

Forsee Power, A World Expert on Smart Battery Systems, Launches its Initial Public Offering on Euronext Paris

- > Initial size of the offer: issuance of new ordinary shares for an amount of approximately EUR 100 million, which may be increased to approximately EUR 115 million if the extension clause is exercised in full
- > The offer amount may increase to EUR 132.2 million if the over-allotment option is exercised in full through the sale of existing ordinary shares
- > Subscription commitment from Ballard Power Systems for at least 35% of the amount of the global offering (including in case of exercise of the extension clause but excluding the over-allotment option) up to a maximum amount of EUR 40 million
- > Indicative offer price range applicable to the French public offering and the international offering: between EUR 7.25 and EUR 9.80 per share
- > Subscription period: Until November 1st for the French public offering and until November 2nd, 2021, (13:00 Paris time) for the international offering
- > Securities eligible for PEA-PME

Paris, October 18, 2021 – 07:00 CEST — Forsee Power (the “**Company**”), expert in smart battery systems for sustainable electromobility, announces the launch of its initial public offering in the context of the admission of its shares to trading on the regulated market of Euronext Paris (ISIN code: FR0014005SB3; ticker symbol: FORSE).

On October 15, 2021, the French financial markets authority (the “**AMF**”) approved, under number 21-448, the prospectus relating to the Company’s initial public offering, consisting of a registration document approved on October 1, 2021, under number I. 21-058, a supplement to the registration document approved on October 15, 2021 under number I.21-062, a securities note and a summary of the prospectus (included in the securities note).



Strategic partnership with Ballard and subscription commitment of at least 35% of the amount of the global offering (including any exercise of the extension clause but excluding any exercise of the over-allotment option), up to a maximum amount of EUR 40 million

Ballard Power Systems, a world leader in fuel cells for medium and heavy-duty vehicles, and Forsee Power have entered into a strategic partnership to develop a fully integrated solution combining a fuel cell and battery system, optimized to meet the needs of targeted medium and heavy-duty mobility markets of bus, truck, rail, marine, and off-road.

This alliance between two industry leaders is the beginning of a long-term collaboration involving the co-design, co-development, production, marketing, and sales of integrated fuel cell-battery solutions for hydrogen vehicles.

With complementary technologies, customers, verticals and markets, the Ballard and Forsee Power partnership is expected to increase technological performance, optimize costs, extend service life, and ease installation into vehicles by providing pre-integrated and optimized electric powertrain solutions.

Hydrogen electric powertrains are made up of a number of key components, including the fuel cell module, the battery system, and Energy Management System (EMS). For the planned integrated solution, Ballard will supply the fuel cell system and related controls, and Forsee Power will supply the battery system and related battery management system (BMS), cooling system and high voltage DC/DC conversion system. The parties will jointly develop the EMS to optimize the hybrid fuel cell and battery architecture.

As part of the strategic alliance, Ballard has irrevocably undertaken to subscribe for at least 35% of the amount of the global offering (including in the event of the exercise of the extension clause, if applicable, but excluding any exercise of the over-allotment option), up to a maximum amount of EUR 40 million, subject to its ownership not exceeding 10% of the share capital or voting rights at the settlement and delivery of the global offering. This commitment would allow Ballard to acquire a stake in Forsee Power at the time of its initial public offering on Euronext Paris. Ballard has also been appointed as a director on the Board of Directors of the Company, such appointment to be effective as of the settlement and delivery of the global offering.

Forsee Power: A pioneer using strategic competitive advantages to establish itself as the reference partner for tomorrow's mobility

Forsee Power has been designing and manufacturing smart battery systems for electromobility applications since 2011. The Company positions itself in the electromobility markets that require complex and high value-added battery systems: heavy vehicles (buses, special trucks such as mining or port trucks, off-road vehicles for construction, agriculture and industry, trains and ships) and light vehicles (two- and three-wheelers, go-karts, small autonomous and robotic vehicles). The battery systems allow for zero-emission operation in 100% battery mode or with fuel cells (hydrogen) or can be used in hybrid vehicles with an internal combustion engine.

Driven by structural market trends, electromobility is establishing itself as the standard for vehicles marketed at the present time. As a central component of electric vehicles, battery systems are at the heart of the transportation sector's transformation. In 2020, the Company had revenues amounting to €62 million and over 500 employees.

Benefiting from a great deal of experience in technological developments and their commercial applications, Forsee Power has many advantages to increase its technological and business leadership:



- 1) **Technological expertise across the entire value chain**, from design to production of complex battery systems.
- 2) **Comprehensive product range that is suitable** for a wide variety of uses (100% battery, fuel cell, internal combustion hybrid) and end markets.
- 3) **Presence in markets with high value creation potential** and already-established leading positions.
- 4) **Industrial and commercial capabilities that are sized** to support the rapid growth of the industry.
- 5) **Strong shareholder structure and experienced management** with a strategic vision.

Ambitious financial targets driven by structural market trends

With a revenue target of around EUR 71 million in 2021,
Forsee Power anticipates strong growth prospects
in the short and medium term

Forsee Power thus aims to achieve*:

- ✓ Revenue of approx. EUR 180 million and aims to reach breakeven (EBITDA) in 2023.
- ✓ Revenue of approx. EUR 600 million with an EBITDA margin of >15% in 2027.

* Based on the assumptions disclosed in the registration document

Reasons for the Offer

The net proceeds of the issuance of the new shares are estimated at approximately EUR 92 million (excluding exercise of the extension clause), at approximately EUR 107 million (if the extension clause is exercised in full), and at approximately EUR 68.4 million (if a capital increase of 75% is achieved).

The net proceeds from the issuance of the new shares (excluding exercise of the extension clause) will be distributed in the following manner:

- about EUR 30 million for innovation and new product development for (i) the use of digitalization and artificial intelligence, (ii) the new generation of technologies and products, (iii) further cost optimization, and (iv) strengthening of the safety of battery systems;
- about EUR 30 million for the acceleration of industrial development internationally to support (i) the increase of the production capacity of existing facilities, (ii) the creation of an industrial presence in the United States of America and (iii) the extension of the industrial base into new countries as opportunities arise;
- about EUR 10 million for opportunity-based development operations for (i) expansion into geographical areas and product ranges complementary to those of the Group, (ii) development of the second life and end-of-life of battery systems and (iii) deployment of the services offering and operations for development as opportunities arise; and
- about EUR 30 million for the general corporate purposes of the Group, in order to (i) respond to large volumes of business, (ii) support growing production demand and (iii) strengthen the Company's balance sheet structure, in particular by (a) reimbursing Tranche B in the amount of EUR 8.5 million under the loan agreement entered into on December 21, 2020, with the European Investment Bank (the "EIB") and (b) paying



the indemnity of of EUR 1,250,000 to the EIB in connection with the transactions carried out prior to the Company's initial public offering.

If the extension clause is exercised, the proceeds from the issuance of the additional new shares thus issued will be allocated by the Company to one of the four above objectives.

In the event that only 75% of the offering is subscribed (i.e., an amount of approximately EUR 75 million), the funds raised will be allocated as a priority to innovation and the development of new products, as well as the acceleration of international industrial development (in particular in the United States), the repayment of Tranche B of the EIB loan and, for the balance, to other objectives as required or as opportunities arise.

Structure of the Offer

It is planned that the distribution of the shares offered will take place through a global offering (the "**Offering**"), including:

- > an offering to the public in France in the form of an open price offer (*offre à prix ouvert*), mainly intended for individuals (the "**French Public Offering**").
- > a global placement (the "**International Offering**"), intended primarily for institutional investors, consisting of:
 - a placement in France; and
 - an international placement in selected countries, including the United States of America pursuant to Rule 144A under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and outside the United States of America pursuant to Regulation S of the Securities Act.

Two categories of subscription orders may be submitted in the French Public Offering: (i) a fractional A1 subscription order: between 10 and 200 shares (inclusive), and (ii) a fractional A2 subscription order: above 200 shares. Fractional A1 subscription orders have priority over fractional A2 subscription orders; a reduction rate of up to 100% may be applied to fractional A2 subscription orders so that fractional A1 subscription orders may be fulfilled.

If the demand expressed in the French Public Offering allows it, the number of shares allotted in response to the orders submitted in the French Public Offering will be at least equal to 10% of the number of shares offered in the Offering (before any exercise of the extension clause or the over-allotment option).

Initial Size of the Offering

The Company will issue new ordinary shares as part of a share capital increase without any shareholders' pre-emptive subscription rights by means of a public offering of approximately EUR 100 million, including issue premium (corresponding, by way of illustration, to a maximum of 13,793,103 new shares, based on the low end of the indicative price range of the Offering).

Extension Clause

The Company may, depending on demand and after consultation with the Managers¹, increase the initial amount of the share capital increase to a maximum amount of approximately EUR 115 million, including issue premium (corresponding, by way of illustration, to a maximum of 15,862,068 new shares based on the low end of the indicative price range of the Offering) (the "**Extension Clause**").

¹ Crédit Agricole Corporate and Investment Bank, Société Générale, Gilbert Dupont, Joh.Berenberg, Gossler & Co. KG



Over-Allotment Option

FCPI Objectif Innovation Patrimoine n°9, FCPI Idinvest Patrimoine n°6, FCPI Idinvest Patrimoine 2016, FPCI Electranova - Idinvest Smart City VF, Idinvest Innov FRR France, FIP Régions & Industries, FCPI Idinvest Patrimoine 2015, IDINVEST GROWTH SECONDARY S.L.P and FPCI Electranova Capital, Groupe Industriel Marcel Dassault and Christophe Gurtner, founder of the Company, will grant to Crédit Agricole Corporate and Investment Bank, acting as stabilization agent in the name and on behalf of the Managers, the option to acquire a number of shares representing a maximum amount of 15% of the aggregate number of new shares and additional new shares, i.e. a maximum of 2,379,310 existing shares to be sold by selling shareholders (the “**Over-Allotment Option**”). The Over-Allotment Option may be exercised by the Managers until December 2nd, 2021.

Indicative Offering Price Range

The price of the shares offered in the French Public Offering shall be equal to the price of the Shares offered in the International Offering.

The indicative Offering price range set by the Board of Directors of the Company is between EUR 7.25 and EUR 9.80 per share. This Offering price range is indicative and the Offering price may be set outside the indicative Offering price range. The Offering price shall be decided by the Board of Directors of the Company on November 2nd, 2021, according to the indicative timetable.

Gross and Net Proceeds of the Offering

The gross proceeds from the issuance of the new shares amount to approximately EUR 100 million (excluding exercise of the Extension Clause), and may amount to a maximum of approximately EUR 115 million if the Extension Clause is exercised in full. If a capital increase of 75% is realized, these gross proceeds may amount approximately to EUR 75 million.

The expenses related to the Offering to be borne by the Company are estimated at approximately EUR 7.5 million (EUR 8 million if the Extension Clause is exercised in full).

The net proceeds from the issuance of the new shares are estimated at approximately EUR 92 million (excluding exercise of the Extension Clause), at approximately EUR 107.0 million (if the Extension Clause is exercised in full), and at approximately EUR 68.4 million (if a capital increase of 75% is realized).

For example, the gross proceeds from the sale of existing shares by selling shareholders may total a maximum of approximately EUR 17.2 million, if the Over-Allotment Option is exercised in full, based on an Offering price equal to the low end of the indicative Offering price range. These proceeds may total a maximum of a pproximately EUR 17.2 million, if the Over-Allotment Option is exercised in full, based on an Offer price equal to the high end of the indicative Offering Price range.

The Company will not receive any proceeds from the sale of the existing shares by selling shareholders.

Intention of Bpi France

During the meeting of the Board of Directors of the Company held on October 15, 2021, the permanent representative of Bpifrance informed the Company that he had submitted to Bpifrance’s investment committee a request to participate in the Offering, in accordance with the terms and conditions described in the prospectus and for a maximum amount of EUR 10 million. The effective participation of Bpifrance is therefore subject to the approval of this investment committee.



Lock-up undertakings

The Company is committing to a lock-up for a period of 180 calendar days following the date of the settlement and delivery of the Offering, subject to certain customary exceptions.

All shareholders of the Company, representing 100% of the Company's share capital prior to the Offering, as well as certain Group managers holding stock options have committed or will commit to a lock-up of 365 calendar days following the settlement and delivery date of the Offering, subject to certain exceptions. Ballard has committed to a lock-up of 360 calendar days, subject to certain exceptions.

Indicative timetable of the transaction

October 15, 2021	Approval of the Prospectus by the AMF.
October 18, 2021	Distribution of the press release announcing the Offering and availability of the Prospectus. Opening of the French Public Offering and the International Offering.
November 1 st , 2021	Closing of the French Public Offering at 17:00 (Paris time) for orders at branches of financial institutions and at 20:00 (Paris time) for Internet orders.
November 2 nd , 2021	International Offering closes at 13:00 (Paris time). Determination of the Offering price. Publication of the press release stating the Offer price. First listing of the Company's shares on Euronext Paris. Beginning of the stabilization period (if any).
November 3 rd , 2021	Beginning of trading of the Company's shares on Euronext Paris (on a the line "Forsee Power Prom" until the settlement and delivery date of the French Public Offering and the International Offering).
November 4 th , 2021	Settlement and delivery of the French Public Offering and the International Offering.
November 5 th , 2021	Beginning of trading of the Company's shares on Euronext Paris on the line "Forsee Power."
December 2 nd , 2021	Expiry date for exercise of the Over-Allotment Option. End of stabilization (if any).

Terms of subscription and purchase

Persons wishing to participate in the French Public Offering must place their orders with a financial intermediary authorized in France no later than November 1st, 2021, at 17:00 (Paris time) for over-the-counter orders and 20:00 (Paris time) for online orders, if this option is given to them by their financial intermediary.

In order to be taken into account, purchase and subscription orders issued in the context of the International Offering must be received by one or more of the Managers by November 2nd, 2021, at 13:00 (Paris time), except in the event of an advanced closing time.

Revocation of purchase and subscription orders

Purchase and subscription orders placed by investors online within the framework of the French Public Offering shall be revocable, online, until the closing of the French Public Offering

This press release must not be published, distributed or broadcast, directly or indirectly, in the United States of America, Australia, Canada or Japan



(on November 1st, 2021, at 20:00 (Paris time)). Investors should approach their financial intermediary to check whether purchase and subscription orders transmitted through other channels are revocable and under what conditions, or whether purchase and subscription orders transmitted online can be revoked by means other than online.

Any purchase and subscription orders issued as part of the International Offering may be revoked with the Manager that received such purchase and subscription order until November 2nd, 2021, at 13:00 (Paris time), except in the event of an advanced or extended closing time.

Forsee Power securities identification codes

- > Name: Forsee Power
- > ISIN: FR0014005SB3
- > Ticker symbol: FORSE
- > Compartment B

Financial advisor and intermediaries

Lazard is acting as financial advisor. Crédit Agricole Corporate and Investment Bank, Société Générale in collaboration with Gilbert Dupont and Berenberg are acting as Global Coordinators, Joint Lead Managers and Joint Bookrunners.

Availability of the prospectus

Copies of the prospectus approved by the AMF on October 15, 2021, under number 21-448, consisting of the registration document approved on October 1, 2021, under number I. 21-058, a supplement to the registration document approved on October 15, 2021 under number I.21-062 and a securities note (including the summary prospectus) are available free of charge from Forsee Power, as well as on the Forsee Power website (www.forseepower-finance.com) and the AMF website (www.amf-france.org).

Forsee Power draws the public's attention to section 3 "Risk Factors" of the registration document approved by the AMF and to section 2 "Risk Factors" of the securities note. The occurrence of one or more of these risks could have a material adverse effect on the Group's business, reputation, financial position, results or outlook and on the market price of Forsee Power shares.

ABOUT FORSEE POWER

Forsee Power is a French industrial group specializing in smart battery systems for sustainable electric transport (light vehicles, trucks, buses, trains, ships).

A major operator in Europe, Asia and North America, the Group designs, assembles, and supplies energy management systems based on cells that are among the most robust in the market and provides installation, commissioning and maintenance on site and remotely.

Forsee Power also offers financing solutions (battery leasing) and second-life solutions for transport batteries.

The Group recorded revenues of €62 million in 2020 and has more than 500 employees.

For more information: www.forseepower.com | @ForseePower

Contacts

Forsee Power

Sophie Tricaud
Director of Communication,
Sustainability & Public Affairs
investors@forseepower.com

NewCap

Thomas Grojean
Mathilde Bohin
Quentin Massé
Investor Relations
forseepower@newcap.eu
+33 (0)1 44 71 94 94

NewCap

Nicolas Merigeau
Media Relations
forseepower@newcap.eu
+33 (0)1 44 71 94 98



Notice

No communication and no information in respect of the issue by Forsee Power of the shares (the “**Shares**”) may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken outside of France in any jurisdiction where such steps would be required. The offering and subscription of the Shares may be subject to specific legal or regulatory restrictions in certain jurisdictions. Forsee Power assumes no responsibility for any violation of any such restrictions by any person.

This announcement is not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and the Council of June 14th, 2017, as amended (the “**Prospectus Regulation**”).

With respect to the member States of the European Economic Area other than France (each, a “**relevant member State**”) no action has been undertaken or will be undertaken to make an offer to the public of the securities requiring a publication of a prospectus in any relevant member State. As a result, the Shares can only be offered and will only be offered in relevant member States (a) to legal entities that are qualified investors as defined in the Prospectus Regulation or (b) in accordance with the other exemptions of Article 1(4) of the Prospectus Regulation.

For the purposes of this paragraph, the notion of an “**offer to the public of Shares**” in each of the relevant member States, means any communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the Shares to be offered, so as to enable an investor to decide to purchase or subscribe for those securities.

This selling restriction comes in addition to the other selling restrictions applicable in the other member States.

This press release and the information it contains are being distributed to and are only intended for persons who are (x) outside the United Kingdom or (y) in the United Kingdom who are qualified investors (as defined in the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018) and are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) high net worth entities and other such persons falling within Article 49(2)(a) to (d) of the Order (“high net worth companies”, “unincorporated associations”, etc.) or (iii) other persons to whom an invitation or inducement to participate in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (y)(i), (y)(ii) and (y)(iii) together being referred to as “**Relevant Persons**”). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities to which this press release relates will only be engaged with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this press release or any of its contents.

This press release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities nor of any offer or solicitation to sell securities in the United States. The securities mentioned herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and may not be offered or sold, directly or indirectly, within the United States except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. Forsee Power does not intend to register any portion of the proposed offering in the United States nor to conduct a public offering of securities in the United States.

The distribution of this document in certain countries may constitute a breach of applicable law. The information contained in this document does not constitute an offer of securities for sale in the United States, Canada, Australia or Japan.

This press release may not be published, forwarded or distributed, directly or indirectly, in the United States, Canada, Australia or Japan.

In case of exercise of the over-allotment option, Crédit Agricole Corporate and Investment Bank (or any entity acting on its behalf), acting as a stabilizing agent in the name and on behalf of the underwriters may, without being bound and having the right to terminate at any time, during a period of 30 days following the date on which the price for the offering is determined, i.e., according to the indicative timetable, from November 2, 2021 up to and including December 2, 2021, carry out transactions with a view to maintaining the market price of Forsee Power shares in a manner consistent with applicable laws and regulations and, in particular, Regulation (EU) No. 596/2014 of the European Parliament and of Council of April 16, 2014 supplemented by Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016. Any stabilizing action aims to support the market price of Forsee Power shares and may affect the share price.

MiFID II Product governance / target market: According to the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures, the target market assessment in respect of the shares offered in the global offering (the “**Offered Shares**”) has led to the conclusion that : (i) the target market of the Offered Shares is eligible counterparties, professional clients and retail clients, each as defined in MiFID II; and (ii) all channels for distribution of the Offered Shares are appropriate (the “**Target Market Assessment**”). Any person subsequently offering, selling or recommending the Offered Shares (a “**distributor**”) should take into consideration the manufacturers' Target Market Assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the

This press release must not be published, distributed or broadcast, directly or indirectly,
in the United States of America, Australia, Canada or Japan



Offered Shares (by either adopting or refining the manufacturers' Target Market Assessment) and determining appropriate distribution channels.

The Target Market Assessment is conducted solely for the purposes of the manufacturer's product approval process and neither constitutes an assessment for any particular client of suitability or appropriateness for the purposes of MiFID II nor a recommendation to invest in, or purchase, or take any other action whatsoever with respect to the Offered Shares.

Notwithstanding the Target Market Assessment, the attention of distributors is drawn to the fact that: the price of the Offered Shares may decline and investors could lose all or part of their investment; the Offered Shares offer no guaranteed income and no capital protection; and that an investment in the Offered Shares is compatible only with investors who do not need a guaranteed income or capital protection, who are capable (either alone or in conjunction with an appropriate financial or other adviser) of evaluating the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result therefrom.

Forward looking statements

Certain information contained in this press release is forward looking statements and not historical data. These forward looking statements are based on opinions, projections and current assumptions including, but not limited to, assumptions concerning the Group's current and future strategy and the environment in which the Group is developing. They imply known or unknown risks, uncertainties and other factors, which could result in actual results, performances or achievements, or the results of the sector or other events, differing significantly from those described or suggested by these forward looking statements. These risks and uncertainties include those that are indicated and detailed in Chapter 3 "Risk factors" of the registration document.

These forward looking statements are given only on the date of this press release and the Group 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. The forward looking statements and information do not constitute guarantees of future performances, and are subject to various risks and uncertainties, a large number of which are difficult to predict and generally outside the control of the Group. Actual results may differ significantly from those described, suggested or projected by the forward looking information and statements.