APRIL 3RD, 2024

INVESTORS PRESENTATION

Results 2023

AGENDA

Vincent BEDOUIN
Chief Executive Officer

Nicolas BEDOUIN
Chief Operating Officer & Executive Vice-President Finance

LACROIX

PRESENTATION

AT THE HEART OF LACROIX

LACROIX

An **international**, **tech & industrial** midcap

€761M
Revenue in 2023

~5 100
Collaborators in 2023

Located in
13 countries

Family Group
on the stock market since
1992

EMEA ~ 75% REVENUE

NORTH AMERICA ~ 25% REVENUE

APAC

TEAMS LOCATIONS

- FRANCE
- GERMANY
- SPAIN
- ITALY
- SAUDI ARABIA
- POLAND
- TUNISIA
- BELGIUM
- MOROCCO
- USA
- MEXICO
- SINGAPORE
- CHINA

1/3 of employee / **2/3** in France

OUR VISION

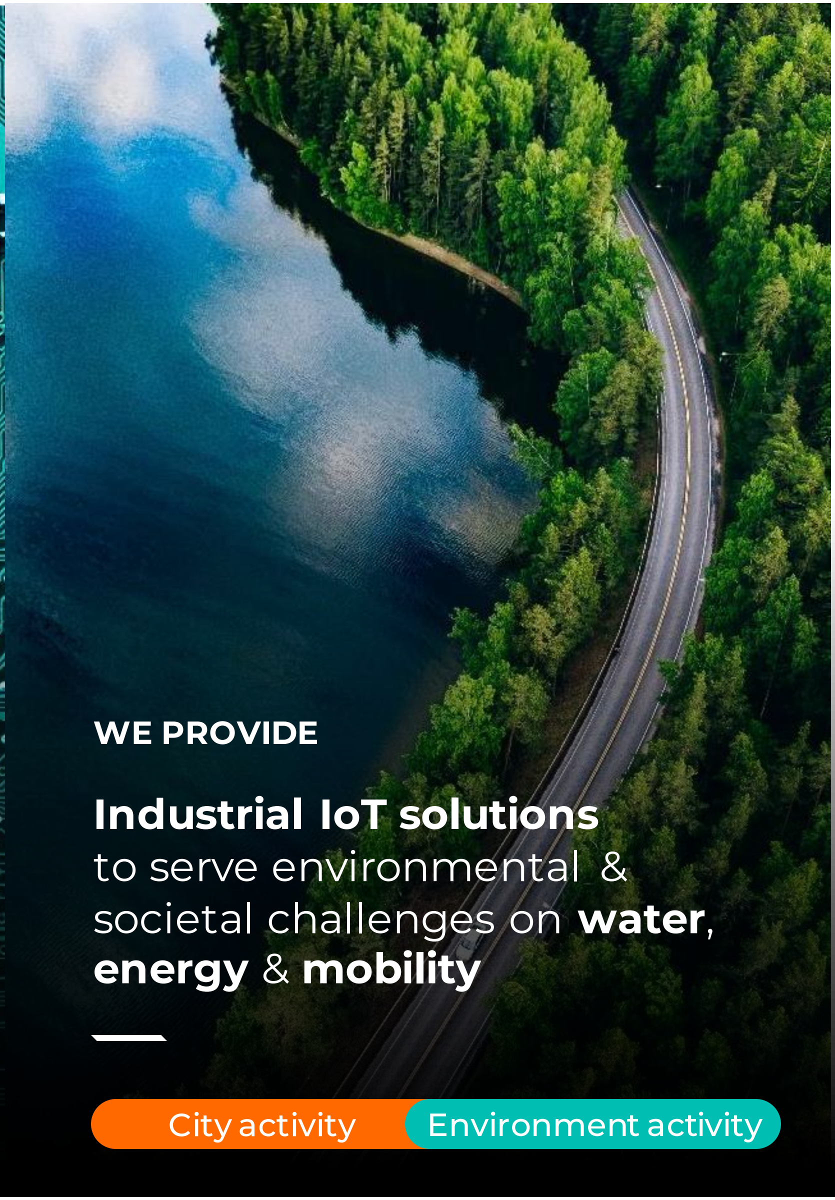
AT LACROIX, WE BELIEVE TECHNOLOGY SHOULD CONTRIBUTE TO SIMPLE, SUSTAINABLE AND SAFER ENVIRONMENTS.

Contribute
to the development
of **more sustainable living ecosystems**
through **useful, robust & secure connected technologies**

WE DESIGN & MANUFACTURE

Electronic equipment
to contribute to the **automotive**, **avionics**, **HBAS** & **industrial** transition

Electronics activity



WE PROVIDE

Industrial IoT solutions
to serve environmental & societal challenges on **water**, **energy** & **mobility**

City activity | Environment activity

OUR AMBITION

Become a
global leader
in industrial IoT solutions
& **electronic**
equipment
for critical applications

Electronics activity

Deliver end-to-end services from design to manufacturing of electronic equipment

€562M

City activity

Deliver equipment & solutions to optimize & secure smart road infrastructures

€116M

Environment activity

Deliver equipment & solutions to optimize & secure water & energy infrastructures

€83M

CUSTOMERS

For technology & industry leaders

Scale-up, midcap & listed companies

For road systems infrastructure operators

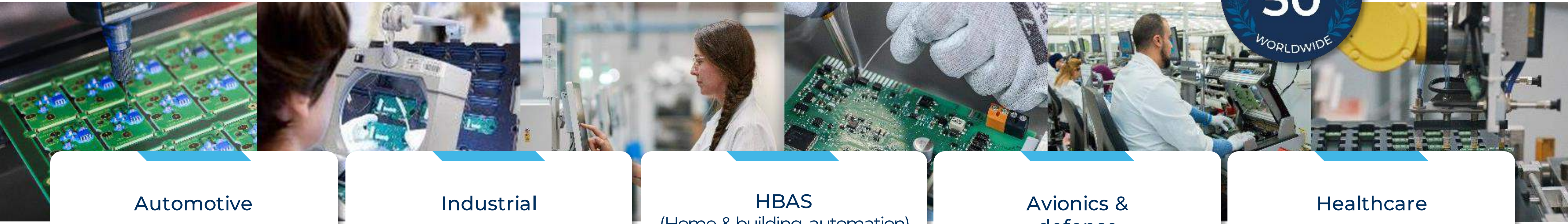
Operators - Integrators & installers
Design offices - Civil works
Local authorities - Departmental councils & DIR (Interdepartmental Road Directorate)

For utilities infrastructure operators

Operators - Integrators & installers
Design offices - Manufacturers
Local authorities – Intercommunal syndicates – Social housing landlords

LACROIX

Our customized IIoT & electronic equipment services from design to manufacturing



Automotive

Powertrain & e-mobility
Lighting systems
Comfort & Infotainment
Advanced Driver Assistance

Industrial

Machine/robot controls
Test & Measurement equipment
Electrical networks & recharging
Off-road & industrial vehicles

HBAS
(Home & building automation)

Automation & Connectivity
HVAC & Energy management
Opening & Access control
Safety & Security

Avionics & defense

Cabin & passenger comfort
Instrumentation control
In-flight management
Communication & Radio

Healthcare

Medical imaging
Professional diagnostic
Monitoring
Home-hospitalization

CITY ACTIVITY

Our turnkey offer of equipment & solutions to optimize & secure smart road infrastructures

Street lighting

Traffic management & C-ITS
(cooperative intelligent transport systems)

Passenger information system

ENVIRONMENT ACTIVITY

LACROIX

Our turnkey offer of equipment & solutions to optimize & secure water & energy infrastructures

Water & wastewater

Smart Grids

vis IT

set IT

HVAC (Heating, Ventilation, & Air Conditioning)

OUR 4 COMMITMENTS TO USEFUL & SUSTAINABLE ELECTRONICS

LACROIX

Grow positive impact business

Focus on positive impact solutions

-

Creating sustainable business models

Design eco-efficient solutions

Eco-design our products

-

Develop plain digital solutions

Run sustainable operations

Reduce our greenhouse gas emissions

-

Limit other environmental impacts

-

Improve practices in our supply chain

Commit to our people & act locally

Care & share

-

Empower our people

-

Promote equity & diversity

-

Commit to our territories

Certifications

Gaïa RATING

63/100
over 62%
of rated companies

SILVER 2023 ecovadis Sustainability Rating

61/100
against 53/100 in 2022

02

LACROIX

RESULTS 2023

GROWTH TARGET EXCEEDED
-
RESILIENT RESULTS

A challenging exercise in a contrasted environment

+

GROUP

- Good control of FCF and gearing reduction at 59%
- Communication and deployment acceleration of our CSR strategy
- Demonstrated a high level of resilience against a cyber attack of an unprecedented scale

ENVI / CITY :

- Water, Heat networks, Smart Grids and Street Lighting business units keep a strong momentum while maintaining excellent recurring EBITDA margins
- Great advancement for the SIGNA carve-out project with the entry into exclusive negotiation with AIAC company

ELEC :

- Strong dynamic for our 2 high value-added Electronics sites (Beaupreau FR and Willich DE)
- Electronics EMEA customer mix improving
- A promising transatlantic positioning

—

ELEC :

- Difficult year for ELEC North America ending with an inventory impact of -3.1€M on Group recurring EBITDA
- Weak dynamic for European HBAS market (FY2023) & automotive market (H2 2023)
- Exceptional labor cost increase in our low-cost countries (+15-20% in MEX, POL and TUN) coupled with significant currency appreciation in these 3 countries, not fully passed on to customers

An additional year of continuous growth and resiliency in our results

SOLID GROWTH

- **7,5% revenue growth** vs 2022
- Performance driven by the 3 activities

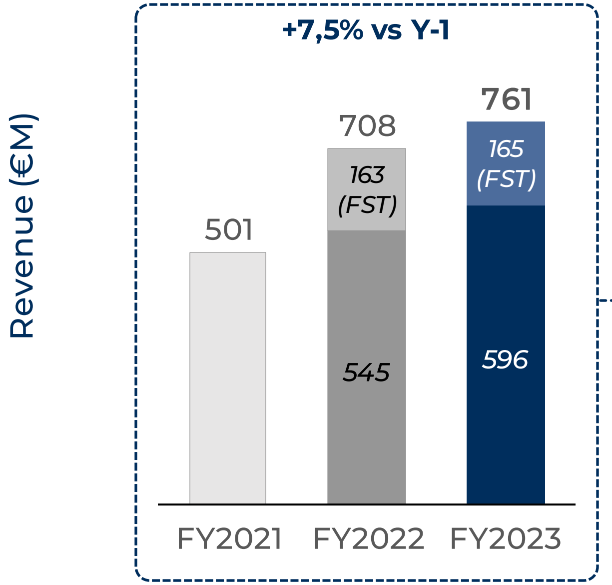
RESILIENT RESULTS

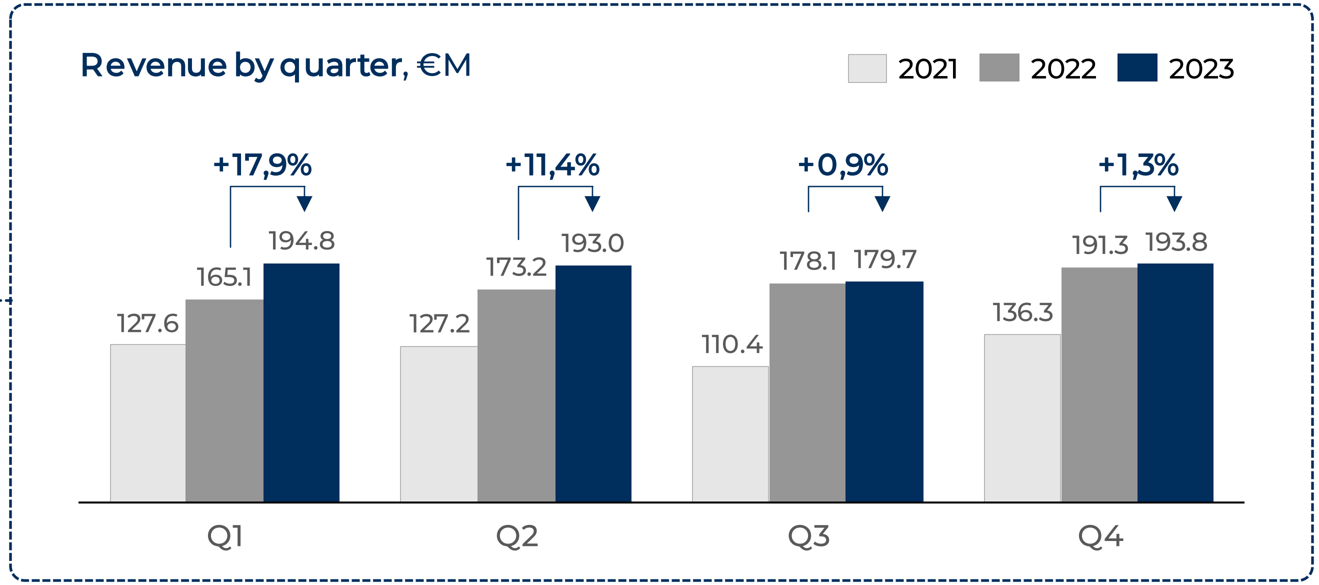
- **Recurring EBITDA : 41,6M€**
- 5,5% of revenue
  6,5% excl. ELEC NA
- Net Income Group Share: **4,3M€**

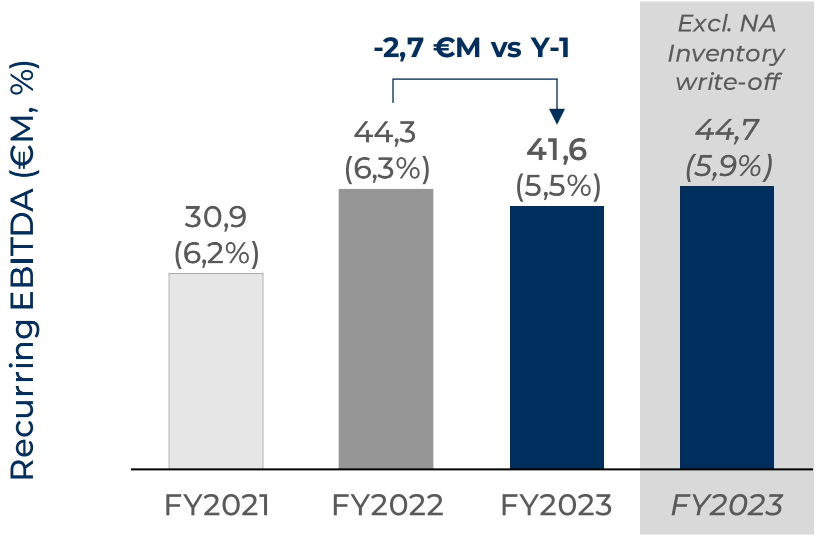
A STRONG FINANCIAL STRUCTURE

- **Shareholder's equity of 190 M€**
- **Gearing improvement of 59%** (from 72% in 2022)

REVENUE OVER €760M





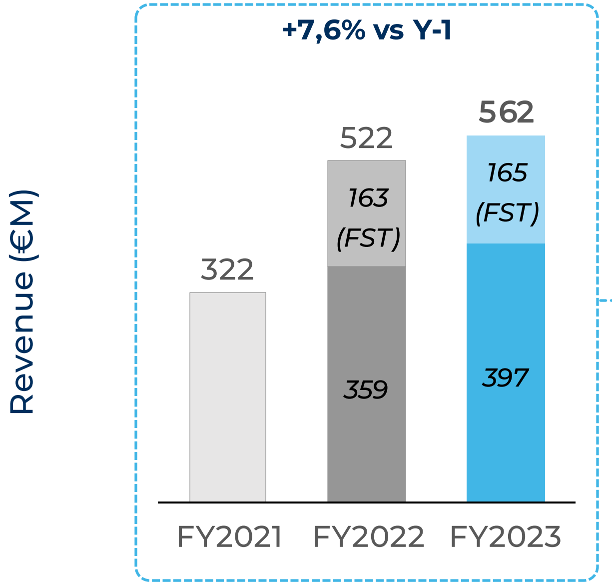


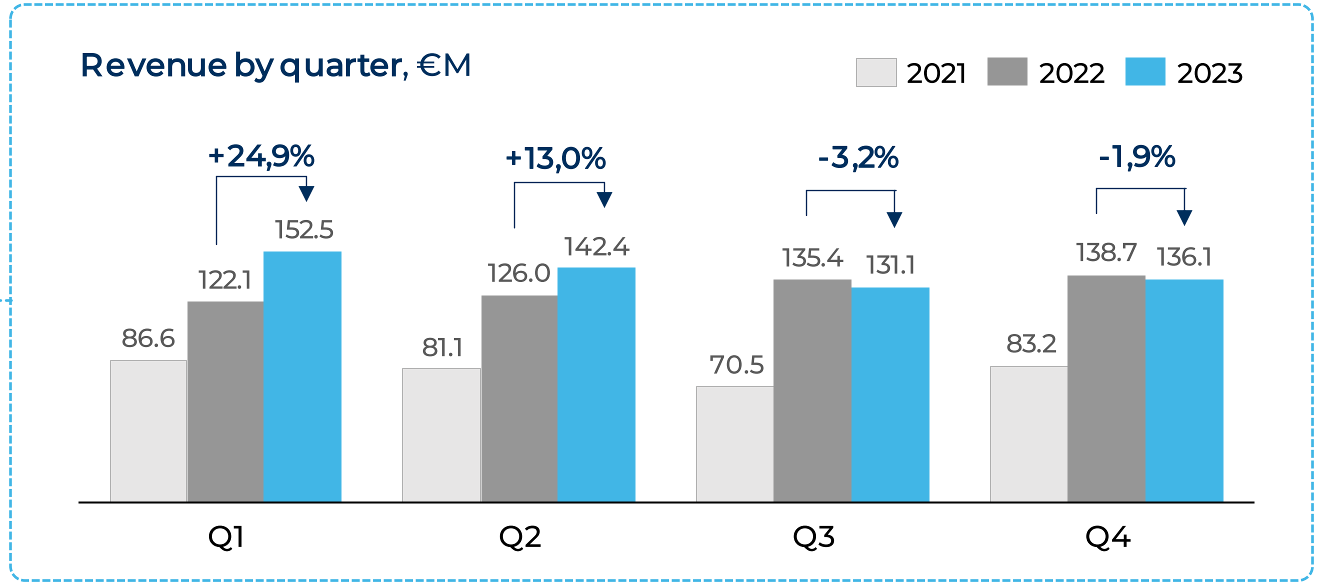
- 7,5% growth vs 2022 (7,2% excl. F/X effect) unlocking historical sales milestone of €750 million (line with guidelines)
- Strong performance overall despite a strong comparison period: 2022 already showing 8,6% growth vs 2021 (like-for-like basis)
- A more contrasted performance for H2
- RECURRING EBITDA down to 5,5% due to specific difficulties in Electronics segment currently being worked on (North America, Auto/HBAS market dynamics, FX/Labor costs increase)

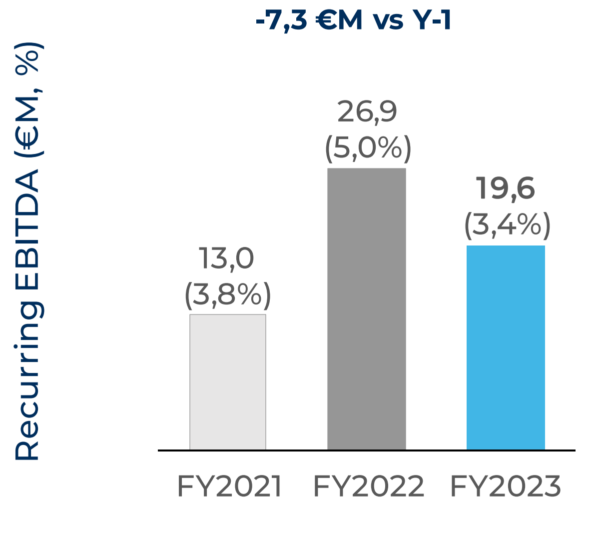
ELECTRONICS ACTIVITY

LACROIX

A CONTRASTED YEAR BETWEEN EMEA AND NA





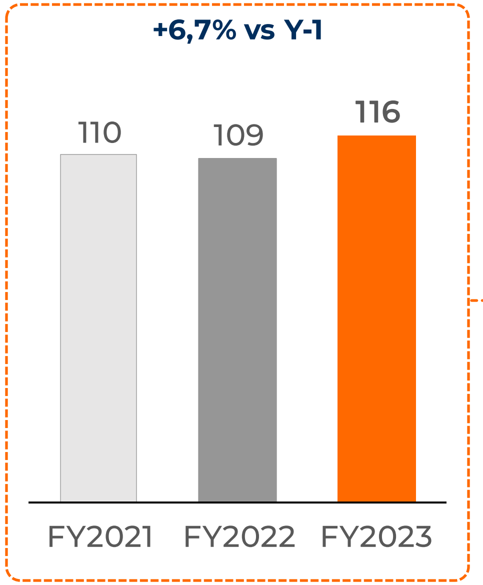


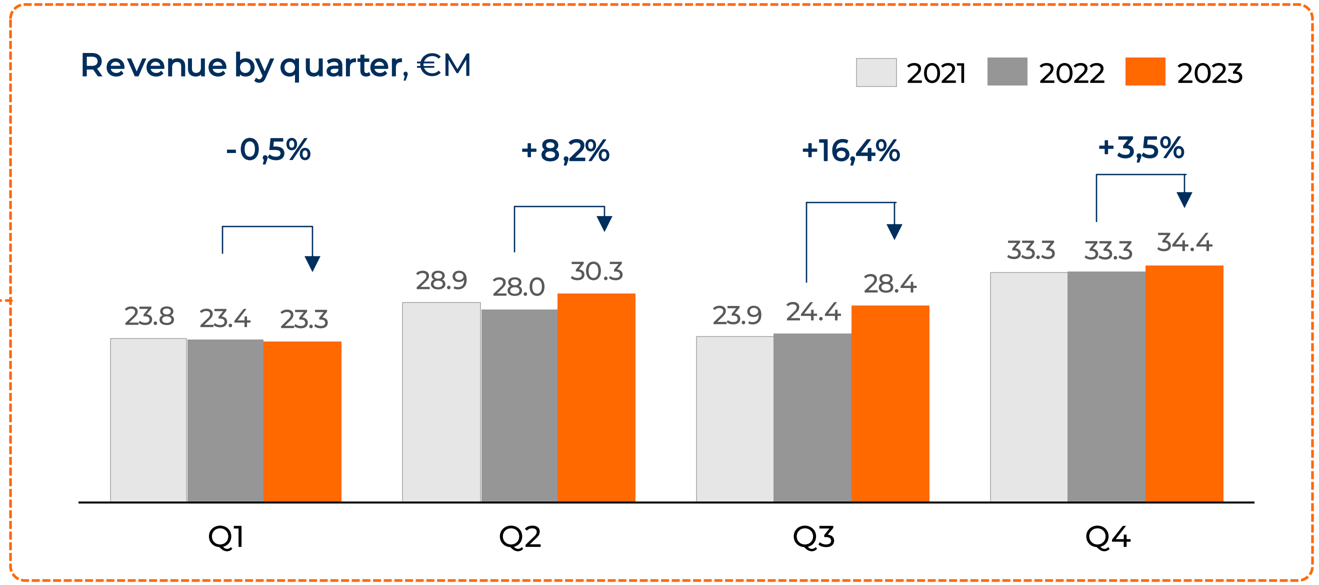
- 7,6% organic growth vs 2022 in a context of supply conditions returning to normal
  - Growth driven by numerous new projects, especially in the industrial segment
  - In EMEA, 2-digits growth over industrial & mil/avionics segments; low demand in HBAS (Home & Building) & start of demand decrease in S2 for Automotive
  - Revenue also growing in North America
  - Exceptional growth in H1, more tempered over H2 depending on end-markets
- Recurring EBITDA margin growing in EMEA but dropping in North America

CITY ACTIVITY

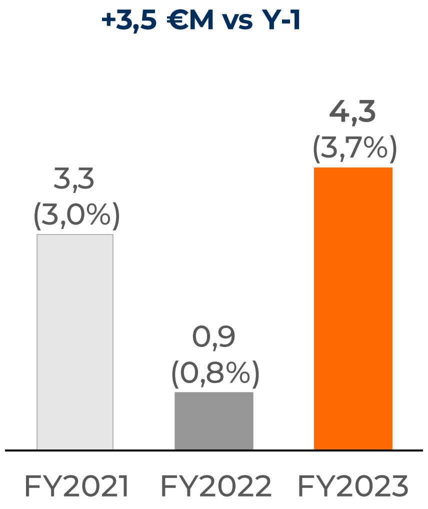
HIGH MOMENTUM IN STREET LIGHTING AND ROAD SIGNS BUS

Revenue (€M)





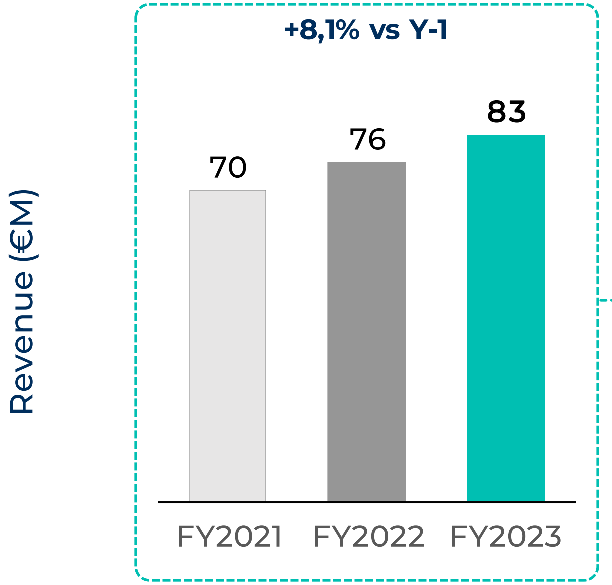
Recurring EBITDA (€M, %)

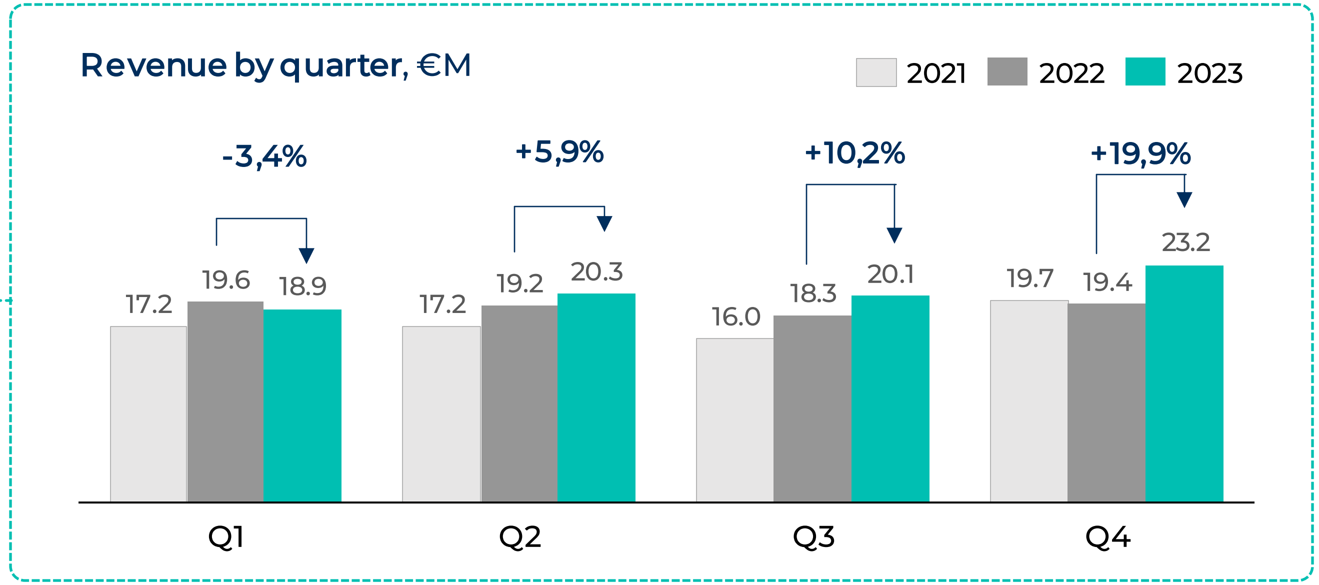


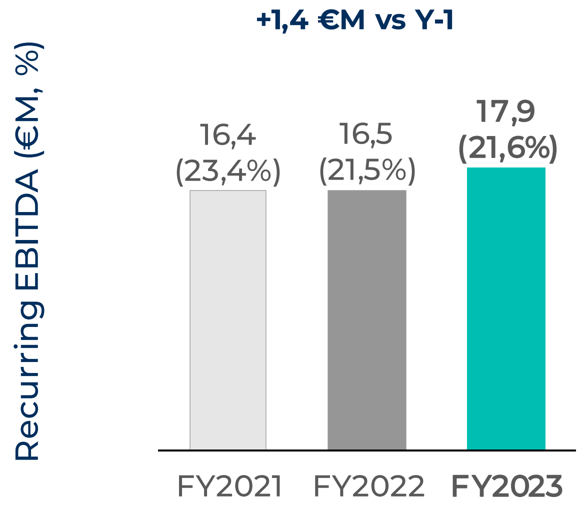
- 6,7% organic growth vs 2022, all segments contributing
- Street Lighting stays the main growth engine with an annual growth of +15%, driven by a good trend on the French market & the road infrastructure modernization contract in Flanders
- RECURRING EBITDA margin growing to 3,7%
- Year-end marked by the start of exclusive negotiations with the American company AIAC, in preparation to the selling of the Road Signs segment (~59M€) in Q1 2024

ENVIRONMENT ACTIVITY

EXCELLENT RESULTS DRIVEN BY SMART GRIDS AND INTERNATIONAL PROJECTS







- 8,1% organic growth vs 2022
  - Smart Grids segment posted a strong dynamic with a yearly growth of +12,1%
  - Excellent international results for Water segment showing +50% growth over Q4, driven by (in particular) the delivery of significant projects in Saudi Arabia
- Solid outlook with several contract wins, particularly internationally
- Profitability remains at a high level

SIMPLIFIED INCOME STATEMENT

LACROIX

In €M	December 31 2023 12 months	December 31 2022 12 months	Variation
Revenue	**761,2**	707,8	+7,5%
Recurring EBITDA In % Revenue	41,6 5,5%	44,3 6,3%	-6,1% -8 pp
Current operating income In % Revenue	17,8 2,3%	21,7 3,1%	-17,8% -8 pp
Operating income	**3,8**	21,0	-82,1%
Financial income	(8,5)	(7,2)	
Income tax expenses	1,9	(2,0)	
Net income	**(2,8)**	11,7	-123,9%
Net income Group share	**4,3**	11,9	-64,1%

- **Recurring EBITDA decrease of 6,1%**
- **Operating income of €3.8 million impacted by significant non-recurring items**
  - Exceptional amortization of the Customer List of €10 M as a consequence of the evolution of the profitability on the customer base of LACROIX Electronics MI (formerly Firstronics),
  - Consequences of the planned disposal of the Signaling BU (sale of the building and treatment as an asset available for sale)
  - Cyber attack residual impacts (mainly costs of rebuilding operational systems)
- **Financial income and expenses,** due to the full-year impact of higher interest rates.
- **Net income (Group share) of €4.3 million**, with a decrease limited by the capitalization of deferred taxes and the contribution of minority interests.

ADJUSTED INCOME STATEMENT

In €M	*31st december 2023 Non GAAP*	*31st december 2022 Non GAAP*	31st december 2023	31st december 2022
Revenue	***761,2***	*707,8*	761,2	707,8
Recurring EBITDA In % Revenue	*41,6* *5,5%*	*44,3* *6,3%*	41,6 5,5%	44,3 6,3%
Current operating income In % Revenue	***21,5*** ***2,8%***	***25,9*** ***3,7%***	17,8 2,3%	21,7 3,1%
Operating income	***21,1***	***25,1***	3,8	21,0
Financial income	*(9,0)*	***(7,2)***	(8,5)	(7,2)
Income taxes & charges	***(1,7)***	***(3,0)***	1,9	(2,0)
Net income	***10,4***	***15,0***	(2,8)	11,7
Net income group share	***13,7***	***14,3***	4,3	11,9
Net income (pdg) per share	***2,93***	**3,05**	**0,91**	**2,54**

Adjusted elements for a more standardized performance reading

Current operating profit : Adjustment of share-based payments and amortization of intangible assets

Operating profit : Adjustment of the impact of Road signs BU sale, building sale, the Cyber attack and the non-recurring amortization of intangible assets.

Financial income : restatement of fair value of non-consolidated investments

Taxes : Adjustment of the impact of the above changes

Conclusion :

Adjustment for non-normative items and their impact on tax, Group net income close to 2022

SIMPLIFIED BALANCE SHEET

In €M	December 31 2023	December 31 2022
Non-current assets	232,3	252,1
Current assets (excluding cash)	332,3	316,7
Cash and cash equivalents	42,5	22,6
TOTAL ASSETS	**607,1**	**591,4**
Shareholders' equity	190,1	193,9
Non-current Borrowings	95,6	85,0
Other non-current liabilities	44,9	48,1
Other current liabilities	276,5	264,4
TOTAL LIABILITIES	**607,1**	**591,4**

- **Total non-current assets decreasing** due to decrease of intangible assets (customer List) and accounting treatment of the sell of the BU Signaling
- **Positive cash evolution**
- **Shareholder's equity decreasing** due to impact of non recuring events on net results, and dividends distribution
- **Increase of Long Term debt of 10,6 M€**, with the implementation of a long term loan (PPR) for 10,0 M€ in the last quarter of 2023

CASH FLOW STATEMENT

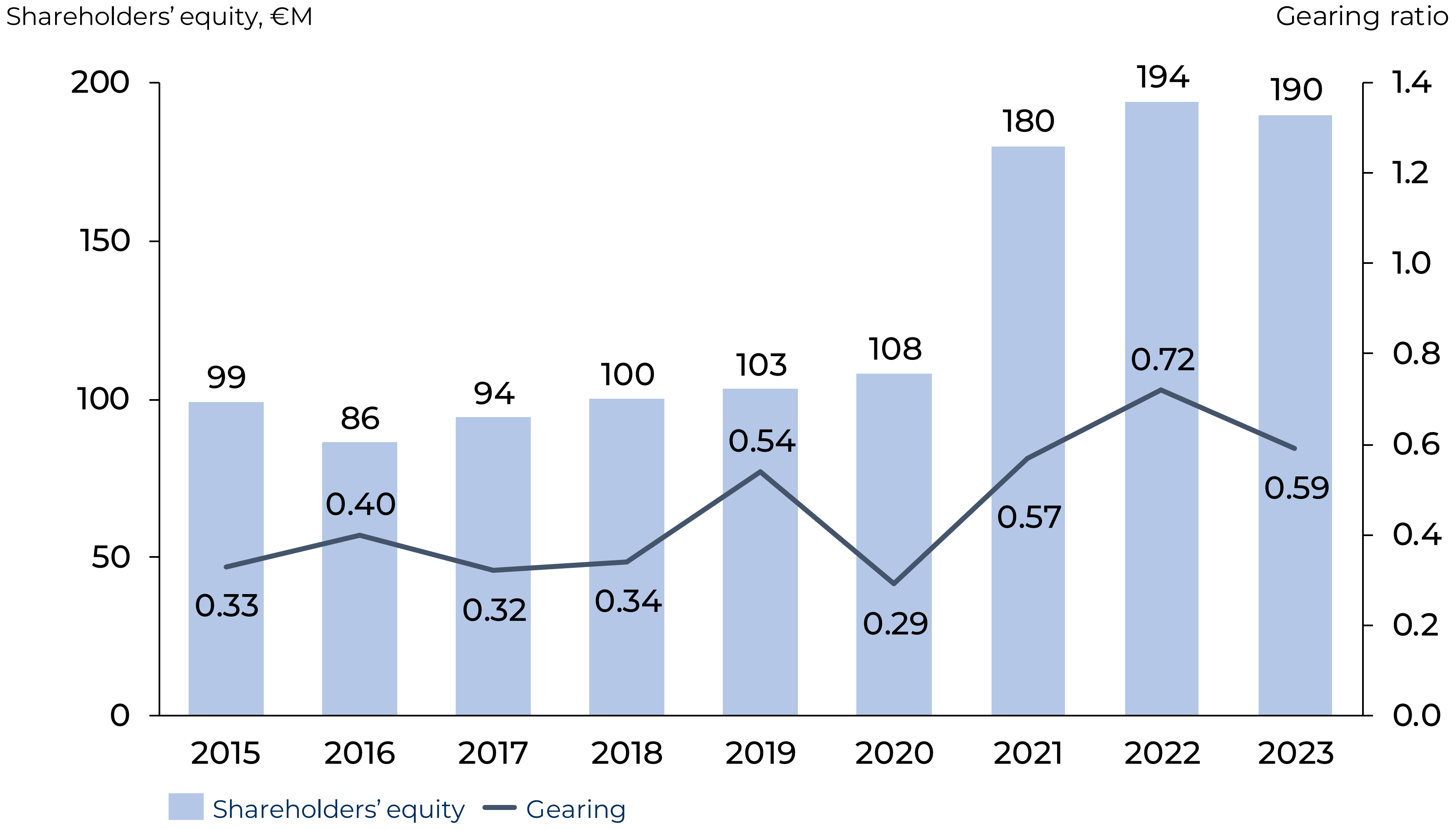
LACROIX

In €M	December 31 2022 12 months	December 31 2021 12 months
Consolidated net income	(2,8)	11,7
Cash flows from operations	27,4	36,8
Changes in working capital relating to operations	8,9	(35,3)
Net cash flow from operating activities	**36,3**	**1,5**
Net cash flow from investment activities	(13,7)	(18,5)
Net cash flow from financing activities	10,2	(2,4)
Net increase (decrease) in cash and cash equivalents and bank over drafts	33,2	(20,1)
Closing cash flow	12,5	(25,8)

- **Large Free Cash Flow improvement** at €23,2M, benefiting from the beginning of an improvement in NWC
- **Mastered level of CAPEX** with ELECTRONICS remaining the main contributor, in Europe and North America
- Cash flow benefited from the positive impact of the sale of the Signaling building for 9.5 M€.

A STRONG FINANCIAL STRUCTURE

LACROIX



- Stable shareholders' equity
- Decrease in net debt vs 2022
- **Gearing ratio (net debt / shareholder's equity) of 59% maintained largely below the 80% ceiling set in the plan 2025**

LACROIX

LEADERSHIP 2025 & GUIDANCE 2024

PROGRESS & FUTURE CHALLENGES

WE KEEP PROGRESSING ON OUR 5 STRATEGIC PILLARS

LACROIX

Technological leadership

Strenghtening our innovation and R&D capabilities & develop Strategic partnerships

Strategic geographical positions

Develop our 3 activities in FR/GER/US and industrial & distribution networks

M&A

Strengthen the international presence of existing activities

Industry 4.0

Improve digitalization, industrial efficiency & customer experience

Transition to end-to-end solutions

Start a transition to higher value-added products and solutions

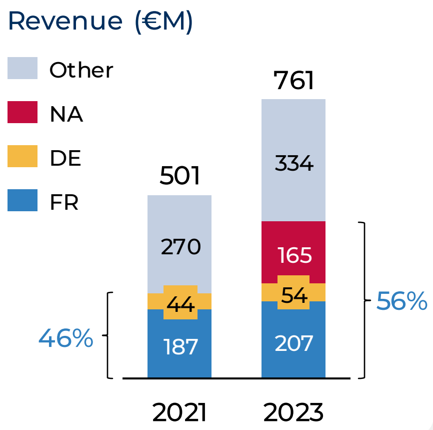
Environment and Street Lighting delivering strong growth and profitability

--

>70€M in cumulative R&D investments since 2021

--

Development of a **network of technological partners**



FIRSTRONIC acquisition to launch LACROIX local presence in North america & boost cross-atlantique selling with big customers

--

SIGNA carve-out project to focus investments on strategic markets

Opening of Symbiose, flagship of Industry 4.0 in France

--

2nd site in Juarez to accompany North America growth

--

~70€M of CAPEX over 2021-2023 period (3,5% of sales)

Progressive growth in sales of IoT management software applications

Launch of 2 new offers for water network supervision *(supervision tool with US partner ICONICS, and AI-based dataviz for network performance)*

Communication and deployment acceleration of our CSR strategy and LACROIX 2030 impact targets

LACROIX 2030 IMPACT TARGETS

LACROIX

		Impact indicators	Today	2030 TARGETS
1	GROW POSITIVE IMPACT BUSINESS	Share of impact business in revenue	61%	80%
2	DESIGN ECO-EFFICIENT SOLUTIONS	Share of new LACROIX products eco-designed	25%	100% in 2025
3	RUN SUSTAINABLE OPERATIONS	GHG emissions scopes 1&2 (vs 2021)	11.7 KtCO2e	-42%
		GHG emissions scopes 3 (vs 2021)	2.35 MtCO2e	Ongoing definition & validation by SBTi
		Waste generated per T€ of revenue	2.8 kg	-30%
		Share of purchasing spend covered by a CSR assessment	In progress	75% in 2025
4	COMMIT TO OUR PEOPLE & ACT LOCALLY	LACROIX sites Great Place to Work certified	33% (on 3 test sites)	100%
		Women among managers	26%	40%

SIGNIFICATIVE GAPS WITH INITIAL HYPOTHESIS

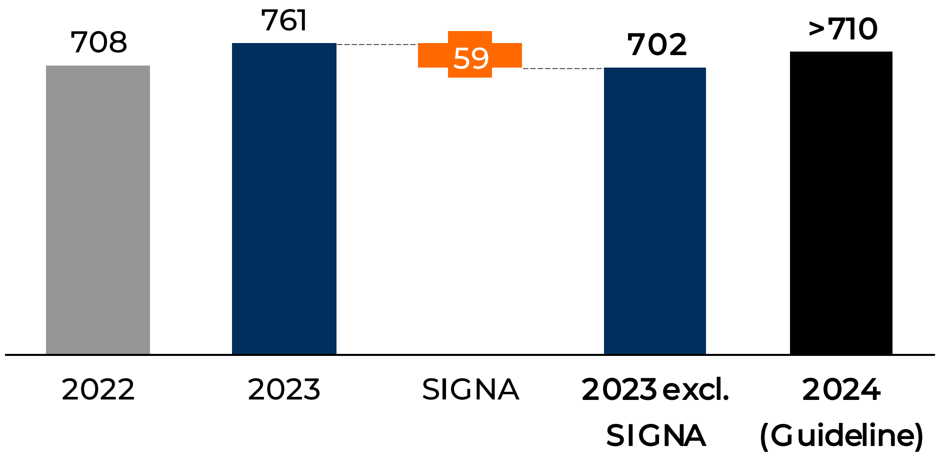
LACROIX

	Gaps with initial hypothesis	Mitigation Plan — *launched in 2023 for impact in 2024*
North America	**Extraordinary difficult year for our North American Business explained by the concomitance of several factors:** 1. Slowdown in automotive demand, punctuated by an exceptional social movement 2. Rising wage costs fueled by the Mexican peso's sharp appreciation (only partially passed through) 3. Loss of productivity resulting particularly from the saturation of production capacity	1. **Change of local leadership / Turnaround plan** 2. **Price Increase** 3. **Ramp-up of the new site in Juarez** 4. **Speed up integration process** with ELEC EMEA to secure processes and accelerate synergies
Labor costs	**Exceptional labor cost increase in our low-cost countries (+15-20% in MEX, POL and TUN)**	1. **Aggressive price increase** to offset inflation 2. Review our **quotation process**
F/X effect	**Significant negative FX effect in all our low-cost countries (MEX, POL, TUN)**	1. Aggressive **hedging strategy** 2. Included in our **pricing strategy**
Automotive & HBAS	**Weak dynamic for European automotive and HBAS markets in H2 2023 (which we expect to continue over 2024)**	1. **Reduction of our exposure** to the auto segment 2. **Prioritization of our commercial teams** on segments with strong growth, high profitability and positive impact

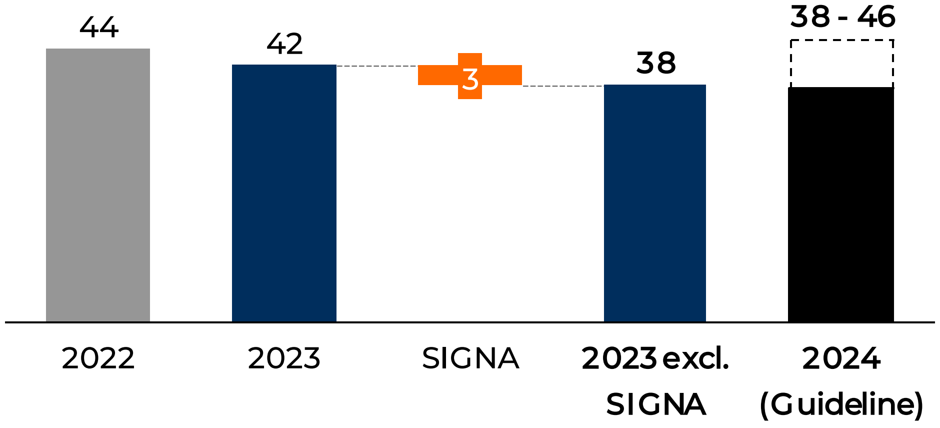
WE EXPECT 2024 REVENUE >710M€ AT CONSTANT PERIMETER AND RECURRING EBITDA MARGIN BETWEEN 5,5%-6,5%

LACROIX

REVENUE, €M



Recurring EBITDA, €M



Recurring EBITDA, %

6,3%	5,5%		5,5%	5,5-6,5%

- ✓ **Flat revenue at consolidated level:**
  - **2-digits growth for our high profitability businesses ENVIRONMENT** (Water, HVAC, Smart Grids) **and CITY** (Street Lighting) **offset by:**
  - ELEC : Continuous cleaning of projects/accounts with low profitability + Low dynamics of HBAS/Auto market in 2024
  - CITY (Mobility) : Market slowdown and Initiation of transformation & portfolio profitability cleaning
- ✓ **2024 focus on profitability uplift:**
  - ELEC : **Price increases** to balance continuous cost increases (mainly labor), **topline cleaning** towards higher margins customers/projects & **purchasing price** decrease on an electronic components market back to normal
  - ELEC North America **partial turnaround & integration acceleration** - full turnaround (incl. growing 2nd plant in Juarez) & integration will require 2 years
- ✓ **We don't expect significant impact from M&A in 2024,** however, it is still part of the 2025 plan

LACROIX

Key figures

INITIAL PLAN

~ €800m
Revenue

TARGET MAINTAINED

MODULO:
1 ADDITIONAL M&A
EVOLUTION OF AUTO/HBAS DEMAND

CAGR 2019-25

	As reported	Organic
LACROIX GROUP	*+11%*	*+6%*

~9%
Recurring EBITDA Margin

9% EBITDA margin remains our ultimate target
however realistically it seems hardly achievable by 2025

We remain fully confident in the Group's ability to turn this corner in the medium term.

LACROIX IN 2025 – ALL OTHER OBJECTIVES CONFIRMED

Key figures

<0.8
Gearing ratio

>5%
Share of revenue invested in R&D

>70%
Revenue out of France

>75%
Internal satisfaction

~ 30%
Profits distributed

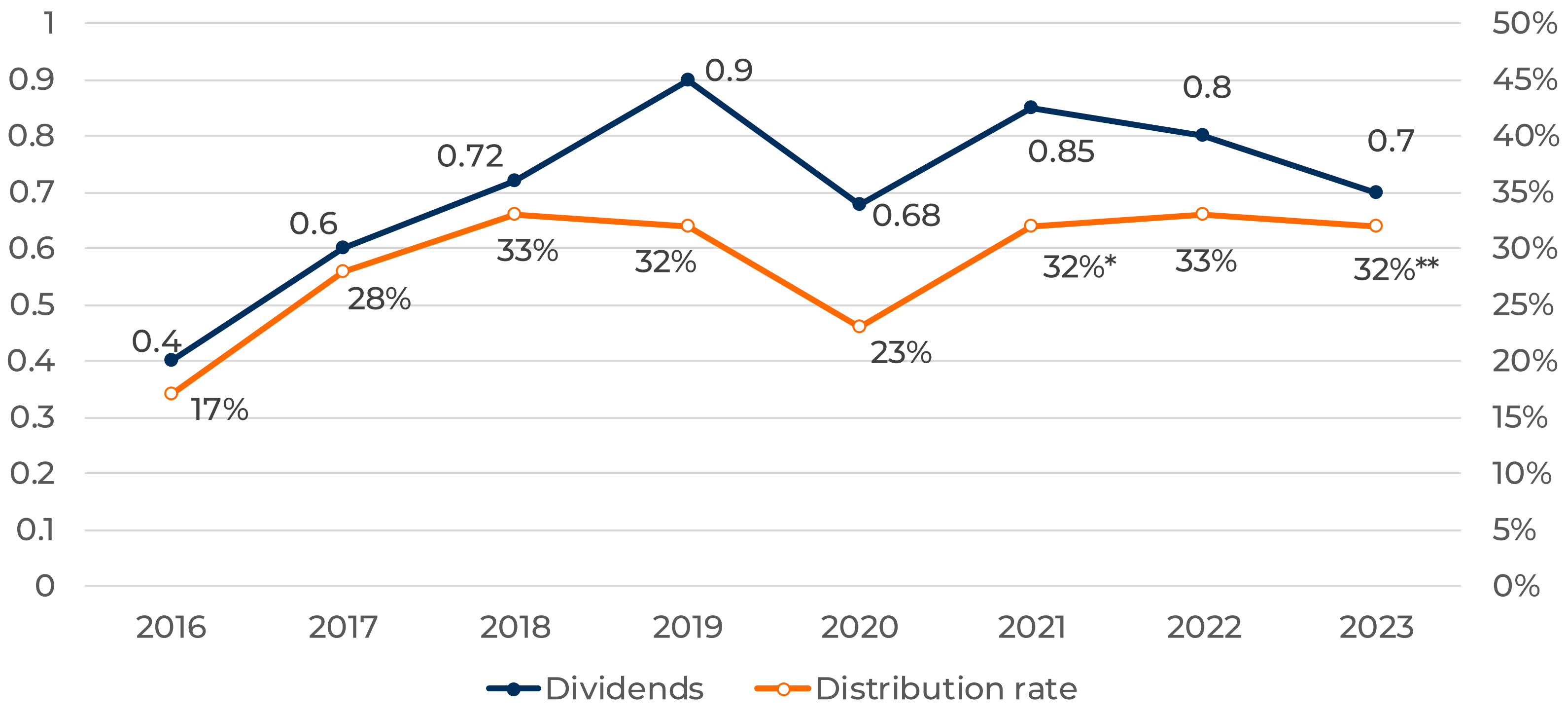
LACROIX

DIVIDENDS

DIVIDENDS: €0,70 PER SHARE

LACROIX

Proposal to the Shareholders' Meeting of May 17, 2024 of a dividend of 0.70 euros per share, i.e. a distribution rate of 32%**.



* After restatement of the revaluation of Firstronic shares
** Without depreciation of North America Customer List

LACROIX

UPCOMING EVENTS

NEXT APPOINTMENTS

LACROIX

- May 13, 2024: Revenue Q1 2024
- July 23, 2024: Revenue Q2 and H1 2024
- September 30, 2024: Half-year results 2024
- November 7, 2024 : Revenue Q3 2024

LACROIX

QUESTIONS / ANSWERS