



Hoffmann Green announces the issuance of a second tranche of Convertible Bonds for a nominal amount of circa EUR 5 million subscribed by Odyssee Venture



**HOFFMANN
GREEN CEMENT**
Catalyseur
de la Transition
Carbone

PRESS RELEASE - May 2024

Chaillé-sous-les-Ormeaux, May 16, 2024 – 6:00pm 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 the completion of a second issuance of bonds convertible into new shares and/or exchangeable for existing shares (*obligations à option de conversion et/ou d'échange en actions nouvelles ou existantes - OCEANE*) (the “**Convertible Bonds**”) subscribed by funds managed by Odyssee Venture¹ for a nominal amount of approximately EUR 5 million. The Convertible Bonds will expire on 22 May 2029 (the “**Maturity Date**”)

Julien BLANCHARD and David HOFFMANN, Co-founders of Hoffmann Green Cement Technologies, say: “Following on from what we achieved with the Eiffel Investment Group investment fund, we announce today that we are completing the second phase of this financing transaction, structured in two tranches, under comparable conditions. Odyssee Ventures' commitment, an investor specializing in the financing of French growth companies, enables us to support our business growth by investing in our production capacity, R&D and national and international sales offensive. This financing has been completed on advantageous financial terms for both the Company and its shareholders. Odyssee Ventures' interest, following Eiffel Investment Group's, also confirms the attractiveness of our business model.”

¹It is specified that Odyssee Venture is not a shareholder of the Issuer and is not in any situation of conflict of interest in connection with the issuance of Convertible Bonds referred to above.

Aim of the transaction

The aim of the issuance of Convertible Bonds is to provide the Issuer with additional resources to support the deployment of its industrial and commercial strategy, with attractive financial terms and a limited potential dilution. The funds raised will be used particularly to:

- Strengthen the Group's production capacity;
- Research and development of innovative solutions;
- Strengthen the commercial team.

Terms and conditions of the transaction

Main terms of the Convertible Bonds

Nominal value - Interest rate - Maturity

The issuance represents a nominal amount of EUR 4,999,963.65, corresponding to the issuance of 407,495 Convertible Bonds with a nominal value of EUR 12.27 each.

The subscription price of the Convertible Bonds is equal to their nominal value.

The nominal value of the Convertible Bonds represents a premium of 20% over the average closing price of Hoffmann Green Cement shares on the Euronext Growth market over the 60 trading days preceding their issuance (from 19 February 2024 to 15 May 2024) (and a premium of 8% over the closing price on 15 May 2024).

The Convertible Bonds shall bear interest from 22 May 2024 (included) at an annual rate of 6%. Interest will be payable quarterly in arrears on 1 January, 1 April, 1 July and 1 October each year.

In addition, the Convertible Bonds will entitle their holders, subject to the absence of conversion of the Convertible Bonds into shares of the Issuer or their early redemption, to a non-conversion premium equal to an annual rate of 3%, payable in cash, which will be capitalized².

The settlement-delivery of the Bonds will occur on 22 May 2024.

Convertible Bonds will not be admitted to trading on any market and will not be listed.

Conversion right

Holders of Convertible Bonds will have the right to convert the Convertible Bonds into shares. Holders of Convertible Bonds may exercise this right at any time up to the 5th trading day (excluded) preceding the Maturity Date.

In the event of exercise of the conversion right, holders of Convertible Bonds will receive new and/or existing shares of the Issuer, at the Issuer's discretion, it being specified that the delivery of existing shares of the Issuer may only occur with the prior written consent of the relevant holder of Convertible Bonds.

The conversion ratio is one share for one Convertible Bond, subject to further legal adjustments.

² For illustrative purposes, the total amount of the non-conversion premium that would be due on the Maturity Date if no Convertible Bonds were converted before that date would be circa EUR 800,000.

Terms of redemption

Redemption on the Maturity Date

The outstanding Convertible Bonds will be fully redeemed on the Maturity Date at par plus (i) accrued interest since the last interest payment date and (ii) the aforementioned non-conversion premium.

Early redemption of the Convertible Bonds at the Issuer's discretion

The Issuer may, at any time, redeem all the outstanding Convertible Bonds, subject to minimum 30 calendar days' prior notice, in cash at par plus accrued interest from the last interest payment date to the date set for the early redemption, provided that the arithmetic average³ of the products of (i) the volume weighted average prices of the Issuer's shares observed on Euronext Growth Paris, and (ii) the applicable conversion ratio, exceeds 120% of the nominal value of the Convertible Bonds.

Early redemption of Convertible Bonds at the holders' discretion

Holders of Convertible Bonds may, at their discretion, request the early redemption in cash of all or part of the Convertible Bonds they own in the event of a change of control of the Issuer or a delisting or suspension of the listing of Hoffmann Green Cement shares, at par plus accrued interest from the last interest payment date to the date set for the early redemption.

Convertible Bonds may also be early redeemed at the discretion of the holders of Convertible Bonds in the event of the occurrence of customary events of default, at par plus (i) accrued interest from the last interest payment date to the date set for the early redemption and (ii) the aforementioned non-conversion premium.

New Shares

Any new shares resulting from Convertible Bonds will carry dividend rights from the date of their issuance and will be entitled to all distributions decided by the Issuer from that date. They will be listed on the Euronext Growth market under ISIN code FR0013451044 and will be fully assimilated to the Issuer's existing shares.

Legal framework of the transaction

The shareholders' meeting of the Issuer held on 2 June 2023 (the "**General Meeting**"), under the terms of its 12th resolution, in accordance with Article L. 225-138 of the French Commercial Code, granted the Management Board with a delegation of authority to issue, on one or more occasions, shares and/or securities giving access to new shares of the Issuer, without shareholders' preferential subscription rights for the benefit of a category of persons such as French or foreign investment companies or collective investment schemes, investing on a regular basis or having invested over the past 36 months more than EUR 5 million in small and mid-caps (i) operating in the construction sector or (ii) whose activity has as its objective or consequence the reduction of CO₂ emissions.

Following the authorization granted by the Issuer's supervisory board in its meeting dated 12 February 2024, the Management Board, using the delegation of authority granted under the 12th resolution of the General Meeting, decided during its meeting dated 16 May 2024 to issue bonds in the nominal amount of EUR 4,999,963.65, structured as Convertible Bonds.

Dilution

³ Calculated over 60 consecutive trading days preceding the publication of the Issuer's notice to the holders of Convertible Bonds for this early redemption.

For illustrative purposes, the maximum dilution would be of circa 2.6% of the current share capital in case of issuance of new shares only upon conversion of the Convertible Bonds, taking into account the conversion of the convertible bonds subscribed by Eiffel Investment Group on 16 February 2024.

Main risks associated to the Issuer

The main risks associated to the Issuer have been presented in the annual financial report 2023 covering the financial year ended 31 December 2023.

The main risks associated with the issuance of Convertible Bonds are summarized below:

- if the Convertible Bonds are redeemed by way of issuance of new shares, shareholders' holding in the Issuer's share capital will be diluted;
- if the Convertible Bonds are redeemed by way of issuance of new shares, the volatility and liquidity of the Issuer's shares could fluctuate significantly;
- the sale on the market of the Issuer's shares delivered to holders of Convertible Bonds could have an adverse impact on Hoffmann Green Cement's share price.

Advisors

Portzamparc (BNP Paribas Group) acted as financial advisor to Hoffmann Green Cement Technologies. Jeantet acted as legal advisor to Hoffmann Green Cement Technologies.

Disclaimer

The issuance of the Convertible Bonds does not give rise to the disclosure of a Prospectus submitted to the approval of the French *Autorité des marchés financiers*.

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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.com/

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