

Montaigu-Vendée, December 3, 2024 – 5:35 p.m.

HERIGE presents its adaptation project to strengthen its operational performance and maintain its competitiveness against a backdrop of unprecedented crisis in the construction market

Faced with an unprecedented and lasting downturn in the new-build and renovation markets, HERIGE has initiated a transformation project to adapt its organisation and maintain competitiveness.

A plan to adapt the Group in line with market trends

Today, the Group presented its reorganisation plan to employee representative bodies. This initiative aims to align the Group with evolving markets demands in a sector undergoing significant transformation.

This project is structured around 4 key pillars:

- improving operational performance and organisational efficiency to preserve margins,
- rationalising the industrial network to optimise resources and strengthen competitiveness,
- optimising the commercial organisation to better address market challenges,
- executing a divestment plan for non-strategic assets representing approximately €4.0m in turnover.

In connection with the different measures under consideration, the Group's workforce would be adapted to HERIGE's business volume. This project could ultimately entail a reduction of nearly 10% in the Group's total workforce.

During today's meetings with the HERIGE Group's employee representative bodies, the documents detailing the Group's adaptation project were shared with elected and trade union representatives.

Fully aware of the consequences of this decision, the Group's priority is fostering dialogue with social partners with the goal of reaching an agreement on the accompanying social measures (targeted completion by the end of H1 2025).

This project, critical to maintaining the Group's competitiveness, is expected to deliver a full-year cost reduction of approximately €7.0m.

Additionally, the measures outlined are projected to result in non-current expenses of between €10m and €11m before corporation tax, with approximately 70% to be provisioned in the current financial year.

Benoît Hennaut, Chairman of the Executive Board, commented: *"Our markets have experienced significant structural and cyclical changes in recent months, and the current unprecedented crisis compels us to make profound adjustments. The construction and building sector, both new and existing, has experienced a sharp downturn, prompting us to undertake a project to adjust our organisation in response to these evolutions. Our ability to implement this project with agility will enable us to secure long-term resilience of our business while maintaining our ambitions for sustainable and profitable growth."*

Considering this context, the Executive Board will propose to the 2025 Annual General Meeting that no dividend be distributed for the 2024 financial year.

NEXT PUBLICATION: : Q4 2024 turnover on February 4, 2025 (after the close of trading)

All our financial communications are available on our website: www.herige-industries.fr/en

About HERIGE

HERIGE Industries focuses on two sectors of the building industry: the Concrete Industry and Industrial Joinery. HERIGE is a multi-regional group of Vendée origin, with a workforce of almost 2,000 employees, present in mainland France, Canada and overseas.

**HERIGE is listed on Euronext Growth
PEA/PME eligible**

Indices: EURONEXT FAMILY BUSINESS, EURONEXT GROWTH ALL SHARE, ENTERNEXT@PEA-PME 150
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