



BALYO announces sales for the 1st half of 2023, up +79% to €14.9m

- Order intake growth of 31% vs. H1 2022 due to favorable seasonality commitment orders with Linde Material Handling
- Delay in direct sales orders which represent 24% of orders in H1 2023 vs. 36% in H1 2022
- Q2 2023 sales at €7.6m, +73% vs. Q2 2022
- Order book¹ at €10.3m at June 30, 2023, down slightly vs. H1 2022 leading to a request for an extraordinary drawdown under the interim financing agreement with Softbank Group
- Proposed tender offer by SoftBank Group to acquire Balyo shares at €0.85 per ordinary share

Arcueil, France, July 17, 2023, 5:45 pm CEST - BALYO (FR0013258399, Mnemonic: BALYO, PEA-PME eligible), technology leader in the design and development of innovative robotic solutions for industrial trucks, announces its sales for the 1st half of 2023.

Pascal Rialland, Chairman and CEO of BALYO, comments: "The first half of 2023 was marked by strong growth in our sales, up 79% to €14.9 million. Our business is growing in all our markets. However, even if order intake for the past six months was up +31% on the previous year, direct sales did not reach the expected level in part because of client delays. As a result, Balyo will need to request an extraordinary drawdown under the interim financing agreement with Softbank in order for the Company to meet ongoing operating expenses. Finally, SoftBank Group's proposed takeover bid for Balyo shares marked the end of the first half of 2023. We believe this combination provides a secure platform to meet our short term financial obligations alongside a unique opportunity to drive long-term growth."

In thousands of euros	Q1 2022	Q2 2022	H1 2022	Q1 2023	Q2 2023	H1 2023	Change Q2 23/ Q2 22	Change H1 23/ H1 22
EMEA Region	3,380	3,863	7,243	5,736	5,064	10,800	+31%	+49%
Region Americas	382	465	847	1,388	1,871	3,259	+302%	+285%
APAC Region	111	88	199	104	707	811	+703%	+307%
Sales published*	3,873	4,416	8,289	7,228	7,642	14,870	+73%	+79%

* Unaudited data

¹ The order book refers to all project orders received but not yet delivered. The order backlog changes every quarter, taking into account new orders, sales generated by projects during the period, and any order cancellations.



Sales for the 2nd quarter and 1st half of 2023

BALYO recorded sales of €14.9 million in the first half of 2023, up 79% on the first half of 2022. In the second quarter of 2023, the Group recorded sales of €7.6 million, up 73% on the second quarter of 2022.

Evolution of order book

After integrating new orders of €3.3 million in the second quarter of 2023, BALYO's order book¹ stood at €10.3 million at June 30, 2023, compared with €11.0 million for the same period last year. This represents a decline of -6% compared with the first half of 2022, due to a slowdown in business in the United States.

Over the period, BALYO generated 24% of its sales directly, compared with 36% in 2022, a lower level of performance than the Company's ambitions, due in part to client delays.

Highlight: proposed takeover bid by SoftBank Group

At the beginning of June, SoftBank Group initiated a proposed takeover bid to acquire the shares of BALYO. This friendly offer is priced at €0.85 per ordinary share. BALYO complements SoftBank's existing investments in the transport and logistics sectors. The investment will enable SoftBank Group to expand its business in the transportation and mobility sectors, while BALYO will gain access to its partner's global network of over 470 technology-driven companies to develop new business relationships. As part of the SoftBank Group ecosystem, it is expected that BALYO will have the long term security and support to deliver on its direct sales strategy.

In connection with the Offer, SoftBank has agreed to provide interim financing of up to €5 million to BALYO to meet its working capital requirements. This financing will be paid in several drawdowns and structured in the form of convertible bonds issued by BALYO to SoftBank, maturing on October 31, 2024. As a result of softer than expected orders in H1, Balyo requested the issuance of the first tranche of financing on 19 July 2023 for an amount of €1.5 million.

The amount drawn down by BALYO under the financing is convertible at SoftBank' selection, at the following price:

- (i) at the Offer price per ordinary share, if the conversion is on or after the filing of the Offer but before the earlier of the closing of the Offer and the termination of the Offer (meaning the tender offer agreement being terminated in accordance with its terms for any reason whatsoever) ;
- (ii) at the lower of (a) the Offer price, and (b) a 20% discount to Balyo's ordinary share price at the date of the conversion notice, based on the last thirty (30) day VWAP, if the conversion is on or after the earlier of the closing of the Offer and the termination of the Offer and BALYO's shares are still listed on Euronext Paris; and
- (iii) at the lower of (a) the Offer price per ordinary share, and (b) a 20% discount to the fair market value of Balyo's shares, if the conversion is on or after the earlier of the closing of the Offer and the termination of the Offer and Balyo's shares have ceased to listed on Euronext Paris following successful completion of a mandatory squeeze-out on the remaining outstanding shares of Balyo.



Upon termination of the Offer (as the case may be), the Financing will remain in place but the amount available to Balyo shall be reduced to EUR 3,000,000 less any amounts that have previously been drawn².

BALYO's Board of Directors welcomed the Offer in principle on June 13, 2023, pending the independent expert's conclusions on its financial terms. BALYO's Economic and Social Council issued also a favorable opinion on the Offer on July 5. All the documents relating to the Offer will be filed with the AMF during the third quarter of 2023, following the Board of Directors' reasoned opinion on the Offer, with completion of the Offer scheduled for the fourth quarter of 2023.

Strategy and outlook

BALYO remains confident to recover the delay of direct sales order during H2 2023.

Next BALYO financial announcement: half-year results 2023, on September 28, 2023.

About BALYO

Humans around the World deserve enriching and creative jobs. At BALYO, we believe that pallet movements in DC and manufacturing sites should be left to fully autonomous robots. To execute this ambition, BALYO transforms standard forklifts into intelligent robots thanks to its breakthrough Driven by Balyo™ technology. Our leading geo guidance navigation system enables robots to locate their position and navigate autonomously inside buildings - without the need for any additional infrastructure. To accelerate the material handling market conversion to autonomy, BALYO has entered into two global partnerships with KION (Fenwick-Linde's parent company) and Hyster-Yale Group. A full range of globally available robots has been developed for virtually all traditional warehousing applications; Tractor, Pallet, Stackers, Reach and VNA-robots. BALYO and its subsidiaries in Boston and Singapore serve clients in the Americas, Europe and Asia-Pacific. The company has been listed on EURONEXT since 2017 and its sales revenue reached €24.1 million in 2022. For more information, visit www.balyo.com.

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² Without any early repayment for any amount in excess of EUR 3,000,000.