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BALYO announces the completion of a capital increase by private placement

- Closing of a private placement with qualified French and international investors for €7.8 million
- Proceeds of the issue mainly intended to accelerate the commercial ramp-up of the latest generation of robots
- Concomitant sale of 1.358.911 existing shares held by Seventure Partners, for an amount of €1.7 million

Ivry-sur-Seine, France, October 15, 2021, 7:30 am CEST – BALYO (FR0013258399, Mnémonique: BALYO, éligible PEA-PME), (the "Company"), announces today the success of a capital increase with cancellation of the preferential subscription right by placement of a final amount of €6.1 million to qualified French and international investors (the "Primary Offering"), carried-out by accelerated construction of an order book.

Concurrently with the Primary Offer, funds managed by Seventure Partners (together, the "Selling Shareholder"), historical shareholder of the Company since 2010, have sold 1,358,911 existing shares, at the same price as the Primary Offer, i.e. an amount of €1.7 million (the "Secondary Offer" and together with the Primary Offer, the "Offer"). The funds managed by Seventure Partners will continue to support the development and growth of the Company. In this respect, they have committed to holding their residual stake for a minimum period of 15 months from the date of completion of the transaction.

Bryan, Garnier & Co Limited¹ is acting as Sole Global Coordinator, Lead Manager and Bookrunner of the transaction.

The Primary Offering resulted in the issuance of 4.885.089 new ordinary shares, representing 16.7% of the Company's current share capital, at a price per share of €1.25 (including share premium), representing a total fundraising of €6,106,361.25 (including share premium).

Following the Primary Offering, the share capital of the Company is now composed of 33,675,587 shares with a par value of €0.08 each. Based on the Company's cash position (€6.4 million as at 30 June 2021) and its forecasted expenses, the amount raised in the transaction should enable the Company to achieve its strategic objectives.

"We would like to thank the new investors who have joined us and those who have reaffirmed their support for this transaction. These new resources provide us with the necessary means to accelerate the commercialization of our offer and to meet the growing demand from international customers who wish to improve their logistics performance," said **Pascal Riolland, Chairman and CEO of BALYO.**

¹ Acting through Bryan Garnier Securities SAS.



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Reminder of the reasons for the Primary Offer

The proceeds of the Primary Offering are primarily intended to provide the Company with additional resources to finance sales and marketing expenses to accelerate the commercial ramp-up of the latest generation of robots in 2022 as well as additional R&D expenses related to the implementation of the the roadmap of new solutions. The funds raised will also be used for working capital related to the expected growth as well as the general financing needs of the Company, for a smaller portion, less than 20%, within the framework of the latter allocation. The Company also specifies that its available cash position prior to the launch of the transaction is sufficient to cover its financing needs for the year 2021.

Main terms of the Offer

A total number of 4,885,089 new ordinary shares, with a par value of €0.08 each, were issued to qualified investors within the meaning of Article 2(e) of Regulation (EU) No. 2017/1129 of 14 June 2017, as referred to in 1° of Article L.411-2-1 of the French Monetary and Financial Code, in accordance with the 15th resolution of the Combined General Meeting of the Company dated 20 May 2021.

In addition, 1,358,911 existing shares held by funds managed by Seventure Partners, representing 4.72% of the Company's current share capital, were sold to these qualified investors.

The new shares, representing 16.7% of the Company's current share capital, on a non-diluted basis, prior to the completion of the Primary Offering (i.e., a dilution of 14.5%), were issued by decision (i) of the Board of Directors for implementation of the delegation of authority which has been granted by the 15th resolution approved by the Combined Shareholders' Meeting of the Company on 20 May 2021, and (ii) of the Chief Executive Officer as of 14 October 2021

The issue price of the new and sold shares was set at €1.25 per share, representing a discount of 7.68% to the closing price of the BALYO share on 14 October 2021, i.e. €1.354, and by 9.81% in relation to the volume-weighted average price of BALYO shares on the regulated market of Euronext Paris for the last three trading days prior to its determination (i.e. from 11 to 13 October 2021 inclusive), i.e. €1.386, in accordance with the 15th resolution of the Company's Combined General Meeting of 20 May 2021.

By way of illustration, a shareholder holding 1% of BALYO's share capital prior to the launch of the Primary Offering will now hold a 0.85% stake.

The share capital of the Company will be composed of 33,675,587 shares following settlement-delivery.

To the best of the Company's knowledge, the shareholder structure before and after the completion of the Offer is as follows:

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| BALYO shareholding | Before Offering | | After Offering (incl. Seventure sale) | |
|--|------------------|--------------|---------------------------------------|-----------|
| | Number of shares | % of capital | Number of shares | % capital |
| Members of the Board of Directors | | | | |
| Pascal RIALLAND | 1,000 | 0.0% | 1,000 | 0.0% |
| Fabien BARDINET | 74,392 | 0.3% | 74,392 | 0.2% |
| BPI FRANCE INVESTISSEMENT | 5,053,950 | 17.6% | 5,053,950 | 15.0% |
| LINDE Material Handling GmbH | 1,809,976 | 6.3% | 1,809,976 | 5.4% |
| Founders | | | | |
| Thomas Duval | 851,000 | 3.0% | 851,000 | 2.5% |
| Raul Bravo | 874,928 | 3.0% | 874,928 | 2.6% |
| Other shareholders | | | | |
| HYSTER-YALE GROUP | 1,216,545 | 4.2% | 1,216,545 | 3.6% |
| Seventure Partners SA | 2,371,685 | 8.2% | 1,012,774 | 3.0% |
| Financière Arbevel SAS | 992,944 | 3.4% | 1,552,944 | 4.6% |
| SSUG PIPE RAIF | - | 0.0% | 2,000,000 | 5.9% |
| Free float | 15,544,078 | 54.0% | 19,228,078 | 57.1% |
| TOTAL | 28,790,498 | 100.0% | 33,675,587 | 100.0% |

Admission to trading of the new shares

The new shares will rank for dividend immediately and will be admitted to trading on the regulated market of Euronext Paris under the same ISIN code FR0013258399 BALYO. Settlement and delivery of the new shares and their admission to trading on the regulated market of Euronext Paris are expected to take place within 3 business days from the closing of the private placement.

The information presented in this press release is provided following the completion of the placement of the shares by accelerated bookbuilding, which is now closed, but remains subject to the correct execution of the settlement-delivery operations, which are the subject of the placement agreement referred to below.

Pursuant to the provisions of 1° of Article L.411-2 of the French Monetary and Financial Code and Article 1.4 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, the Offer has not given rise and will not give rise to the preparation of a prospectus subject to the approval of the Autorité des marchés financiers (the "AMF").

Abstention and lock-up commitments

The Company has signed an abstention agreement for a period of 180 days from the settlement-delivery date of the Offer, subject to customary exceptions, thus limiting the Company's ability to issue new shares during this period.

Seventure Partners has signed a lock-up agreement for all the shares held by the funds it manages and not sold during the Offer, for a period of 15 months from the date of settlement-delivery of the Offer, subject to certain customary exceptions.

Risk factors

The public's attention is drawn to the risk factors relating to the Company and its business, presented in section 3 of the Universal Registration Document approved on April 27, 2021 by the AMF, available free of charge on the Company's website (balyo.fr/investors). The occurrence of some or all of these risks could have an adverse effect on the Company's business, financial condition, results, development or prospects. The risk factors presented in the said Universal Registration Document are identical as of the date of this press release. In particular, the Company states that orders placed and payments made by LINDE Material Holding (LHM) are 100% in line with order commitment targets for 2021 previously communicated.

In addition, investors are invited to take into account the following risks specific to the issue: (i) the market price of the Company's shares may fluctuate and may fall below the subscription price of the shares issued, (ii) the volatility and liquidity of the Company's shares may fluctuate significantly, (iii) disposals of the Company's shares may take place in the market and may have an adverse impact on the Company's share price, and (iv) the Company's shareholders may see potentially significant dilution as a result of any future capital increases that may become necessary to finance the Company.

About BALYO

Humans around the World deserve enriching, 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 (Linde Material Handling'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 €21.7 million in 2020. For more information, visit <https://www.balyo.com/>

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Disclaimer

This press release contains forward-looking statements that relate to the Company's objectives. While the Company considers such forward-looking statements to be reasonable, such forward-looking statements are based solely on the current expectations and assumptions of the Company's management and involve risk and uncertainties, which may result in different outcomes than those contained in the forward-looking statements.

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This announcement is an advertisement and not a prospectus within the meaning of regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation").

In France, the offering of the Company's securities as described above will be carried exclusively through an offer to the benefit of qualified investors, as defined in Article 2(1)(e) of the Prospectus Regulation and in accordance with article L. 411-2(1) of the French Monetary and Financial code (code monétaire et financier) and applicable regulatory provisions. No prospectus will require to be approved or subject to approval from the AMF (Autorité des Marchés Financiers).

With respect to Member States of the European Economic Area other than France (the "Member States"), 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 Member State. Therefore, such securities may not be and shall not be offered in any Member State (other than France) other than in accordance with the exemptions of Article 1(4) of the Prospectus Regulation or, otherwise, in cases not requiring the publication by BALYO of a prospectus under Article 3 of the Prospectus Regulation and/or the applicable regulations in such Member State.

In the United Kingdom, this press release has been prepared on the basis that any offering of the Company's securities in the United Kingdom will benefit from an exemption under Regulation (EU) 2017/1129, which is part of UK law under the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation"), regarding the obligation to publish a prospectus for offerings of the Company's securities. This press release is not a prospectus within the meaning of the UK Prospectus Regulation.

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