

H1 2022 RESULTS

July 28th, 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.

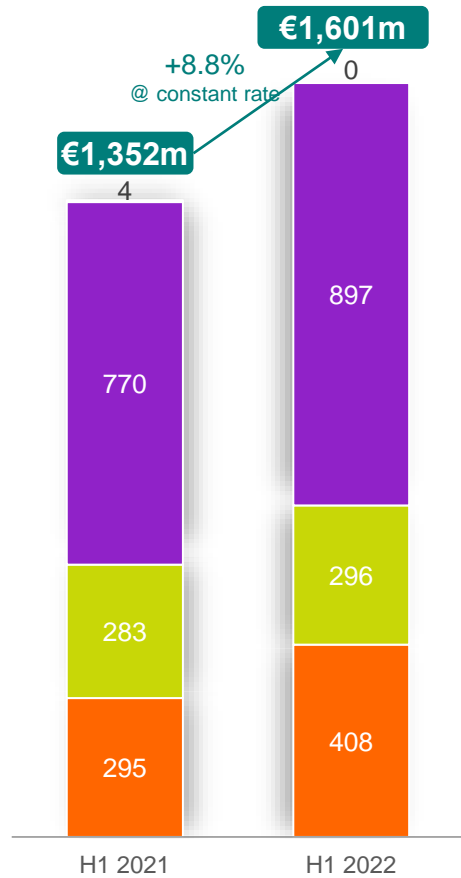
Such forward-looking statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the future results expressed, forecasted or implied by such forward-looking statements.

-  **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

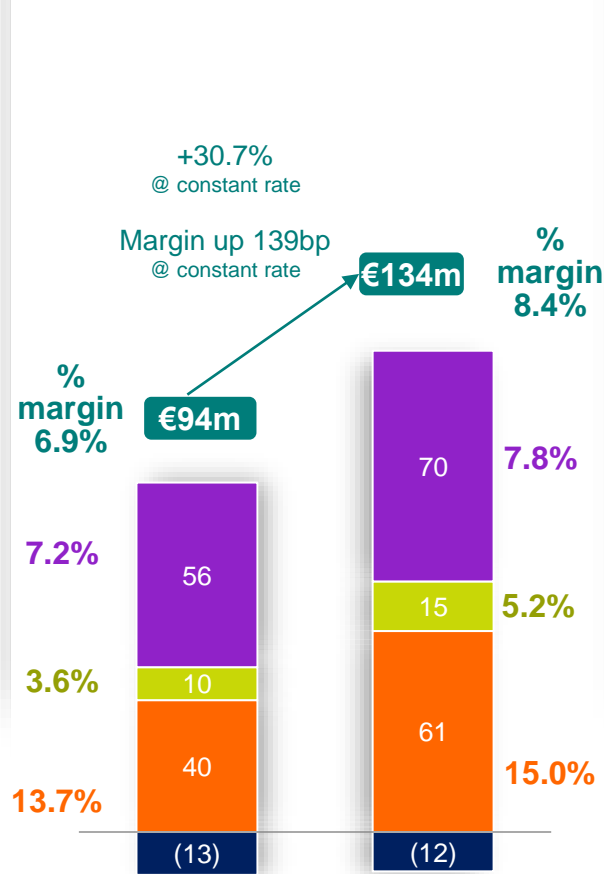
KEY H1 HIGHLIGHTS

REVENUES (in € million)



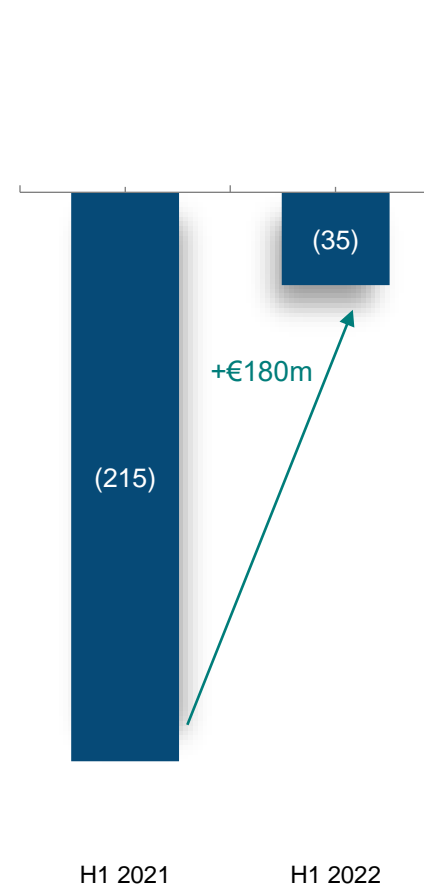
- Corporate & Other
- Connected Home
- Vantiva Supply Chain Services
- Technicolor Creative Studios

Adjusted EBITDA (in € million)



H1 2021 H1 2022

FCF (before interest and tax, in € million)



Strong business performance across all divisions

2022 guidance confirmed

2022 GUIDANCE CONFIRMED

- Revenues from continuing operations are expected to **grow**
- Adjusted EBITDA from continuing operations of **€361m**
- Adjusted EBITA from continuing operations of **€161m**
- FCF⁽¹⁾ from continuing operations of **€217m**
- Run-rate cost savings target of **€325m** by 2022, with €116m and €171m delivered in 2021 and 2020 respectively, and €30m in H1 2022

(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)

As presented on May 5th, 2022 the 2022 guidance for Technicolor group assumes external macroeconomic assumptions, including a EUR/USD exchange rate of 1.15, EUR/CAD of 1.52, EUR/GBP of 0.89. It also includes management assumption reflecting the IFRIC interpretation on Saas adjustment, excludes Trademark Licensing operations, and does not include the TCS spin-off

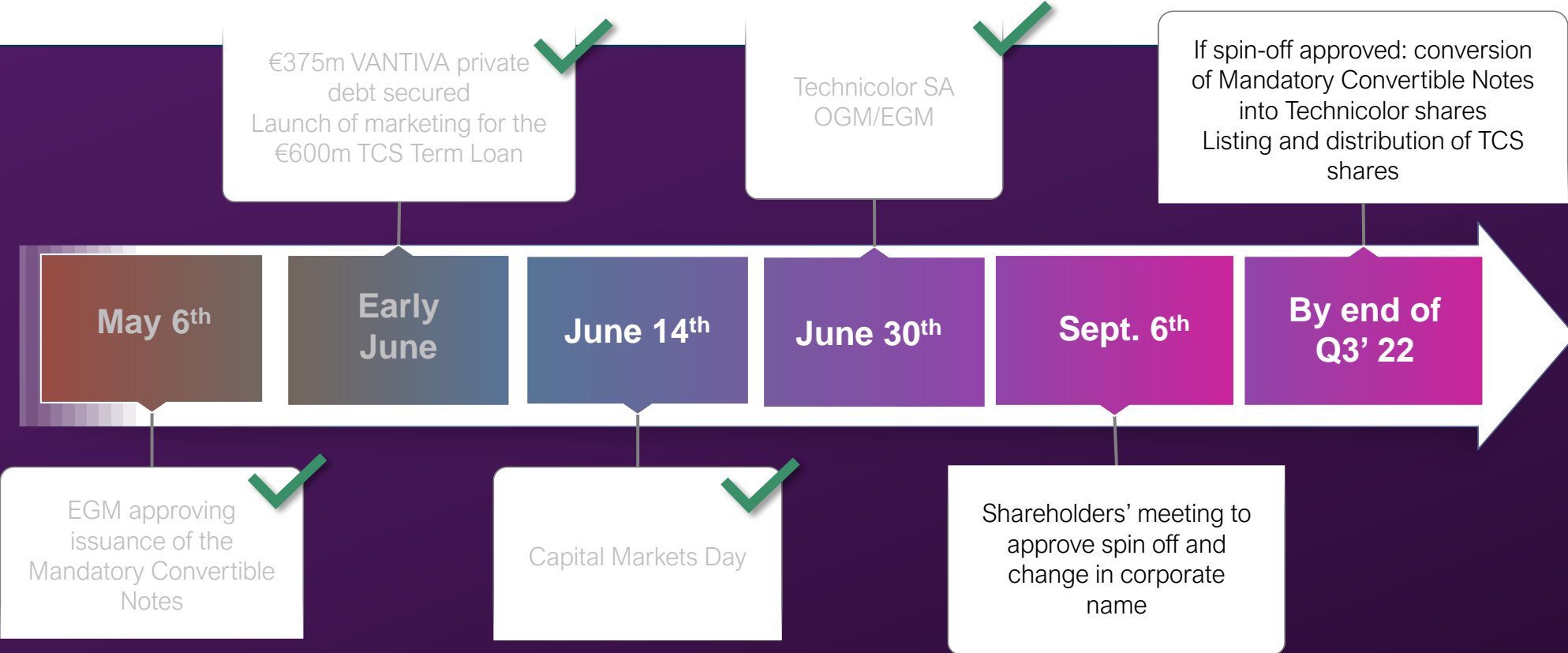
SPIN OFF OF TCS AND REFINANCING: ENVISAGED TRANSACTION TIMELINE

The Group is making good progress in the implementation of:

Intention to list 65% of TCS

Technicolor's shareholders to receive **1 TCS share for 1 Technicolor share** entitled to the distribution

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



- Refinancing of the entire existing debt is finalized
- Appointment of the leadership teams for the two new entities announced

COMPLETION OF THE REFINANCING

NEW DEBT STRUCTURE

Refinancing of our debt taking advantage of the end of the non-call in July 2022, reduce cost of debt, and facilitate the execution of the spin off

- €300m unsecured reserved Mandatory Convertible Notes ('MCN') fully subscribed
- MCN authorized by the shareholders on May 6th, 2022
- Commitment of €375m private debt for VANTIVA
- €623m debt at Technicolor Creative Studios



- €375m debt package committed by Angelo Gordon and Barclays
- Advanced discussion on the extension of the Wells Fargo Asset-Based Lending (ABL) Facility

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CREATIVE STUDIOS

- €623m debt with a €563m tranche and a USD60m tranche
- €40m Revolving Credit Facility

IMPLEMENTATION OF
TWO DISTINCT
FINANCING PACKAGES

for Technicolor Creative
Studios and VANTIVA
respectively

1

BUSINESS UPDATE





M P C

IN PRODUCTION ON **20+**
THEATRICAL AND **35+**
STREAMING / EPISODIC
PROJECTS



BAFTA

1

NOMINATION



VISUAL
EFFECTS
SOCIETY

1

WIN
OUT OF
3 NOMINATIONS



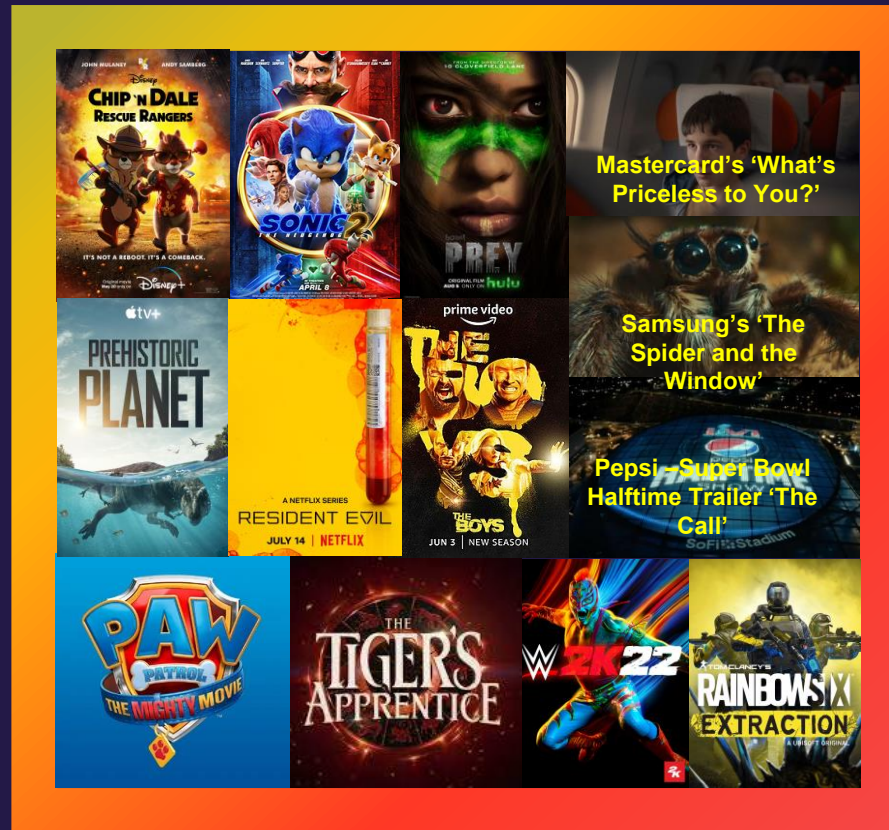
BEST
VISUAL
EFFECTS
CÉSAR

1

WIN
OUT OF
3 NOMINATIONS



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**



Mastercard's 'What's Priceless to You?'

Samsung's 'The Spider and the Window'

Pepsi-Super Bowl Halftime Trailer 'The Call'



CONTRIBUTION TO APPROX.
1,900+ PROJECTS DURING H1



BRITISH
ARROWS
AWARDS

6

WINS
OUT OF
13 NOMINATIONS



VISUAL
EFFECTS
SOCIETY

2

WINS
OUT OF
6 NOMINATIONS



CANNES
LIONS

4

WINS

BURBERRY, VERIZON AND SAMSUNG CONTINUE TO GENERATE
INDUSTRY **ACCOLADES FOR VFX AND CGI**

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GAMES

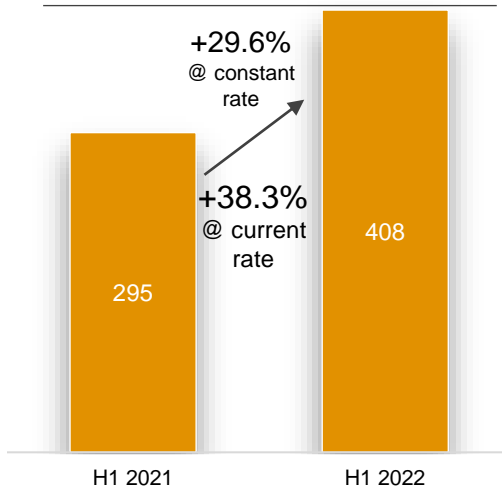
CONTINUING WORK WITH SEVERAL AAA GAMES
COMPANIES. H1 RELEASED TITLES INCLUDE
UBISOFT'S **TOM CLANCY'S RAINBOW 6
EXTRACTION** AND 2K SPORTS' **WWE 2K22**

TCS FINANCIAL PERFORMANCE: STRONG DEMAND FOR CONTENT

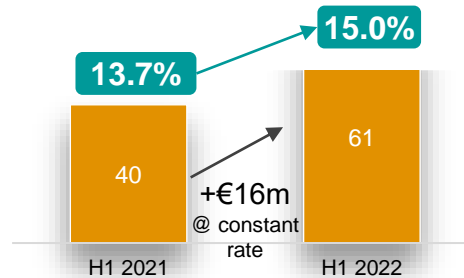


H1 2022

REVENUES (in € million)



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



REVENUE UP 43.7% VS. H1'21 AT CONSTANT RATE AND PERIMETER:

- Significant demand for original content
- Slowdown in advertising spending in Q2'22 due to macroeconomic conditions

IMPROVED EBITDA MARGINS:

- Higher revenues
- Positive impact of multiple operational transformation programs
- Margin negatively impacted by:
 - Higher cost to complete major projects caused by shortage of experienced talent in the market at MPC
 - Lower revenues at The Mill

ACTION PLANS IN PLACE:

- To accelerate recruiting and training plan
- At The Mill and at MPC, actions to mitigate the impact on margin have already been identified and initiated relating to costs and operational efficiencies

2022 OUTLOOK

Demand for TCS VFX and Animation services continues to grow significantly throughout 2022

- MPC and Mikros Animation:**
 - Multiple new projects awarded for Film & Episodic Visual Effects and Animation: 85%+ of 2022 pipeline committed
 - Growth of number of feature animation projects in production: from 2 in 2019 to 6 in 2022
- The Mill:** activity growth is being restricted by the current global macroeconomic environment. As a result, The Mill is now expecting slower growth than initially anticipated
- Technicolor Games:** demand for games content is expected to continue growing along with the expansion of the Technicolor Games service offering
- Significant investment in artist recruitment, retention, and training continues, as delivering all pipeline projects remains the main challenge for 2022, as a consequence of the shortage of talent in the market**



CONNECTED HOME IN H1 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
- Partnership 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

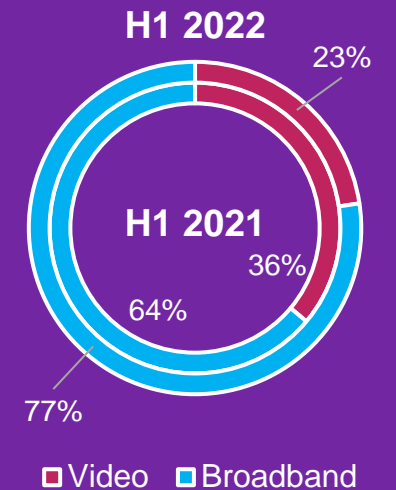
ECOVADIS CSR

- 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 BROADBAND MARKET DEMAND DESPITE CONTINUING SUPPLY CONSTRAINTS

- Increased share of broadband in Connected Home revenues

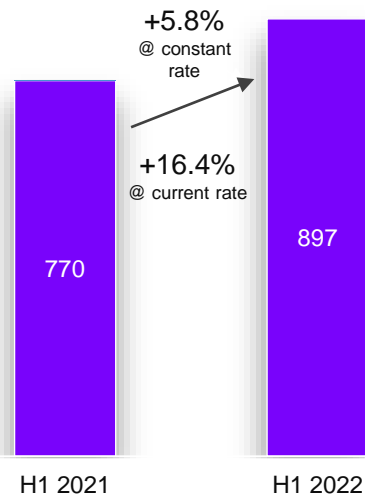


CONNECTED HOME: FINANCIAL PERFORMANCE

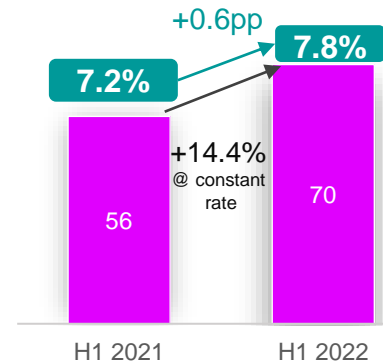


H1 2022: CONTINUING CHALLENGING ENVIRONMENT BUT EFFICIENTLY MANAGED

REVENUES (in € million)



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



REVENUE UP:

- Worldwide component crisis, and supply chain bottlenecks, limited our ability to serve the demand from customers, although Q2 benefited from first signs of improvement
- Increased broadband share in revenue

EBITDA MARGIN UP 0.6PP:

- Operating efficiencies and cost savings

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

2022 OUTLOOK

- ▶ Demand for Connected Home broadband boxes is expected to remain strong
- ▶ Although we start to see first signs of improvements, 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



VANTIVA SUPPLY CHAIN SERVICES (FORMER DVD SERVICES)

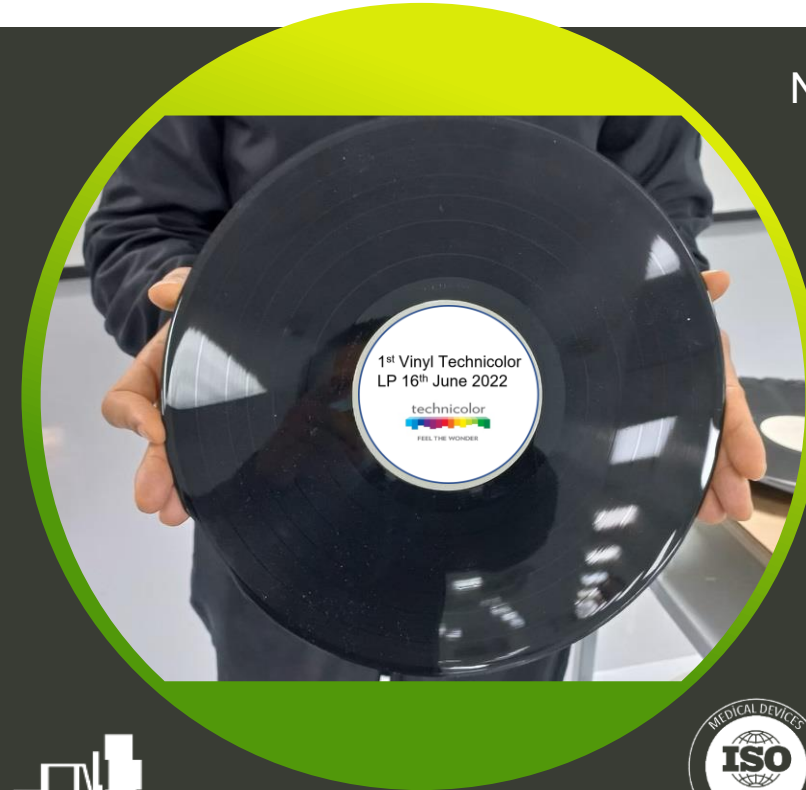
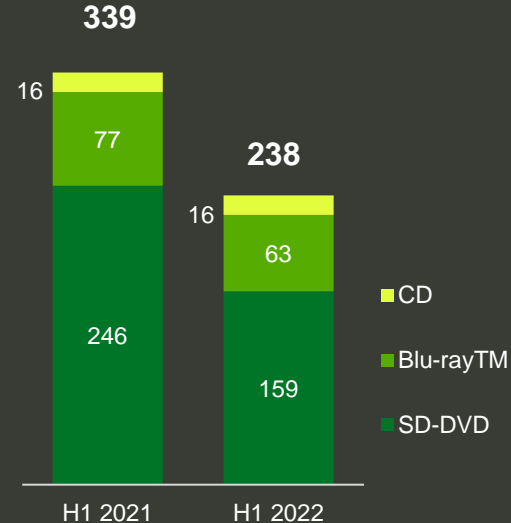
H1 2022 COMMERCIAL SUCCESSES AND OPERATIONAL EFFICIENCIES



DISC BUSINESS

DISC VOLUMES BREAKDOWN (in m of units)

→ Volumes down 30%



NEW GROWTH BUSINESSES:

ACTIVE, MULTIFACETED DIVERSIFICATION AND GROWTH STRATEGY

MICROFLUIDICS

- New lab/capability in Poland beyond prototyping was nearing completion at the end of Q2. Microfluidic cartridge and medical device engineering was accredited in Poland, having passed the EU IVDD standard audit (February 2021)

VINYL

- Contracts were executed with two of the world's top 3 music companies (Universal Music Group and Sony Music)
- Launched commercial record pressing in May 2022
- Achieved high quality recognition from the industry
- Expanded capacity to continue through the balance of the year (new equipment delivery and capability increasing each month)

SUPPLY CHAIN/FULFILMENT/TRANSPORTATION

- Continued new customer additions driving supply chain/fulfilment growth in the first half 2022
- Significant year-over-year growth in the freight brokerage business, due to the addition of new customers and increased penetration of existing customers

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

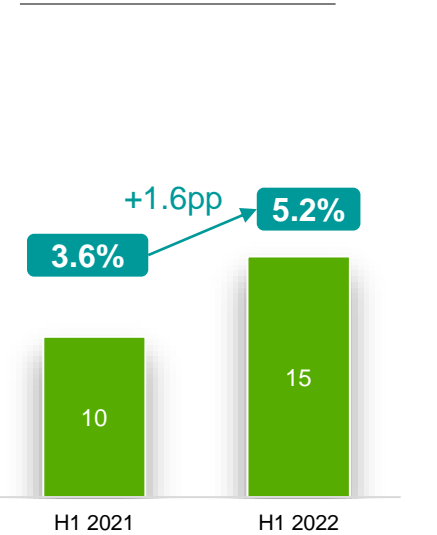
VANTIVA SUPPLY CHAIN SERVICES IN H1 2022

H1 2022: SHOWING THE RESULTS OF OUR OPERATIONAL RESTRUCTURING

REVENUES (in € million)



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



2022: OUTLOOK

- Solid new release volumes to be more than offset by lower catalog volumes, driven by evolving customer and retailer behavior
- Continuing cost efficiencies
- Plan to accelerate the diversification of the business: continuous work to significantly expand non-disc activities

REVENUES UP:

- Lower disc volumes, partly offset by:
 - Growth in transportation management and vinyl
 - Disc price increase
 - Pass through

EBITDA AND EBITDA MARGIN 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 H1 2022 – GROUP

	H1 2022		H1 2021	vs. H1 2021		Forex impact	vs. H1 2021 at constant rate	
	(in € million)			(a)	(b)		(c=a+b)	
	Current rate	LY rate	LY rate	Current rate			LY rate	
Revenues	1,601	1,471	1,352	+249	+18.4%	(129)	+119	+8.8%
Adjusted EBITDA	134	122	94	+40	+43.1%	(12)	+29	+30.7%
in % of Revenues	8.4%	8.3%	6.9%					
D&A ⁽¹⁾ & Reserves ⁽²⁾ w/o PPA amortization	(86)	(79)	(84)	(2)	ns	+6	+4	ns
Adjusted EBITA	48	43	10	+38	ns	(5)	+33	ns
PPA amortization	(20)	(18)	(19)	(2)	(8.9)%	+2	+0	+0.6%
Non-recurring items	(20)	(19)	(3)	(17)	ns	+1	(16)	ns
EBIT	8	5	(11)	+19	ns	(3)	+17	ns
Net Result Continuing	(77)	(76)	(84)	+8	+8.9%	+1	+9	+10.1%
Net Result Discontinued	63	63	5	+58	ns	(0)	+58	ns
Net Result Group (Group share)	(14)	(13)	(79)	+65	+82.6%	+1	+66	+83.6%
Adjusted EBITDA	134	122	94	+40	+43.1%	(12)	+29	+30.7%
Capex	(57)	(52)	(40)	(16)	(39.8)%	+4	(12)	(29.0)%
Non-recurring items (cash impact)	(37)	(36)	(57)	+20	+35.7%	+1	+21	+37.1%
WC-OAL variation ⁽¹⁾	(76)	(71)	(211)	+135	+63.8%	+5	+140	+66.3%
FCF before Financial & Tax	(35)	(37)	(215)	+180	+83.5%	(1)	+178	+82.9%
FCF after Financial & Tax	(89)	(88)	(257)	+168	+65.3%	+1	+169	+65.7%
Net Debt (IFRS)	(1,141)	(1,117)	(1,096)	(45)	(4.1)%			

⁽¹⁾ Including IT capacity use for rendering in Technicolor Creative Studios of €(4)m in H1 2022 and €0m in H1 2021

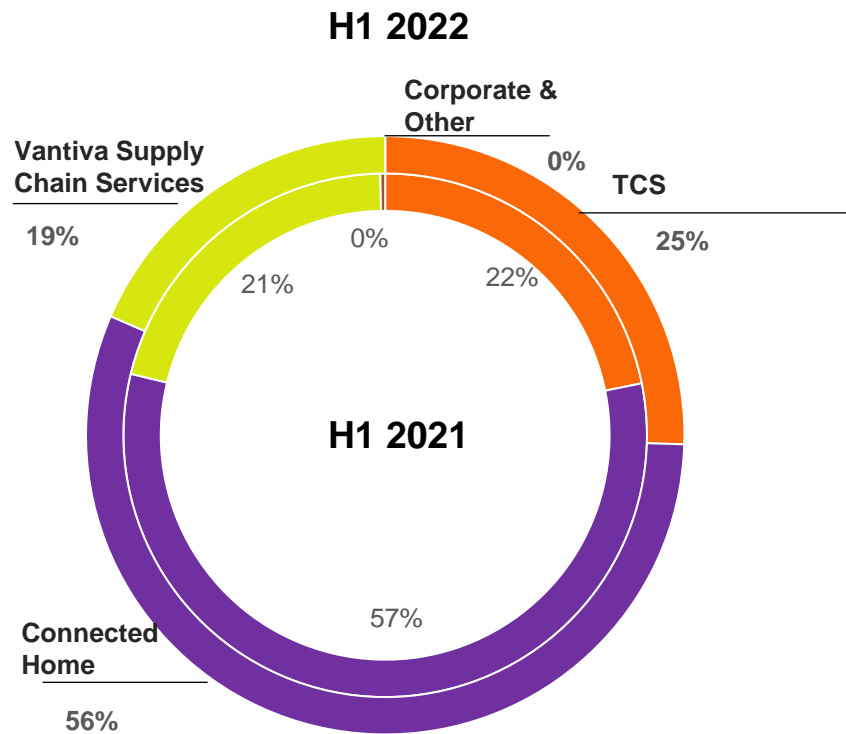
⁽²⁾ Risk, litigation and warranty reserves

GROUP PROFILE

REVENUE EVOLUTION

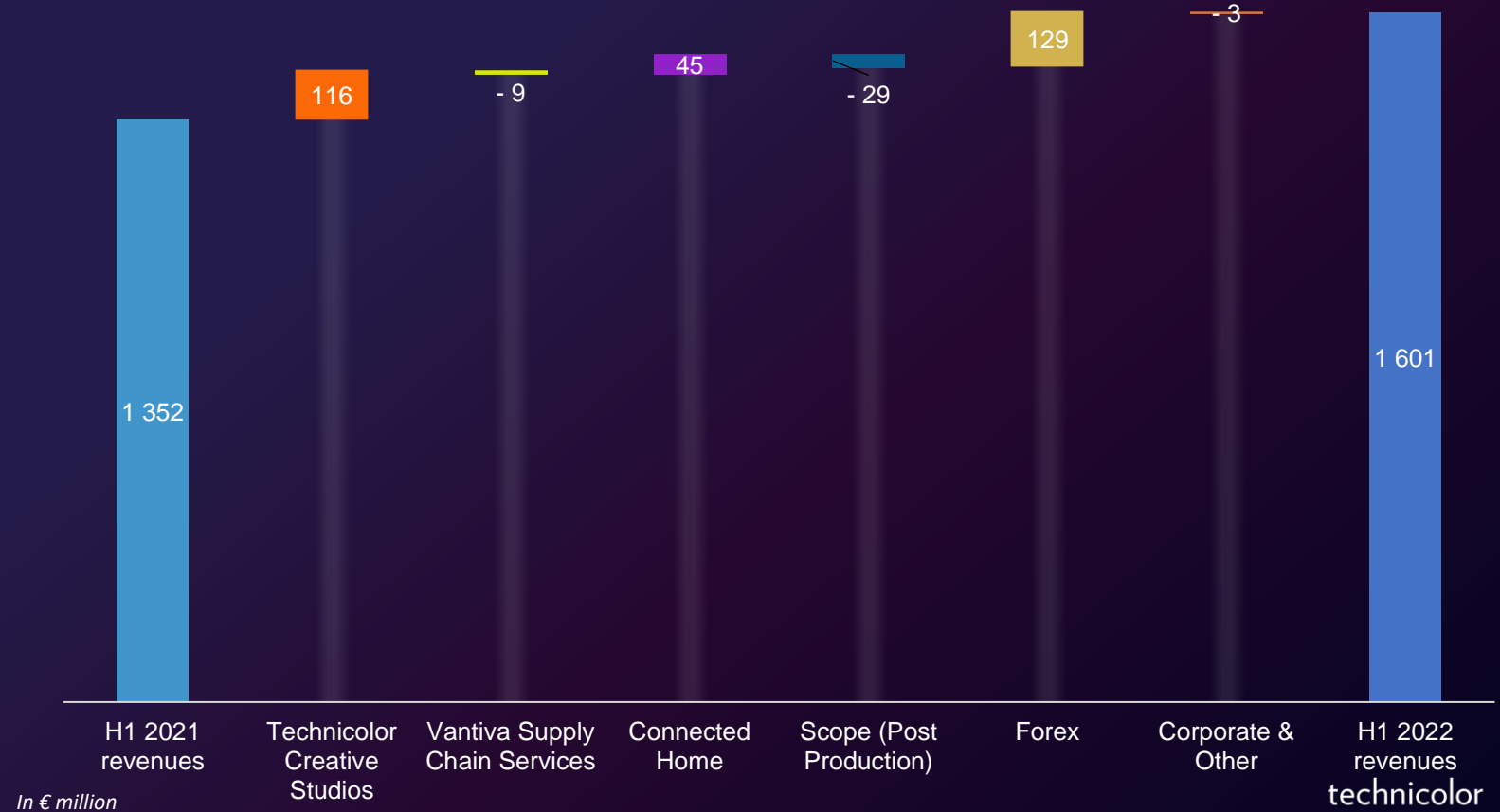
H1 2022 REVENUES BY SEGMENT

H1 2022 REVENUES
€1,601m



REVENUE INCREASE

+18.4% AT CURRENT EXCHANGE RATE
+8.8% AT CONSTANT EXCHANGE RATE
+11.2% AT CONSTANT EXCHANGE RATE AND CONSTANT PERIMETER

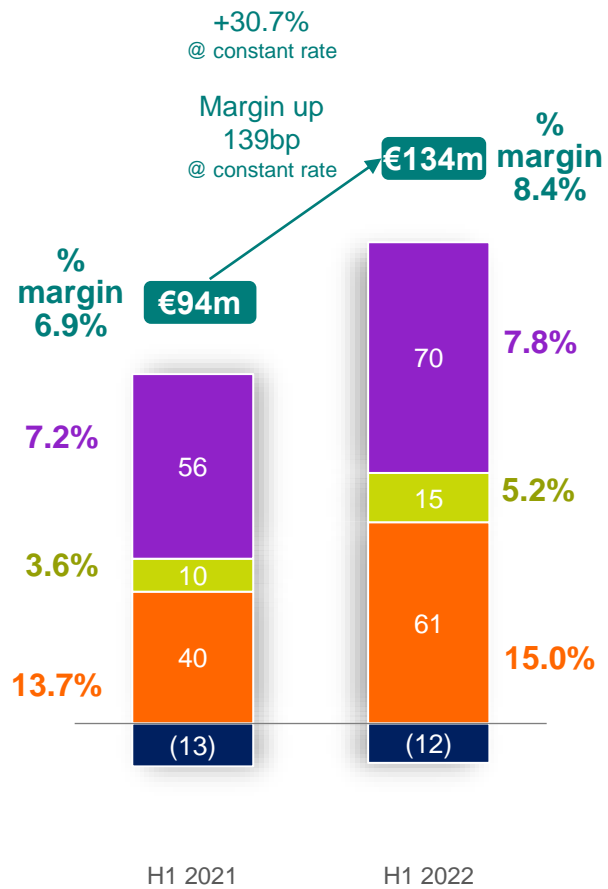


In € million

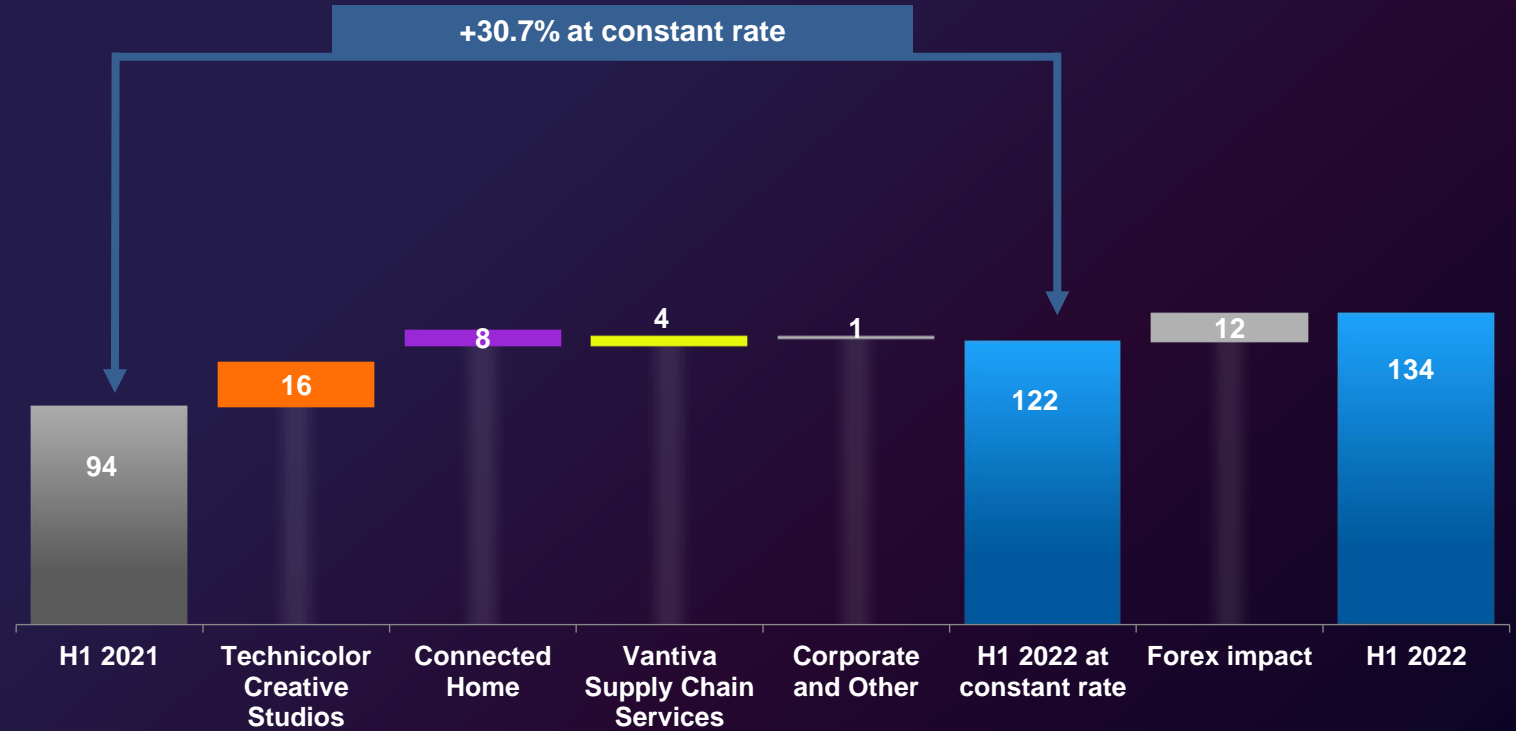
ADJUSTED EBITDA BRIDGE VS. H1 2021

EBITDA BY SEGMENT

Adjusted EBITDA (in € million)



EBITDA GROWTH



In € million

FROM ADJUSTED EBITDA TO EBIT IN SUMMARY

in € million	H1 2022		H1 2021	vs.H1 2021 (a)	Forex impact (b)	vs. H1 2021 at constant rate (c=a+b)
	Current rate	LY rate	LY rate	Current rate		LY rate
Adjusted EBITDA	134	122	94	+40	(12)	+29
D&A ⁽¹⁾ & Reserves ⁽²⁾ w/o PPA amortization	(86)	(79)	(84)	(2)	+6	+4
Adjusted EBITA	48	43	10	+38	(5)	+33
PPA amortization	(20)	(18)	(19)	(2)	+2	+0
Impairments & write-off	(3)	(3)	(2)	(1)	+0	(1)
Restructuring	(8)	(7)	(26)	+18	+0	+18
Other Non-Current	(9)	(9)	25	(34)	+0	(34)
EBIT Continuing	8	5	(11)	+19	(3)	+17

⁽¹⁾ Including IT capacity use for rendering in Technicolor Creative Studios of €(4)m in H1 2022 and €0m in H1 2021

⁽²⁾ Risk, litigation and warranty reserves

FROM EBIT TO NET RESULT GROUP

in € million	H1 2022		H1 2021	vs. H1 2021 (a)	Forex impact (b)	vs. H1 2021 at constant rate (c=a+b)
	Current rate	LY rate	LY rate	Current rate		LY rate
EBIT Continuing	8	5	(11)	+19	(3)	+17
Net Interest Expense	(71)	(69)	(61)	(10)	+2	(8)
Other Financial	6	6	(2)	+7	+1	+8
Net financial result	(65)	(63)	(63)	-2	+2	-
Profit before Tax	(58)	(58)	(74)	+17	(0)	+17
Tax	(19)	(18)	(10)	(9)	+1	(8)
Net Result Continuing	(77)	(76)	(84)	+8	+1	+9
Net Result Discontinued	63	63	5	+58	(0)	+58
Net Result Group (Group share)	(14)	(13)	(79)	+65	+1	+66

FREE CASH FLOW FROM CONTINUING OPERATIONS

FREE CASH FLOW FROM CONTINUING OPERATIONS: H1 2022 VS. H1 2021



In € million

LIQUIDITY AND DEBT

Liquidity at June 30, 2022 (€m)	Amount of credit line	Available credit line*	Drawn amount	Available amount
Cash on hand				168
<u>Committed credit facilities:</u>				
Wells Fargo credit line (\$125m)	120	48	0	48
Liquidity				€216m

€m	Nominal Amount	IFRS Amount
Total Gross Debt	1,373	1,309
Cash and Cash Equivalents	(168)	(168)
Total Net debt	1,205	1,141

Wells Fargo line undrawn at June 30, 2022

€39m used at June 30, 2022 on CH-France's €40m committed factoring line

Net Debt / EBITDA ratio of 4.01x below the 4.50x covenant

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

APPENDIX

TECHNICOLOR CREATIVE STUDIOS H1 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

H1 2022		H1 2021	Vs. H1 2021 (a)		Forex impact (b)	vs. H1 2021 at constant rate (c=a+b)	
Current rate	LY rate	LY rate	Current rate	LY rate			
408	382	295	+113	+38.3%	(26)	+87	+29.6%
61	57	40	+21	+51.3%	(4)	+16	+40.3%
15.0%	14.8%	13.7%					
(35)	(33)	(35)	(0)	(0.4)%	+2	+2	+5.8%
26	24	6	+21	ns	(2)	+18	ns
(4)	(4)	(4)	ns	ns	+0	ns	ns
(4)	(4)	3	(6)	ns	(0)	(6)	ns
18	16	4	+14	ns	(2)	+12	ns

⁽¹⁾ Including IT capacity use for rendering in Technicolor Creative Studios of €(4)m in H1 2022 and €0m in H1 2021

⁽²⁾ Risk, litigation and warranty reserves



CONNECTED HOME H1 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

H1 2022		H1 2021
Current rate	LY rate	LY rate
897	815	770
70	64	56
7.8%	7.8%	7.2%
(32)	(29)	(27)
37	34	29
(12)	(10)	(10)
(2)	(2)	(3)
24	22	15

vs. H1 2021 (a)		Forex impact (b)	vs. H1 2021 at constant rate (c=a+b)	
Current rate			LY rate	
+126	+16.4%	(82)	+45	+5.8%
+14	+25.1%	(6)	+8	+14.4%
(6)	(21.2)%	+3	(3)	(10.4)%
+8	+28.6%	(3)	+5	+18.0%
(1)	(9.6)%	+1	+0	+0.7%
+1	+26.2%	+0	+1	+41.0%
+8	+53.1%	(2)	+7	+43.2%

⁽¹⁾ Risk, litigation and warranty reserves



VANTIVA SUPPLY CHAIN SERVICES

H1 2022 PROFITABILITY

Vantiva Supply Chain 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

H1 2022		H1 2021	vs. H1 2021 (a)		Forex impact (b)	vs. H1 2021 at constant rate (c=a+b)	
Current rate	LY rate	LY rate	Current rate	LY rate			
296	274	283	+13	+4.5%	(22)	(9)	(3.2)%
15	14	10	+5	+49.5%	(1)	+4	+34.8%
5,2%	5,0%	3,6%					
(16)	(14)	(20)	+5	+22.6%	+1	+6	+29.3%
(1)	(1)	(10)	+9	+94.9%	(0)	+9	+93.6%
(4)	(4)	(4)	(0)	(9.3)%	+0	+0	+0.8%
(3)	(3)	(16)	+13	+81.9%	+0	+13	+83.4%
(8)	(7)	(30)	+22	+74.2%	+1	+23	+75.9%

⁽¹⁾ Risk, litigation and warranty reserves

DEBT STRUCTURE AS OF JUNE 30, 2022

In million currency	Currency	Nominal Amount	IFRS Amount	Type of rate	Nominal rate ⁽¹⁾	Repayment Type	Final maturity	Moodys / S&P rating
New Money Notes	EUR	371	378	Floating	12.00% ⁽²⁾	Bullet	Jun. 30, 2024	Caa1/B
New Money Term Loans	USD	126	128	Floating	12.45% ⁽³⁾	Bullet	Jun. 30, 2024	Caa1/B
Reinstated Term Loans	EUR	467	411	Floating	6.00% ⁽⁴⁾	Bullet	Dec. 31, 2024	Caa3/CCC
Reinstated Term Loans	USD	140	123	Floating	7.04% ⁽⁵⁾	Bullet	Dec. 31, 2024	Caa3/CCC
Subtotal	EUR	1,104	1,040		8.88%			
Lease Liabilities ⁽⁶⁾	Various	212	212	Fixed	8.96%			
Accrued Interest	Various	18	18	NA	0%			
Accrued PIK	EUR+USD	37	37	NA	0%			
Other Debt	Various	1	1	NA	0%			
Total Gross Debt		1,373	1,309		8.52%			
Cash & Cash equivalents	Various	(168)	(168)					
Total Net Debt		1,205	1,141					

(1) Rates as of June 30, 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 €186 million is operating lease debt under IFRS 16

THANK YOU

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