



**HOFFMANN
GREEN CEMENT**
Catalyst of
Carbon Transition

Hoffmann Green reports robust half-year revenue growth and continues executing its strategic roadmap

- Half-year sales doubled to €3.3 million compared to H1 2023, with expanded market diversification
- Structuring milestones achieved in international expansion in Saudi Arabia and the United States
- Solid financial structure: shareholders' equity of €62 million and cash position of €24.8 million
- Short- and medium-term financial guidance confirmed

PRESS RELEASE - September 2024

Chaillé-sous-les-Ormeaux, September 16, 2024 – 8:00 a.m. CEST: Hoffmann Green Cement Technologies (ISIN: FR0013451044, Ticker: ALHGR) (“Hoffmann Green Cement” or the “Company”), an industrial player committed to the decarbonation of the construction sector that designs and markets innovative clinker-free cements, announces its 2024 half-year results. The Company's Supervisory Board met on September 13, 2024 to review the financial statements for the year ended June 30, 2024, as approved by the Executive Board.

€ thousand – IFRS	At June 30, 2024	At June 30, 2023
Revenue	3,280	1,676
EBITDA	-3,094	-3,648
Recurring operating profit/loss (EBIT)	-5,033	-5,133
Financial profit/loss	-37	270
Tax	-96	1,259
Net profit/loss	-5,190	-3,606

€ thousand – IFRS	At June 30, 2024	At June 30, 2023
Cash and cash equivalents (including placements)	25,034	42,001
Shareholders' equity	67,035	74,693

Julien Blanchard and David Hoffmann, co-founders of Hoffmann Green Cement Technologies, said: *“The first half of 2024 was marked by Hoffmann Green's ongoing business development, highlighted by the signing of significant new partnerships with industry leaders. In response to the ongoing slowdown in France's new housing construction sector, the company has diversified its focus toward high-value markets, including renewable energy, waste treatment, and B2C retail. These growth drivers in expanding sectors position Hoffmann Green to face the future with confidence. We are highly satisfied with our international progress, having initiated the construction of the H-KSA 1 unit in Saudi Arabia and secured a significant 30-year exclusive licensing agreement in the United States. The doubling of our revenue, coupled with tight cost control, has led to a significant improvement in EBITDA, which is on track to reach breakeven in 2024. In light of these strong commercial and financial achievements, we reaffirm all of our short- and medium-term financial guidance.”*

H1 2024 highlights: increased volumes, a strengthened order book driven by new partnerships, international expansion, and recognition through CSR awards

Higher sales volumes and stronger order book:

- Cement sales volume up +6.7% year-on-year to 7,833 tons. Sales were mainly generated by H-UKR technology, and are mainly attributable to the execution of contracts in the order book.
- Order book increased to over 270,000 tons, up by 10,000 tons of cement over the first half of 2024. This increase is the result of strategic partnerships and order commitments on H-UKR and H-IONA technologies with key players in the sector:
 - Signature of a partnership running until the end of 2027 with Groupe Trecobat, France's 4th largest builder of single-family homes;
 - Strategic partnership with ViaVilla, a leading real estate company specializing in the construction of villas on the Atlantic coast;
 - Signature of a key partnership to distribute Hoffmann decarbonized cements in 600 outlets of the LES MOUSQUETAIRES Group (Bricomarché, Bricorama, Brico Cash, Tridôme), marking the first B2C retail agreement in France;
 - Extension of the partnership with Bouygues Immobilier, a key player in property development, for two years;
 - Signing of a commercial partnership with Groupe Tartarin, a Vienne-based producer of a wide range of ready-to-use concretes;
 - Extension of a 5-year distribution partnership with Groupe Ravate, a major player on Reunion Island and in the Indian Ocean;
 - Partnership with the Polylogis Group and its subsidiary LogiOuest, social housing providers, for the recommendation and promotion of Hoffmann cement-based concretes for future housing programs in Loire Atlantique and Maine et Loire.

In a new housing construction market that remains in a slowdown, the Company has been able to diversify its business by penetrating new growth markets such as renewable energies. In June 2024, Hoffmann Green took part in a world first with the VALOREM Group: the pouring of the first wind turbine foundation made of 0% clinker decarbonized concrete.

In addition, building on the commercial dynamic of the first half of 2024, interest in Hoffmann Green's technologies continues unabated, as evidenced by the signing of additional strategic contracts.

The company has signed a partnership agreement with Béton Contrôle de l'Estuaire (BCE), an entity of the Duclos Group based in Charente-Maritime (17), which produces a wide range of ready-mix concrete, to provide Hoffmann Green Cement's 0% clinker cements to its network of concrete plants.

Structuring milestones achieved in international expansion

- **Launch of H-KSA 1 construction**

- Construction of Hoffmann's first cement production unit in Saudi Arabia has begun with the laying of the foundation stone at the Rabigh site. This event represents a key milestone, following the signing in 2023 of the licensing agreement with the Shurfah Group, a Saudi conglomerate.

- **Signing of a key licensing contract in the United States**

- This exclusive 30-year licensing agreement includes the construction of several H2-type vertical production units in the United States to support the decarbonization of the construction sector. The contract also offers the partner the possibility of sub-licensing Hoffmann units in the targeted states.
- In return, and in accordance with the strategy deployed as part of its international development, the Company will receive an entry fee of up to 20 million euros (including 2 million euros guaranteed), as well as fixed and variable annual royalties based on sales generated by the commercialization of Hoffmann cements in the United States.
- This contract was signed with Hoffmann Green USA, whose shareholders, Olivier Ducimetière-Monod and Francis Beauvallet, are well established in the United States and have recognized expertise in the sector.

Recognition of Hoffmann Green's CSR policy

- At the beginning of the year, the company published a scope 3 carbon footprint[®] based on the Net Zero Initiative[®] reference framework developed by Carbone 4. The company is one of the first cement companies to publish its carbon footprint according to all three scopes.
- Hoffmann Green has also received assessments from French and international extra-financial rating agencies, ranking the company among the best-performing companies in its category.
- The Company was awarded the Solar Impulse Efficient Solution label and joined the Bpifrance Excellence Club, two important recognition marks guaranteeing the quality and economic profitability of its H-UKR cement and certifying Hoffmann Green's decarbonized manufacturing process and business model.

2024 half-year results

In the first half of 2024, revenue amounted to €3.3 million, up +95.7% on the first half of 2023. The increase in sales in the first half of 2024 is mainly due to the acceleration of international expansion and the invoicing of an entry fee of €2 million to the American partner, and to higher cement sales volumes (7,338 tons at the end of June 2023 vs. 7,833 tons at the end of June 2024).

The improvement in EBITDA (+0.6 M€) results from the growth in sales, tempered by an increase in commercial development costs and a decrease in capitalized R&D development costs. The Company's workforce is stable year-on-year (56 employees at end June 2023 vs. 55 employees at end June 2024).

Operating income before non-recurring items came to €5.0 million. The year-on-year change (+0.1 M€) is explained by the evolution of EBITDA and the increase in depreciation and amortization charges linked in particular to the launch of the H2 unit.

Financial result decreased by -0.3 M€ year-on-year due to the fall in market value of the Company's mutual funds.

After taking into account a tax charge of -0.1 M€, Net Income at the end of June 2024 amounted to -5.2 M€.

A strong financial structure

At June 30, 2024, the Company had a solid balance sheet, with shareholders' equity of €62.0 million.

Available cash amounted to 13.1 M€ and 24.8 M€ including investments, in accordance with the Company's development plan.

The change in cash and cash equivalents over the first half of 2024 (-0.2 M€) is explained by operating cash flows (-5.2 M€), investment cash flows (-2.0 M€) and financing cash flows (+7.0 M€), including the two OCEANE issues carried out over the period (+10.0 M€).

The Company's financial statements to June 30, 2024 will be disclosed in the Company's half-yearly financial report, which will be made available to shareholders on the Company's website by October 30, 2024 at the latest, in accordance with legal and regulatory requirements.

Strategy and outlook

- **Commercial**
 - Continue to sign and extend contracts with strategic partners;
 - International deployment, through licensing agreements with partners in charge of financing, building and operating Hoffmann Green vertical production units in their geographical territory, and commercializing the Company's technologies.
- **Industrial**
 - Expansion of Hoffmann Green's production base with the launch of construction of the H3 plant at the Grand Port Maritime de Dunkerque (GPMD), scheduled for delivery in 2025.
- **Financial**
 - Break-even EBITDA by 2024;
 - Positive current operating income from 2025;
 - Sales of €130 million and EBITDA margin of around 40% by 2026.
- **R&D**
 - Acceleration of R&D funding to strengthen the environmental performance and quality of Hoffmann Green products, rewarded in 2024 by the Solar Impulse Efficient Solution label.
- **CSR**
 - Continue to commercialize carbon credits;
 - Continuous improvement of CSR approach: increase in extra-financial rating.

ABOUT HOFFMANN GREEN CEMENT TECHNOLOGIES

Founded in 2014 and based in Bournezeau (Vendée, Western France), Hoffmann Green Cement Technologies designs, produces and distributes innovative extremely low-carbon cements – with a carbon footprint 5 times lower than traditional cement – that present, at equivalent dosage and with no alteration to the concrete manufacturing process, superior performances than traditional cement.

Hoffmann Green operates two production units powered by a solar tracker park on the Bournezeau site: a 4.0 factory and H2, the world's first vertical cement plant inaugurated in May 2023. A third factory will be established at the Grand Port of Dunkirk in 2025, bringing the total production capacity to 550,000 tons per year, representing 3% of the French market. The group has industrialized a genuine technological breakthrough based on modifying cement composition and creating a cold manufacturing process, with 0% clinker and low energy consumption, making it a leading and unique player in the cement market that has not evolved for 200 years.

In a context of climate urgency and energy price inflation, Hoffmann Green Cement actively participates in energy transition by producing clean cement that consumes 10 to 15 times less energy than Portland cement. It also promotes eco-responsible construction and encourages circular economy and natural resource preservation. With its unparalleled and constantly evolving technological expertise, driven by high-performing teams, Hoffmann Green Cement Technologies serves all markets in the construction sector, both in France and internationally.

Hoffmann Green was selected among the 2022 promotion of the top 20 French green startups as part of the French Tech Green20 program, led by the French Tech Mission in partnership with the Ministry of Ecological Transition. In June 2023, the company was selected for French Tech 2030, a new ambitious support program operated by the French Tech Mission alongside the General Secretariat for Investment (SGPI) and Bpifrance.

The company continues its international development with contract signings in the United Kingdom, Belgium, Switzerland, Saudi Arabia and recently in the United States.

For further information, please go to : www.ciments-hoffmann.fr/

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