

Forsee Power: strong first-half financial performance in a fast-changing market

- > **Half-year sales of €84.4 million, up +7% vs. H1 2023, diversification of customer portfolio in target markets and geographies**
- > **Adjusted EBITDA¹ positive at +0.8 M€, vs. (3.8) M€ in H1 2023 thanks to business growth, improved margins and continued control of overheads**
- > **Sharp rise in net income to €(3.0)m in H1 2024 vs. €(16.0)m in H1 2023**
- > **Strong cash position of €24.6 million at June 30, 2024**
- > **2024 financial targets**
 - Adjustment of estimated sales to between €150 and €160 million
 - Target of breakeven adjusted EBITDA¹ maintained

Paris, September 19, 2024 – 5:45 p.m. CEST – Forsee Power (FR0014005SB3 – FORSE), the expert in battery systems for light and heavy electric vehicles, announces its half-year results for 2024, approved by the Board of Directors on September 19, 2024.

Christophe Gurtner, Founder & CEO of Forsee Power states: *“Forsee Power reported a solid financial performance, posting positive adjusted EBITDA (+0.8 M€) for the first time in the past six months and net income up +81% to (-3.0) M€, compared with (-16.0) M€ in the first half of 2023. In addition, our cash position stood at 24.6 M€ at June 30, versus 25.9 M€ at January 1 this year. These strong performances demonstrate the relevance of our business model, and reinforce our confidence in achieving our target of breakeven adjusted EBITDA for the full year 2024.”*

¹ In 2023, the Group has decided to change the definition of Adjusted EBITDA by restating the non-cash recycling provision from operating income recurring. Adjusted EBITDA now corresponds to recurring operating income, restated:

- amortization and depreciation of intangible assets, amortization of rights of use on property, plant and equipment;
- depreciation and amortization of property, plant and equipment, and net impairment of inventories and receivables;
- the cost of share-based payments and related employer contributions;
- the provision for battery recycling, in line with the Group's new definition of adjusted EBITDA.

Simplified consolidated income statement

The limited review procedures applicable to the interim consolidated financial statements for the six months ended June 30, 2024 have been performed.

<i>In €m</i>	H1 2024	H1 2023	Change (%)
Sales figures	84.4	78.8	+7%
Adjusted EBITDA	0.8	(3.8)	+122%
Adjusted EBITDA margin	1%	(5)%	+6 pts
Current operating income	(4.0)	(12.3)	+132%
Consolidated net income	(3.0)	(16.0)	+81%

In the first half of 2024, Forsee Power posted sales of €84.4 million, up +7% on H1 2023.

Thanks to rigorous management of overheads and improved margins (sharply lower cost of materials from the second quarter of 2024, product mix effect, improved efficiency of our industrial processes), the Company recorded a positive adjusted EBITDA, reaching €0.8 million in H1 2024 compared with a loss of €(3.8) million in H1 2023.

Operating income recurring for the first half of 2024 amounted to €(4.0) million. This represents a significant increase on the H1 2023 operating income recurring of €(12.3) million.

Lastly, net income for the first half of 2024 came to €(3.0) million, compared with €(16.0) million for the first half of 2023.

Simplified consolidated balance sheet

<i>In €m</i>	30/06/2024	31/12/2023
Non-current assets	78.0	68.2
Current assets	103.0	119.3
Total assets	181.0	187.4
Shareholders' equity	56.3	59.2
Non-current liabilities	70.7	76.1
Current liabilities	54.0	52.1
Total liabilities	181.0	187.4

Simplified consolidated cash-flow statement

<i>In €m</i>	H1 2024
Cash position at beginning of period	25.9
Cash flow from operating activities	17.2
Cash flow from investing activities	(14.1)
Cash flow from financing activities	(4.5)
Impact of conversion rates	0.03
Change in cash and cash equivalents	(1.3)
Cash position at end of period	24.6

A solid financial structure

Available cash at June 30, 2024 remains solid at €24.6 million, showing minimal variation compared with December 2023 (€25.9 million), illustrating efficient and controlled management of financial resources. This performance is underpinned by optimized working capital requirements (+€15.6m), partly offsetting the significant investments made over the period (-€14.4m), including the final tranche of the US production site inaugurated on September 12.

Net debt (excluding IFRS 16) stood at €22.4 million. Gross financial debt at June 30, 2024 was down slightly at €64.7 million, compared with €67.1 million at December 31, 2023. Excluding the impact of IFRS 16, gross debt at June 30 stood at €47.0 million, reflecting a more favorable financial position.

At June 30, 2024, Forsee Power had a solid balance sheet with shareholders' equity of €56.3 million, compared with €59.2 million at December 31, 2023.

Strategy and outlook

Over the coming quarters, Forsee Power intends to pursue its strategy of profitable growth by focusing on its key markets in Europe, Asia and the United States, where the Group has just strengthened its production capacity with the recent inauguration of its Columbus, Ohio site.

The expansion of the product range continues with the deployment of new battery systems. The offer also extends to integrated solutions covering after-sales, retrofit and financing options, responding to the diversified needs of customers.

However, due to the postponement of certain orders, the Group is adjusting its annual sales target to between €150 and €160 million.

Nevertheless, Forsee Power is maintaining its target of breakeven adjusted EBITDA for the full year 2024, thanks to rigorous cost management and its margins.

Next financial release:

- Q3 2024 sales, November 12, 2024 at 7:30 a.m.

About Forsee Power

Forsee Power is an industrial group specializing in smart battery systems for sustainable electric transport (light vehicles, off-highway vehicles, buses, trucks, and trains). A major player in Europe, Asia and North America, the Group designs, assembles, and supplies energy management systems based on cells that are among the most robust in the market and provides installation, commissioning, and maintenance on site and remotely. More than 3,500 buses and 140,000 LEV have been equipped with Forsee Power's batteries. The Group also offers financing solutions (battery leasing) and second-life solutions for transport batteries. Forsee Power and its 750 employees are committed to sustainable development and the Group has obtained the Gold medal from leading sustainability rating agency EcoVadis. For more information: www.forseepower.com | @ForseePower

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