

**RECEPTION OF INDICATIVE NEW FINANCING OFFERS****NEGOTIATIONS WITH INVESTORS AND CREDITORS TO IMPLEMENT SUCH NEW FINANCING****SOLICITATION OF THE RELEVANT CREDITORS TO PETITION FOR THE APPOINTMENT OF A CONCILIATOR**

**Richard Moat, Chief Executive Officer of Technicolor, stated:**

*“On February 13th, we announced our 2020-2022 strategic plan and a c. €300m rights issue. Since then the world and our industries have faced an unprecedented crisis due to the Covid-19 pandemic. We have been working tirelessly to guarantee safety for our employees, whilst ensuring the smooth continuity of our activities. Nevertheless, the current situation has limited our capacity to launch the envisaged rights issue, and so we have recently entered into discussions with some of our creditors and with third party investors to obtain a new €400 million financing more adapted to the Group’s current situation. To facilitate the implementation of this financing, we are now soliciting consents from our creditors to have the option to open a Conciliation proceeding. This additional financing, together with a restructuring of our balance sheet, should reinforce the Group and its ability to serve its clients and trade with its suppliers in the long term. Whilst this is in progress, the business will continue as usual, with no impact on our operations and the quality of service we deliver to our clients, and we intend to maintain our workforce of talented people to enable the delivery of all our services and products.”*

**Paris (France), 26 May 2020** – [Technicolor](#) (Euronext Paris: TCH; OTCQX: TCLRY) (the “**Company**”) announces today that the prolonged uncertainty in global market conditions, as well as the impact of the Covid 19 crisis on its business in the short term, have limited the ability of the Company to launch the previously announced €300 million Rights Issue. It has therefore engaged in discussions with some of its financial lenders and third party investors in an effort to obtain new financing (the “**New Financing**”). To date, the Company has received indicative offers from a third party investor and from one of the existing lenders of the Group, and negotiations are on-going.

The New Financing, which would amount to c. €400 million, would allow the Company to (i) pay off the \$110 million short-term facility granted by JP Morgan in March 2020 and due on July 31<sup>st</sup> 2020 (the “**Bridge Facility**”) and (ii) finance the liquidity needs of the Group as from July 2020.

In addition to this New Financing, the Company intends to implement a long term sustainable financial structure for the Company, including by way of debt to equity swap, depending of course on the discussions with its existing creditors in this respect.

The market will be informed in due course of the outcome of these discussions.

In this context, to facilitate discussions with all stakeholders, the Company wishes to have the ability to request the opening of conciliation proceedings in France on Technicolor SA, which are amicable and consensual, in order to facilitate discussions with its creditors and implementation of the New Financing under the aegis of a court-appointed conciliator. This would require the prior agreement of the relevant majority of creditors, in accordance with the applicable Credit Facilities (as defined below).



Therefore, the Company announces today that it is soliciting consents from such creditors to allow the appointment of a *conciliateur* (the “**Solicitation**”). The purpose of the Solicitation is to obtain the consent, at the requisite majority, of (i) the lenders under the RCF, (ii) the lenders under the Term Loan B, (iii) the lenders under the ABL Facility, and (iv) the lenders under the Bridge Facility, such that the Company would have the option, if desired, to request the appointment of a *conciliateur*, without such action constituting an event of default under each of the RCF, Term Loan B, ABL Facility and Bridge Facility documentation.

“**RCF**” means the EUR 250 million revolving facilities agreement dated 21 December 2016 between, among others, the Company, Natixis as agent and Citibank N.A., London Branch as security agent (as amended, modified, supplemented, or amended and restated from time to time).

“**Term Loan B**” means the c. EUR 1 billion (which includes EUR 755 million term loans and USD 300 million term loans) credit agreement dated as of December 6, 2016, by and among the Company, Citibank N.A., London Branch, as collateral agent, J.P. Morgan Europe Limited, as administrative agent, J.P. Morgan Limited and Citigroup Global Markets Limited, as joint bookrunners, and the lenders and other parties from time to time party thereto (as amended, modified, supplemented, or amended and restated from time to time).

“**ABL Facility**” means the USD 125 million credit agreement, dated as of November 6, 2017, by and among Technicolor USA, Inc., a Delaware corporation (“**Technicolor USA**”), Wells Fargo Capital Finance, LLC, as agent and the lenders and other parties from time to time party thereto (as amended, modified, supplemented, or amended and restated from time to time).

“**Bridge Facility**” means the USD 110 million credit agreement, dated as of March 5, 2020, by and among Technicolor USA, JP Morgan Chase Bank, N.A., as agent and the lenders and other parties from time to time party thereto (as amended, modified, supplemented, or amended and restated from time to time).

“**Credit Facilities**” means, collectively, the RCF, Term Loan B, ABL Facility and Bridge Facility.

The Solicitation will expire at 5:00 pm New York City time on May 28<sup>th</sup>, 2020, unless extended by the Company.



**Financial calendar**

Annual Shareholders Meeting	30 June 2020
H1 financial results	30 July 2020

###

**Warning: 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.*

###

**About Technicolor:**

[www.technicolor.com](http://www.technicolor.com)

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

**Investor Relations**

Christophe le Mignan: +33 1 88 24 32 83

[Christophe.lemignan@technicolor.com](mailto:Christophe.lemignan@technicolor.com)