

Q1 2022 RESULTS

May 5th, 2022


technicolor.com



FORWARD LOOKING STATEMENTS

This presentation 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.

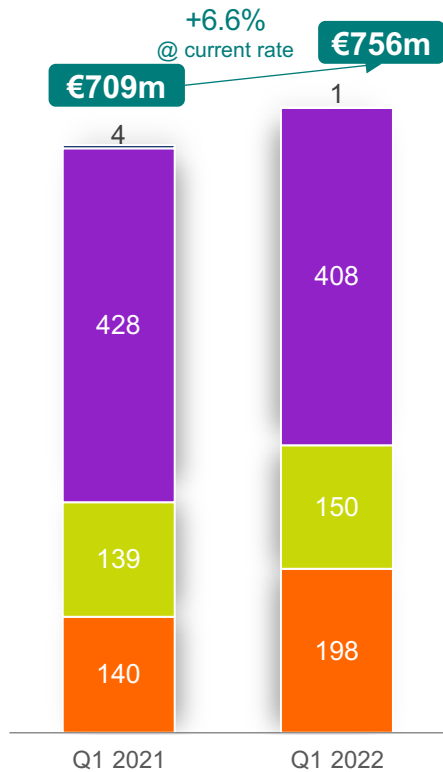
Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements.

 **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 April 5, 2022, under number D-22-0237, and an amendment to the 2021 URD has been filed with the AMF on April 29, 2022, under number D-22-0237-A01.

KEY HIGHLIGHTS

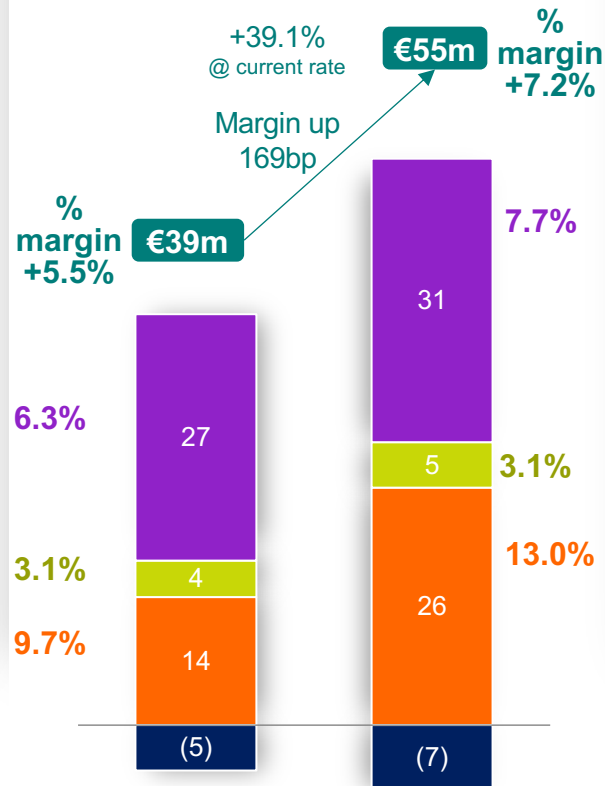
KEY Q1 HIGHLIGHTS

REVENUES (in € million)



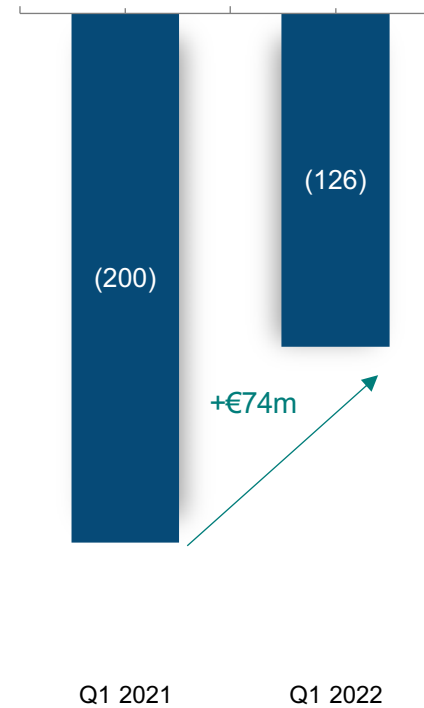
- Corporate & Other
- Connected Home
- DVD Services
- Technicolor Creative Studios

Adjusted EBITDA (in € million)



Q1 2021 Q1 2022

FCF (before interest and tax, in € million)



Strong business performance across all divisions

Outlook
continues
to appear
robust:

2022
guidance
confirmed

2022 GUIDANCE CONFIRMED

- Revenues from continuing operations are expected to **grow**
- Adjusted EBITDA from continuing operations of **€375m**, **€361m** excl. Trademark Licensing
- Adjusted EBITA from continuing operations of **€175m**, **€161m** excl. Trademark Licensing
- FCF⁽¹⁾ from continuing operations of **€230m**, **€217m** excl. Trademark Licensing
- Run-rate cost savings target of **€325m** by 2022, with €116m and €171m delivered in 2021 and 2020 respectively

(1) Before financial results and tax. Free cash flow defined as: Adj. EBITDA – (net capex + restructuring cash expenses + change in pension reserves + change in working capital and other assets & liabilities + cash impact of other non-current result)

2022 guidance was confirmed on Feb. 24th, 2022 assuming a €/€ constant exchange rate of 1.15. 2022 guidance numbers presented have been restated to reflect recent changes in accounting methods (IFRIC interpretation on SaaS) and the sale of Trademark Licensing business

1 BUSINESS UPDATE



TCS Q1 2022 OUTSTANDING SUCCESS



M P C

IN PRODUCTION ON APPROX.

20 THEATRICAL AND **30**
STREAMING / EPISODIC
PROJECTS



BAFTA

1

NOMINATION



VISUAL
EFFECTS
SOCIETY

1

WIN
OUT OF
3 NOMINATIONS



BEST
VISUAL
EFFECTS
CÉSAR

1

WIN
OUT OF
3 NOMINATIONS

mikros
ANIMATION

IN PRODUCTION IN 2022: **6** FEATURES AND
SEVERAL EPISODIC SERIES, INCLUDING A
NEW COLLABORATION WITH NETFLIX ON
THEIR UPCOMING ANIMATED EVENT SERIES:
CHARLIE AND THE CHOCOLATE FACTORY



CONTRIBUTION TO APPROX.
1,000 PROJECTS DURING Q1



BRITISH
ARROWS
AWARDS

6

WINS
OUT OF
13 NOMINATIONS



VISUAL
EFFECTS
SOCIETY

2

WINS
OUT OF
6 NOMINATIONS

BURBERRY, THREE, BBC, VERIZON AND AMAZON
PROJECTS CONTINUE TO GENERATE
INDUSTRY **ACCOLADES FOR VFX AND CGI**

technicolor

GAMES

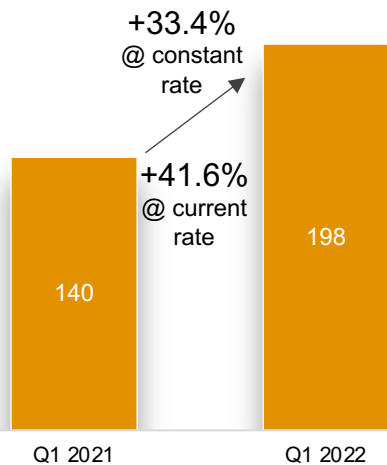
CONTINUING WORK WITH SEVERAL AAA GAMES
COMPANIES. Q1 RELEASED TITLES INCLUDE
2K SPORTS' WWE 2K22

TCS FINANCIAL PERFORMANCE: BURGEONING DEMAND FOR CONTENT

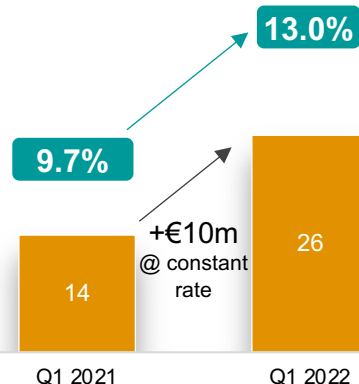


Q1 2022

REVENUES (in € million)



ADJUSTED EBITDA (in € million) EBITDA MARGIN (in %)



REVENUE UP 56.5% VS. Q1'21 AT CONSTANT RATE AND PERIMETER – DOUBLE DIGIT GROWTH FOR EACH BUSINESS LINE:

- Significant demand for original content
- Rising advertising spend

IMPROVED EBITDA MARGINS:

- Higher revenues across all businesses
- Positive impact of multiple operational transformation programs
- Margin negatively impacted by higher labor costs driven by the talent shortage in the market

TCS STAFF increased from c. 10,700 at the end of Dec. 2021 to c. 11,800 at the end of March 2022

2022 OUTLOOK

- Demand for TCS VFX and Animation services using the highest quality artistry and cutting-edge technology expected to continue to grow significantly throughout 2022
- The number of feature animation projects in production has grown from two in 2019 to six features in 2022
- Multiple new projects awarded for Film & Episodic Visual Effects and Animation: c. 80% of 2022 pipeline committed
- Significant investment in artist recruitment, retention and training (including TCS Academy programs)



CONNECTED HOME IN Q1 2022: SIGNIFICANT BUSINESS PROGRESS



LEVERAGING OPEN AND INNOVATIVE TECHNOLOGIES FOR NETWORK SERVICE PROVIDERS

- ◆ Wi-Fi 6/6E: Availability of Cobra 5G Optimizing 5G ACCESS to the Home
- ◆ Technicolor Connected Home Partners with Telstra to Deploy Smart Modem 3 to Ensure Reliable Broadband Access and In-Home Wireless Connectivity in Australia
- ◆ Partnership with Bouygues Telecom to develop the Bbox 4K HDR, a futureproof and premium Android 4K UHD set-top box integrated with best-in-class Wi-Fi



ECOVADIS CSR

- ◆ Technicolor has committed to climate change Science Based Targets, and is the only company in the connected home industry that has signed the 2050 Net-Zero Standard

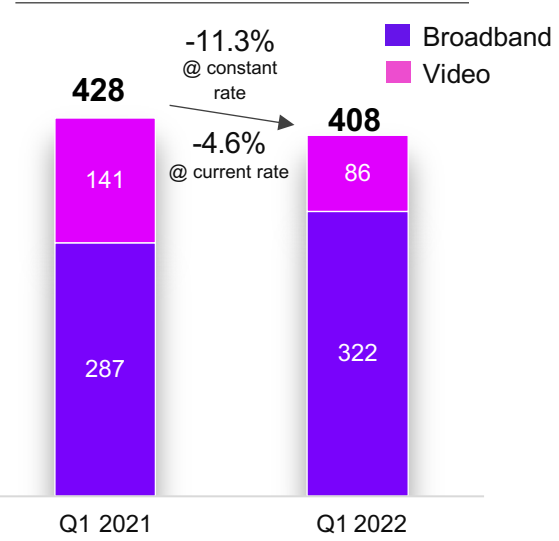
SIGNIFICANT MARKET DEMAND DESPITE CONTINUING SUPPLY CONSTRAINTS RESULTING FROM THE PANDEMIC

CONNECTED HOME: FINANCIAL PERFORMANCE

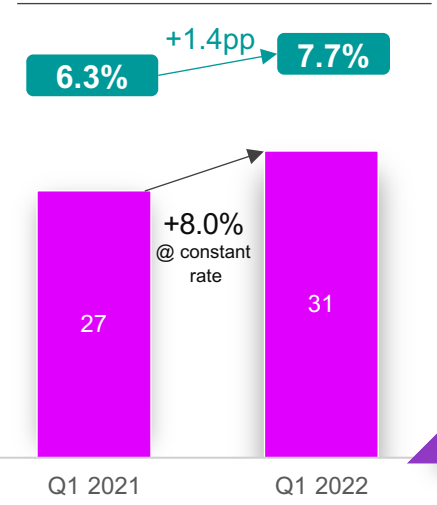


Q1 2022: CONTINUING CHALLENGING ENVIRONMENT BUT EFFICIENTLY MANAGED

REVENUES (in € million)



ADJUSTED EBITDA (in € million)
EBITDA MARGIN (in %)



2022 OUTLOOK

- ▶ Demand for Connected Home broadband boxes is expected to remain strong
- ▶ Shortage in components delivery and pricing challenges to continue in 2022, to be compensated by:
 - Efficiency measures
 - Progressive improvements in delivery
 - Constant discussions with suppliers and customers
- ▶ 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

REVENUE DOWN:

- Worldwide component crisis, and supply chain bottlenecks, limited our ability to serve the strong demand from customers
- Broadband share of revenue up: 79% in Q1 2022 vs. 67% in Q1 2021
- Underlying demand for Q1 2022 was higher than actual sales

EBITDA MARGIN UP 1.4PP:

- Operating efficiencies and cost savings
- Offset by lower volumes and their additional margin impact

THE DIVISION CONTINUES ITS COLLABORATION WITH CLIENTS AND SUPPLIERS to optimize deliveries, and mitigate further profitability and working capital impacts: significant portion of cost increase passed through to customers

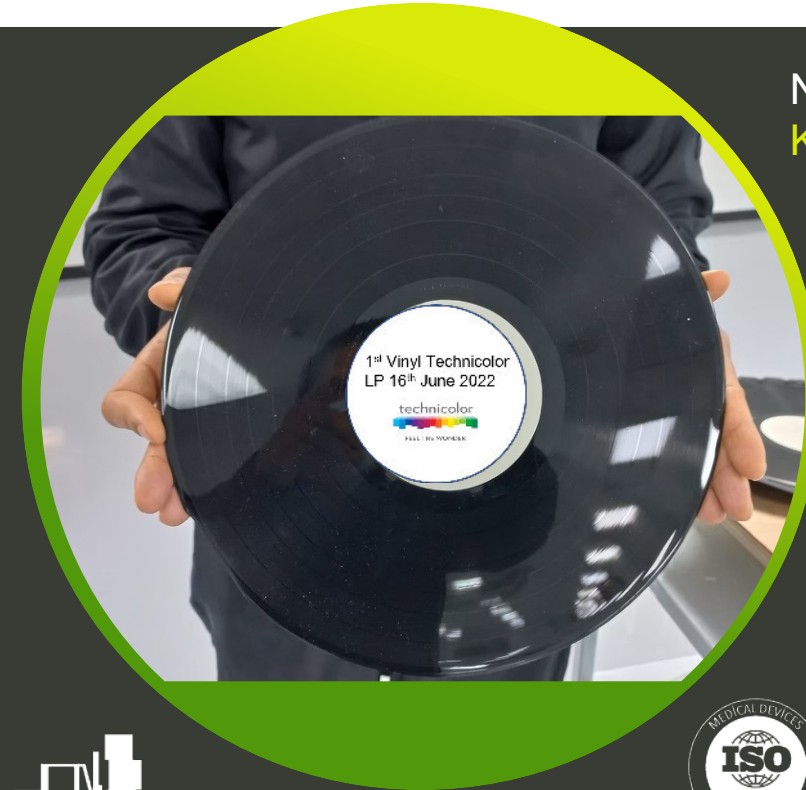
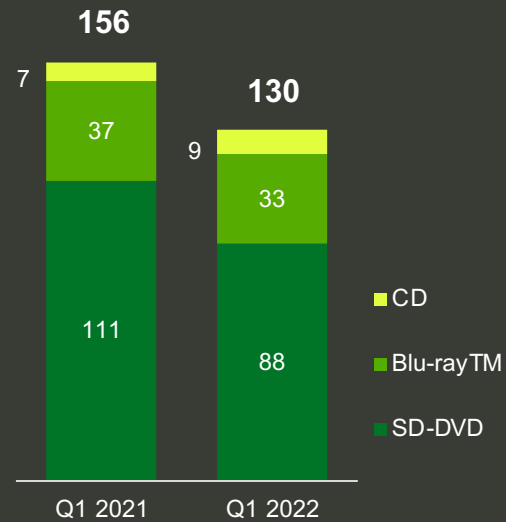
DVD SERVICES Q1 2022 COMMERCIAL SUCCESSES AND OPERATIONAL EFFICIENCIES



DISC BUSINESS

DISC VOLUMES BREAKDOWN (in m of units)

→ Volumes down 16.5%



NEW GROWTH BUSINESSES: KEY COMMERCIAL SUCCESSES

ACTIVE, MULTIFACETED DIVERSIFICATION AND GROWTH STRATEGY

MICROFLUIDICS

- ISO 13485 (CA) with Solvent Bonding capability
- New lab/capability in Poland beyond prototyping nearing completion end of Q2
- Microfluidic cartridge and medical device engineering accredited in Poland, having passed EU IVDD standard audit (Feb 2021)

VINYL

- Contracts with World's Top 3 Music companies: 1 has already been signed at the end of Q1 and 2 expected to be signed by end of Q2 2022
- 2 large US independents in final contract negotiations

SUPPLY CHAIN/FULFILMENT

- Major anchor client contract signed
- Management of 50K consolidated shipments/day for some of the most prominent names in media & consumer products

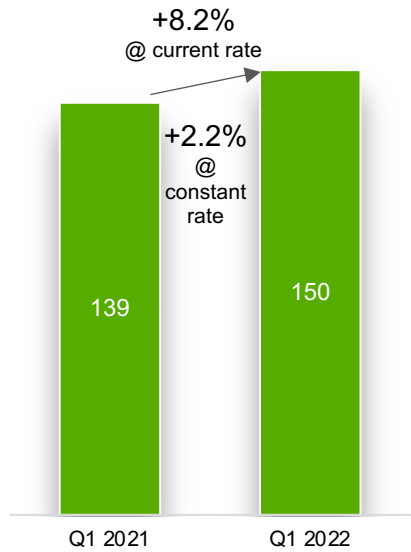
DVD SERVICES CONTINUED TO **ADAPT DISTRIBUTION AND MANUFACTURING OPERATIONS,** AND RELATED CUSTOMER CONTRACT AGREEMENTS, IN RESPONSE TO CONTINUED VOLUME REDUCTIONS

DVD SERVICES IN Q1 2022

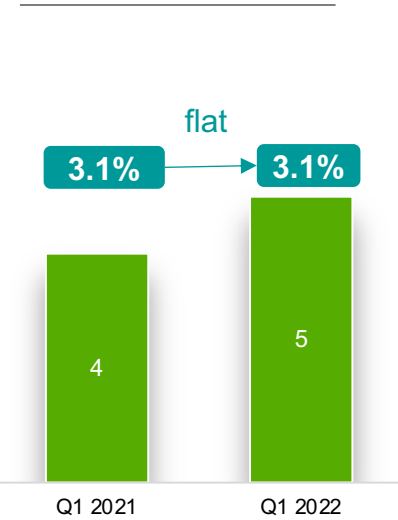


Q1 2022: SHOWING THE RESULTS OF OUR OPERATIONAL RESTRUCTURING

REVENUES (in € million)



ADJUSTED EBITDA (in € million)
EBITDA MARGIN (in %)



2022: OUTLOOK

- Higher new release volumes to be slightly offset by lower catalog volumes
- Cost efficiencies to mitigate anticipated modest disc volume decline
- Transformation pursued since 2020 will facilitate efficient execution and further expansion of non-disc businesses

REVENUES UP:

- Growth in transportation management and vinyl

SIGNIFICANT EBITDA IMPROVEMENT:

- Significant footprint optimization
- Cost savings
- Higher non-disc activity
- Offset by the impacts of lower disc volumes and higher labor costs

CONTINUOUS IMPROVEMENT

of distribution and manufacturing operations and related customer contract agreements

2 **KEY**
PERFORMANCE
FIGURES

KEY FIGURES Q1 2022 – GROUP

	Q1 2022		Q1 2021	vs. Q1 2021		Forex impact	vs. Q1 2021 at constant rate	
	(in € million)			(a)	(b)		(c=a+b)	
	Current rate	LY rate	LY rate	Current rate			LY rate	
Revenues	756	708	709	+47	+6.6%	-49	-2	-0.3%
Adjusted EBITDA	55	51	39	+16	+39.1%	-4	+11	+28.6%
in % of Revenues	7.2%	7.2%	5.5%					
D&A ⁽¹⁾ & Reserves ⁽²⁾ w/o PPA amortization	(41)	(38)	(43)	+2	+6.0%	+2	+5	+11.8%
Adjusted EBITA	14	12	(4)	+18	ns	-2	+16	ns
PPA amortization	(10)	(9)	(9)	-1	-7.2%	+1	+0	+0.2%
Non-recurring items	(5)	(5)	(15)	+11	+69.1%	+0	+11	+69.9%
EBIT	(1)	(1)	(29)	+28	+97.9%	-1	+27	+95.0%
Net Result Continuing	(41)	(39)	(62)	+21	+33.6%	+2	+23	+37.1%
Net Result Discontinued	2	2	1	+1	ns	+0	+1	ns
Net Result Group (Group share)	(39)	(37)	(61)	+22	+36.0%	+2	+24	+39.5%
Adjusted EBITDA	55	51	39	+16	+39.1%	-4	+11	+28.6%
Capex	(35)	(33)	(23)	-13	-61.0%	+2	-11	-51.0%
Non-recurring items (cash impact)	(17)	(16)	(24)	+7	+30.9%	+0	+8	+32.3%
WC-OAL variation ⁽¹⁾	(128)	(120)	(193)	+65	+33.6%	+9	+74	+38.1%
FCF before Financial & Tax	(126)	(119)	(200)	+74	+37.1%	+7	+81	+40.7%
FCF after Financial & Tax	(160)	(152)	(231)	+70	+30.4%	+8	+78	+33.9%
Net Debt (IFRS)	(1,230)		(1,074)	-156	-14.5%			

⁽¹⁾ Including IT capacity use for rendering in Technicolor Creative Studios of €(2)m in Q1 2022 and €0m in Q1 2021

⁽²⁾ Risk, litigation and warranty reserves

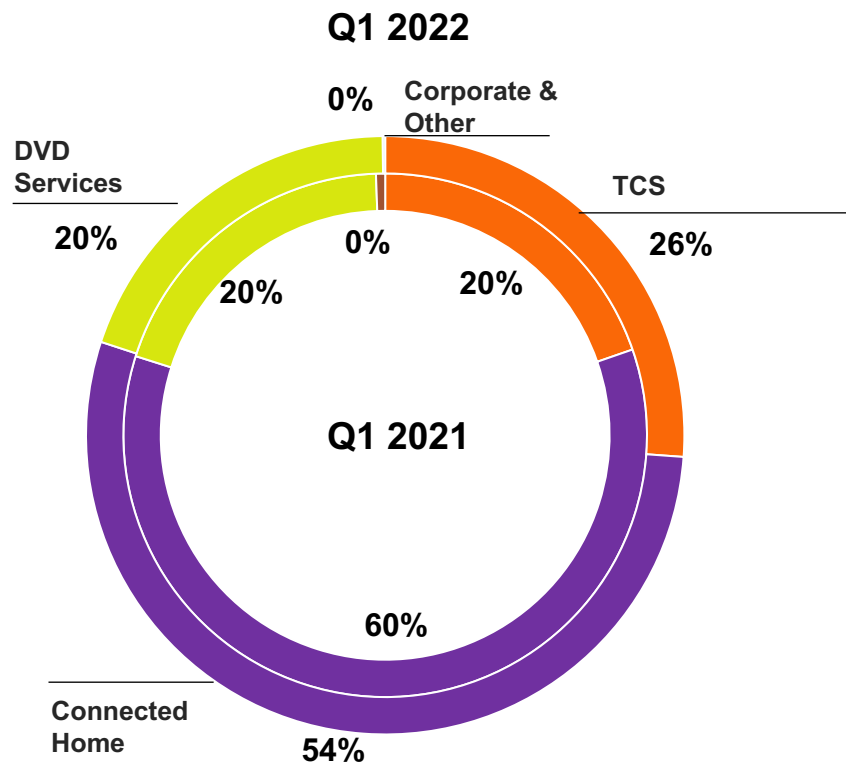
2021 and 2022 financial results include IFRIC interpretation on SaaS implementation cost as well as Trademark Licensing operations accounted as for discontinued operations as from January 1st, 2021

GROUP PROFILE

REVENUE EVOLUTION

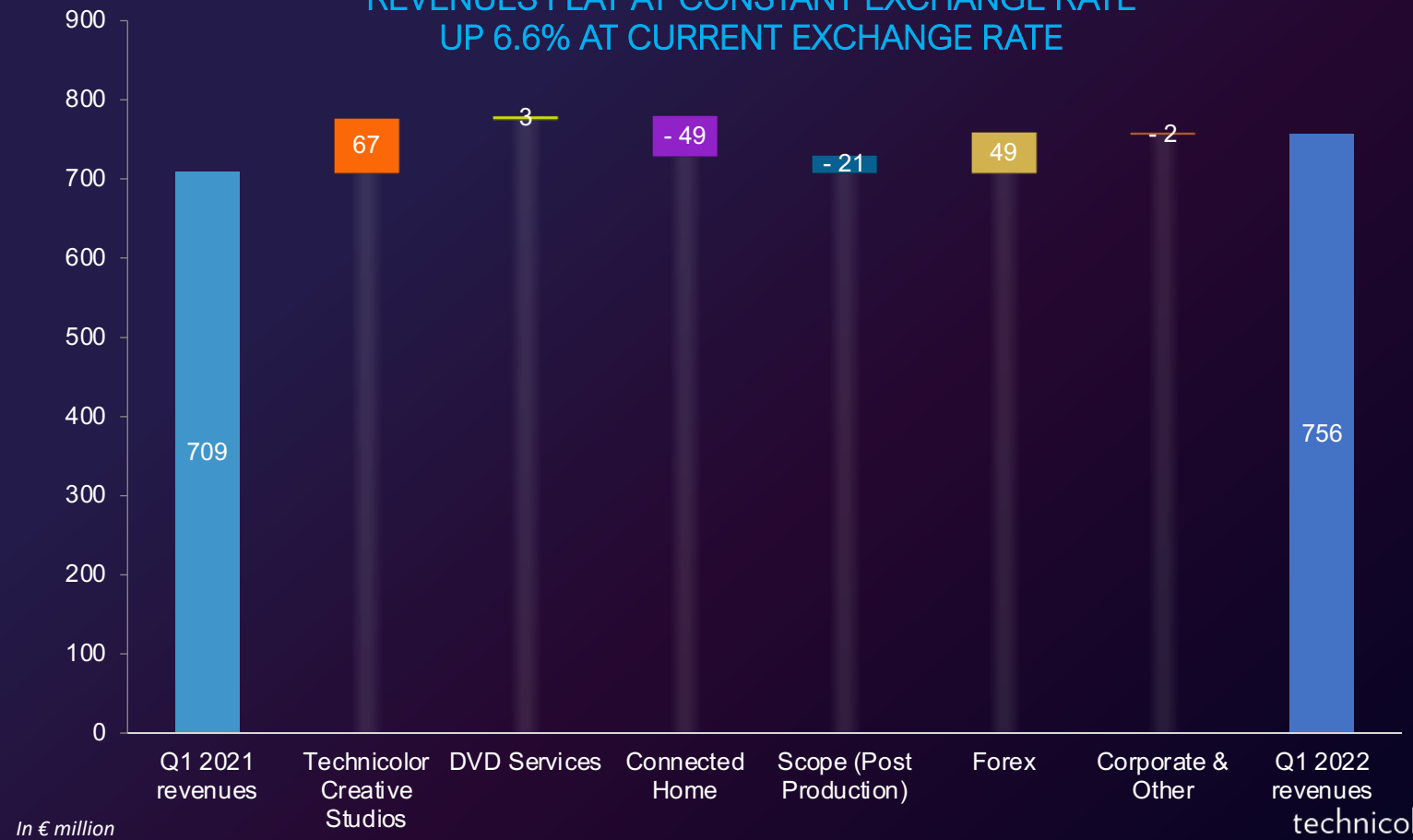
Q1 2022 REVENUES BY SEGMENT

Q1 2022 REVENUES: €756m



REVENUE EVOLUTION

REVENUES FLAT AT CONSTANT EXCHANGE RATE
UP 6.6% AT CURRENT EXCHANGE RATE

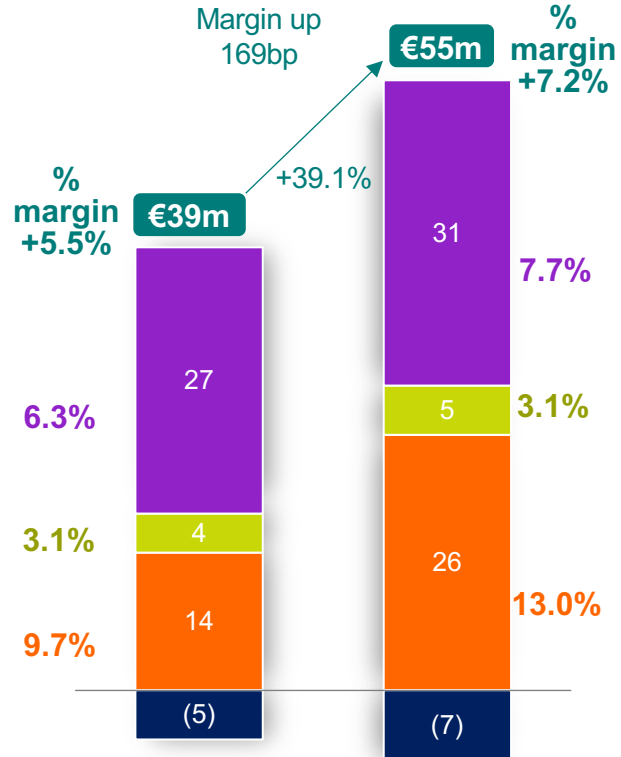


ADJUSTED EBITDA

BRIDGE VS. Q1 2021

EBITDA BY SEGMENT

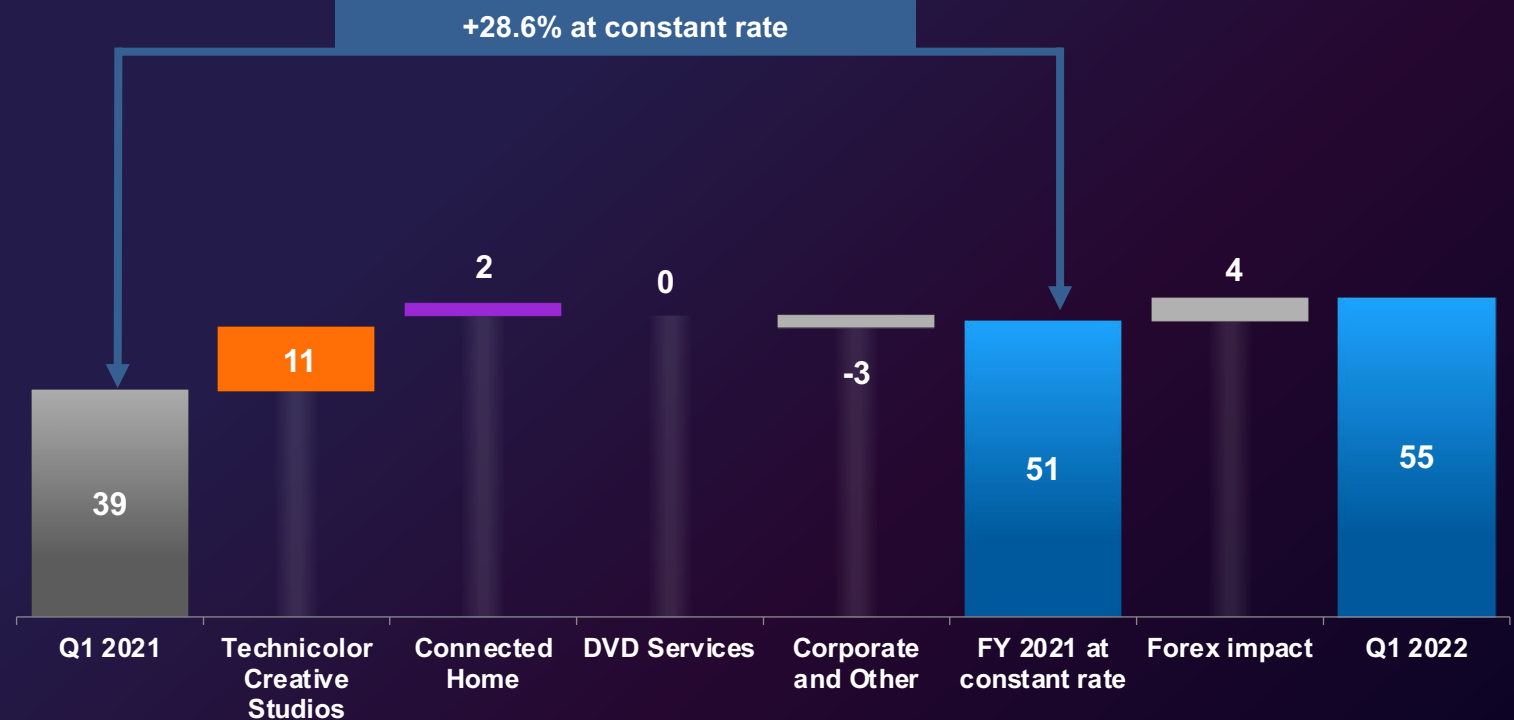
Adjusted EBITDA (in € million)



Q1 2021 Q1 2022

- Technicolor Creative Studios
- DVD Services
- Connected Home
- Corporate & Other

EBITDA GROWTH



In € million

2021 and 2022 financial results include IFRIC interpretation on SaaS implementation cost as well as Trademark Licensing operations accounted for as discontinued operations as from January 1st, 2021



FROM ADJUSTED EBITDA TO EBIT IN SUMMARY

in € million	Q1 2022		Q1 2021	vs. Q1 2021 (a)	Forex impact (b)	vs. Q1 2021 at constant rate (c=a+b)
	Current rate	LY rate	LY rate	Current rate		LY rate
Adjusted EBITDA	55	51	39	+16	(4)	+11
D&A ⁽¹⁾ & Reserves ⁽²⁾ w/o PPA amortization	(41)	(38)	(43)	+3	+2	+5
Adjusted EBITA	14	12	(4)	+18	(2)	+16
PPA amortization	(10)	(9)	(9)	(1)	+1	+0
Impairments & write-off	(1)	(1)	(1)	+0	+0	+0
Restructuring	(2)	(2)	(14)	+12	+0	+12
Other Non-Current	(2)	(2)	(0)	(1)	(0)	(1)
EBIT Continuing	(1)	(1)	(29)	+28	(1)	+27

⁽¹⁾ Including IT capacity use for rendering in Technicolor Creative Studios of €(2)m in Q1 2022 and €0m in Q1 2021

⁽²⁾ Risk, litigation and warranty reserves

FROM EBIT TO NET RESULT GROUP

in € million	Q1 2022		Q1 2021	vs. Q1 2021 (a)	Forex impact (b)	vs. Q1 2021 at constant rate (c=a+b)
	Current rate	LY rate	LY rate	Current rate		LY rate
EBIT Continuing	(1)	(1)	(29)	+28	(1)	+27
Net Interest Expense	(34)	(33)	(31)	(3)	+1	(2)
Other Financial	(0)	2	(1)	+1	+2	+3
Net financial result	(34)	(31)	(32)	-1	+3	+1
Profit before Tax	(34)	(33)	(61)	+26	+2	+28
Tax	(7)	(6)	(1)	(6)	+0	(5)
Net Result Continuing	(41)	(39)	(62)	+21	+2	+23
Net Result Discontinued	2	2	1	+1	+0	+1
Net Result Group (Group share)	(39)	(37)	(61)	+22	+2	+24

2021 and 2022 financial results include IFRIC interpretation on SaaS implementation cost as well as Trademark Licensing operations accounted for as of discontinued operations as from January 1st, 2021

FREE CASH FLOW FROM CONTINUING OPERATIONS

FREE CASH FLOW FROM CONTINUING OPERATIONS: Q1 2022 VS. Q1 2021



In € million

LIQUIDITY

Liquidity at March 31, 2022 (€m)	Amount of credit line	Available credit line*	Drawn amount	Available amount
Cash on hand				38
<u>Committed credit facilities:</u>				
Wells Fargo credit line (\$125m)	113	66	26	40
Liquidity				€78m

Wells Fargo line drawn at March 31, 2022 for €26m and €(40)m available

€29m used at March 31, 2022 on CH-France's €40m committed factoring line

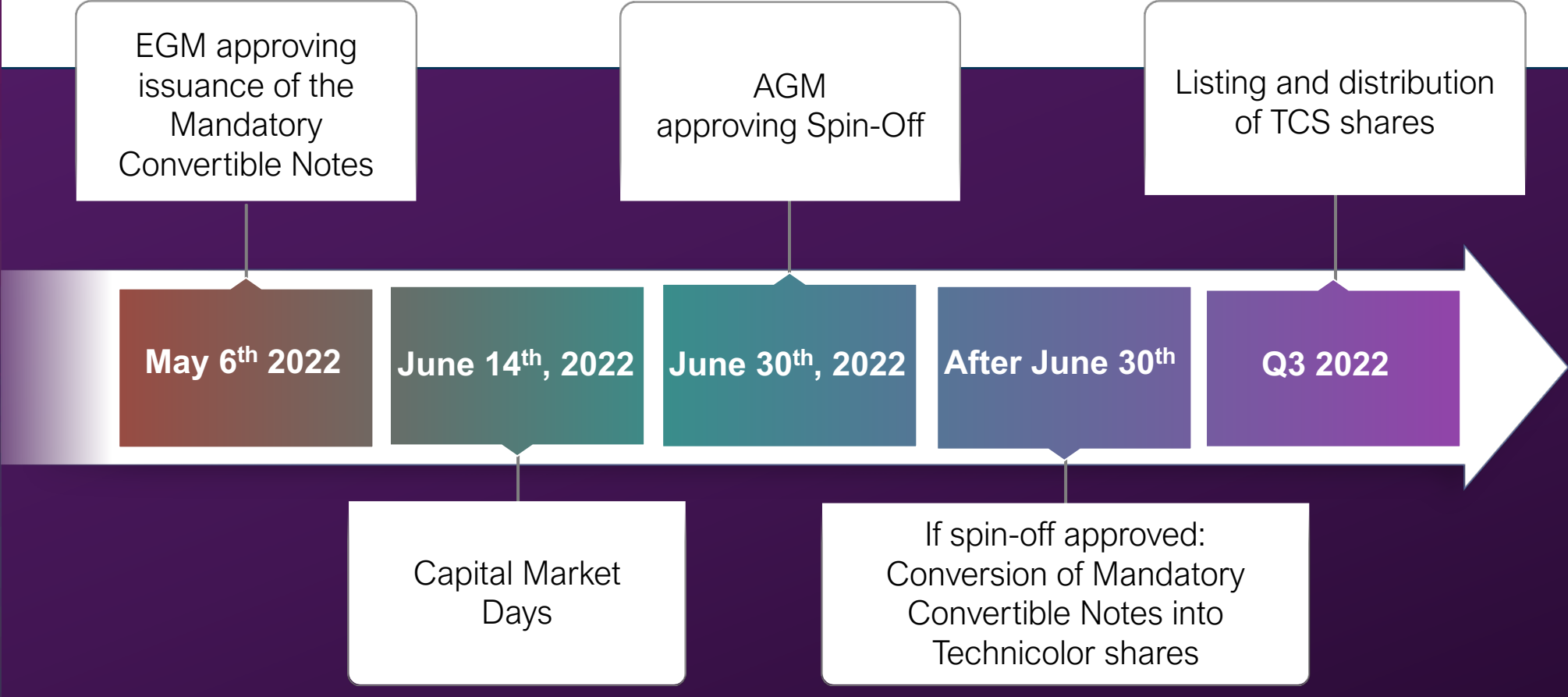
* The availability of this credit line varies depending on the amount of receivables

ENVISAGED TRANSACTION TIMELINE

The group is making good progress in the implementation of:

Intention to list 65% of TCS

Refinancing of Technicolor's existing debt, 2 years in advance of maturity



- Discussions with banks for the refinancing of the existing debt are currently ongoing
- Appointment of the leadership teams for the two new entities announced

APPENDIX

TECHNICOLOR CREATIVE STUDIOS Q1 2022

PROFITABILITY

Technicolor Creative Studios in € million

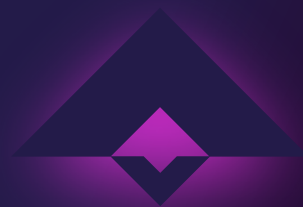
Revenues
Adjusted EBITDA
<i>in % of Revenues</i>
D&A ⁽¹⁾ & Reserves ⁽²⁾ w/o PPA amortization
Adjusted EBITA
PPA amortization
Non-recurring items
EBIT

Q1 2022		Q1 2021	Vs. Q1 2021 (a)		Forex impact (b)	vs. Q1 2021 at constant rate (c=a+b)	
Current rate	LY rate	LY rate	Current rate	LY rate			
198	186	140	+58	+41.6%	(11)	+47	+33.4%
26	24	14	+12	+90.1%	(2)	+10	+77.6%
13.0%	12.9%	9.7%					
(15)	(14)	(16)	+1	+6.3%	+1	+2	+11.3%
11	10	(2)	+13	ns	(1)	+12	ns
(2)	(2)	(2)	(0)	(6.2)%	+0	+0	+0.0%
0	0	(1)	+1	ns	(0)	+1	ns
9	8	(5)	+14	ns	(1)	+14	ns

⁽¹⁾ Including IT capacity use for rendering in Technicolor Creative Studios of €(2)m in Q1 2022 and €0m in Q1 2021

⁽²⁾ Risk, litigation and warranty reserves

CONNECTED HOME Q1 2022 PROFITABILITY



Connected Home in € million

Revenues
Adjusted EBITDA
<i>in % of Revenues</i>
D&A & Reserves ⁽¹⁾ w/o PPA amortization
Adjusted EBITA
PPA amortization
Non-recurring items
EBIT

Q1 2022		Q1 2021	vs. Q1 2021 (a)		Forex impact (b)	vs. Q1 2021 at constant rate (c=a+b)	
Current rate	LY rate	LY rate	Current rate	LY rate			
408	379	428	(20)	(4.6)%	(29)	(49)	(11.3)%
31	29	27	+4	+15.9%	(2)	+2	+8.0%
7.7%	7.7%	6.3%					
(17)	(16)	(17)	(1)	(3.4)%	+1	+1	+3.6%
14	13	10	+4	+36.6%	(1)	+3	+27.2%
(6)	(5)	(5)	(0)	(7.2)%	+0	+0	+0.5%
(0)	(0)	(1)	+1	+69.3%	+0	+1	+75.6%
8	7	4	+4	ns	(0)	+4	+97.5%

⁽¹⁾ Risk, litigation and warranty reserves



DVD SERVICES Q1 2022 PROFITABILITY

DVD Services
in € million

Revenues
Adjusted EBITDA
<i>in % of Revenues</i>
D&A & Reserves ⁽¹⁾ w/o PPA amortization
Adjusted EBITA
PPA amortization
Non-recurring items
EBIT

Q1 2022		Q1 2021	vs. Q1 2021 (a)		Forex impact (b)	vs. Q1 2021 at constant rate (c=a+b)	
Current rate	LY rate	LY rate	Current rate	LY rate			
150	142	139	+11	+8.2%	(8)	+3	+2.2%
5	4	4	+0	+15.0%	(0)	+0	+4.5%
3.1%	3.0%	3.0%					
(8)	(7)	(10)	+2	+23.4%	+1	+3	+28.6%
(3)	(3)	(6)	+3	+50.1%	+0	+3	+51.6%
(2)	(2)	(2)	(0)	(8.1)%	+0	(0)	(0.5)%
(2)	(1)	(12)	+10	+87.1%	+0	+10	+87.8%
(7)	(6)	(20)	+13	+66.5%	+0	+13	+68.1%

(1) Risk, litigation and warranty reserves

DEBT STRUCTURE AS OF MARCH 31, 2022

In million currency	Currency	Nominal Amount	IFRS Amount	Type of rate	Nominal rate (1)	Repayment Type	Final maturity	Moody's / S&P rating
New Money Notes	EUR	371	379	Floating	12.00% ⁽²⁾	Bullet	Jun. 30, 2024	Caa1/B
New Money Term Loans	USD	118	120	Floating	12.15% ⁽³⁾	Bullet	Jun. 30, 2024	Caa1/B
Reinstated Term Loans	EUR	467	407	Floating	6.00% ⁽⁴⁾	Bullet	Dec. 31, 2024	Caa3/CCC
Reinstated Term Loans	USD	131	114	Floating	5.90% ⁽⁵⁾	Bullet	Dec. 31, 2024	Caa3/CCC
Subtotal	EUR	1,087	1,020		8.69%			
Lease Liabilities ⁽⁶⁾	Various	191	191	Fixed	8.20%			
Accrued PIK Interest	EUR+USD	25	25	NA	0%			
Accrued Interest	Various	5	5	NA	0%			
Wells Fargo Line	USD	26	26	Floating	5.25%	Revolving	Dec.31, 2023	
Other Debt	Various	1	1	NA	0%			
Total Gross Debt		1,335	1,268		8.46%			
Cash & Cash equivalents	Various	(38)	(38)					
Total Net Debt		1,297	1,230					

(1) Rates as of March 31, 2022.

(2) Cash interest of 6-month EURIBOR with a floor of 0% +6.00% and PIK interest of 6.00%.

(3) Cash interest of 6-month USD LIBOR with a floor of 0% +6.00% and PIK interest of 6.00%.

(4) Cash interest of 6-month EURIBOR with a floor of 0% + 3.00% and PIK interest of 3.00%.

(5) Cash interest of 6-month USD LIBOR with a floor of 0% + 2.75% and PIK interest of 3.00%

(6) Of which €26 million are capital leases and €165 million is operating lease debt under IFRS 16

THANK YOU

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