PRESS RELEASE

Technicolor ex-TCS to become VANTIVA
Technicolor presents the strategy and outlook of VANTIVA at Capital Markets Day

Paris (France), June 14th, 2022 – Technicolor (Euronext Paris: TCH; OTCQX: TCLRY) will today hold in London at 1pm BST (2pm CEST) Capital Markets Days starting with VANTIVA, the future name for Technicolor Ex-TCS, and followed by Technicolor Creative Studios ("**TCS**"). VANTIVA management will illustrate the future new company's strategic direction and roadmap to drive growth, as well as its financial objectives.
A separate press release presenting TCS' vision and strategy is issued today.

- **VANTIVA will be composed of two businesses with leading positions in their respective markets and with solid growth fundamentals: Connected Home, and DVD Services which will become VANTIVA Supply Chain Services**
- **VANTIVA forward looking assumptions published on June 6th are confirmed:**
    - Adjusted EBITDA[1] from continuing operations above €140 million for 2022 and above €140 million in 2023;
    - Adjusted EBITA comprised between €38-€48 million in 2022 and between €29-39 million in 2023;
    - Free Cash Flow before Tax and Financial comprised between €62-€72 million in 2022 and between €43-63 million in 2023.

Richard Moat, Chief Executive Officer of Technicolor SA and future Chairman of VANTIVA, said:

"After two years of successful transformation significantly improving Technicolor's operational and financial performance, we are now ready to begin a new chapter of value creation. Subject to shareholder approval, and after the spin off of Technicolor Creative Studios, Technicolor will open a new chapter and become VANTIVA, composed of Connected Home and VANTIVA Supply Chain Services (the former DVD Services division), two market-leading businesses, operated by world-class management teams. Together, they are ideally positioned to leverage their unique strengths and assets to reinforce their leadership position in existing and new growing markets. I am confident that with Luis and the talented teams of Connected Home and VANTIVA Supply Chain Services, VANTIVA will continue delivering the best products and services to clients and drive long-term growth."

Luis Martinez-Amago, President of Connected Home and future Chief Executive Officer of VANTIVA, said:

"As VANTIVA future CEO, I am excited to take on this new role and to build on the already strong foundations that Connected Home and VANTIVA Supply Chain Services have developed over the last two years of transformation. After the spin off of Technicolor Creative Studios, our new standalone company will be able to grow on its own terms and follow its own strategy.
VANTIVA's streamlined structure will enable the company to further reinforce its existing relationships with all its customers. It creates a unique opportunity to establish an identity that is completely aligned with the needs of its core markets, while executing its growth strategy in new domains.
As one company, we will benefit from Connected Home's comprehensive product offering and leadership[2] position in customer-premises equipment in video and broadband as well as from VANTIVA Supply Chain Services' undisputed leadership in disc, and diversification strategy in high-growth adjacent businesses. By combining our expertise, action-oriented cultures, well-established customer relationships, robust balance-sheet and world-class management teams, I am confident that we are positioned to generate enhanced value to all of our stakeholders. I look forward to working alongside management and our entire teams as we enter a new chapter of success and growth."

[1] *Definition of adjusted EBITDA, adjusted EBITA and Free Cash Flow are available in the Appendix section of the present press release*
[2] *Figures as of September 2021, excluding China –Sources: Dell Oro, Omdia*

Technicolor Ex-TCS to become VANTIVA

Technicolor SA is announcing the launch of its new brand: VANTIVA. The new brand will be comprised of the Connected Home and DVD Services operations.

VANTIVA's streamlined structure will enable the company to further reinforce its existing relationships with all of its customers. It creates a unique opportunity to establish an identity that is completely aligned with the needs of its core markets, while executing its growth strategy in new domains.

The change of the corporate name of Technicolor SA to VANTIVA SA is subject to the approval of Technicolor SA shareholders, during the shareholders' meeting to approve the spin off that will be convened in the third quarter of 2022.

Connected Home - Focus on growth

Connected Home is the worldwide leading provider of broadband gateways and video set-top-boxes[3], supplying the critical link between service providers and end user customers. Over the past two years, Connected Home went through a successful transformation plan to increase productivity and profitability and simplify its business structure.

Connected Home represented 69% of VANTIVA revenues in 2021, out of which 64% were Broadband and 36% were Video. Connected Home Adjusted EBITDA margin for 2021 amounted to 6.7%.

Under VANTIVA, Connected Home will continue to grow and diversify its business through a sustainable growth strategy, focused on the most attractive segments of growing broadband and video streaming markets. In today's connected environment, customer-premises equipment ("CPE") is a crucial component for internet and video services all around the world and, going forward, access products will be essential given the accelerated transition to a GigaBit economy, metaverse services and distributed networks. In parallel, Android TV solutions are gradually replacing traditional PayTV, representing a growing segment within the video market. As a result, Connected Home's targeted segments of CPE are expected to grow at 9%[4] on average from 2021 to 2025.

Moving forward, Connected Home's strategy will be based on three growth pillars:

- Growing its core businesses: broadband and video segment with a focus on Android TV;
- Optimizing its operations with faster time-to-market, increased engineering throughput and leaner operations; and
- Reinforcing its supply chain resilience to handle market disruptions.

This strategy is expected to enable the division to pursue profitable growth in its core business.

In the medium-term, Connected Home will also focus on a diversification strategy into Internet of Things ("**IoT**") for verticals, capitalizing on the digital transformation of enterprises through IoT. This diversification will be operated through partnerships with IoT, cloud platform and independent software companies, either organically or inorganically.

VANTIVA Supply Chain Services – a strategy of diversification

Today, the Company also announces that the DVD services operations will now be known as VANTIVA Supply Chain Services ("VSCS"), in order to reflect the reality of its underlying business. VSCS is the world's leader for disc manufacturing, packaging and distribution for all major studios, with 65% global market share, and 90% in North America[5], in a disc market which is underpinned by a sizeable consumer market of $4 billion per year[6]. Nevertheless, disc volumes are expected to experience secular decline over the next 5 years and then plateau for a few years.

[3] *Figures as of September 2021, excluding China – Sources: Dell Oro, Omdia*
[4] *Sources: Dell'Oro3Q21 & January 22 reports, Dataxis3Q21 database, Omdia3Q21 BB and STB reports, ABI Research August'21 STB and BB CPE report, publications of listed companies and Technicolor –TAM relates to CPE hardware only (in value), excluding China*
[5] *Figures as of September 2021 –Sources: Management estimates*
[6] *Source: Futuresource*

VSCS represented 31% of VANTIVA revenues in 2021 at €701 million and had an Adjusted EBITDA margin of 9.5%.

VSCS is benefiting from proven experience, capability, and innovation, with combined unique selling propositions around manufacturing, supply chain and fulfilment, and transportation. After two years of restructuring, VSCS has successfully optimized its disc business and implemented a clear diversification strategy aimed at leveraging all verticals, assets and capabilities in:

- Establishing Vinyl production manufacturing, packaging and distribution in North America and then in Europe & Australia. Vinyl volume is expected to grow significantly over the next 5 years as we expand market share;
- Further expanding Non-Disc Supply-Chain & fulfilment;
- Expanding the Microfluidics business;
- Enhancing transportation freight brokerage in North America; and
- Launching new product lines and expanding manufacturing and fulfillment capabilities.

This diversification strategy is expected to support revenue growth, and profitability in the medium term, with growth activities expected to overtake DVD revenue in the medium term.

Outlook

Underlying market assumptions for VANTIVA remain unchanged:

- Worldwide demand for **Connected Home** broadband equipment is expected to remain strong in 2022, as customers seek to improve their connectivity. However, ongoing component shortages and pricing challenges will continue to impact our ability to serve end customer demand throughout 2022. Nonetheless, efficiency measures, gradual improvements in delivery and continuous discussions with both suppliers and customers should continue to help offset these headwinds. While we do not have any assets or direct customers or suppliers in Russia and Ukraine, the ongoing conflict has generated additional uncertainty in terms of supply. This has led to an increase in transit times to some European customers, as we transition from rail to sea transportation for products that used to move through Russia. The Group is extending its existing action plans, and is maintaining continuous discussions with both suppliers and customers to compensate for these potential factors;
- For **VANTIVA Supply Chain Services**, higher year-on-year new release volumes are expected as theatrical attendance continues to normalize, but this will be slightly offset by lower catalog volumes. Financial performance will also by improved through continuing cost efficiencies. As part of the Group's plan to accelerate the diversification of the business, the division is continuing to work on significantly expanding non-disc activities.

As a result, for 2022 and 2023 management expectations[7] are:

- Adjusted EBITDA from continuing operations above €140 million for both 2022 and 2023, with improvement from topline offset by diversification costs in 2023;
- Adjusted EBITA of between €38-€48 million in 2022 and between €29-39 million in 2023;
- Free Cash Flow before Tax and Financial of between €62-€72 million in 2022 and between €43-63 million in 2023. The Group does not anticipate further contraction of payment terms in the near future.

In addition, VANTIVA results are sensitive to its main currency valuations - notably the US dollar – which has evolved favorably since the beginning of the year. Hedging arrangements are in place to address the associated forex risks.

VANTIVA businesses are not capex intensive. At Connected Home the capex requirement on a normalized basis amounts to approximately €25 million per year for production equipment (tools and test benches), along with intangible investments for R&D. At VSCS capex is mainly for upgrade of production lines along with capex for new growth businesses with short payback terms. Considering working capital requirements, at Connected Home under normal circumstances the need for cash to fund the key component operations is netted by the

[7] *This guidance assumes a EUR/USD exchange rate of 1.15, exclude Trademark Licensing operations, include estimated running dissynergy costs, and reflect accounting changes implied by the IFRIC interpretation on Saas adjustment, relating to the configuration or customization costs in a cloud computing arrangement.*

cash generated from finished goods. However, asymmetric deliveries or demand pushout can create the need for more working capital during the year. At VSCS, seasonality ties up working capital during the first half of the year.

Financials[8]

VANTIVA revenues amounted to €2,250 million in 2021 and €2,475 million in 2020. This decline in sales mainly resulted from the impact of component shortages and increased lead time at Connected Home, despite strong underlying demand. At VSCS, lower disc volumes were partially offset by growth in distribution and freight brokerage.

Despite the lower top line, VANTIVA improved profitability in 2021 compared to 2020 thanks to transformation activities and operational efficiencies at both Connected Home and VSCS. As a result, VANTIVA adjusted EBITDA amounted to €141 million in 2021 (6.3% margin) compared to €133 million in 2020 (5.4% margin)

VANTIVA generated positive operating free cash flow[9] in 2020 and 2021 of respectively €29 million and €11 million, with higher restructuring cash out in 2021. Free Cash Flow amounted to -€162 million in 2020 and -€181 million in 2021, mainly due to higher working capital needs in 2020 and 2021 driven by the reduction of supplier payment terms for Connected Home.

As part of the Capital Markets Day, VANTIVA will present adjusted financial statements, along with segment information, which are defined and detailed in the Appendix to the present press release.

Anticipated Capital Structure

Technicolor SA has entered into discussions with Barclays and Angelo Gordon who have committed to provide a €375 million debt package to VANTIVA, subject to customary conditions and approvals. In addition, discussions are ongoing with Wells Fargo to extend the Asset-Based Lending (ABL) Facility.

The spin-off is expected to be completed in Q3 2022, subject to (i) shareholder approval of the terms of the spin-off, (ii) the completion of the refinancing discussions with creditors on terms satisfactory to VANTIVA and TCS and (iii) customary conditions, consultations and regulatory approvals.

Capital Markets Day Details

The Capital Markets Day, dedicated to financial analysts and institutional investors, will begin at 1pm BST (2pm CET) in London and virtually. All presentation materials, as well as the webcast (live and replay), will be made available on Technicolor's investor website at https://www.technicolor.com/investor-center.

VANTIVA's presentation will be followed by the Capital Markets Day for Technicolor Creative Studios ("**TCS**"), whose vision and strategy are being presented in a separate press release, and are also available on Technicolor's investor website: https://www.technicolor.com/investor-center.

Indicative Timetable

Capital Market Day for VANTIVA and TCS	June 14th, 2022
Technicolor's Shareholders' meeting	June 30th, 2022
H1 2022 results	July 28th, 2022
Technicolor's Distribution Shareholders' Meeting	Q3, 2022
Distribution of the TCS shares	Q3, 2022

[8] *Excluding Trademark Licensing*
[9] *See definition in the appendix of the present press release*

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Warning: Legal Disclaimer

*This press release has been prepared by Technicolor SA ("**TSA**") in connection with the Capital Markets Day on 14 June 2022 in particular in the context of the contemplated spin-off of Technicolor Creative Studios ("**TCS**" and such spin-off, the "**Transaction**") as a result of which TSA ex-TCS is to become Vantiva. This press release is an advertisement and does not constitute a prospectus under Regulation (EU) 2017/1129 of the European parliament and of the council of 14 June 2017 (the "**Prospectus Regulation**").*

Selected Non-IFRS Financial Measures

*This press release includes non-IFRS measures relating to TSA the publication of which is not required, or which have not been prepared in accordance with financial measures determined in accordance with International Financial Reporting Standards ("**IFRS**"), including Adjusted EBITA, Adjusted EBITDA and Free Cash Flow (before interests and tax).*

TSA presents non-IFRS measures with a view to allowing investors to better understand the evolution of its results, as well as items that may influence future performance.

These measures should solely be used as analytical tools and should not be considered as an alternative to financial measures determined in accordance with IFRS nor as a true and fair value of past accounts. Therefore, they cannot be considered as a substitute for the financial statements approved by the general meeting of shareholders.

Forward Looking Statements

This press release contains certain statements that constitute "forward-looking statements", including but not limited to statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions or which do not directly relate to historical or current facts. Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted, or implied by such forward-looking statements. For a more complete list and description of such risks and uncertainties, refer to Technicolor's filings with the French Autorité des marchés financiers. 2021 Universal Registration Document (Document d'enregistrement universel) has been filed with the French Autorité des marchés financiers (AMF) on 5 April 2022, under number D-22-0237 and an amendment to the 2021 URD has been filed with the AMF on 29 April 2022, under number D-22-0237-A01.

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About Technicolor:
www.technicolor.com

Technicolor shares are admitted to trading on the regulated market of Euronext Paris (TCH) and are tradable in the form of American Depositary Receipts (ADR) in the United States on the OTCQX market (TCLRY).

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APPENDIX

The adjusted financial information provided for the years ended December 31, 2019, 2020, 2021 relating to VANTIVA has not been audited, but has been produced using audited Technicolor and TCS accounts. It is therefore provided for information purposes only and may be subject to further changes.
This financial information excludes Technicolor Creative Studios division but does not take into consideration the impact of the refinancing (current Safeguard debt of the Group is maintained) and of the Spinoff (no minority stake into TCS is recognized, nor dyssynergy costs). The Trademark Licensing Operations are also included in this financial information.

VANTIVA Unaudited Adjusted Statement of Profit and loss

	Year ended December 31,		
(€ in million)	**2021**	**2020**	**2019**
CONTINUING OPERATIONS			
Revenue	2 270	2 494	2 908
Cost of sales	(1 977)	(2 218)	(2 599)
Gross margin	**292**	**276**	**308**
Selling and administrative expenses	(185)	(198)	(227)
Research and development expenses	(84)	(93)	(114)
Restructuring costs	(31)	(73)	(20)
Net impairment losses on non-current operating assets	(1)	(73)	(61)
Other income (expense)	11	10	(14)
Earnings before Interest & Tax (EBIT) from continuing operations	**2**	**(150)**	**(127)**
Interest income	24	14	20
Interest expense	(128)	(72)	(56)
Net gain on financial restructuring	-	158	-
Other financial income (expense)	-	(5)	(12)
Net financial expense	**(104)**	**94**	**(48)**
Share of gain (loss) from associates	0	0	(1)
Income tax income (expense)	(16)	(11)	(5)
Loss from continuing operations	**(117)**	**(66)**	**(181)**
DISCONTINUED OPERATIONS			
Net gain (loss) from discontinued operations	(19)	(15)	(22)
Net loss for the year	**(136)**	**(81)**	**(202)**
Attribuable to :			
- Equity holders	*(136)*	*(81)*	*(202)*
- Non-controlling interest	-	-	-

VANTIVA Unaudited Adjusted Statement of Financial Position

(€ in million)	December 31, 2021	December 31, 2020	December 31, 2019
ASSETS			
Goodwill	585	542	659
Intangible assets	214	240	313
Property, plant and equipment	93	88	110
Right-of-use assets	48	50	76
Other operating non-current assets	17	14	21
TOTAL OPERATING NON-CURRENT ASSETS	**957**	**934**	**1 178**
Non-consolidated investments	19	16	17
Other financial non-current assets	25	30	17
TOTAL FINANCIAL NON-CURRENT ASSETS	**45**	**46**	**35**
Investments in associates and joint-ventures	2	1	1
Deferred tax assets	16	20	33
TOTAL NON-CURRENT ASSETS	**1 020**	**1 001**	**1 247**
Inventories	335	195	243
Trade accounts and notes receivable	301	373	444
Contract assets	20	21	17
Other operating current assets	214	190	148
TOTAL OPERATING CURRENT ASSETS	**869**	**778**	**852**
Income tax receivable	8	9	23
Other financial current assets	445	321	256
Cash and cash equivalents	183	301	56
Assets classified as held for sale	1	1	-
TOTAL CURRENT ASSETS	**1 506**	**1 410**	**1 188**
TOTAL ASSETS	**2 526**	**2 411**	**2 435**

(€ in million)	December 31, 2021	December 31, 2020	December 31, 2019
EQUITY AND LIABILITIES			
Invested equity and retained earnings	(41)	94	(295)
Cumulative translation adjustment	(275)	(300)	(218)
Shareholders equity attributable to owners of TCS	**(316)**	**(205)**	**(513)**
Non-controlling interests	-	(0)	(0)
TOTAL INVESTED EQUITY	**(315)**	**(205)**	**(513)**
Retirement benefits obligations	256	319	336
Provisions	31	32	30
Contract liabilities	1	1	1
Other operating non-current liabilities	7	12	14
TOTAL OPERATING NON-CURRENT LIABILITIES	**296**	**365**	**381**
Borrowings	1 026	947	978
Lease liabilities	39	36	51
Other non-current liabilities	0	-	1
Deferred tax liabilities	6	6	15
TOTAL NON-CURRENT LIABILITIES	**1 368**	**1 353**	**1 426**
Retirement benefits obligations	34	30	33
Provisions	37	80	63
Trade accounts and notes payable	636	686	780
Accrued employee expenses	85	86	83
Contract liabilities	4	5	4
Other operating current liabilities	246	182	269
TOTAL OPERATING CURRENT LIABILITIES	**1 042**	**1 070**	**1 233**
Borrowings	276	142	215
Lease liabilities	19	28	39
Income tax payable	14	18	32
Other financial current liabilities	121	4	3
Liabilities classified as held for sale	-	-	-
TOTAL CURRENT LIABILITIES	**1 472**	**1 263**	**1 521**
TOTAL LIABILITIES	**2 841**	**2 616**	**2 947**
TOTAL EQUITY & LIABILITIES	**2 526**	**2 411**	**2 435**

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VANTIVA Unaudited Adjusted Statements of cash flows

(€ in million)	December 31, 2021	2020	2019
Net loss	**(136)**	**(81)**	**(202)**
Gain (Loss) from discontinuing activities	(19)	(15)	(22)
Loss from continuing activities	**(117)**	**(66)**	**(181)**
Summary adjustments to reconcile loss from continuing activities to cash generated from (used in) continuing operations			
Depreciation and amortization	138	149	206
Impairment of assets	2	84	61
Net changes in provisions	(55)	12	(51)
Gain (Loss) on asset disposals	(21)	(14)	17
Interest (income) and expense	104	59	36
Net gain on financial restructuring	-	(158)	-
Other items (including tax)	16	5	(2)
Changes in working capital and other assets and liabilities	(101)	(101)	(71)
Cash generated from (used in) continuing activities	**(34)**	**(30)**	**16**
Interest paid on lease debt	(4)	(5)	(6)
Interest paid	(44)	(28)	(40)
Interest received	6	5	14
Income tax paid	(17)	(17)	(7)
NET OPERATING CASH GENERATED FROM (USED IN) CONTINUING ACTIVITIES (I)	**(93)**	**(76)**	**(24)**
Acquisition of subsidiaries, associates and investments, net of cash acquired	(0)	(2)	(3)
Proceeds from sale of investments, net of cash	0	6	1
Purchases of property, plant and equipment (PPE)	(33)	(26)	(32)
Proceeds from sale of PPE and intangible assets	0	0	1
Purchases of intangible assets including capitalization of projects	(36)	(45)	(75)
Cash collateral and security deposits granted to third parties	(8)	(24)	(4)
Cash collateral and security deposits reimbursed by third parties	11	0	4
NET INVESTING CASH USED IN CONTINUING ACTIVITIES (II)	**(66)**	**(89)**	**(109)**
Disposal of treasury shares	-	-	1
Increase of Capital	0	60	-
Net contributions from / (distributions to) TCS	5	(21)	13
Proceeds from borrowings	0	760	1
Net cash pooling variance	81	(105)	(14)
Repayments of lease debt	(28)	(36)	(43)
Repayments of borrowings	(0)	(158)	(5)
Fees paid in relation to financing operations	(2)	(60)	(1)
Dividends and distributions paid to Group's shareholders	0	(0)	0
Other	(4)	5	4
NET FINANCING CASH GENERATED FROM (USED IN) CONTINUING ACTIVITIES (I)	**52**	**445**	**(44)**
NET CASH GENERATED (USED IN) DISCONTINUED ACTIVITIES (IV)	**(29)**	**(23)**	**(33)**
CASH AND CASH EQUIVALENTS AT THE BEGINING OF THE YEAR	**301**	**56**	**268**
Net increase (decrease) in cash and cash equivalents (I+II+III+IV)	**(135)**	**257**	**(210)**
Exchange gains / (losses) on cash and cash equivalents	17	(11)	(2)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**183**	**301**	**56**

VANTIVA 2021 Adjusted Segment information

(€ in million)	Connected Home	DVD Services	Trademark and Technology Licensing	Corporate & Other	TOTAL
				-	
Statement of operations					
Revenue	1 544	701	19	5	**2 270**
Intersegment sales	-	-	-	-	-
Earnings before Interest & Tax (EBIT) from continuing operations	**11**	**0**	**16**	**(24)**	**2**
Of which:					
Amortization of purchase accounting items	(21)	(9)	-	-	(30)
Net impairment losses on non-current operating assets	(1)	(2)	2	-	(1)
Restructuring costs	(4)	(17)	(0)	(10)	(31)
Other income (expenses)	(8)	0	(0)	19	11
Adjusted EBITA	**45**	**27**	**14**	**(33)**	**53**
Of which:					
Depreciation & amortization (excl PPA items)	(64)	(37)	(0)	(1)	(102)
Other non-cash items (1)	6	(2)	(0)	(2)	1
Adjusted EBITDA	**103**	**67**	**14**	**(30)**	**154**
Net capital expenditures	(60)	(9)	-	(0)	**(69)**

Key Performance Indicators definitions for VANTIVA

"**Adjusted EBITDA**" corresponds to the profit (loss) from continuing operations before tax and net financial income (expense), net of other income (expense), depreciation and amortization (including impact of provision for risks, litigation and warranties).

"**Adjusted EBITA**" corresponds to the profit (loss) from continuing operations before tax and net financial income (expense), net of other income (expense) and amortization of purchase accounting items.

Technicolor defines "**Free Cash Flow**" as net cash from operating activities (continuing and discontinued) plus proceeds from sales of property, plant, and equipment ("PPE") and intangible assets, minus purchases of PPE and purchases of intangible assets including capitalization of development costs.

Reconciliation from Adjusted EBITDA to Free Cash Flow is as follows:

In € million, excluding Trademark Licensing	2021	2020
Adjusted EBITDA	**141**	**133**
Capex	(69)	(71)
Restructuring Expenses	(61)	(33)
Operating FCF	**11**	**29**
Pension & Other	(26)	(30)
Net Working Capital	(98)	(109)
Financial & Tax	(68)	(52)
Free Cash Flow	**(181)**	**(162)**