



**Information relating to the conclusion of related-party agreements pursuant to
Article L.22-10-13 of the French Commercial Code**

Paris (France) – In accordance with Articles L.22-10-13 and R.22-10-17 of the French Commercial Code, Technicolor (the “**Company**”, together with its subsidiaries, the “**Group**”) announces the execution on February 23, 2022 of four related-party transactions, between the Company and certain of its shareholders.

Interested Parties And Relationship With The Company

- AG International Investment Opportunities Platform Fund I Designated Activity Company is a shareholder of the Company which holds 12.6% of the Company’s share capital (“**Angelo Gordon**”).
- Credit Suisse Asset Management is a shareholder of the Company which holds 10.5% of the Company’s share capital (“**CSAM**”).
- Bpifrance Participations SA is a member of the Board of Directors of the Company and holds around 4.4% of the Company’s share capital (“**Bpifrance**”).

Terms, Nature And Purpose

These agreements were entered into in the context of the contemplated refinancing of the Group’s entire existing debt structure (the “**Refinancing**”), and in light of the Company’s intention to list and spin-off around 65% of the total outstanding share capital of Technicolor Creative Studios, through a distribution-in-kind to the Company’s shareholders (the “**Spin-Off**”).

As part of the Refinancing, the Company intends to issue mandatory convertible notes (“**MCN**”) for an amount of €300 million, in the form of separate reserved issuances. The conversion of the MCN into shares of the Company would be effective upon the execution of the Spin-Off.

This MCN issuance is supported by strategic shareholders who have committed to subscribe to the full issue amount. The related commitments of the subscribers, including those of the interested parties listed above, each take the form of a commitment letter (each a “**Commitment Letter**”) to which is attached an indicative term sheet setting forth the main terms of the MCN.

Under the Commitment Letters, each subscriber respectively commits:

- to subscribe to the MCN in accordance with the following amounts:
 - Bpifrance: €45 million;
 - CSAM: €12.5 million; and
 - Angelo Gordon: an amount up to €300 million less the sum of the amounts committed by other subscribers, that is €129,634,782.02;
- not to offer, assign, sale or otherwise dispose of any MCN until the earlier of (i) the completion of the Spin-Off and (ii) December 15, 2022, subject to limited exceptions;
- not to sale or otherwise dispose of any shares it holds in the Company until the EGM that will resolve on the issuance of the MCN, subject to limited exceptions; and



- to vote in favor of the resolutions to be submitted to the Shareholders' General Meeting in order to implement the Spin-Off.

In addition, the key terms of the MCN set forth in the Commitment Letters are listed below:

- MCN to be issued and subscribed by each subscriber for its respective commitment amount at a percentage equal to 97.5% of its nominal amount;
- the conversion price is equal to €2.60 per share, based on a 3-month VWAP ("Volume-Weighted Average Price") per ordinary share of the Company as of February 23, 2022, minus a 5% discount;
- the annual cash coupon amounts to 4.5%;
- a 1.5% up front fee is included to the benefit of Angelo Gordon;
- a break fee is owed to each subscriber on its respective commitment amount if the Company fails to complete the MCN issuance in the circumstances set out below and in accordance with the following computation formulas:
 - if the Shareholders' General Meeting has not approved the issuance: 5% +0.35% multiplied by $(N/365) \times 12$; and
 - if the Shareholders' General Meeting has approved the issuance: 9% +0.35% multiplied by $(N/365) \times 12$

Concurrently with the entry into the Commitment Letters, a fee letter was entered into with Angelo Gordon, which restates the abovementioned fee amounts (the "**Fee Letter**", together with the Commitment Letters, the "**Agreements**").

Benefits of the Agreements for the Company

The MCN is a key component of both the contemplated Refinancing and Spin-Off. The two processes are highly intertwined and together aim at creating a path towards unleashing the full potential of the Company's various businesses while unlocking value to all of the Company's stakeholders.

The contemplated Spin-Off is expected to allow each entity to pursue its own strategic path independently and thereby achieve its full value potential. It should also help to reduce the conglomerate discount of the Company (*i.e.*, stock markets often value a diversified group at less than the sum of its parts). In this context, the Refinancing, along with the MCN, marks a significant expected deleveraging of both new entities.

The entry into the Agreements, and the commitments contained therein with respect to the MCN subscription and vote on the Spin-Off resolutions, provide comfort to the Company as to the effective completion of both the Spin-Off and MCN issuance, therefore also creating favourable conditions for the Refinancing as a whole.

The fairness of the conditions of the MCN conversion will be addressed by a report to be prepared by an independent financial appraiser prior to the expected vote on the issuance at a Shareholders' General Meeting.



Approval from the Board of Directors

The Board of Directors has authorised the execution of these Agreements at its meeting of February 23, 2022 in accordance with Article L.225-38 of the French Commercial Code. Mr. Thierry Sommelet, representing Bpifrance, did not take part in the debate and votes with respect to the agreement entered into by Bpifrance. The Agreements were entered into on February 23, 2022 and will be submitted to the Shareholders' General Meeting.

For further information on the MCN, please refer to the Company's press release announcing the contemplated Refinancing and Spin-Off.

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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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