



Hoffmann Green announces the completion of an issuance of bonds convertible into new Shares and/or exchangeable for existing shares for a nominal amount of circa EUR 5 million subscribed by Eiffel Investment Group

PRESS RELEASE - February 2024

Chaillé-sous-les-Ormeaux, February 16, 2024 – 9:00pm CET: Hoffmann Green Cement Technologies (ISIN: FR0013451044, Ticker: ALHGR) ("**Hoffmann Green Cement**" or the "**Issuer**"), an industrial player committed to the decarbonation of the construction sector that designs and markets innovative clinker-free cements, announces the completion of an 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 Eiffel Investment Group¹, for a nominal amount of circa EUR 5 million. Convertible Bonds will expire on 20 February 2029 (the "**Maturity Date**").

Use of proceeds of the transaction

The purpose of the issuance of the Convertible Bonds is to provide the Issuer with additional financial resources to support its industrial and commercial strategy.

Julien BLANCHARD and David HOFFMANN, Co-founders of Hoffmann Green Cement Technologies, say: "*We are very proud of our achievements and our growth trajectory represented by a solid increase of our sales volumes in 2023 (+78% vs. 2022). This was a year of transformation of the company's profile, demonstrating our ability to grow in a highly dynamic market segment. The financial commitment of Eiffel Investment Group will strengthen our investments in our production capacities, our R&D, and our commercial offensive to continue accelerating our growth trajectory. This demonstration of interest from asset manager Eiffel Investment Group, a leading investor committed to financing sectors and innovative companies that have a positive impact on the environment, strengthens our position as a key player in the decarbonisation of the construction sector.*"

¹ It is specified that Eiffel Investment Group 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.



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 4,999,997.44, corresponding to the issuance of 488,281 Convertible Bonds with a nominal value of EUR 10.24 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 21 November 2023 to 15 February 2024) (and a premium of 4% over the closing price on 15 February 2024).

The Convertible Bonds shall bear interest from 20 February 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 20 February 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 970,000.



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

From 20 February 2025 and until 20 February 2028 (included), the Issuer may 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 (i) accrued interest from the last interest payment date to the date set for the early redemption and (ii) the aforementioned non-conversion premium.

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.

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.



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 February 2024 to issue bonds in the nominal amount of EUR 4,999,997.44, structured as Convertible Bonds.

Dilution

For illustrative purposes, the maximum dilution would be of circa 3.2% of the current share capital in case of issuance of new shares only upon conversion of the Convertible Bonds.

Main risks associated to the Issuer

The main risks associated to the Issuer have been presented in the half year report for 2023 covering the first half of the financial year 2023, and in the annual financial report 2022 covering the financial year ended 31 December 2022.

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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and *Financial Code (Code monétaire et financier)* to qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in Article 2 point (e) of the Prospectus Regulation. In addition, in accordance with the authorization granted by the general meeting of the Issuer's shareholders dated 2 June 2023, only the persons pertaining to the categories specified in the 12th resolution of such general meeting may subscribe to the issuance.

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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 has two production units powered by a fleet of solar trackers on the Bournezeau site: a 4.0 plant and H2, the world's first vertical cement plant, which was inaugurated in May 2023. A third plant will be built at the major port of Dunkirk in 2024-2025, bringing total production capacity to 550,000 tonnes a year, or 3% of the French market. The Group has developed a genuine technological breakthrough based on the modification of cement composition and the creation of a cold manufacturing process, 0% clinker and low energy consumption, making it a leading and unique player in the cement market, which has not changed for 200 years.

Within the context of the climate emergency and energy price inflation, Hoffmann Green Cement is thus actively participating in the energy transition by producing a clean cement that consumes 10 to 15 times less energy than a Portland cement, by working to create eco-responsible buildings and by encouraging the circular economy and the preservation of natural resources. Thanks to its unrivaled technological know-how that is constantly improving, driven by effective and cutting-edge teams, Hoffmann Green Cement Technologies addresses all construction sector markets, both in France and abroad.

Hoffmann Green was chosen as one of the 20 French green start-ups in 2022 as part of the French Tech Green20 programme, run by Mission French Tech in partnership with the French Ministry for Ecological Transition. In June 2023, the company was selected as part of French Tech 2030, an ambitious new support programme run by La Mission French Tech alongside the General Secretariat for Investment (SGPI) and Bpifrance.

The company is continuing to expand internationally, signing contracts in the UK, Belgium, Switzerland and recently Saudi Arabia.

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

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