

Forsee Power announces the launch of a capital increase to finance the acceleration of its commercial, industrial and technological development

- > **Capital Increase without shareholders' preferential subscription rights, by way of a public offering and with a 3-day priority subscription period on an irreducible basis granted to existing shareholders, for an amount of approximately €50 million, which may be increased up to €57.5 million in case of a full exercise of the upside option¹**
- > **Launch of a Private Placement to institutional investors via accelerated bookbuilding process on April 25th, 2023**
- > **Priority subscription period and public offering open from April 26th, 2023 until April 28th, 2023 (inclusive) at 17.00 (Paris time)**
- > **Subscription price to be set at €2.79 per new share**
- > **Subscription Commitments from existing shareholders and new investors totaling €33.3 million**

Paris, April 25th 2023 – 17.45 CEST – Forsee Power (FR0014005SB3 – FORSE – the “**Company**”), an expert in smart battery systems for sustainable electromobility, announces the launch of a capital increase without shareholders' preferential subscription rights by way of a public offering and with a priority subscription period on an irreducible basis granted to existing shareholders (the “**Capital Increase**”), for an amount of approximately €50 million, which may be increased up to €57.5 million in case of a full exercise of the upside option (the “**Upside Option**”).

Christophe Gurtner, Chairman and Chief Executive Officer of Forsee Power declared: “A pioneering company that has become a leader in smart battery systems for high value-added market segments, Forsee Power has been able since the success of its IPO 18 months ago, to increase its market share with the Company's 2022 turnover growing by +53% to €111 million, to internationalize its customer portfolio and to expand its industrial capacities with, in particular, its establishment in the United States and to strengthen its technological leadership with the launch of new product ranges.

On the back of these achievements combined with a favorable market context and a sustained commercial momentum with sales doubling during the first quarter of 2023, we have decided to accelerate our development in order to meet the exponential needs for the electrification of heavy and light vehicles.

The net proceeds of this capital increase will be allocated to the support of our innovation and especially to the development of new products and services as well as to our industrial deployment on a global scale, with in particular the expansion of our industrial capacities in the United States

and the strengthening of our production tools to meet the strong demand for our products, which is already reflected by an order backlog of around €1.4 billion until 2028².

This capital increase will enable Forsee Power to reach a new phase in its history, which will combine strong growth and sustainable profitability.

> **Capital Increase terms and use of proceeds**

The Capital Increase was decided by the board of directors of the Company on April 21st, 2023 pursuant to the 13th resolution of the combined shareholders' meeting of the Company held on June 24th, 2022 and was voted by all the directors that took part in the vote.

This Capital Increase will lead to the issuance of 17 921 146 new shares, which may be increased to 20 609 317 new shares in case of a full exercise of the Upsize Option ("**New Shares**"), corresponding to 38.47% of the Company's share capital.

The net proceeds from the issue of New Shares will be allocated as follows:

- up to approximately €15 million, for innovation and the development of new products, in order to enable (i) the development of digitization and artificial intelligence, (ii) the development of new generation of technologies and products, (iii) the pursuit of cost optimization and (iv) the strengthening of the safety of battery systems;
- up to approximately €20 million, for the acceleration of the international industrial development, in order to allow (i) the increase in the production capacity of existing facilities and (ii) the development of the industrial presence in the United States of America; and
- up to approximately €15 million, for general corporate purposes of the group, in order to (i) respond to the large volumes of business and support the growing demand for production and (ii) strengthen the balance sheet structure of the Company.

This press release relates to the launch of the Private Placement (as defined below).

> **Priority subscription period**

Subject to the approval of the Prospectus (as defined below) relating to the Capital Increase by the *Autorité des Marchés financiers* (the "**AMF**"), the Company's existing shareholders will be granted a 3-day priority subscription period on an irreducible basis (*à titre irréductible*), which will run from April 26th 2023 to April 28th 2023 (inclusive) at 17.00 (Paris time) for the shareholders of record as of April 25th 2023. Such priority right will not be listed nor transferable.

As part of the priority subscription period, the Company's shareholders may subscribe on an irreducible basis up to their pro-rata shareholding in the capital of the Company.

> **Private placement and public offering**

The New Shares not subscribed for during the priority subscription period as described above are being offered in a global offering including:

- a private placement to institutional investors, within and outside of France, excluding certain countries, in particular the United States of America, Japan, Canada and Australia, that will be executed through an accelerated bookbuilding process on April 25th (the "**Private Placement**");

² Backlog includes indications of firm orders from customers, which are included in backlog with a probability of 100%, as well as specific expressions of interest and advanced negotiations with customers for which the Group is the sole supplier which are reflected in backlog at corresponding weighted probability rates (between 50% and 75%). The backlog also reflects business for which the Group has received (i) a request for quotation or for which the Group is in bilateral negotiations and to which management has assigned a probability of at least 50% and (ii) open orders with historical customers for which the Group receives regular purchase orders and to which management has assigned a probability of at least 50%. The definition of backlog used by the Group for operational purposes does not correspond to a standard accounting aggregate meeting a single, generally accepted definition.

- a public offering in France for retail investors principally, which will run from April 26th 2023 until April 28th, 2023 (inclusive) at 17.00 (Paris time) (the “**Public Offering**”), subject to the approval by the AMF of the Prospectus (as defined below) relating to the Capital Increase.

Orders placed in the Public Offering and Private Placement might be subject to clawback depending on the results of the priority subscriptions on an irreducible basis received during the priority subscription period.

The subscription price of the New Shares in the context of the priority subscription period and the Public Offering will be equal to the Private Placement subscription price of the New Shares and will be set at €2.79 per share.

The subscription price will be communicated in a press release published at the latest before market open on April 26th 2023.

The New Shares, shall entitle their holders to any dividends declared by the Company as from the date of issuance, will be, as from their issuance date, fully fungible with the Company’s existing shares and will be traded under the same trading line and ISIN code as the Company’s existing shares (ISIN code FR0014005SB3).

> **Main shareholders’ intentions and subscription commitments**

Subscription commitment from Eurazeo Investment Manager

Eurazeo Investment Manager, a board member of the Company which holds 15,222,118 shares of the Company (i.e. 28.41% of the share capital) as of April 25th 2023, has committed to subscribe up to 10.00% of the Capital Increase (excluding the Upsize Option) on an irreducible basis (*à titre irréductible*), by subscribing New Shares in an amount of approximately €5 million (corresponding to the subscription of 1 792 114 New Shares) (“the **Subscription Commitment of Eurazeo**”).

Subscription commitment from Mitsui & Co, Ltd

Mitsui & Co, Ltd, which holds 14,285,900 shares of the Company (i.e. 26.67% of the share capital) as of April 25th 2023, committed to subscribe up to 26.67% of the Capital Increase (excluding the Upsize Option) on an irreducible basis (*à titre irréductible*), by subscribing New Shares up to its shareholding in the capital of the Company for an amount of approximately €13.3 million (corresponding to the subscription of 4 778 983 New Shares), subject to not exceeding a holding of more than 29.90% of the Company’s share capital following the completion of the Capital Increase (“the **Subscription Commitment of Mitsui**”).

Subscription commitment from Société de Projets Industriels (Bpifrance)

Société de Projets Industriels, which holds 5,463,700 shares of the Company (i.e. 10.20% of the share capital) as of April 25th 2023, committed to subscribe up to 20.00% of the Capital Increase (excluding the Upsize Option) (i) on an irreducible basis (*à titre irréductible*), by subscribing New Shares pro rata to its shareholding in the Company, for an amount of approximately €5 million (corresponding to the subscription of 1 827 741 New Shares) and (ii) by placing a subscription order as part of the Private Placement for an amount of approximately €5 million (corresponding to the subscription of 1 756 488 New Shares) (“the **Subscription Commitment of Société de Projets Industriels**”).

Subscription commitment from lochpe-Maxion

lochpe-Maxion, one of the largest producers of automotive structural components in the Americas, with whom the Company announced on April 6th 2023 a partnership to offer the integration of battery systems for electric vehicles, especially on the chassis of trucks, buses and off-road vehicles, committed on April 21st 2023 to participate in the Capital Increase by placing a subscription order as part of the Private Placement for an amount of approximately €5 million (corresponding to the subscription of 1 792 114 New Shares) (“The Subscription Commitment of lochpe-Maxion” and

together with the Subscription Commitment of Eurazeo, the Subscription Commitment of Mitsui and the Subscription Commitment of Société de Projets Industriels, the “**Subscription Commitments**”.

The Subscription Commitments total approximately 66.7% of the amount of the Capital Increase (excluding the Upsize Option).

The Company is not aware of the intentions of its other shareholders in relation to the Capital Increase.

> **Lock-up commitments**

The Company has agreed to a lock-up period of 90 calendar days following the settlement and delivery date of the New Shares, subject to certain exceptions.

Each of Eurazeo Investment Manager, Mitsui & Co., Ltd., Sociétés de Projets Industriels, Christophe Gurtner, Ballard Power System Inc. and Iochpe-Maxion have agreed to a lock-up period of 180 calendar days after the date of settlement and delivery of the New Shares, subject to customary exceptions.

Gilbert Dupont, Jefferies GmbH, and Société Générale are acting as Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners (the “**Joint Global Coordinators**”). Lazard is acting as financial advisor of the Company.

> **Indicative Timetable**

April 25 th , 2023	Decision of the Chairman and Chief Executive Officer of the Company to launch the Capital Increase Publication of a press release announcing the launch of the Capital Increase Opening of the bookbuilding process for the Private Placement Closing of the bookbuilding process for the Private Placement Setting of the issue price by decision of the Chairman and Chief Executive Officer Approval of the Prospectus by the AMF
April 26 th , 2023	Publication (before market opens) of the press release announcing the closing of the Private Placement, the subscription price, the availability of the Prospectus and the opening of the priority subscription period and of the Public Offering Notice published by Euronext announcing the opening of the priority subscription period and the Public Offering Opening of the priority subscription period and of the Public Offering
April 28 th , 2023	Closing of the priority subscription period and of the Public Offering at 17:00 (Paris time)
May 4 th , 2023	Potential exercise of the Upsize Option Publication by the Company of the press release announcing the results of the Capital Increase Notice published by Euronext announcing the priority subscription period and the Public Offering results and admission of the New Shares to trading
May 9 th , 2023	Issuance and admission to trading of the New Shares on Euronext Paris Settlement and Delivery of the New Shares

> **Availability of the prospectus**

The prospectus (the “**Prospectus**”), comprising (i) the universal registration document of the Company approved by the AMF on April 25th, 2023 under number R.23-016 (the “**Universal Registration Document**”), and (ii) a securities note (including a summary of the Prospectus) (the “**Securities Note**”), will be made available once it receives approval by the AMF, which is expected on April 25th, 2023 at the latest.

Copies of the Prospectus will be made available free of charge at the Company's headquarters, located at, 1 boulevard Hippolyte Marques, 94200 Ivry-sur-Seine, France. The Prospectus is also available on the Company's website (<https://www.forseepower.com>) and on the AMF's website (www.amf-france.org).

Potential investors are advised to consider carefully the risk factors described in chapter 3 "Risk factors" of the Universal Registration Document and chapter 2 "Risk factors related to the Offer" of the Securities Note, before deciding whether to invest. Should all or any part of these risk factors materialize, the Company's and the group's businesses, financials, results or ability to reach its guidance may be negatively affected.

About Forsee Power

Forsee Power is a French industrial group specializing in intelligent battery systems for sustainable electric transport (light vehicles, trucks, buses, trains, ships). A major player in Europe, Asia and North America, the group designs, assembles and supplies energy management systems based on some of the most robust cells on the market and provides installation, commissioning and maintenance on site or remotely. Nearly 2,000 buses and 100,000 light electric vehicles are equipped with Forsee Power batteries. The group also offers financing solutions (battery leasing) and second life solutions for transport batteries. Forsee Power and its 600 employees are committed to sustainable development; the group has been awarded the Gold Medal by the international rating agency EcoVadis. For more information: <http://www.forseepower.com> | @ForseePower

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With respect to Member States of the European Economic Area other than France, no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any such Member State. Therefore, such securities will only be offered in any such Member State (i) to qualified investors as defined in the Prospectus Regulation or (ii) in accordance with the other exemptions of Article 1(4) of Prospectus Regulation; and provided that none of the offers mentioned in paragraphs (i) to (ii) above requires the publication of a prospectus by Forsee Power pursuant to Article 3 of the Prospectus Regulation, or a supplement to the prospectus pursuant to Article 23 of the Prospectus Regulation.

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under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). The securities of Forsee Power have not been and will not be registered under the Securities Act, and Forsee Power does not intend to conduct an offering in the United States.

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Any decision to subscribe for or purchase the shares or other securities of Forsee Power must be made solely based on information publicly available about Forsee Power. Such information is not the responsibility of the placement agents and has not been independently verified by the placement agents.

Forward-looking statements

This press release contains certain forward-looking statements about Forsee Power and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and anticipated results as well as events, operations, future services or product development and potential or future performance. Forward-looking statements are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates”, “anticipates”, “projects”, “seeks”, “endeavors”, “strives”, “aims”, “hopes”, “plans”, “may”, “goal”, “objective”, “projection”, “outlook” and similar expressions. Although the management of Forsee Power believes that these forward-looking statements are reasonably made, investors and holders of the group’s securities are cautioned that these forward-looking statements are subject to a number of known and unknown risks, uncertainties and other factors, a large number of which are difficult to predict and generally outside the control of Forsee Power, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by these forward-looking statements. These risks and uncertainties include those developed or identified in any public documents approved by the French financial markets authority (the Autorité des marchés financiers – the “AMF”) made or to be made by the group, in particular those described in Chapter 3 “Risk factors” of the 2022 universal registration document approved by the AMF on April 25, 2023 under number R.23-016. These forward-looking statements are given only as of the date of this press release and Forsee Power expressly declines any obligation or commitment to publish updates or corrections of the forward-looking statements included in this press release in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based. Any information relating to past performance contained herein is not a guarantee of future performance. Nothing herein should be construed as an investment recommendation or as legal, tax, investment or accounting advice.