

*This press release does not constitute an offer to purchase securities.*

PRESS RELEASE DATED 16 AUGUST 2023

TENDER OFFER

FOR THE SHARES AND WARRANTS OF THE COMPANY

**BALYO**

INITIATED BY

SVF II STRATEGIC INVESTMENTS AIV LLC

PRESENTED BY

**ALANTRA**

PRESENTING INSTITUTION AND GUARANTOR

PRESS RELEASE RELATING TO THE AVAILABILITY OF THE DRAFT OFFER  
DOCUMENT PREPARED BY SVF II STRATEGIC INVESTMENTS AIV LLC

**PRICE OF THE OFFER:**

EUR 0.85 per Balyo ordinary share

EUR 0.01 per Balyo preferred share

EUR 0.07 per Balyo warrant

**DURATION OF THE OFFER:**

25 trading days

The timetable of the tender offer will be set out by the *Autorité des marchés financiers* (the “**AMF**”) in accordance with provisions of its General Regulation.



This press release (the “**Press Release**”) was prepared by SVF II Strategic Investments AIV LLC and made available to the public pursuant to Article 231-16 of the AMF’s General Regulation.

**This Offer (as defined below) and the Draft Offer Document remain subject to review by the AMF.**

**IMPORTANT NOTICE**

In accordance with Articles L. 433-4 II of the French Monetary and Financial Code and 237-1 and seq. of the General Regulation of the AMF, SVF II Strategic Investments AIV LLC intends to file a request with the AMF to carry out, within ten (10) trading days from the publication of the notice of result of the Offer, or, as the case may be, in the event of a reopening of the Offer, within three (3) months from the closing of the Reopened Offer (as defined below), a squeeze-out procedure for Balyo's Ordinary Shares and Preferred Shares for a unitary indemnity equal to the price of the Offer, if the number of Balyo's Ordinary Shares and Preferred Shares not tendered in the Offer by the minority shareholders of Balyo (other than the Treasury Shares, the Ordinary Shares that could be issued pursuant to the exercise of the BSPCE, the Unavailable Shares that would be subject to the liquidity mechanism) does not represent, at the end of the Offer (or, as the case may be, the Reopened Offer), more than 10% of the capital and voting rights of Balyo.

SVF II Strategic Investments AIV LLC also intends to file a request with the AMF to carry out, within ten (10) trading days from the publication of the notice of result of the Offer, or, as the case may be, in the event of a reopening of the Offer, within three (3) months from the closing of the Reopened Offer, a squeeze-out procedure for the Company Warrants for a unitary indemnity equal to the price of the Offer, if the number of the Company Warrants shares that could be created through exercise of the Company Warrants not presented to the Offer, once added to the existing shares of Balyo not tendered in the Offer by the minority shareholders of Balyo (other than the Treasury Shares, the Ordinary Shares likely to be issued pursuant to the exercise of the BSPCE, the Unavailable Shares that would be subject to the liquidity mechanism) does not represent more than 10% of the sum of the equity securities of Balyo that exist and that could be created.

The Offer is not being and will not be launched in any jurisdiction where it would not be permitted under applicable law. The acceptance of the Offer by persons residing in countries other than France may be subject to specific obligations or restrictions imposed by legal or regulatory provisions. Recipients of the Offer are solely responsible for complying with such laws and, therefore, before accepting the Offer, they are responsible for determining whether such laws exist and are applicable, by relying on their own consultants.

This Press Release should be read in conjunction with all other documents published in connection with the Offer. The draft offer document prepared by SVF II Strategic Investments AIV LLC (the "**Draft Offer Document**") is available on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and Balyo ([www.balyo.com](http://www.balyo.com)) and may be obtained free of charge from:

**Alantra**  
7 rue Jacques Bingen  
75017 Paris

Pursuant to Article 231-28 of the AMF's General Regulations, a description of the legal, financial and accounting characteristics of SVF II Strategic Investments AIV LLC will be made available to the public no later than the day before the opening of the Offer. A press release will be published to inform the public of the manner in which this information will be made available.

## 1. OVERVIEW OF THE OFFER

In accordance with Title III of Book II and more specifically Articles 232-1 and seq. of the General Regulation of the AMF (“**AMF’s General Regulation**”), SVF II Strategic Investments AIV LLC, a Limited Liability Company organized under the laws of Delaware, in the United States of America, having its registered office at Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware 19808, United States and registered under number 6207806 (hereafter, “**SVF AIV**” or the “**Offeror**”), makes an irrevocable offer to the shareholders and warrant holder of Balyo, a French public limited company with a board of directors (*société anonyme à conseil d’administration*), having its registered office at 74 Avenue Vladimir Illitch Lenine, 94110 Arcueil, registered with the Créteil Trade and Companies Register under number 483 563 029 (the “**Company**” or “**Balyo**” and together with its direct or indirect subsidiaries, the “**Balyo Group**”), and whose shares are listed on compartment C of the Euronext Paris regulated market under ISIN code FR0013258399, mnemonic “BALYO” to acquire in cash (i) all of their Ordinary Shares (as defined below and subject to the exceptions below) at a price of EUR 0.85 per Ordinary Share (the “**Ordinary Share Offer Price**”), (ii) all of their Preferred Shares (as defined below and subject to the exceptions below) at a price of EUR 0.01 per Preferred Share (the “**Preferred Share Offer Price**”), and (iii) all of their Company Warrants (as such defined below) at a price of EUR 0.07 (the “**Warrant Offer Price**”, together with the Ordinary Share Offer Price and the Preferred Share Offer Price, the “**Offer Price**”) through a public tender offer (*offre publique d’achat*), the terms of which are described below (the “**Offer**”).

As of the date of this Press Release, the Offeror does not hold any Ordinary Share, Preferred Share or Company Warrant.

The Offer targets:

- the ordinary shares already issued, other than the Excluded Shares (as defined below), *i.e.*, as of 16 August 2023, and to the knowledge of the Offeror, a number of 34,141,873 ordinary shares;
- the ordinary shares likely to be issued before the closing of the Offer or the Reopened Offer as a result of the exercise of the 830,000 BSPCE which have not been waived by their holder (it being specified that such BSPCE are out of the money as their exercise price is higher than the Ordinary Share Offer Price and will lapse following the closing of the Offer (if successful)), which to the knowledge of the Offeror represent at the date of this Draft Offer Document a maximum of 830,000 ordinary shares *i.e.*, 2,42% of the share capital and voting rights (together with the ordinary shares already issued by the Company, the “**Ordinary Shares**”);
- 6,270 preferred shares issued by the Company, *i.e.*, as of 16 August 2023, and to the knowledge of the Offeror, 2,090 ADP T3, 2,090 ADP T4 and 2,090 ADP T5 (the “**Preferred Shares**”)<sup>1</sup>; and
- all the warrants issued by the Company on 22 February 2019 to Amazon, *i.e.*, 11,753,581 warrants as of 16 August 2023 (the “**Company Warrants**”);

(together the “**Targeted Securities**”).

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<sup>1</sup> It being specified that the Ordinary Shares that could result from the conversion of the 2,090 ADP T3, 2,090 ADP T4 and 2,090 ADP T5 are not targeted by the Offer as the 6,270 Preferred Shares are (i) not convertible prior to the closing of the Offer, or as the case may be, the Reopened Offer and (ii) are all subject to undertakings to tenders by their holders.

It is specified that the Offer does not target:

- the Ordinary Shares held in treasury by the Company, representing 34,894 Ordinary Shares as of 16 August 2023 (the “**Treasury Shares**”);
- the 180,000 Ordinary Shares, the 900 ADP T3, the 900 ADP T4 and the 900 ADP T5 held by Mr. Pascal Rialland subject to the constraints provided for by article L. 225-197-1. II §4 of the French Commercial Code, pursuant to which (i) Balyo’s Board of Directors imposed to Mr. Pascal Rialland, an obligation to retain a percentage of his shares and (ii) such shares which are subject to retention obligation are covered by a liquidity mechanism (the “**Unavailable Shares**” and together with the Treasury Shares, the “**Excluded Shares**”); and
- the 830,000 BSPCE issued by the Company which are not transferable pursuant to the provisions of article *163bis G* of the French *Code general des impôts*.

The Ordinary Shares already issued are listed on compartment C of the Euronext Paris regulated market under ISIN code FR0013258399 (mnemonic “BALYO”). The Preferred Shares and Company Warrants are not listed on any market.

As of the date of this Press Release, to the knowledge of the Offeror, there are no other equity securities or other financial instruments issued by the Company or rights granted by the Company that may give access, immediately or in the future, to the Company’s share capital or voting rights subject to the issuance and, if any, conversion of the Bonds as described in section 1.3.2 below.

The Offer will be carried out in accordance with the normal procedure, in accordance with the provisions of Articles 232-1 et *seq.* of the AMF’s General Regulation and will be open for a period of 25 trading days.

The Offer is subject to the Acceptance Threshold and the Waiver Threshold described in sections 2.5.1 and 2.5.22.5.2 of this Press Release.

The Offer will be, if the required conditions are met, followed by a squeeze-out procedure pursuant to Articles L. 433-4, II of the French Monetary and Financial Code and 237-1 and *seq.* of the AMF’s General Regulation.

The Offer is presented by ALANTRA CAPITAL MARKETS (the “**Presenting Institution**” or “**Alantra**”) who guarantees the content and the irrevocable nature of the commitments made by the Offeror in connection with the Offer, in accordance with the provisions of Article 231-13 of the AMF’s General Regulation.

## **1.1. Background of the Offer**

### **1.1.1. Background and reasons for the Offer**

Balyo’s activities consist of research and development (R&D), the design of robotic forklift technologies enabling standard forklifts for horizontal or vertical pallet transport to be automated, and the marketing and sale of these robots and related services. With a strong product offering of lift trucks with both vertical and horizontal transport applications long-standing relationships with its partners (warehouse operators and suppliers) and experience in this sector, the Offeror considers the Balyo Group as being one of the best in this robotics sector.

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The Offeror, SVF AIV, is a wholly owned direct subsidiary of the Japanese company SoftBank Group Corp. (hereinafter “**SBG**”), which was founded in 1981 by Mr. Masayoshi Son. The SoftBank Group invests in breakthrough technology to improve the quality of life for people around the world. The SoftBank Group is comprised of SBG (TOKYO: 9984) an investment holding company that includes stakes in AI, smart robotics, IoT, telecommunications, internet services, and clean energy technology providers, the SoftBank Vision Funds and SoftBank Latin America Funds, which are investing more than US\$160 billion to help entrepreneurs transform industries and shape new ones.

Through its portfolio of automated robotic forklift technologies, Balyo is complementary to SBG’s existing investments in the Transportation and Logistics industries.

In addition, this acquisition will also provide Balyo with access to SoftBank’s group global network of 470+ technology-led companies with scope to develop new commercial relationships for mutual benefit. Through this partnership, Balyo will benefit substantially from SBG’s technological and commercial expertise while also securing the necessary financial resources to reach its full potential which SBG intends to support.

The Company’s Board of Directors (the “**Board of Directors**”) which met on 13 June 2023, welcomed unanimously the proposed transaction and authorized the conclusion of a tender offer agreement between the Company and the Offeror (the “**Tender Offer Agreement**”).

On 13 June 2023, the Board of Director set up an *ad hoc* committee (the “**Ad Hoc Committee**”), comprised of three members, a majority of which are independent directors to examine, the terms and conditions of the envisaged Offer, monitor the work of the independent expert and prepare a draft reasoned opinion to be submitted to the Board of Directors.

On 13 June 2023, the Board of Directors appointed, upon recommendation of the *Ad Hoc* Committee, Eight Advisory, represented by Mr. Geoffroy Bizard, as independent expert pursuant to articles 261-1, I 2°, 4° and 5°, and 261-1, II of the AMF’s General Regulation (as defined below) to prepare and deliver to the Board of Directors a report regarding the financial terms of the Offer, including, should the independent expert so conclude, its opinion that the price of the Offer is fair (*équitable*) from a financial point of view for the Company’s securityholders.

On 13 June 2023, the Offeror entered into agreements with FPCI FSN PME - Ambition Numérique represented by Bpifrance Investissement, Hyster-Yale UK Limited, SSUG PIPE Fund SCSp, SICAVRAIF, Linde Material Handling, GmbH, Financière Arbevel, and Thomas Duval, and on 14 June 2023 with Invus Public Equities, L.P., each of which is a shareholder of the Company, pursuant to which each such shareholder undertakes to tender the Targeted Securities held by it to the Offer pursuant to the terms and conditions of such agreement described in section 1.3.3 of this Press Release.

On 14 June 2023, the Company and the Offeror entered into the Tender Offer Agreement under which the Offeror undertook to file the Offer, and the Company undertook to cooperate with the Offeror in the context of the Offer. The main terms of the Tender Offer Agreement are described in section 1.3.1 of this Presse Release.

On 14 June 2023, the Company and the Offeror announced, through a joint press release, the signature of the above mentioned Tender Offer Agreement, the intention of SBG to file a tender offer through a wholly owned subsidiary to acquire the Targeted Securities, the provision of the interim financing described in section 1.3.2 of this Press Release, the signature of the undertakings to tender by shareholders described in section 1.3.3 of this Press Release and the fact that the Company signed an agreement with its senior lenders on 13 June 2023 regarding the extension of its existing senior financing arrangements.

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If conditions are met, the Offeror also intends to implement a squeeze-out procedure, pursuant to Articles L. 433- 4, II of the French Monetary and Financial Code and 237-1 to 237-10 of the AMF's General Regulation, in order to obtain the transfer of the Targeted Securities not tendered to the Offer in return for a payment (*indemnisation*) equal to the Offer Price.

On 15 June 2023, the Company initiated its works council's consultation process and a first meeting was held on June 16, 2023. On 21 June 2023, the works council proceeded to an initial hearing of the Offeror, followed by a second discussion on 5 July 2023, in accordance with Article 2312-42 paragraph 3 of the French Employment Code. On 5 July 2023, the works council has issued a favorable opinion on the Offer.

On 4 August 2023, the Board of Directors, after having reviewed the independent expert's report and the works council favorable opinion, considered that the Offer is in the interests of the Company, its employees and securityholders. Consequently, the Board of Directors issued a favorable reasoned opinion recommending the holders of the Targeted Securities tender their securities to the Offer.

### **1.1.2. Breakdown of the Company's capital and voting rights as of 16 August 2023**

#### Share capital of Balyo

To the knowledge of the Offeror, and as reflected in article 7 of the Company's bylaws as updated on 17 July 2023, the share capital of the Company amounts to EUR 2,749,258.96, divided into 34,356,767 Ordinary Shares with a par value of EUR 0.08 each and 8,970 preference shares divided in three tranches (ADP T3 to ADP T5) with a par value of EUR 0.08 each.

#### Composition of Balyo's shareholding structure as of 16 August 2023

To the knowledge of the Offeror, the share capital and voting rights of the Company as of 16 August 2023 are as follows<sup>2</sup>:

Shareholders	Number of shares and theoretical voting rights	Percentage of share capital and voting rights
<b>Ordinary Shares</b>		
FPCI FSN PME – Ambition Numérique <sup>3</sup>	5,053,950	14.71%
SSUG PIPE Funds SCS SICAV RAIF	2,000,000	5.82%
Linde Material Handling, GmbH	1,809,976	5.27%
Seventure Partners	1,624,791	4.73%
Invus Public Equities, L.P.	1,600,000	4.66%
Oddo BHF AIF	1,600,000	4.66%
Financière Arbevel	1,334,404	3.88%
Jean-Luc Barma	1,269,396	3.69%

<sup>2</sup> On the basis of a capital composed of 34,365,737 shares (34,356,767 Ordinary Shares and 8,970 preferred shares) representing 34,356,767 theoretical voting rights as of 16 August 2023, in accordance with the provisions of Article 223-11 of the AMF's General Regulation.

<sup>3</sup> Investment fund managed by Bpifrance Investissement.

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Hyster-Yale UK Limited	1,216,545	3.54%
Thomas Duval	851,200	2.48%
Pascal Rialland	361,000	1.05%
Fabien Bardinet	74,392	0.22%
Other employees	241,180	0.70%
Treasury Shares	34,894	0.10%
Public	15,285,039	44.48%
Total	34,356,767	/
<b>Preferred shares</b>		
Individuals (including Pascal Rialland)	2,990 ADP T3 with no voting rights	0.01% of the share capital/ 0% of voting rights
	2,990 ADP T4 with no voting rights	0.01% of the share capital/ 0% of voting rights
	2,990 ADP T5 with no voting rights	0.01% of the share capital/ 0% of voting rights
<b>Total</b>	<b>34,365,737</b>	<b>100%</b>

As of the date of this Press Release, the Offeror does not hold any Ordinary Shares, Preferred Shares and Company Warrants.

### **1.1.3. Securities giving access to the share capital of Balyo**

As of 16 August 2023, and to the knowledge of the Offeror, 11,753,581 Company Warrants and 830,000 BSPCEs issued by the Company are outstanding, giving respectively the right to subscribe to a maximum of 11,753,581 and 830,000 new ordinary shares.

Prior to the filing of the Draft Offer Document, the Offeror received a letter from Company Warrants' holder expressing its intention to tender all its Company Warrants to the Offer and received waivers from the holders of 527,000 BSPCE which lapsed as from the date of such waivers as further described in section 2.3.2 of the Press Release.

The Offeror does not hold any BSPCE or Company Warrants.

### **1.1.4. Acquisition of Balyo's securities over the last twelve months**

The Offeror did not purchase any Balyo Ordinary Shares, Preferred Shares or Company Warrants during the (12) months preceding the filing of the Draft Offer Document.

As of 20 July 2023, the Offeror subscribed to 150 bonds convertible into ordinary shares for an amount of EUR 1,500,000 pursuant to the terms and conditions described in section 1.3.2 of the Press Release.

## **1.2. Intentions of the Offeror for the next twelve months**

### **1.2.1. Industrial, commercial and financial strategy**

Through the Offer initiated by SVF AIV, SBG is keen to expand its investments in the robotics sector and take part in the artificial intelligence "revolution".

SBG focuses its investments on companies that help improve the way we live, work and play.

In this sense, SBG considers the Balyo Group to be among the best in the robotics sector, with a strong product offering of lift trucks with both vertical and horizontal transport applications.

SBG is particularly attracted to the experience of the Balyo Group and all its employees, as well as its long-standing relationships with its partners (warehouse operators and suppliers).

SBG's tender offer to the Company is the result of SBG's conviction that major development and growth opportunities are available to the Balyo Group, but also that the growth of the Balyo Group can be accelerated thanks, in particular, to its network of expertise in robotics and artificial intelligence.

### **1.2.2. Intentions regarding employment**

From an employment standpoint, the completion of the Offer consists of a change of control and would have no foreseeable social consequences for Balyo's employees, who would remain employees of their current employer under the same conditions, except for certain key employees amendment of their current employment agreement to be agreed between such key employees, the Company and the Offeror. In addition, the Offeror intends, after the closing of the Offer and subject to its success, to put in place a retention plan, on terms to be defined, for the benefit of the corporate officers and employees of Balyo.

The completion of the Offer would have no impact on the location of the Balyo business sites and decision-making centres. In this respect, the Offeror undertook in the context of the Offer for a period of 12 months from the closing of the initial period of the Offer, to procure that:

- the Company maintains its headquarters in France;
- the Company and its subsidiaries retain existing key employees, subject to voluntary departures of employees, terminations for cause or individual layoffs in the ordinary course of business; and
- the Company maintains its and its subsidiaries' research & development functions and IT assets in France.

It is not anticipated that the completion of the Offer will generate an increase in tasks or workload for employees.

As far as labor relations are concerned, the works council will not be affected in any way by the completion of the Offer, and its members will be able to continue exercising their representative functions under the usual conditions.

### **1.2.3. Intentions regarding a potential merger or legal reorganization**

On the date of the Draft Offer Document, the Offeror does not contemplate any merger between the Offeror and the Company, nor any other corporate reorganization of the Company.



#### **1.2.4. Composition of the Company's corporate bodies and management**

The Offeror's objective is to take control of the Company. Thus, if the Offer is successful, the Offeror will have reached the Acceptance Threshold and the Waiver Threshold described in sections 2.5.1 and 2.5.2 of the Press Release and will therefore hold at least a number of shares representing at least 66.67% of the capital and voting rights of the Company.

Consequently, subject to the success of the Offer, the Offeror will modify the composition of the corporate bodies of the Company to reflect its new shareholding structure, so that at least the majority of the members of the Board of Directors of the Company shall be appointed upon the proposal of the Offeror.

The Company's governance will remain consistent with the governance rules of the Middenext governance code as long as the Company remains listed on Euronext. In particular, upon closing of the Offer, the Board of Directors of the Company will be composed of at least one third of independent directors appointed amongst the independent directors in office prior to the Offer, in accordance with recommendations of the Middenext governance code.

#### **1.2.5. Synergies – Economic gains**

The Offeror expects the transaction to be a standalone investment and accordingly does not expect to realize any synergies of costs or revenues after completion of the Offer.

#### **1.2.6. Interest of the Offer for the Offeror, the Company and the Targeted Securities holders**

The Offeror is offering the Targeted Securities holders who tender their Ordinary Shares, Preferred Shares and Company Warrants the opportunity to obtain immediate liquidity at:

- a price per Ordinary Share of EUR 0.85, representing a premium of 57.4% compared to the last closing price before the announcement of the Offer (as at 12 June 2023), of 54.3% compared to the weighted average price of the last 30 trading days before this date, of 48% compared to the weighted average price of the last 60 trading days before this date;
- a price per Preferred Share of EUR 0.01; and
- a price per Company Warrant of EUR 0.07.

A summary of the elements of assessment of the Offer Price is presented in section 3 of the Press Release.

#### **1.2.7. Intentions regarding the squeeze-out**

In accordance with Articles L. 433-4 II of the French Monetary and Financial Code, 237-1 and seq. of the AMF's General Regulation, the Offeror intends to file a request with the AMF to carry out, within ten (10) trading days from the publication of the notice of result of the Offer, or, as the case may be, in the event of a reopening of the Offer, within three (3) months from the closing of the Reopened Offer, a squeeze-out procedure for the Ordinary Shares, the Preferred Shares and the Company Warrants that were not tendered in the Offer (other than the Excluded Shares) to the extent the thresholds provided for by article 237-1 and seq. of the AMF's General Regulation are met.

It is specified that, prior to the closing of the Offer, or as the case may be, the Reopened Offer, or the implementation of the squeeze-out as from its closing, as the case may be, the Offeror does not intend to convert the Bonds subscribed by the Offeror (see description in section 1.3.2 below).

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In the event that the Offeror is unable to carry out a squeeze-out following the Offer or the Reopened Offer, the Offeror reserves the right to file, within the framework of the applicable regulations, a public offer, followed, if applicable, by a squeeze-out in respect of the Targeted Securities that it does not hold directly or indirectly, alone or in concert, at that date.

In the event that the Offer is followed by a squeeze-out, it will result in the delisting of the Ordinary Shares from the Euronext Paris regulated market.

### **1.2.8. Company's dividend distribution policy**

The Offeror reserves the right to change the Company's dividend policy following the closing of the Offer.

Following the closing of the Offer, the Company's dividend policy and any change thereto will continue to be determined by its corporate bodies in accordance with the law and the Company's articles of association, and based on the Company's distributive capacity, financial situation and financial needs.

## **1.3. Agreements that may have a material impact on the assessment or outcome of the Offer**

### **1.3.1. Tender Offer Agreement with the Company**

On 14 June 2023, the Company and the Offeror entered into a tender offer agreement in English which is further described in section 1.3.1 of the Draft Offer Document.

### **1.3.2. Interim Financing**

On 13 June 2023, the Board of Directors authorized the issuance by the Company of bonds convertible into fully paid-up ordinary shares to be subscribed by the Offeror for an aggregate principal amount of up to EUR 5,000,000 (the "**Bonds**") which will allow Balyo to meet its on-going working capital requirements ("**Financing**").

On 14 June 2023, the Offeror and the Company entered into a subscription agreement providing for the terms and conditions of the issuance of the Bonds and regulate the relations of the Company and the Offeror as for the subscription of the Bonds (the "**Subscription Agreement**"). The main terms and conditions of such Subscription Agreement are summarized in section 1.3.2 of the Draft Offer Document.

On 20 July 2023, the Offeror subscribed to 150 Bonds of EUR 10,000 par value each for a total amount of EUR 1,500,000.

### **1.3.3. Undertakings to tender**

#### *Undertakings to tender entered into with shareholders*

On 13 June 2023, the Offeror entered into undertakings to tender with the following shareholders:

- (i) FPCI FSN PME – Ambition numérique represented by Bpifrance Investissement who undertakes to tender 5,053,950 shares representing approximately 14.96% of the share capital and voting rights of the Company as of the date of this undertaking to tender;
- (ii) SSUG PIPE Fund SCSp, SICAVRAIF, who undertakes to tender 2,000,000 shares representing approximately 5.92% of the share capital and voting rights of the Company as of the date of this undertaking to tender;

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- (iii) Linde Material Handling, GmbH who undertakes to tender 1,809,976 shares representing approximately 5.37% of the share capital and voting rights of the Company as of the date of this undertaking to tender;
- (iv) Financière ARBEVEL, who undertakes to tender any Targeted Securities held by it at the of opening of the Offer to the Offer, and which as at 13 June 2023 correspond to 1,334,404 shares representing approximately 3.95% of the share capital and voting rights of the Company as of the date of this undertaking to tender;
- (v) Hyster-Yale UK Limited, who undertakes to tender 1,216,545 shares representing approximately 3.6% of the share capital and voting rights of the Company as of the date of this undertaking to tender; and
- (vi) Mr. Thomas Duval, who undertakes to tender 851,200 shares representing approximately 2.52% of the share capital and voting rights of the Company as of the date of this undertaking to tender.

On 14 June 2023, the Offeror entered into an undertaking to tender with Invus Public Equities, L.P. who undertakes to tender 1,600,000 shares representing approximately 4.74% of the share capital and the voting rights of the Company as of the date of this undertaking to tender.

The Ordinary Shares held by the above-mentioned shareholders, representing together approximately 41.08% of the share capital and voting rights of the Company, as of the date of execution of such undertakings to tender (and 40.36 % of the share capital as of 17 July 2023), will be tendered to the Offer at the Ordinary Share Offer Price, less any Ordinary Shares disposed by Financière ARBEVEL prior to the opening of the Offer, without any additional consideration payable by the Offeror.

Such undertakings to tender are further described in section 1.3.3 of the Draft Offer Document.

#### Undertakings to tender entered into with holders of Preferred Shares

As further described in the section 1.3.3 of the Draft Offer Document, on 6, 7, 9, 10 and 12 July 2023, the Offeror entered into undertakings to tender with undertakings to tender with holders of Preferred Shares and Ordinary Shares providing for an undertaking from such holders to:

- convert all of their 2,090 ADP T1 and 2,090 ADP T2 as soon as possible following the Board of Director's decision in relation to the conversion of the ADP T2 and tender 418.000 Ordinary Shares resulting from the conversion of the ADP T1 and ADP T2 to the Offer; and
- tender all of their 2,090 ADP T3, 2,090 ADP T4 and 2,090 ADP T5 to the Offer.

#### Intention to tender of the Company Warrant holder

On 10 July 2023, the holder of the 11,753,581 Company Warrants, Amazon.com NV Investment Holdings LLC, addressed a letter to Balyo expressing its intention to tender all of the Company Warrants to the Offer and terminate the Transaction Agreement entered into between Amazon and the Company, the main terms and conditions of such letter are described in section 1.3.3 of the Draft Offer Document.

#### **1.3.4. Liquidity Agreement**

On 13 July 2023, the Offeror entered into a liquidity agreement with Mr. Pascal Riolland for his Ordinary Shares resulting from the conversion of his ADP T1, ADP T2, ADP T3, ADP T4 and ADP T5 which are subject to the constraints provided for by article L. 225-197-1. II §4 of the French Commercial Code, pursuant to which Balyo's Board of Directors has imposed on corporate officers an obligation to retain a percentage of their shares (the "Unavailable Shares" and the "Liquidity Agreement"). The main terms

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and conditions of the Liquidity Agreement are further described in section 1.3.4 of the Draft Offer Document.

### **1.3.5. Other agreements of which the Offeror is aware**

With the exception of the agreements described in sections 1.3.1 to 1.3.4 of the Press Release, there are, to the knowledge of the Offeror, no other agreements likely to have an impact on the assessment or outcome of the Offer.

## **2. CHARACTERISTICS OF THE OFFER**

### **2.1. Terms of the Offer**

In accordance with Article 231-13 of the AMF's General Regulation, Alantra, acting on behalf of the Offeror, filed the draft Offer with the AMF on 16 August 2023, in the form of a voluntary public tender offer for all Targeted Securities.

Under the Offer, which will take place according to the normal procedure governed by Articles 232-1 and seq. of the AMF's General Regulation, the Offeror irrevocably undertakes to acquire from the Company's securityholders, at a price of (i) EUR 0.85 per Ordinary Share, dividend attached, (ii) EUR 0.01 per Preferred Share, dividend attached and (iii) EUR 0.07 per Company Warrant, subject to the adjustments described in section 2.2 of the Press Release, all the Targeted Securities tendered to the Offer.

Alantra guarantees the content and irrevocable nature of the undertakings made by the Offeror as part of the Offer, in accordance with the provisions of Article 231-13 of the AMF's General Regulation.

### **2.2. Adjustment of the terms of the Offer**

In the event that between the date of the Draft Offer Document and the date of settlement-delivery of the Offer or of the Reopened Offer (included), the Company proceeds in any form whatsoever with (i) a distribution of dividends, interim dividends, reserves, premiums or any other distribution (in cash or in kind), or (ii) a redemption or reduction of its share capital and in both cases, in which the detachment date or the reference date on which it is necessary to be a shareholder in order to be entitled thereto is set before the date of the settlement-delivery of the Offer or of the Reopened Offer, the Ordinary Share Offer Price, the Preferred Share Offer Price and the Company Warrants, will be reduced to take into account this transaction, it being specified that in the event that the transaction takes place between the date of settlement-delivery of the Offer (excluded) and the date of settlement-delivery of the Reopened Offer (included), only the price of the Reopened Offer will be adjusted.

Likewise, in the event that the terms and conditions of the Company Warrants are modified between the date of the Draft Offer Document and the date of settlement-delivery of the Offer or the Reopened Offer (inclusive), the price per Company Warrant will be adjusted.

Any adjustment of the Offer Price will be subject to the prior approval of the AMF and will be the subject to the publication of a press release.

### **2.3. Number and nature of the Targeted Securities**

As of the date of this Press Release, neither SBG nor the Offeror holds any Targeted Securities. The Offer targets:

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- all the Ordinary Shares already issued, other than the Excluded Shares, *i.e.*, as of 16 August 2023, and to the knowledge of the Offeror, a number of 34,141,873 Ordinary Shares;
- the Ordinary Shares likely to be issued before the closing of the Offer or the Reopened Offer as a result of the exercise of the 830,000 BSPCE which have not been waived by their holder (it being specified that such BSPCE are out of the money as their exercise price is higher than the Ordinary Share Offer Price and will lapse following the closing of the Offer (if successful)) which to the knowledge of the Offeror represent at the date of this Draft Offer Document 830,000 ordinary shares *i.e.*, 2.42% of the share capital and voting rights;
- 6,270 preferred shares issued by the Company, *i.e.*, as of 16 August 2023, and to the knowledge of the Offeror, 2,090 ADP T3, 2,090 ADP T4 and 2,090ADP T5<sup>4</sup>;
- all the Company Warrants issued by the Company on 22 February 2019 to Amazon, *i.e.*, 11,753,581 warrants as of 16 August 2023.

It is specified that the Offer does not target:

- the Treasury Shares;
- the 180,000 Ordinary Shares, 900 ADP T3, 900 ADP T4 and 900 ADP T5 held by Mr. Pascal Rialland subject to the constraints provided for by article L. 225-197-1. II §4 of the French Commercial Code, pursuant to which Balyo's Board of Directors has imposed on corporate officers an obligation to retain a percentage of their shares, which are subject to a liquidity mechanism described in section 1.3.4 above; and
- the 430,000 BSPCE issued by the Company which are not transferable pursuant to the provisions of article *163bis G* of the French *Code general des impôts*).

As of the date of this Press Release, to the knowledge of the Offeror, there are no other equity securities or other financial instruments issued by the Company or rights granted by the Company that may give access, immediately or in the future, to the Company's share capital or voting rights subject to the issuance and, if any, conversion of the Bonds as described in section 1.3.2 above.

### **2.3.1. Situation of the holders of Preferred Shares**

As of 31 December 2022, the share capital of the Company included 16,150 preferred shares divided into five tranches:

- 3,230 ADP T1;
- 3,230 ADP T2;
- 3,230 ADP T3;
- 3,230 ADP T4; and
- 3,230 ADP T5 (together the "ADP").

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<sup>4</sup> It being specified that the Ordinary Shares resulting from the conversion of the 2,090 ADP T3, 2,090 ADP T4 and 2,090 ADP T5 are not targeted by the Offer as the 6,270 Preferred Shares are (i) not convertible prior to the closing of the Offer, or as the case may be, the Reopened Offer and (ii) are all subject to undertakings to tenders by their holders.

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These ADP were issued to their holders in the context of a free share plans put in place by the Company which acquisition and conservation periods expired. The ADP are subject to the following cumulative conditions, based on aggregate performance over the period from 1<sup>st</sup> January 2020 up to the 31 December 2024:

- Tranche 1: consolidated turnover exceeding EUR 35 million and gross margin exceeding EUR 14 million.
- Tranche 2: consolidated turnover exceeding EUR 85 million and gross margin exceeding EUR 35 million.
- Tranche 3: consolidated turnover exceeding EUR 165 million and gross margin exceeding EUR 70 million.
- Tranche 4: consolidated turnover exceeding EUR 295 million and gross margin exceeding EUR 130 million.
- Tranche 5: consolidated turnover exceeding EUR 500 million and gross margin exceeding EUR 235 million.

Provided that the performance conditions of each Tranche are met, each ADP of the relevant Tranche will be converted into 100 Ordinary Shares of the Company.

Prior to the date of the Draft Offer Document, the performance conditions of the ADP T1 were met, as acknowledged by a decision of the Board of Directors dated 27 March 2023.

On 22 June 2023, in accordance with the terms and conditions of the ADP, the Board of Directors, after having received the favorable opinion of the appointment and remuneration committee, acknowledged in advance the fulfilment of the performance conditions of Tranche 2 based on the high probability of reaching the conditions of consolidated turnover and gross margin by the end of the year 2023. In accordance with the terms and conditions of the ADP, the Board of Directors has all powers to determine, to a certain extent, specific conversion ratio and cases notably in the context of a tender offer. Consequently, on 22 June 2023 the Board of Directors, decided that the conversion ratio applicable to the ADP T2 was 1 ADP T2 for 100 Ordinary Shares.

On the 6, 7, 9, 10 and 12 July 2023, the holders of the ADP entered into undertakings to tender with the Offeror, described in section 1.3.3 above, pursuant to which they undertook to (i) convert all their ADP T1 and ADP T2 and tender the Ordinary Shares resulting from such conversion to the Offer at the Ordinary Share Offer Price and (ii) tender all their ADP T3, ADP T4 and ADP T5 to the Offer at the Preferred Share Offer Price.

In accordance with the terms and conditions of the ADP, on 17 July 2023, the Board of Directors acknowledged the automatic conversion of 1,200 ADP into 3,180 Ordinary Shares as a result of the departure of six holders from Balyo (it being specified that the departure of one of the holders occurred after 27 March 2023 and his 20 T1 ADP were converted into 2,000 Ordinary Shares, the other ADP have been converted into one (1) Ordinary Share each). After such conversions, 14,950 ADP (2,990 ADP of each Tranche) remained outstanding.

On 17 July 2023, all the 2,990 ADP T1 and 2,990 ADP T2 have been converted into 598,000 Ordinary Shares at their holders' request.

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Pursuant to their terms and conditions the ADP T3, ADP T4 and ADP T5 are transferrable. Following such transfer, they will each be converted into one Ordinary Share in the hands of the Offeror.

Mr. Pascal Riailand entered into a liquidity agreement with the Offeror covering the Ordinary Shares resulting from the conversion of his unavailable ADP T1 and ADP T2 as well as part of his ADP T3, ADP T4 and ADP T5 also unavailable as described in section 1.3.4 above.

### **2.3.2. Situation of the holders of the BSPCE**

As of 31 December 2022, the Company issued 1,375,000 BSPCE. Prior to the date of this Draft Offer Document, (i) 18,000 BSPCE lapsed as a result of the departure of their holders from the Company (the exercise of the BSPCE being subject to a presence condition), (ii) the holders of 527,000 BSPCE irrevocably waived their rights to their BSPCE, which lapsed immediately upon signing of such waiver agreements.

The 830,000 BSPCE still in circulation are held by Mr. Fabien Bardinet. These BSPCE are out of the money as their exercise price is EUR 1.60 per Ordinary Shares for 430,000 BSPCE and EUR 4.11 per Ordinary Share for 400,000 other BSPCE, such amounts being superior to the Ordinary Share Offer Price.

In addition, by a decision of the Board of Directors dated 9 May 2022, the exercise period of the BSPCE has been extended until 90 days following the date of the annual shareholders' meeting approving the financial statements for FY22 (*i.e.*, as from 15 June 2023). In addition, if the Offer is successful, the BSPCE not exercised will lapse following completion of the Offer. Indeed, the allocation letter relating to such BSPCE provides that in the event of a transfer of more than 50% of the Company's shares (an "Operation"), the BSPCE not exercised immediately before the completion of the Operation will lapse.

### **2.4. Modalities of the Offer**

In accordance with Article 231-13 of the AMF's General Regulation, the Presenting Institution, acting on behalf of the Offeror, filed the draft Offer and the Draft Offer Document with the AMF on 16 August 2023. The AMF will publish a notice of filing relating to the Offer on its website ([www.amf-france.org](http://www.amf-france.org)).

In accordance with Article 231-16 of the AMF's General Regulation, the Draft Offer Document, as filed with the AMF, is available to the public free of charge from the Presenting Institution, as well as online on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and the Company ([www.balyo.com](http://www.balyo.com)).

The Offer and the Draft Offer Document remain subject to review by the AMF.

The AMF will publish on its website a reasoned clearance decision with respect to the draft Offer after verifying that the draft Offer complies with applicable laws and regulations. In accordance with Article 231-23 of the AMF's General Regulation, the clearance decision will constitute approval of the Offeror's offer document.

The offer document approved by the AMF as well as the other information relating in particular to the legal, financial and accounting characteristics of the Offeror, will be available to the public free of charge, in accordance with Article 231-28 of the AMF's General Regulation, at the Presenting Institution's address mentioned above, no later than the day preceding the opening of the Offer. Such documents will also be available on the websites of the AMF ([www.amf-france.org](http://www.amf-france.org)) and the Company ([www.balyo.com](http://www.balyo.com)).

In accordance with Articles 231-27 and 231-28 of the AMF's General Regulation, a press release indicating how such documents are made available by the Offeror will be published no later than the day preceding the opening of the Offer including on the Company's website.

Prior to the opening of the Offer, the AMF will publish a notice announcing the opening of the Offer and Euronext Paris will publish a notice recalling the content of the Offer and specifying the terms of its completion.

## **2.5. Conditions of the Offer**

### **2.5.1. Acceptance Threshold**

Pursuant to the provisions of article 231-9, I of the AMF's General Regulations, the Offer will lapse if, at its closing date, the Offeror does not hold, directly or indirectly, a number of shares representing a fraction of the Company's share capital or voting rights higher than 50% (this threshold being hereinafter referred to as the "**Acceptance Threshold**").

The determination of this threshold follows the rules set forth in Article 234-1 of the AMF's General Regulation.

The reaching the Acceptance Threshold will not be known before the publication by the AMF of the final result of the Offer, which will take place after the closing of the Offer.

If the Acceptance Threshold is not reached, the Offer will not be successful and the Targeted Securities tendered in the Offer will be returned to their owners after the publication of the notice of result informing of the lapse of the Offer, without any interest, indemnity or other payment of any kind being due to such owners.

### **2.5.2. Waiver Threshold**

In addition to the Acceptance Threshold, pursuant to the provisions of Article 231-9, II of the AMF's General Regulation, the Offer will lapse if, at the closing date of the Offer, the Offeror does not hold, alone or in concert, directly or indirectly, a number of shares representing a fraction of the share capital and theoretical voting rights of the Company in excess of 66.67% on a diluted basis and on a fully diluted basis (the "**Waiver Threshold**").

On a non-diluted basis, the Waiver Threshold will be calculated as follows:

- (a) in the numerator, will be included (i) all the Ordinary Shares and Preferred Shares held by the Offeror alone or in concert, directly or indirectly, on the date of the closing of the Offer, pursuant to acquisitions on the market as well as all the Ordinary Shares assimilated to those of the Offeror in accordance with Article L. 233-9 of the French Commercial Code including the 34,894 Treasury Shares and the 180,000 Ordinary Shares and the 900 ADP T3, 900 ADP T4, 900 ADP T5 held by Mr. Pascal Rialland, subject to the liquidity agreement and (ii) all the Ordinary Shares and Preferred Shares of the Company validly tendered in the Offer as at the date of the closing of the Offer; and
- (b) in the denominator, all the existing Ordinary Shares and Preferred Shares issued by the Company making up the share capital on the date of the closing of the Offer.

On a fully diluted basis, the Waiver Threshold will be calculated as follows:

- (a) in the numerator, will be included (i) the Ordinary Shares and Preferred Shares held by the Offeror alone or in concert, directly or indirectly, on the date of the closing of the Offer, pursuant to acquisitions on the market as well as all the Ordinary Shares assimilated to those of the Offeror in accordance with Article L. 233-9 of the French Commercial Code including the 34,894 Treasury Shares and the 180,000 Ordinary Shares, and the 900 ADP T3, 900 ADP T4, 900 ADP T5 held by



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- Mr. Pascal Rialland subject to the liquidity agreement (ii) all the Ordinary Shares and Preferred Shares of the Company validly tendered in the Offer as at the date of the closing of the Offer and (iii) all the Ordinary Shares of the Company likely to be issued by exercise of the Company Warrants validly tendered in the Offer as at the date of the closing of the Offer - excluding any shares which may be subscribed or held by the Offeror pursuant to the conversion of the Bonds;
- (b) in the denominator, (i) all the existing Ordinary Shares and Preferred Shares issued by the Company making up the capital on the date of the closing of the Offer, (ii) all the Ordinary Shares of the Company likely to be issued by exercise of the Company Warrants on the date of the closing of the Offer and (iii) all the Ordinary Shares likely to be issued by the Company on the date of the closing of the Offer (excluding all Ordinary Shares likely to be subscribed or held by the Offeror pursuant to the conversion of the Bonds).

The reaching of the Waiver Threshold will not be known before the publication by the AMF of the final result of the Offer, which will take place at the end of the Offer.

In accordance with article 231-9, II of the AMF's General Regulations, if the Waiver Threshold (calculated as indicated above) is not reached, and unless the Offeror has decided to waive the Waiver Threshold in accordance with the conditions set out in the following paragraphs, the Targeted Securities tendered in the Offer (excluding shares acquired on the market) will be returned to their owners without any interest, indemnity or other payment of any kind being due to the said owners.

However, the Offeror reserves the right to waive the Waiver Threshold until the date of publication by the AMF of the result of the Offer.

In addition, the Offeror also reserves the right to remove or lower the Waiver Threshold by filing an improved offer at the latest five (5) trading days before the closing of the Offer, in accordance with the provisions of articles 232-6 and 232-7 of the AMF's General Regulations.

### **2.5.3. Regulatory authorizations**

The Offer is not subject to any regulatory authorization, it being specified that prior to this Draft Offer Document, the Offer gave rise to a decision by the Ministry of the Economy, Finance and Industrial and Digital Sovereignty, in accordance with Article L.151-3 of the French Monetary and Financial Code relating to foreign investments made in France, dated 1 August 2023, pursuant to which the Offer was considered outside the scope of the provisions of Article L.151-3 of the Monetary and Financial Code.

### **2.6. Procedure for tendering in the Offer**

The Offer will be open for a minimum period of 25 trading days, except if re-opened by the AMF in accordance with article 232-4 of the AMF's General Regulation.

The Targeted Securities tendered in the Offer (including, as the case may be, in the Reopened Offer) must be freely negotiable and free from any lien, pledge, collateral or other security interest or restriction of any kind restricting the free transfer of their ownership. The Offeror reserves the right to reject, in its sole discretion, any Targeted Securities tendered in the Offer that do not comply with this condition.

The Draft Offer Document and all related agreements are subject to French law. Any dispute or litigation, regardless of the subject matter or basis, relating to this proposed Offer shall be brought before the competent courts.

- (a) Process for tendering the Ordinary Shares

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The Ordinary Shares shareholders holding their Ordinary Shares in registered or in bearer form shall notify their decision to tender to their account holders in order to tender them in the Offer. The Offeror draws the attention of the holders of Ordinary Shares to the fact that those of them who would expressly request the conversion into bearer form would lose the advantages of holding the Ordinary Shares in registered form.

Holders of Ordinary Shares whose Ordinary Shares are held in an account managed by a financial intermediary and who wish to tender their Targeted Securities in the Offer must deliver an order to tender their Ordinary Shares to their financial intermediary, in accordance with the standard forms provided by their financial intermediary, no later than the last business day of the Offer and in sufficient time for their order to be executed. Holders of Ordinary Shares are invited to contact their financial intermediaries to verify whether a shorter period is applicable to them.

(b) Process for tendering the Preferred Shares and Company Warrants

Holders of Preferred Shares and Company Warrants willing to tender their Preferred Shares or Company Warrants to the Offer shall notify their decision to Uptevia, 89 – 91 rue Gabriel Péri – 92120 Montrouge in accordance with the standard forms provided by their financial intermediary, no later than the last business day of the Offer.

In accordance with Article 232-2 of the AMF's General Regulation, orders to tender the Targeted Securities in the Offer may be revoked at any time up to the closing date of the Offer (included). After this date, such orders to tender in the Reopened Offer will become irrevocable.

Negotiation costs (including brokerage fees and corresponding taxes) will not be borne by the Offeror.

No interest will be paid by the Offeror for the period between the date on which the Targeted Securities are tendered to the Offer and the date on which settlement of the Offer occurs. This settlement date will be indicated in the notice of result to be published by Euronext Paris. The settlement and delivery will take place after the centralization operations.

## **2.7. Orders centralization**

The centralization of the orders to tender Ordinary Shares in the Offer will be carried out by Euronext Paris, it being specified that the orders relating to Preferred Shares and Company Warrants will be centralized by Uptevia.

Each financial intermediary and the institution holding the registered accounts of the Company's Targeted Securities must, on the date indicated in the Euronext Paris notice, transfer to Euronext Paris the Targeted Securities for which they will have received a tender order in the Offer.

After receipt by Euronext Paris of all orders to tender in the Offer under the conditions described above, Euronext Paris will centralize all of these orders, determine the results of the Offer and communicate them to the AMF.

As the case may be, all the operations described above will be repeated in an identical sequence and under the conditions, in particular the timeframe, which will be specified in a notice published by Euronext Paris, in the context of the Reopened Offer.

## **2.8. Publication of the results and settlement of the Offer**

Pursuant to the provisions of Article 232-3 of its General Regulations, the AMF will announce the final result of the Offer at the latest nine (9) trading days after the closing of the Offer. If the AMF determines that the Offer is successful, Euronext Paris will indicate in a notice the date and terms of delivery of the Targeted Securities and payment of the funds.

On the date of settlement-delivery of the Offer (and, if applicable, of the Reopened Offer), the Offeror will credit Euronext Paris with the funds corresponding to the settlement of the Offer (and, if applicable, of the Reopened Offer). On such date, the tendered Targeted Securities of the Company and all rights attached thereto will be transferred to the Offeror. Euronext Paris will make the cash payment to the intermediaries on behalf of their clients who have tendered their Targeted Securities in the Offer (or, as the case may be, in the Reopened Offer) as of the date of settlement-delivery of the Offer (or, as the case may be, of the Reopened Offer).

As the case may be, all of the operations described above will be repeated in an identical sequence and under conditions, in particular as regards the timeframe, which will be specified in a notice published by Euronext Paris, in the context of the Reopened Offer.

It is reminded, as the case may be, that any amount due in connection with the contribution of the Targeted Securities to the Offer (or, as the case may be, the Reopened Offer) will not bear interest and will be paid on the date of settlement-delivery of the Offer (or, as the case may be, of the Reopened Offer).

## **2.9. Indicative timetable of the Offer**

Prior to the opening of the Offer, the AMF will publish a notice of opening and Euronext Paris will publish a notice announcing the terms and opening of the Offer.

An indicative timetable is proposed below:

<b>Date</b>	<b>Main steps of the Offer</b>
16 August 2023	<ul style="list-style-type: none"><li>- Filing of the draft Offer and the Draft Offer Document of the Offeror with the AMF.</li><li>- Offeror's Draft Offer Document made available to the public and posted to the websites of the AMF (<a href="http://www.amf-france.org">www.amf-france.org</a>) and the Company (<a href="http://www.balyo.com">www.balyo.com</a>).</li><li>- Publication by the Offeror of a press release announcing the filing of the Offer and availability of the Draft Offer Document.</li></ul>
16 August 2023	<ul style="list-style-type: none"><li>- Company's draft reply document filed with the AMF, including the reasoned opinion of the Company's Board of Directors and the independent expert's report.</li><li>- Company's draft reply document made available to the public and posted to the websites of the AMF (<a href="http://www.amf-france.org">www.amf-france.org</a>) and the Company (<a href="http://www.balyo.com">www.balyo.com</a>).</li><li>- Publication by the Company of a press release announcing the filing of the Offer and availability of Company's draft reply document.</li></ul>
5 September 2023	<ul style="list-style-type: none"><li>- Publication of the clearance decision of the AMF relating to the Offer.</li></ul>

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Date	Main steps of the Offer
	<ul style="list-style-type: none"> <li>- Availability of the offer document and the reply document to the public and on the websites of the Company (<a href="http://www.balyo.com">www.balyo.com</a>) and the AMF (<a href="http://www.amf-france.org">www.amf-france.org</a>).</li> </ul>
6 September 2023	<ul style="list-style-type: none"> <li>- Availability to the public at the address of the Presenting Institution mentioned above and posting on the Company's website (<a href="http://www.balyo.com">www.balyo.com</a>) and on the AMF's website (<a href="http://www.amf-france.org">www.amf-france.org</a>) of information relating to the legal, financial and accounting characteristics of the Offeror.</li> <li>- Availability of the information relating to the legal, financial and accounting characteristics of the Company to the public at the Company's registered office and on the Company's website (<a href="http://www.balyo.com">www.balyo.com</a>) and the AMF website (<a href="http://www.amf-france.org">www.amf-france.org</a>).</li> </ul>
6 September 2023	<ul style="list-style-type: none"> <li>- Publication by the Offeror of the press release making available the offer document and the information relating to the legal, financial and accounting characteristics of the Offeror.</li> <li>- Publication by the Company of the press release making available the note in response and the information relating to the legal, financial and accounting characteristics of the Company.</li> </ul>
6 September 2023	<ul style="list-style-type: none"> <li>- Publication by the AMF of the opening of the Offer</li> <li>- Publication by Euronext Paris of the opening statement in relation to the Offer and its modalities</li> </ul>
7 September 2023	<ul style="list-style-type: none"> <li>- Opening of the Offer.</li> </ul>
11 October 2023	<ul style="list-style-type: none"> <li>- Closing of the Offer.</li> </ul>
Week of 16 October 2023	<ul style="list-style-type: none"> <li>- Publication of the notice of result of the Offer by the AMF.</li> </ul>
Week of 16 October 2023	<ul style="list-style-type: none"> <li>- In case of success of the Offer, publication of the reopening notice of the Offer by Euronext, or, implementation of the squeeze-out if the conditions are met.</li> </ul>
Week of 16 October 2023	<ul style="list-style-type: none"> <li>- In case of success of the Offer, reopening of the Offer and settlement-delivery of the Offer.</li> </ul>
Week of 30 October 2023	<ul style="list-style-type: none"> <li>- Closing of the Reopened Offer.</li> </ul>
Week of 30 October 2023	<ul style="list-style-type: none"> <li>- Publication by the AMF of the notice of result of the Reopened Offer.</li> </ul>
Week of 9 November 2023	<ul style="list-style-type: none"> <li>- Settlement-delivery of the Reopened Offer.</li> </ul>

<b>Date</b>	<b>Main steps of the Offer</b>
As from beginning of November 2023	- Implementation of the squeeze-out, if the conditions are met.

#### **2.10. Possibility of withdrawing from the Offer**

In accordance with the provisions of Article 232-11 of the AMF's General Regulation, the Offeror may withdraw its Offer within five (5) trading days following the publication of the timetable of a competing offer or a superior offer (*surenchère*). It shall inform the AMF of its decision, which shall be published.

The Offeror may also withdraw its Offer if it becomes purposeless, or if the Company, due to the measures it has taken, sees its substance modified during the Offer or in the event of success of the Offer or if the measures taken by the Company result in an increase in the cost of the Offer for the Offeror. The Offeror may only use this option with the prior authorization of the AMF, which shall rule in accordance with the principles set forth in Article 231-3 of the AMF's General Regulation.

The Offeror may also waive his Offer if the Waiver Threshold is not reached, as specified in section 2.5.2 "Waiver Threshold" above.

In the event of a waiver, the shares tendered in the Offer will be restituted to their owners without any interest, indemnity or other payment of any kind being due to such owners.

#### **2.11. Reopening of the Offer**

In accordance with the provisions of Article 232-4 of the AMF's General Regulation, if the Offer is successful, the Offer will be automatically reopened at the latest within ten trading days following the publication of the final result of the Offer, on the same terms as the Offer (the "**Reopened Offer**"). In such case, the AMF will publish the timetable for the Reopened Offer, which will, in principle, last at least ten trading days.

In the event of a reopening of the Offer, the procedure for tendering the Targeted Securities in the Reopened Offer and the procedure for the Reopened Offer will be identical to that of the initial Offer, it being specified, however, that orders to tender to the Reopened Offer will be irrevocable.

However, the Offeror reserves the right, in the event that it would be in a position and would decide to implement a squeeze-out directly at the end of the Offer in accordance with the conditions provided for by articles 237-1 et seq. of the RGAMF, to request the AMF to implement such a squeeze-out within ten trading days from the publication of the notice of the result of the Offer. In such a case, the Offer would not be reopened.

#### **2.12. Costs of the Offer**

The overall amount of the fees, costs and external expenses incurred by the Offeror in connection with the Offer, including, in particular, fees and other expenses relating to its various legal, financial and accounting advisors and any other experts and consultants, as well as publicity costs, is estimated at approximately EUR 3,600,000 (taxes excluded).

### **2.13. Financing of the Offer**

In the event where all Targeted Securities are tendered to the Offer based on the Offer Price (*i.e.*, EUR 0.85 per Ordinary Share, EUR 0.01 per Preferred Share and EUR 0.07 per Company Warrant and excluding fees, expenses and costs relating to the operation), the Offer would amount to c. EUR 30,548,905.42.

The Offeror will finance the Offer through its own funds and resources.

### **2.14. Brokerage fees and compensation of intermediaries**

No fee or commission will be refunded or paid by the Offeror to a holder who tendered Targeted Securities to the Offer, or to any intermediary or person soliciting the tendering of Targeted Securities to the Offer.

### **2.15. Offer restrictions abroad**

The Offer is made exclusively in France. The Draft Offer Document is not distributed in countries other than France.

The Offer will not be registered or approved outside of France and no action will be taken to register or approve it abroad. This Press Release, the Draft Offer Document and the other documents relating to the Offer do not constitute an offer to sell or purchase transferable securities or a solicitation of such an offer in any other country in which such an offer or solicitation is illegal or to any person to whom such an offer or solicitation could not be duly made.

The holders of the shares of the Company located outside of France can only participate in the Offer if permitted by the local laws to which they are subject, without the Offeror having to carry out additional formalities. Participation in the Offer and the distribution of the Press Release, the Draft Offer Document may be subject to particular restrictions applicable in accordance with laws in effect outside France. The Offer will not be made to persons subject to such restrictions, whether directly or indirectly, and cannot be accepted in any way in a country in which the Offer would be subject to such restrictions.

Accordingly, persons in possession of this Press Release, the Draft Offer Document are required to obtain information on any applicable local restrictions and to comply therewith. Failure to comply with these restrictions could constitute a violation of applicable securities and/or stock market laws and regulations in one of these countries. The Offeror will not accept any liability in case of a violation by any person of the local rules and restrictions that are applicable to it.

#### United States

In the specific case of the United States of America, it is stipulated that the Offer will not be made, directly or indirectly, in the United States of America, or by the use of postal services, or by any other means of communication or instrument (including by fax, telephone or email) concerning trade between States of the United States of America or between other States, or by a stock market or a trading system of the United States of America or to persons having residence in the United States of America or "US persons" (as defined in and in accordance with Regulation S of the US Securities Act of 1933, as amended). No acceptance of the Offer may come from the United States of America. Any acceptance of the Offer that could be assumed as resulting from a violation of these restrictions shall be deemed void.

The subject of this Press Release is limited to the Offer and no copy of this Draft Offer Document and no other document concerning the Press Release, the Offer or the Draft Offer Document may be sent,

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communicated, distributed or submitted directly or indirectly in the United States of America other than in the conditions permitted by the laws and regulations in effect in the United States of America.

No holder of the shares of the Company who will be able to tender its shares into the Offer if such holder cannot represent that (i) it has not received a copy of the draft offer document or any other document relating to the Offer into the United States of America and it has not sent or otherwise transmitted any such document into the United States of America, (ii) it is not a person having residence in the United States of America and not being a "US person" (as defined in Regulation S of the US Securities Act of 1933, as amended) and that it is not issuing a tender order for the Offer from the United States of America, (iii) it was not located in the United States of America when it has accepted the terms of the Offer or its tender order for the Offer, and (iv) it is acting on a non-discretionary basis for a principal located outside the United States of America that is not giving an order to participate in the Offer from the United States of America.

For the purposes of this section, "United States of America" means the United States of America, its territories and possessions, any one of these States, and the District of Columbia.

## 2.16. Tax treatment of the Offer

The tax treatment of the Offer is described in section 2.16 "Tax treatment of the Offer" of the Draft Offer Document.

## 3. SUMMARY OF THE INFORMATION USED TO ASSESS THE OFFER PRICE

### (a) Ordinary Shares Offer Price:

The below table summarizes the valuations derived from the valuation methods used and the premiums implied by the Ordinary Shares Offer Price:

Methodology	Implied share price (€)	Implied premium
<b>Main methods</b>		
<b>Discounted Cash Flow (DCF)</b>		
Central value	0.83	+2.4%
<b>Stock price analysis</b>		
Pre-announcement stock price	0.54	+57.4%
30-day VWAP	0.55	+54.3%
60-day VWAP	0.57	+48.0%
120-day VWAP	0.60	+41.5%
250-day VWAP	0.58	+46.0%
<b>Indicative methods</b>		
<b>Trading comparables</b>		
EV / Sales average of the whole set	0.44	+92.4%
EV / Sales of Gaussin SA	0.47	+81.9%
<b>Financial analyst's target price</b>		
Target Price assessed by ODDO BHF AIF - 04/20/2023	0.70	+21.4%

### (b) Preferred Shares Offer Price:

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The offer price for these performance shares has been set at EUR 0.01 per instrument, as this corresponds to the minimum amount technically payable.

Management do not anticipate the performance threshold to be met for the relevant tranches by 31 December 2024. Hence, these instruments will not be converted and their implied intrinsic value will be EUR 0.00.

(c) Company Warrant Offer Price:

The Black & Scholes method was used to calculate a theoretical Warrant value using the following parameters:

- Reference price of EUR 0.85 per Ordinary Share, in line with the Offer;
- Maturity date of 22 February 2026. Although the Company Warrants can be exercised at any time before the maturity date, the maturity date can be considered as the exercise date in the absence of distribution of Company dividends;
- Risk-free rate (as of 12 June 2023 (“The Company Warrants Valuation Date”), for France 3-Year Government Bonds, based on a maturity in line with that of the Company Warrants): 2.982%;
- Volatility of the stock of 56.3%, taking into account the level of volatility of the Balyo shares over 141 weeks leading to the Company Warrants Valuation Date, respectively from 5 October 2020 to 12 June 2023. 141 weeks is equivalent to the number of weeks outstanding in the 2.7 years between the Company Warrants Valuation Date and the Company Warrants Expiration Date. Two periods with abnormally high volatility were disregarded:
  - (i) the period around the announcement of the 2023 financial results (respectively from 20 March 2023 to 3 April 2023);
  - (ii) the period around the second Covid lockdown in France (respectively from 12 October 2020 to 7 December 2020).

The valuation approach using the Black & Scholes method leads to a theoretical valuation of EUR 0.07 per Company Warrant.