



Press Release

Vantiva Announces it has entered into an agreement with CommScope to acquire CommScope's Home Networks in exchange for a 25% stake in Vantiva SA, a key milestone in its strategic roadmap

Paris (France), October 3rd, 2023 – Vantiva (Euronext Paris: VANTI), formerly known as Technicolor, a global technology leader designing, developing and supplying innovative products and solutions connecting consumers around the world, today announced that it has entered into a call option agreement with CommScope, a US company (NASDAQ : COMM), to acquire CommScope's Home Networks division (Home Networks), a provider of devices that supply residential connectivity and video set top box solutions. The planned acquisition of CommScope Home Networks represents a transformational transaction for Vantiva, as it would significantly increase Vantiva's Connected Home capabilities. In the last twelve months ending June 2023, CommScope Home Networks and Vantiva's Connected Home generated \$[1.5]bn and €[2.0]bn in sales, respectively.

“This planned strategic acquisition represents a unique transformative opportunity for Vantiva,” said Luis Martinez-Amago, CEO of Vantiva. “It will enable us to reinforce Vantiva's Connected Home operations, accelerate our innovation roadmap and expand into new markets through additional commercial partnerships. From a financial perspective, the acquisition of Home Networks will substantially increase the scale of our business while also generating synergies, which will significantly strengthen our free cash flow generation potential. This will result in a value-enhancing transaction benefiting all stakeholders, including end-consumers, customers, employees, shareholders and lenders. Subject to various approvals, we will be thrilled to welcome CommScope as a shareholder in Vantiva and our new colleagues joining us from CommScope Home Networks.”

Following the acquisition, Vantiva would significantly expand its portfolio of clients, increase its footprint to key geographies, and enhance its capabilities for innovation as a result of the combination of best practices from both businesses, ultimately benefitting customers and strengthening Vantiva's existing diversification strategy. Vantiva would fully integrate Home Networks into its Connected Home division, improving operational efficiency through increased scale. As a result, the transaction is currently expected to generate in excess of €[100]m in pre-tax cash synergies on a run-rate basis (estimated to be reached in fiscal year 2026), primarily driven by cost optimization initiatives and operational efficiencies. Cash impact from net synergies is expected positive from 2025 on. This synergy potential would significantly improve Vantiva's cash generation, ultimately driving value creation for all stakeholders.

Under the terms of the transaction, CommScope would receive:

- A stake in Vantiva at closing, representing a 25% stake on a fully diluted basis, through a share capital increase reserved to CommScope as consideration for the Home Networks business being transferred to Vantiva;
- A maximum cumulative earnout of \$100m in cash contingent upon Vantiva (at constant scope) achieving an EBITDA equal or exceeding €400m in a given fiscal year over the 5 years following the first full year after closing. Maximum payment in a year would be \$50m.





As a result of the transaction, CommScope would therefore become a welcomed key reference shareholder in Vantiva. CommScope would also have one representative join Vantiva's Board of Directors, highlighting its commitment to and support for Vantiva's strategy and the value creation potential associated with the transaction. In addition, CommScope would commit to an 18-month lock-up period with regards to the Vantiva shares received as part of the transaction.

"We are excited about the strategic opportunity to sell our Home Network business to Vantiva and become a key reference shareholder in Vantiva," said Chuck Treadway, CEO of CommScope. "The combination of the two entities will create value for customers and other stakeholders and we look forward to supporting Luis and the rest of the Vantiva team in the execution of the combination and the potential value creation."

Under the terms of the agreement, the acquisition is subject to Vantiva's exercise of the call option following information and consultation processes with relevant employee representative bodies, which will be initiated as soon as possible.

Subject to the exercise of the call option, the capital increase reserved to CommScope will be submitted to the approval of the shareholders of Vantiva. RSM, acting as independent expert, has been appointed by Vantiva with the agreement of the Board of Directors to issue an opinion on the fairness of the financial terms of the transaction. The conclusion of the report of the independent expert mandated by Vantiva will be included in the information sent to shareholders prior to the holding of the shareholders' meeting. When approved by the AMF, a prospectus describing the transaction will be made available to shareholders.

The transaction, which would be expected to be completed late Q4 2023, would also be subject to the receipt of regulatory approvals and customary closing conditions.

The transaction has been approved by the board, in which main shareholders (Angelo Gordon, Bain Capital and Bpifrance) are represented, and supported by Briarwood the largest shareholder not part of the Board.

Advisors

d'Angelin & Co. is acting as financial advisor to Vantiva. Bryan Cave Leighton Paisner is acting as legal advisor to Vantiva. Faegre Drinker Biddle & Reath is acting as legal antitrust advisor to Vantiva.

Conference Call

An audio webcast conference will be hosted by Vantiva on October 3rd at 10am CEST.
Dial-in details: <https://edge.media-server.com/mmc/p/gbmdaykq/>

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 Vantiva'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 26, 2023, under number D-23-0337.





About Vantiva

Pushing the Edge

Vantiva shares are admitted to trading on the regulated market of Euronext Paris (VANTI).

Vantiva, formerly known as Technicolor, is headquartered in Paris, France. It is an independent company which is a global technology leader in designing, developing and supplying innovative products and solutions that connect consumers around the world to the content and services they love – whether at home, at work or in other smart spaces. Vantiva has also earned a solid reputation for optimizing supply chain performance by leveraging its decades-long expertise in high-precision manufacturing, logistics, fulfillment and distribution. With operations throughout the Americas, Asia Pacific and EMEA, Vantiva is recognized as a strategic partner by leading firms across various vertical industries, including network service providers, software companies and video game creators for over 25 years. The group's relationships with the film and entertainment industry goes back over 100 years by providing end-to-end solutions for its clients.

Vantiva is committed to the highest standards of corporate social responsibility and sustainability across all aspects of their operations.

For more information, please visit vantiva.com and follow Vantiva on [LinkedIn](#) and [Twitter](#).

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