

**Information relating to the conclusion of a related-party agreement  
pursuant to article L.225-40-2 of the French Commercial Code**

**Paris (France) - July 8, 2020** - Technicolor (the "**Company**") announces today the execution of a related-party agreement, by the Company and Bpifrance Participations SA.

Bpifrance Participations SA is a board member and a shareholder of the Company which holds 7.5% of the Company's share capital.

This agreement was entered into in the context of the contemplated debt restructuring plan, as announced in the press release published on June 22, 2020 (the "**Restructuring**"), which consists mainly in:

- A new money financing in an aggregate principal amount, net of O.I.D. and underwriting fees, equal to € 420 million (the "**New Money Financing**"), to be made available, subject to the satisfaction of certain conditions precedent, to Technicolor's Affiliates by (i) any lenders under the TLB and the RCF who wish to participate, in an amount of €400 million (fully underwritten by certain TLB and RCF lenders) and (ii) by BPI France Participations in an amount of €20 million (the "**New Money Lenders**"). The New Money Financing would be secured by "fiducies-sûretés" (equivalent of a trust under French law) in respect of the shares of quasi all of the Group's Affiliates and certain other security interests.
- The restructuring of the existing indebtedness of the Group, mainly through the equitization of up to €660 million of the Term Loan B and Revolving Credit Facility, through:
  - o a rights issue of the Company, with shareholders' preferential subscription rights, for a total amount of € 330 million, at a subscription price of € 2.98 per share, fully backstopped by the TLB and RCF lenders by way of set-off with their claims at par, under the Credit Facilities; BPI France Participations will subscribe to the rights issue in cash pro rata its current shareholding on a non-reducible basis (7.5%) for an aggregate amount up to €25.5 million; any cash proceeds of the rights issue will be used in full to repay the TLB and RCF lenders, at par value;
  - o a reserved capital increase of the Company, for a total amount of € 330 million, at a subscription price of €3.58 per share, reserved to the TLB and RCF lenders and which will be fully subscribed by way of set-off against their claims at par under the Credit Facilities;
  - o free warrants to be allocated to the New Money Lenders in consideration of the granting of the New Money ("**New Money Warrants**"), with a 3-month maturity, with an exercise price of €0.01, equal to the par value of the shares, and giving access to c. 7.5% of the share capital of the Company (after the rights issue, the reserved capital increase and the New Money Warrants, but before allocation of the free warrants to the shareholders);
  - o free warrants to be allocated to existing shareholders at the time of the launching of the rights issue, with a 4-year maturity and a strike price equal to the reserved capital increase price (i.e. €3.58 per share); the free warrants will give access to c. 5% of the share capital of the Company on a fully diluted basis (i.e., after the rights issue, the reserved capital increase, the New Money Warrants and the exercise of the shareholders' warrants).

The New Money Financing will be under a debt format and will allow to fund the Group's liquidity needs and repay the \$ 110m bridge loan (set up in March 2020), by July 31<sup>st</sup>, 2020 at the latest. The main terms and conditions of the New Money Financing are the following:

- o OID/margin:
  - 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

- New Money Warrants allocated to all New Money Lenders (including BPI pro rata its contribution to the New Money Financing)
- o Maturity: June 2024, bullet repayment.

Under this agreement, Bpifrance Participations SA has committed:

- to subscribe to the contemplated rights issue described above, for an amount *pro-rata* to its current shareholding in the Company on a non-reducible basis (*à titre irréductible*), for a maximum aggregate amount of €25,5 million in cash;
- to subscribe, for an aggregate amount of €20 million, to the New Money Financing;
- to vote in favor of the resolutions to be submitted to the extraordinary shareholders' general meeting to implement the Restructuring (subject to legal or regulatory constraints preventing him from voting, as the case may be); and
- not to reduce the number of shares it currently holds between now and the date of completion of the rights issue, assuming that it is approved by the shareholders' general meeting.

The purpose of the agreement entered into with BPI is, thanks to the various commitments described above, to contribute to the success of such Restructuring.

The Board of Directors has authorised the execution of this agreement at its meeting of June 17, 2020 in accordance with Article L. 225-38 of the French Commercial Code. Mr. Thierry Sommelet, representing Bpifrance Participations SA, did not take part in the debate and votes with respect to this agreement. The agreement was entered into on July 8, 2020 and will be submitted to the Annual Shareholders' General Meeting called to approve the 2020 financial statements.

As a reminder, the Company's consolidated income for the 2019 financial year is equal to a loss of €217 million.

\*\*\*

#### **About Technicolor**

[www.technicolor.com](http://www.technicolor.com) – Follow us: [@Technicolor](https://twitter.com/Technicolor) – [linkedin.com/company/technicolor](https://www.linkedin.com/company/technicolor)

Technicolor shares are listed on the Euronext Paris exchange (TCH) and traded in the USA on the OTCQX marketplace (OTCQX: TCLRY).

#### **Contacts:**

**Investor relations:** +33 1 41 86 55 95 • [investor.relations@technicolor.com](mailto:investor.relations@technicolor.com)