line with initial Budget expectations

DVD SERVICES STRUCTURALLY IMPACTED BY CHANGED CONSUMER BEHAVIOR

Revenues (in € million)

CAGR 19-22
Base: (10%)
High: (9%)

■ Base case
▭ High case



- DVD Services division will be negatively impacted given the delay in new theatre releases, mitigated by catalogue sales in the US and Europe which are showing signs of resilience
- Broadly normal market conditions expected thereafter, but still negatively impacted by changed consumer behavior (increased streaming, etc.) and continued structural market decline
- EBITDA margin to recover on the back of accelerated cost savings initiatives and contract renewals that include volume-based pricing principles

LIQUIDITY FORECASTS TO DECEMBER 2021

Cash position in the next 18 months

In m€	30 Jun-20	31 Dec-20	30 Jun-21	31 Dec-21
Group Cash before Credit Lines (CL)	(323)	(311)	(582)	(386)
Available CL as per current structure ⁽¹⁾	418	318	318	318
Liquidity after CL	96	7	(264)	(68)
(+) New financing, net of OID & underwriting fee	-	420	420	420
Pro forma Liquidity	96	427	156	352

→ Assuming conditions are met, by mid-July, the Group is to receive € 240m of net proceeds from the new financing proposal

- This amount will cover (i) the operational needs over that period and, (ii) the repayment of the \$ 110m Bridge Facility

→ In early September, to cover additional operational needs, the Group is to receive a further € 180m injection as part of the financing proposal (subject to conditions precedent)

- Following this new financing, the Group expects to have cash in excess of more than € 100m

→ In total, the € 420m net amount new financing proposal will cover the Group's needs over the next 18 months, including additional needs of c. € 100m in the first half of 2021

- The cash pattern has historically shown a negative FCF in the first half vs. a positive FCF over the second half⁽²⁾

→ The proposed € 420m new financing has been designed to cover the Group's needs in the short / medium term. This new financing together with cash generation will provide liquidity flexibility for the Group thereafter

Notes:

(1) €250m RCF, \$125m ABL and up to end of July \$110m Bridge Facility

(2) Unlike previous year, H2 2020 is not expected to be FCF positive due to Covid-19 impact on the Group activities and working capital pattern

APPENDICES



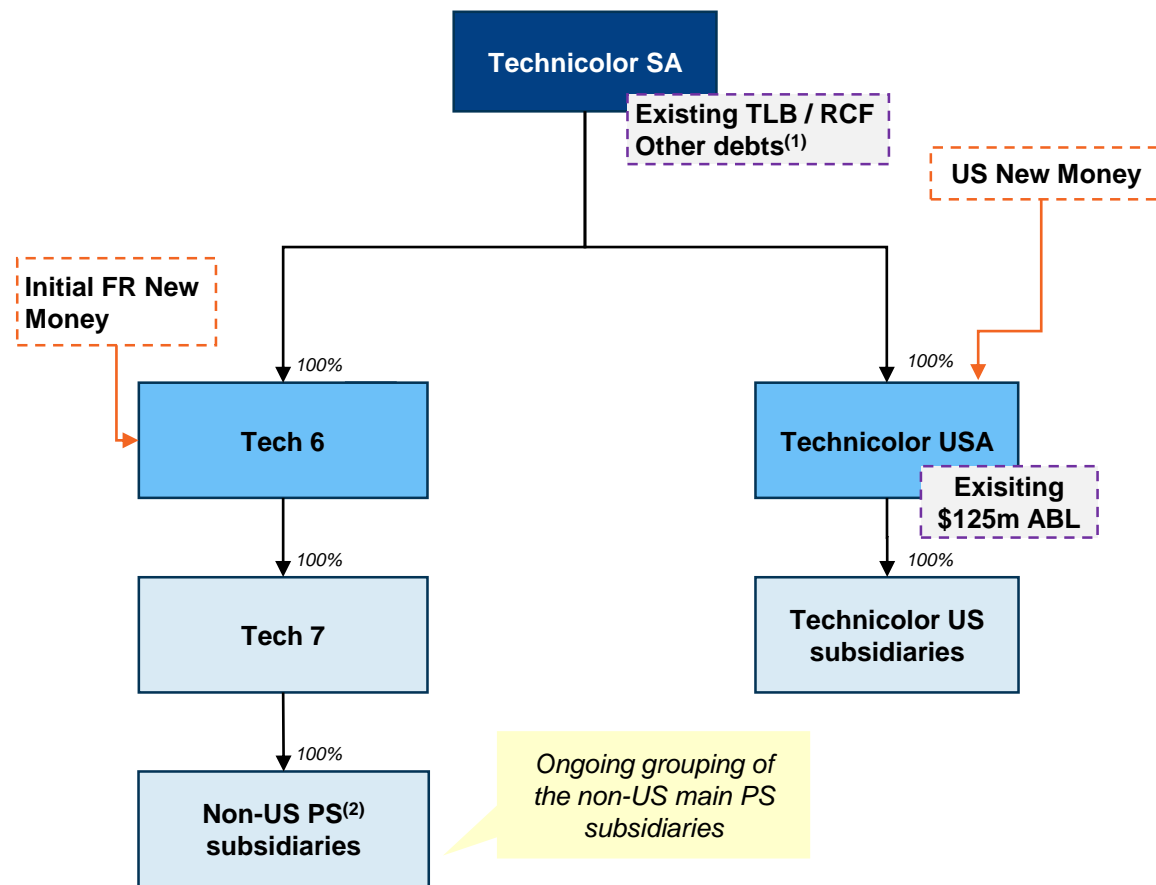
KEY FIGURES – PRE-IFRS 16

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Revenues	3,800	3,118	3,476	3,632	3,274	3,820	4,035
<i>% Growth</i>		(17.9%)	+11.5%	+4.5%	(13.9%)	+16.7%	+5.6%
Adj. Continuing EBITDA	246	101	280	372	187	411	525
<i>% of revenues</i>	6.5%	3.3%	8.0%	10.3%	5.7%	10.8%	13.0%
Adj. Continuing EBITA	36	(71)	99	196	13	230	336
<i>% of revenues</i>	0.9%	(2.3%)	2.9%	5.4%	0.4%	6.0%	8.3%
Continuing FCF*	(90)	(170)	42	219	(102)	176	362

* Before financial results and tax

INTERMEDIARY SECURITY STRUCTURE (MID-JULY)



Mid July 2020 targeted structure, based notably on juge-commissaire's authorization (before shareholders' vote and before Court approval of plan)

Note:

(1) Unsecured Perpetual Deeply Subordinated Notes

(2) Production Services



US New Money Security

- Existing US security package to be retaken from the Bridge facility to secure US New Money (pledge of shares, receivables and inventories of US subsidiaries)



Initial FR New Money Security

- Fiducie on shares of Tech 7 with Tech 7 holding main non-US PS subsidiaries
- Pledge over receivables by Tech 6 in respect of the cash-pooling receivables
- New Money privilege



Other New Money Security

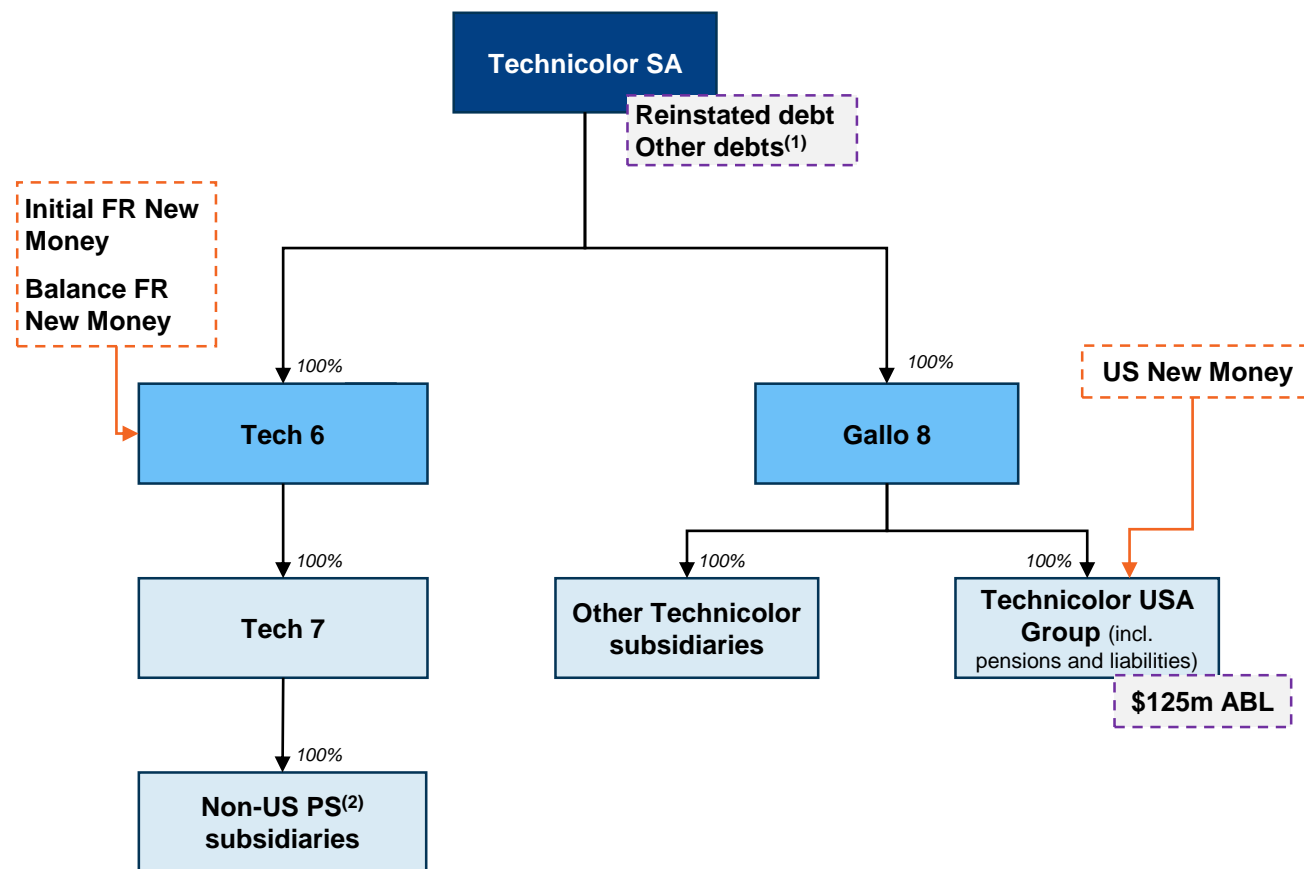
- Technicolor SA parental guarantee
- Pledge on shares of Tech 6 and certain other non-US non-PS subsidiaries



Existing TLB and RCF

- No modification to existing package
- Silent second ranking in respect of the securities account pledges granted as New Money Security for consenting lenders

FINAL SECURITY STRUCTURE (END OF AUGUST)



The implementation of the Gallo 8 Fiducie for the Balance FR New Money will be submitted to a consultative vote of the EGM, in accordance with the AMF recommendation n°2015-05 on transfer of assets

Note:

(1) Unsecured Perpetual Deeply Subordinated Notes

(2) Production Services



US New Money Security

- Existing US security package to be retaken from the Bridge facility to secure US New Money (pledge of shares, receivables and inventories of US subsidiaries)



FR New Money Security

- Fiducie on shares of Tech 7 with Tech 7 holding main non-US PS subsidiaries
- Pledge over receivables by Tech 6 in respect of the cash-pooling receivables
- Pledge on shares of Tech 6



Other FR and US New Money

- Gallo 8 Fiducie
- Technicolor SA Parent guarantee
- Pledge on shares of Thomson Licensing SAS, Technicolor Brasil Midia e Entr. Ltda
- Pledge on (i) shares and (ii) bank accounts and receivables in respect of the cash pooling / intragroup receivables, of Tech 6 and certain non-US non-PS subsidiaries
- New Money privilege



Reinstated debt Security

- Silent second ranking in respect of the pledges granted as New Money Security