



## PRESS RELEASE

### Final step achieved in the accelerated financial safeguard procedure:

### The Commercial Court of Paris approves the financial safeguard plan

**Paris (France), July 28<sup>th</sup>, 2020** – [Technicolor](#) (Euronext Paris: TCH; OTCQX: TCLRY) (the “**Company**”) announces that the Commercial Court of Paris approved today Technicolor’s accelerated financial safeguard plan.

This approval will allow the Group to proceed with the drawdown of the second tranche of the New Financing scheduled for the end of August, in an amount of c. EUR 180 million (net of fees and commissions), subject in particular to the effective implementation of the security interests agreed under the safeguard plan, in particular the implementation of a “*fiducie-sûreté*” (equivalent of a trust under French law) on the shares of Gallo 8 (a holding company controlled by the Company, which directly or indirectly owns the subsidiaries of the "US Production Services" business and substantially all the subsidiaries of the Group's other businesses, excluding Production Services).

In addition, all conditions precedent being now fulfilled with respect to the equity issuance provided for by the safeguard plan, the rights issue with preferential subscription rights, approved by voting at the Extraordinary General Meeting of the shareholders on July 20<sup>th</sup>, 2020, is expected to be launched in the course of August. This will be following approval by the AMF of a supplement to the prospectus approved on July 10, 2020, under number 20-343 (the “**Prospectus**”), as the Company will publish its semi-annual financial report on July 30<sup>th</sup>, 2020.

As a reminder, the partial conversion of debt into equity (up to EUR 660 million) is structured as follows:

- a rights issue of the Company, with shareholders’ preferential subscription rights, for a total amount of EUR 330 million, at a subscription price of EUR 2.98 per share, fully backstopped by the TLB and RCF lenders by way of set-off against part of their claims at par under the Credit Facilities; Bpifrance Participations will subscribe to the rights issue in cash pro rata its current shareholding (c. 7.5%) for an aggregate amount of c. EUR 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; and
- a reserved capital increase of the Company, for a total amount of EUR 330 million, at a subscription price of EUR 3.58 per share, reserved to the TLB and RCF lenders and which will be fully subscribed by way of set-off against part of their claims at par under the Credit Facilities.

Free warrants will also 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 5% of the share capital of the Company on a fully diluted basis.

Lastly, free warrants will be allocated to the lenders of the New Money in consideration of the latter, with a 3-month maturity and an exercise price of €0.01.

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### **Prospectus**

The Prospectus is composed of (i) the Company's 2019 Universal Registration Document filed with the AMF on 20 April 2020 under number D.20-0317, (ii) the Amendment to the 2019 Universal Registration Document filed with the AMF on 10 July 2020 under number D.20-0317-A01 and a securities note (including the summary of the Prospectus). Copies of the Prospectus are available free of charge at Technicolor's registered office, -10 rue du Renard - 75004 Paris, on the Company's website ([www.technicolor.com](http://www.technicolor.com)) as well as on the AMF website ([www.amf-france.org](http://www.amf-france.org)).

### **Disclaimer**

This press release and the information it includes do not constitute an offer to sell or subscribe for, or a solicitation of an order to buy or subscribe for Technicolor securities in Australia, Canada, Japan, or the United States of America or in any other country in which such offer or solicitation would be unlawful.

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This announcement is not an advertisement and not a prospectus within the meaning of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing the Prospectus Directive 2003/71/EC (the "**Prospectus Regulation**").

With respect to the Member States of the European Economic Area other than France, no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to herein requiring a publication of a prospectus in any relevant Member State. Accordingly, any offer of Technicolor's securities may only be made in any Member State (i) to qualified investors as defined in the Prospectus Regulation, or (ii) in any other case exempting Technicolor from having to issue a prospectus in accordance with Article 1(4) of the Prospectus Regulation.

With respect to the United States, Technicolor's securities have not been, and will not be, registered under the Securities Act of the United States of America, as amended (U.S. Securities Act of 1933, as amended, hereinafter referred to as the "**U.S. Securities Act**"). The securities of Technicolor may not be offered, sold, exercised or delivered within the territory of the United States of America, as defined by Regulation S of the U.S. Securities Act, except pursuant to an exemption from the registration

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### **About Technicolor:**

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

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

### **Investor Relations**

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