

EXTRAORDINARY GENERAL MEETING TO BE HELD ON MAY 6, 2022

Presentation – April 2022



INTRODUCTION

- Technicolor has delivered on all aspects of its 2021 guidance, with strong prospects for the coming years
- Technicolor has concurrently announced its intention to separate Technicolor Creative Studios from Technicolor SA in order to create two distinct leaders, well equipped to capture growth in the respective markets
- Achieving this separation would unlock significant benefits for all stakeholders, with shareholders specifically benefitting from the removal of the conglomerate discount weighing on Technicolor SA share price
- This transaction has been received highly positively with share price up +22% since announcement
- The separation of Technicolor Creative Studios from Technicolor SA however requires some equity in order to achieve sustainable capital structures on both entities
- After reviewing alternatives, Technicolor SA has decided to raise an equity-linked instrument in the form of Mandatory Convertible Notes – convertible into Technicolor shares following the approval of the TCS spin-off – subscribed by a set of existing shareholders, subject to successful EGM approval on May 6th
 - The equity provided by this mandatory convertible is key to enable the successful refinancing of Technicolor’s current capital structure and the separation/distribution of TCS, which will be beneficial to all Technicolor shareholders as it will i) facilitate the refinancing and the consequent exit from the safeguard procedure and ii) allow an increase in distributable reserves needed to execute the spin-off, which will be executed as a distribution in kind
 - Compared to a rights issue which involves significant execution risk, the MCN offers a tailor-made structure with certainty of outcome (subject to EGM approval) in terms of participation and market conditions, and speed of execution
 - Despite being a dilutive instrument, the conversion price is set as a 5% discount to the 3-month VWAP of Technicolor SA share price before commitment, so we believe that dilution will be mitigated by the value creation potential for current Technicolor shareholders unlocked by the overall project. Based on the share price prior to the announcement of the transaction, the conversion of the MCN would result in a dilution in value of approximately 1%.
 - In addition, the terms of the MCN have been reviewed by an independent expert which concluded that they are fair from a financial point of view to the shareholders
- The issuance, and the potential conversion into equity of the MCN will allow Technicolor to reduce leverage and provide both entities with a leaner balance sheet and execute a full refinancing
- Moreover, a full refinancing will allow Technicolor to exit from the safeguard procedure initiated in 2020. The MCN can therefore be seen as an ‘enabler’ that will allow Technicolor to exit from its restructuring process
- We would like to take this opportunity to present the project to you in more details

2021 GUIDANCE ACHIEVED

In € million	Guidance Made in June 2020			
	2020a	2021e	2021a	2021 @constant rate ⁽²⁾
Adj. Continuing EBITDA	163	270	268	<input checked="" type="checkbox"/> 272
Adj. Continuing EBITA	(59)	60	95	<input checked="" type="checkbox"/> 96
Continuing FCF ⁽¹⁾	(124)	c. 0	(2)	<input checked="" type="checkbox"/> (5)
Net Debt to EBITDA Leverage Ratio should Reduce to Below 4X Level by December 2021				<input checked="" type="checkbox"/> 3.87

In 2021

the Group continued to develop and execute its transformation program: improving operational and financial performance, sustained by strong demand despite the volatile business environment

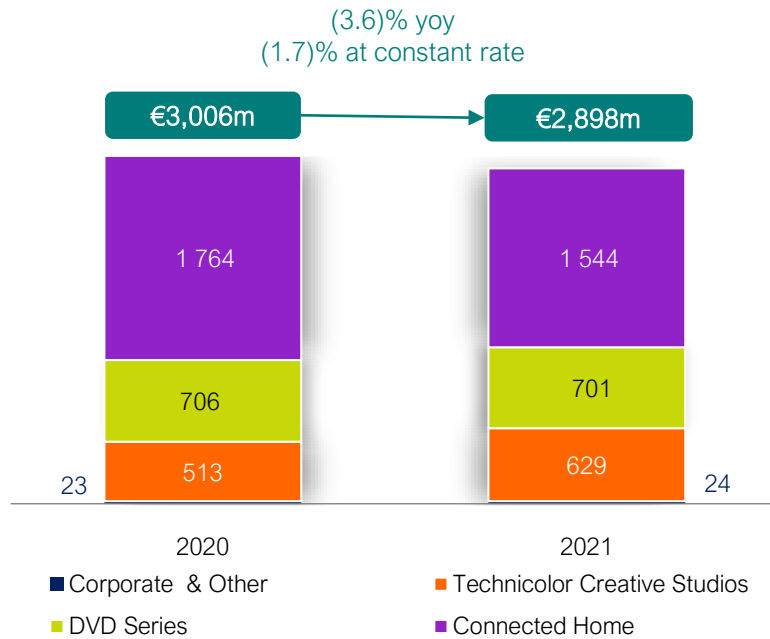
Notes:

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)
2. Including IFRIC adjustment on Saas of €(3) million on EBITDA and €(1) million on EBITA

2021 RESULTS SNAPSHOT

FY REVENUES BY SEGMENT

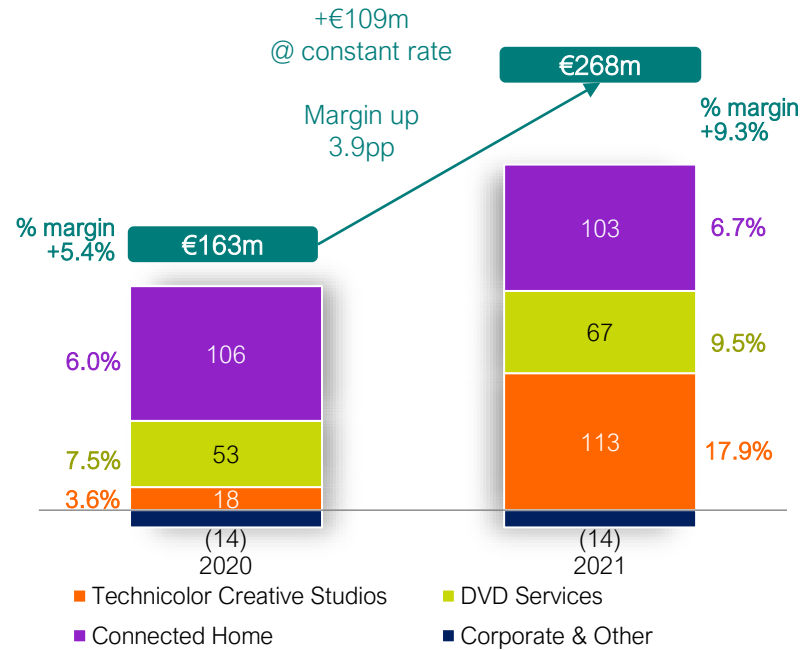
€m



Connected Home decrease in revenue due to worldwide component crisis was offset by **strong growth from TCS**

EBITDA BY SEGMENT

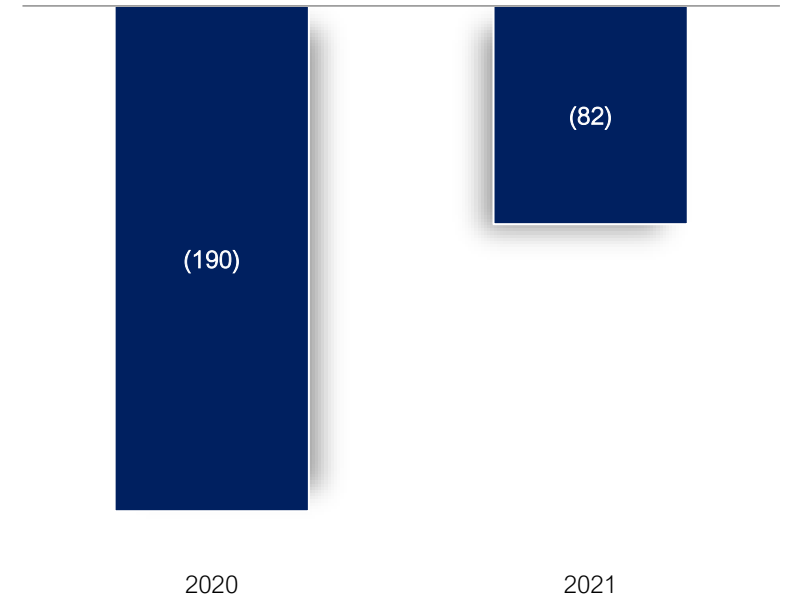
€m



Increase in EBITDA driven by **strong TCS performance** with improved EBITDA margins

FCF EVOLUTION⁽¹⁾

€m



Significant increase in FCF mostly driven by EBITDA and positive WC inflow

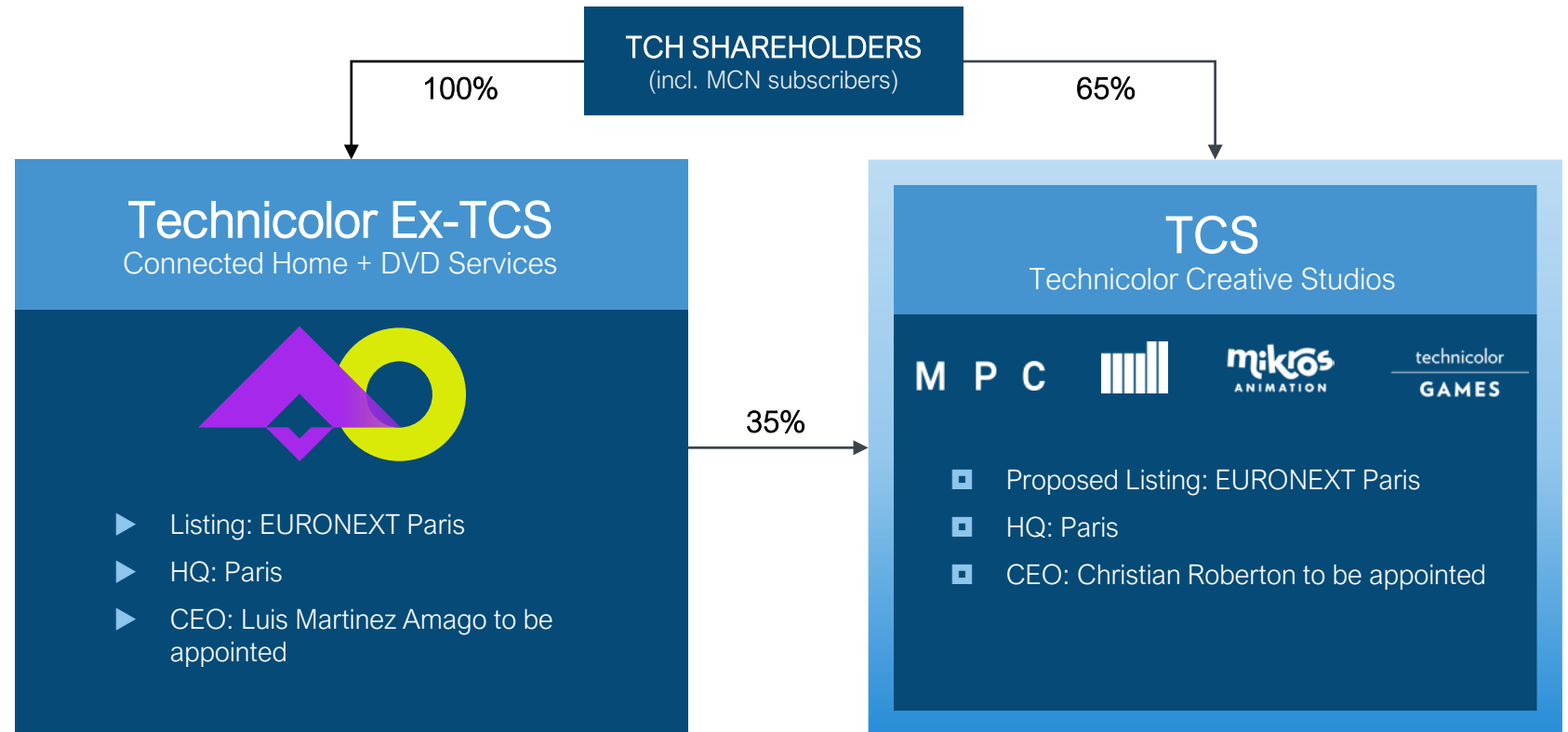
Note:
1. After financial results and tax

OVERVIEW OF TCS SEPARATION PROJECT

Spin-off:

creating two independent market leaders in their respective sectors

- **TCS:** the global leader in VFX, offering an attractive 'pure play' equity story
- **Technicolor Ex-TCS:** market leader in its segments with a stronger balance sheet, retaining upside exposure to TCS



Refinancing:

targeting deleveraging and a capital structure consistent with the proposed separation

- **Equip TCS and Technicolor Ex-TCS:** with a more agile balance sheet which will support each entity's strategic priorities, including growth

BENEFITS FOR ALL STAKEHOLDERS

Create two independent companies, each with a more focused strategy and freedom to pursue their own agenda and ensure both entities have a capital structure that can support their viability, long-term ambitions and organic growth

Shareholders	<ul style="list-style-type: none">• Value creation through the crystallization of part or all of the TCH sum-of-the-parts upside, in particular driven by (i) a significant potential for re-rating of TCS and (ii) a potential compression/suppression of any current conglomerate discount• Exit from safeguard procedure• Provides shareholders with flexibility to manage separately their exposure to TCS and / or Technicolor Ex-TCS• Key catalyst to drive the rotation of the shareholder bases of both TCS and Technicolor Ex-TCS towards a more stable structure<ul style="list-style-type: none">– In particular enables TCS to access the adequate shareholder base to support its growth story• Enhanced focus of the sell-side on TCS with proper analyst coverage delivering insight to shareholders• Increased optionality on DVD Services / Connected Home (e.g. M&A)
Business and Employees	<ul style="list-style-type: none">• Fresh start for both TCS and Technicolor Ex-TCS• Simplification of the corporate structure allowing a better alignment between each employee and the group strategy / incentives• Capital structure enabling growth investments for both TCS and Technicolor Ex-TCS that TCH as a whole cannot afford today:<ul style="list-style-type: none">– TCS: participation in the consolidation of the industry, with more flexibility in its capital structure and providing the company with a new acquisition currency through TCS listed stock– Technicolor Ex-TCS: funding of expansion in new Connected Home business lines or of DVD Services growth initiatives
Lenders	<ul style="list-style-type: none">• Benefit of the MCN driving deleveraging, potential rating improvement, and securing liquidity• Ability to exit through refinancing process, get reinstated debt repaid at par and potentially reinvest based on targeted allocation between TCS / Technicolor Ex-TCS
Customers and Suppliers	<ul style="list-style-type: none">• Easier counterparty to deal with, with improved credit profile• Benefit from improved commercial offering enabled by incremental investment capacity

Maximize value to all Technicolor's stakeholders: shareholders, customers, suppliers, lenders, employees

STRONG MARKET RECEPTION OF ANNOUNCEMENT

Strong stock performance (+21.7%¹) and increase volume traded (+66.1%¹) since transaction announcement on 24-Feb-2022



Source: CapIQ estimates as of 01-Apr-2022
 Note: Calculated versus 23-Feb-2022 (latest undisturbed share price).

PRE-REQUISITES TO EXECUTE SEPARATION

Since July 2020, Technicolor has entered in a Safeguard Plan procedure ('SFA') to implement its debt restructuring on the back of Covid and challenging performance

- Within the framework of the plan, the Group was able to raise €420m of new money debt and reinstall its old debt (around €574m) through the equitization of €660m of debt
- These debt instruments are still outstanding and the SFA is still ongoing

Technicolor is currently working on two projects with the ultimate objective to create two distinct leaders well-equipped to capture growth in their markets, as well as the full refinancing of the existing debt

- Listing on Euronext Paris of at least 65% of Technicolor Creative Studios through a distribution to Technicolor SA's shareholders
- Full refinancing of the group indebtedness and thus complete the SFA

As part of the refinancing, Technicolor SA will issue a €300m unsecured Mandatory Convertible Notes ('MCN') that will take the form of a separate reserved issue

- Angelo Gordon, Bpifrance and other selected subscribers have committed to subscribe to the full amount of the MCN
- The MCN will be converted into Technicolor shares at the option of Technicolor's Board of Directors if an Extraordinary General Meeting ('EGM') approves the distribution of Technicolor Creative Studios shares and the Board of Directors decides to proceed with such distribution

The issuance of the MCN is a pre-requisite to execute the spin-off of Technicolor Creative Studios and to unlock value creation for Technicolor shareholders in the long run

- Issue Price: €2.60 (6.1% discount to share price pre-announcement and 5% to 3m VWAP)
- Decrease the amount of senior secured debt and ultimately deleverage & reinforce Technicolor balance sheet with conversion into equity post General Meeting ("GM") approval of the spin-off
 - Enable to normalize the group capital structure through a full refinancing by reducing the complexity of the current Fiducie structure and the Safeguard plan
- Facilitate the execution of the spin-off as the conversion of the MCN into equity ahead of the spin-off will increase Technicolor SA share capital and thus enable the execution of the distribution

MANDATORY CONVERTIBLE NOTES STRUCTURE DERISKED THE EXECUTION OF THE SPIN OFF

Issuance of €300m Mandatory Convertible Notes which would be converted into Technicolor shares:

- Mandatory conversion into Technicolor shares at the discretion of the Issuer, contingent on the approval of the spin-off by the Technicolor GM (expected end of June) and prior to the execution of the spin-off (i.e. distribution of shares) itself
- Right to convert into Technicolor shares at any time at the discretion of the MCN Holders
- Conversion price: €2.60 per share (6.1% discount to share price pre-announcement and 5% to 3m VWAP)
- Fully subscribed by a set of existing shareholders
- Issuance of the MCN contingent on the approval of an ad-hoc Technicolor EGM (on 6th May)

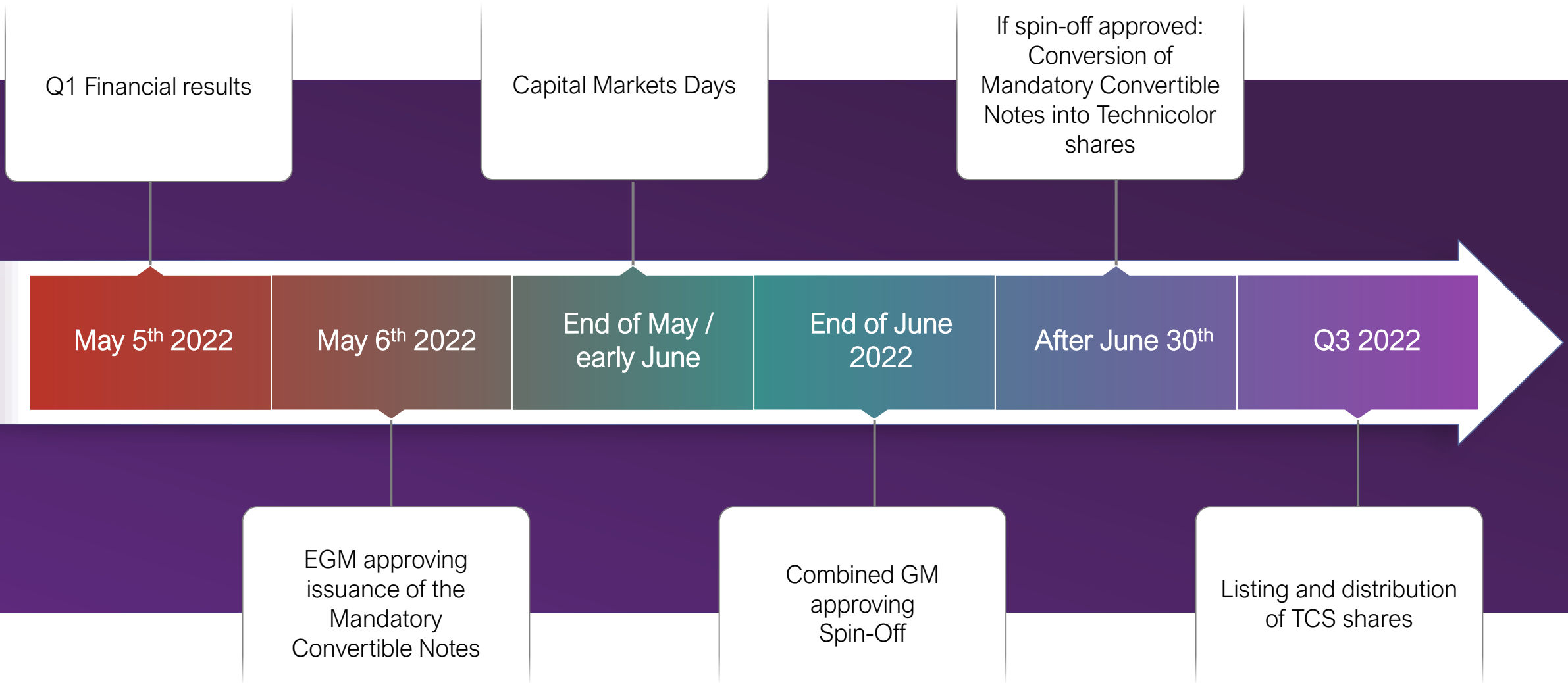
The unsecured MCN is structured to:

- **Decrease the amount of senior secured debt and ultimately deleverage**
- **Facilitate negotiations on a new debt structure** and therefore unlock the possibility of refinancing existing expensive debt at better conditions
- Be converted into equity post GM approval of the spinoff to reinforce balance sheet
- **Facilitate the execution of the spin-off by increasing the share capital at conversion**

MCN TERMS OVERVIEW

Item	Description
Issuer	<ul style="list-style-type: none">• Technicolor S.A.
Issue amount	<ul style="list-style-type: none">• €300m
Conversion Price	<ul style="list-style-type: none">• €2.60 per share, representing 3-month VWAP at signature of the commitment letter minus 5% discount
Maturity Date	<ul style="list-style-type: none">• Earlier of 6 months after the latest maturity date of the new secured debt instrument, and the 7th anniversary of issuance
Coupon	<ul style="list-style-type: none">• 4.5% cash coupon p.a.
Conversion	<ul style="list-style-type: none">• Automatic mandatory conversion into shares of the Issuer at the Conversion Price within the 18 month of issuance upon (i) a GM approving the Issuer distributing/listing of at least 65% of TCS share capital and board decision to proceed with the distribution, (ii) an admission by Euronext of the listing of TCS shares• Right to convert into Technicolor shares at any time at the discretion of the holders

TRANSACTION TIMELINE



OVERVIEW OF PRO FORMA SHAREHOLDING STRUCTURE

Name	% Ownership at Mar-22	Commitment into MCN (€m)	Commitment into MCN (m shares)¹	m Shares post Conversion	% Ownership post Conversion
Angelo, Gordon & Co., L.P.	12.6%	129.6	49.9	79.7	22.68%
Credit Suisse Asset Management	10.8%	12.5	4.8	30.3	8.63%
Briarwood Chase Management LLC	9.3%	27.8	10.7	32.5	9.26%
Barings Asset Management Ltd.	7.9%	27.0	10.4	29.0	8.26%
Bain Capital Credit, LP	7.5%	20.9	8.0	25.8	7.35%
Farallon Capital Management, L.L.C.	6.1%	24.0	9.2	23.7	6.73%
Bpifrance Participations S.A.	5.4%	45.0	17.3	30.2	8.59%
Goldman Sachs Group, Inc.	4.4%	13.2	5.1	15.5	4.41%
Total	64.1%	300.0	115.4	266.6	75.9%

Source: Technicolor internal estimates

Note: ¹ Assuming a conversion price of 2.6 (5.0% discount over 3m VWAP of €2.7387).

OVERVIEW OF CONTEMPLATED RESOLUTIONS (1/2)

Further details regarding each resolution are provided separately

Resolution 1: Issuance of 49,859,532 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of named beneficiaries affiliated with Angelo, Gordon & Co., L.P. ;

Resolution 2: Waiver of the shareholders' preferential subscription rights in favour of named beneficiaries affiliated with Angelo, Gordon & Co., L.P.

Resolution 3: Issuance of 17,307,692 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of Bpifrance Participations SA ;

Resolution 4: Waiver of shareholders' preferential subscription rights in favour of Bpifrance Participations SA ;

Resolution 5: Issuance of 10,384,615 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of named beneficiaries affiliated with Baring Asset Management Limited ;

Resolution 6: Waiver of the shareholders' preferential subscription rights in favour of named beneficiaries affiliated with Baring Asset Management Limited ;

Resolution 7: Issuance of 4,807,692 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of named beneficiaries affiliated with Credit Suisse Asset Management Limited and Credit Suisse Asset Management, LLC ;

Resolution 8: Waiver of the shareholders' preferential subscription rights in favour of named beneficiaries affiliated with Credit Suisse Asset Management Limited and Credit Suisse Asset Management, LLC ;

Resolution 9: Issuance of 10,679,885 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of Briarwood Capital Partners L.P. ;

Resolution 10: Waiver of the shareholders' preferential subscription rights in favour of Briarwood Capital Partners L.P. ;

OVERVIEW OF CONTEMPLATED RESOLUTIONS (2/2)

Further details regarding each resolution are provided separately

Resolution 11: Issuance of 9,230,769 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of Glasswort Holdings LLC ;

Resolution 12: Waiver of the shareholders' preferential subscription rights in favour of Glasswort Holdings LLC ;

Resolution 13: Issuance of 5,083,789 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of ELQ Lux Holding S.à r.l., Special Situations 2021, L.P. and Special Situations 2021 Offshore Holdings II, L.P. ;

Resolution 14: Waiver of the shareholders' preferential subscription rights in favour of ELQ Lux Holding S.à r.l., Special Situations 2021, L.P. and Special Situations 2021 Offshore Holdings II, L.P. ;

Resolution 15: Issuance of 8,030,641 mandatory convertible notes, convertible into ordinary shares of the Company with waiver of the shareholders' preferential subscription rights in favour of John Hancock Funds II Floating Rate Income Fund and Aare Issuer Designated Activity Company ;

Resolution 16: Waiver of the shareholders' preferential subscription rights in favour of John Hancock Funds II Floating Rate Income Fund and Aare Issuer Designated Activity Company ;

Resolution 17: Delegation of authority to the Board of Directors with a view to carrying out a share capital increase reserved for members of a group savings plan ("*adhérents à un plan d'épargne de groupe*"), with waiver of the shareholders' preferential subscription rights ;

Resolution 18: Amendment to Article 22 of the articles of association in connection with the ability to distribute reserves or premiums in kind ;

Resolution 19: Delegation of powers to carry out formalities

THANK YOU

technicolor

