

## Press Release

Le Bourget-du-Lac, 22<sup>nd</sup> July 2024 – 8:00am CEST



### First-half 2024 Revenue

- \ **Slowdown in automotive projects in an unfavorable sectoral context**
- \ **New projects with major brands (Luxury, Beauty and Consumer Goods)**
- \ **Strong partnership with ENRX**
- \ **Pipeline in progress**

**Roctool** (Euronext Growth – FR0010523167 – ALROC), specialists in mold heating and cooling technologies for plastics and composites, achieved during the first half of 2024, **consolidated sales of 3.0€ million. This decline in activity of -41%** compared to H1 2023 and -26% compared to H1 2022, confirms the slowdown in investments felt since the end of 2023<sup>1</sup>, particularly in the automotive sector.

In a disrupted geopolitical context, the Group had to undergo significant project postponements in several sectors. For example, the automotive sector, historically very dynamic and a growth driver for the Group in recent years, recorded a sharp slowdown despite the attractiveness of Roctool's high value-added solutions, with sales down 56% year-on-year to €0.8 million (i.e. 27% of turnover) in the first half of 2024, compared to €1.9 million (i.e. 36% of turnover) in the first half of 2023. During this first half, while projects were delayed or cancelled (due, in particular, to the difficulties of certain automobile subcontractors), the Group, to lessen the effects of this air gap, actively pursued its multi-sector commercial initiatives.

### ENRX and ROCTOOL on the move

As planned in their strategic agreement, Roctool and ENRX have completed the installation of the new demonstration center in China, with the aim of promoting the technology directly within the ENRX factory in Shanghai. The demonstration center in the United States, at the ENRX factory in Detroit, is in the installation phase and will also be operational in the coming weeks. These two centers will be able to help accelerate the number of projects during the second half of 2024.



*Roctool technology installed at ENRX Shanghai premises in China*

<sup>1</sup> See press release of 29th April 2024

Note that in June 2024, ENRX and Roctool participated in a first joint exhibition in Thailand at Automotive Manufacturing in Bangkok.



## Ongoing cost reduction

Since April 2024, Roctool has implemented a strict budgetary policy to reduce its costs. The first effects will be seen from the second half of 2024 and will accelerate in the first half of 2025. This reduction mainly affects the workforce, and certain structural costs, particularly in Europe and Asia.

## Financing of Roctool

The cash position as of June 30, 2024 was €0.9 million, was €1 million at December 2023 and as a reminder was €1.5 million at the end of June 2023. This reduced cash level is explained by the significant decline in sales during this first half of 2024. The company continues to actively work on the identification and short-term implementation of solutions to secure the financial situation. These important initiatives are combined with the acceleration of sectoral diversification and the effort to reduce costs.

## Activity for the first half of 2024

**Sales of goods**, including induction systems, peripherals, mold components and prototypes, stood at **€1.8 million**, compared to €3.3 million in the first half of 2023.

**Services**, including engineering studies, installation and commissioning services with corresponding testing, generated a turnover of **€0.8 million** in the first half of 2024, compared to €1.1 million in the first half of 2023.

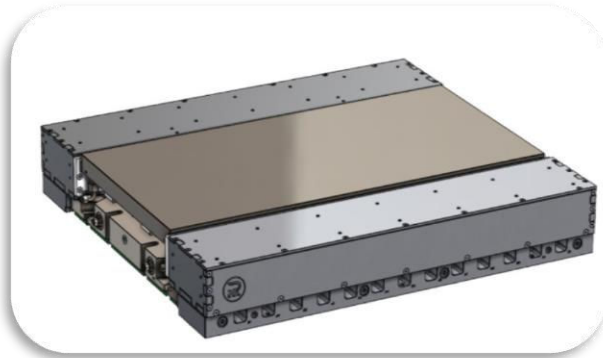
Revenues from **licensing agreements, royalties and strategic agreements** stood at **€0.3 million** during the first half of the year, compared to €0.6 million in the first half of 2023.

## A real ambition and new clients to relaunch the dynamic in the second half of the year

Despite still limited visibility, the company remains highly mobilized, and has just started new projects with major brands in the Luxury, Beauty and Consumer Goods sectors. These new projects offer interesting prospects and could soon partially compensate for project delays in the Automotive sector.

The pipeline of commercial opportunities is growing and the offering of **R-IDS™** hot plates constitutes a real opportunity on a global scale thanks to energy savings and its performance. These new cutting-edge solutions meet the expectations of customers who are increasingly keen to adopt technologies with high added value, capable of reducing their carbon footprint while guaranteeing optimal quality.

In response to growing demand and a market increasingly concerned with preserving the energy used, Roctool's R-IDS™ was presented at the JEC World composites show (March 2024). This innovative approach to heated platens, resulting from Roctool's technological know-how, allows users to move from a development stage to mass production like never before.



Drawing on its patent portfolio and know-how, Roctool's R-IDS™ solution introduces a new standard for the composites market.

This marks a bold leap towards series production in the manufacture of composite parts, ensuring first-rate performance. *(read more in our February 29, 2024 press release)*

## Potential intact and strategy maintained

With a growing pipeline of commercial opportunities, an ongoing effort to diversify by sector, and the ENRX partnership in progress, Roctool has great potential to continue winning over world leaders in a wide range of sectors. As a reminder, Roctool technology addresses key issues for the plastics and composites industry:

- Roctool technology makes it possible to produce plastic parts with improved qualities, eliminating the need for finishing or painting operations. Painting is increasingly targeted by many brands worldwide in all sectors for environmental reasons.
- For several years now, Roctool has been positioning its technologies in various sectors, with users looking for innovative solutions for molding recycled materials. Despite a complicated context, this trend shows no signs of abating, quite the contrary, and is set to become an industry standard for many applications.
- With its induction heating system, Roctool goes against the grain of more conventional technologies (electric, water or oil). The technology delivers unrivalled heating performance and energy savings, particularly in composite molding with its innovative hot plate technology.

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**About Roctool:** Roctool, specializes in rapid heat and cool technologies for plastic injection and composite molding. The processes developed by Roctool are in production in the following industries: automotive, electronics, consumer products, renewable energy, beauty packaging and medical. Roctool is an induction molding technology, working with plastic and composite including recycled materials. Roctool offers Engineering services, induction generators, tooling hardware and on-site support to manufacturers around the globe. Roctool technologies are well known for removing secondary operations which enable manufacturers to reduce the overall cost of the parts produced, as well as their environmental impact. Headquarters are found in Le Bourget-du-Lac (France), Roctool is present in the USA, China, Japan and Germany. For more information: [www.roctool.com](http://www.roctool.com)