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**LACROIX announces its project to exit North America by the end of 2025, as part of a strategic refocus on its strongest and highest-potential activities**

**In Q1 2025, revenue declined by 10.4% on a like-for-like basis, impacted by ongoing challenging market conditions in the Electronics activity, while strong momentum continued in the Environment activity**

**The 2027 roadmap presentation is confirmed for September 30, 2025.**

**Planned exit of the Electronics activity in North America (LACROIX ELECTRONICS MI LLC): elimination of a loss-making entity and reduction of exposure to the automotive sector.**

LACROIX today announces a project to definitively exit its electronics operations in North America, in line with the commitment made by the Group on March 31<sup>st</sup>, during the release of its annual results, to assess the best possible options to eliminate losses from this subsidiary by 2026.

Since that announcement, the business outlook for the American subsidiary has further deteriorated following the loss of several customer contracts. Moreover, ongoing geopolitical tensions (particularly the threat of additional U.S. import duties) continue to create significant uncertainty over future demand in the United States. In this context, it has become evident that the operational recovery plan initiated for Electronics in North America would be insufficient to restore profitability.

Given these circumstances, LACROIX has initiated a project to withdraw from its North American operations, which, as of the end of 2024, employed 1,251 people across two sites, at Juarez (Mexico), and Grand Rapids, Michigan (USA), and generated annual revenue of €141 million, down 15%. The subsidiary posted a negative EBITDA of €13.5 million for the 2024 fiscal year.

The Group has mandated its subsidiary, effective immediately, to implement this disengagement plan without delay in coordination with the various stakeholders. Discussions will be initiated in particular with clients and suppliers across the Atlantic to agree on the best possible conditions to manage the coming months. At the end of these discussions, all options will be considered: sale, operational shutdown, or even liquidation.

The objective is to complete this exit from North America by the end of 2025. Following this disengagement, the Group is expected to regain the flexibility needed to invest in and support its development, now focused on two core activities: Electronics EMEA and Environment. This new scope will offer enhanced visibility through a more balanced distribution among these activities and their pertaining markets, including a reduced exposure to the automotive sector (less than one-third of Group revenue, compared to 44% in 2024), even though this sector remains strategic for LACROIX.

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## Performance remained uneven in Q1 2025

This decision regarding the North American subsidiary comes in the context of a market that remained mixed over the first three months of the fiscal year, still characterized by difficult circumstances for the Electronics activity and structurally favorable conditions for the Environment activity. Overall, LACROIX's consolidated revenue for the period came in at €151.1 million, compared with €180.9 million a year earlier. On a like-for-like basis, excluding the Road Signs segment deconsolidated since April 30, 2024, the Group's revenue in Q1 2025 declined by 10.4%.

<i>Revenue in € million</i>	<b>Q1 2025</b>	Q1 2024	<b>Variation</b>
Electronics activity	<b>116.4</b>	138.4	-15.9%
Environment activity	<b>34.7</b>	30.3	+14.5%
<b>Like-for-like revenue</b>	<b>151.1</b>	168.8	<b>-10.4%</b>
Road Signs Segment*	-	12.1	-
<b>Total LACROIX Group</b>	<b>151.1</b>	180.9	-16.4%

\*Disinvested on April 30, 2024

## Electronics activity: Challenging Market Conditions

During the period, the Electronics activity recorded revenue of €116.4 million, down 15.9% compared with Q1 2024. However, sequentially, Electronics grew by +4.4% versus Q4 2024 (€111.5 million).

In the EMEA region, the sales decline (-17.3%) would have been limited to -11.2% excluding low-margin contracts that were voluntarily discontinued. The activity also reflects the end-of-life of certain programs and the continued slowdown in the automotive segment, while the HBAS sector (Home & Building Automation Systems) remains at a low level.

In North America, the decline in Electronics North America's revenue during the period (-12.5%) continues to be driven by the subsidiary's exposure to the automotive market and to certain manufacturers facing difficulties.

## Environment activity: 14.5% Growth

Following growth of 8.8% in 2024, the Environment activity maintained its strong momentum in Q1 2025, posting a 14.5% increase in revenue, to €34.7 million.

With the exception of Smart Lighting, impacted by the end of the road modernization contract in Flanders, the three other segments of the Environment activity recorded double-digit growth over the period, driven by solid structural trends (regulatory and technological developments, digitalization, enhanced cybersecurity for water and energy infrastructure, energy cost and availability, decarbonization, etc.): Water, both in France and internationally, notably through subsidiaries in Spain and Italy; the HVAC segment (Heating, Ventilation, Air Conditioning); and the Smart Grids segment (intelligent electricity networks).

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## 2025 Financial targets maintained and 2027 strategic roadmap timeline confirmed

At this stage, the financial objectives previously communicated by the Group remain unchanged, with revenue still expected around €600 million and a forecast current EBITDA margin above 4% for the full 2025 fiscal year.

The accounting impacts related to the withdrawal from the Electronics activity in North America will, of course, be communicated later, once the project is finalized.

Finally, LACROIX confirms an investor meeting on September 30<sup>th</sup> for the presentation of its 2027 strategic roadmap during the half-year results.

### Upcoming event

Revenue for the second quarter and first half of 2025: July 23, 2025 after market closes

### Find more financial information on our Investors page

<https://www.lacroix-group.com/investors/>

## About LACROIX

Convinced that technology must contribute to simple, sustainable, and safer environments, LACROIX supports its customers in developing more sustainable living ecosystems, thanks to useful, robust, and secure electronic equipment and connected technologies.

As a listed, family-owned midcap with a €636 million revenue in 2024, LACROIX combines agile innovation, industrialization capacity, cutting-edge technological know-how and a long-term vision to meet environmental and societal challenges through its activities: Electronics and Environment.

Through its Electronics activity, LACROIX designs and manufactures electronic equipment and industrial IoT solutions (hardware, software, and cloud) for the automotive, industrial, connected homes and buildings (HBAS), avionics and defense, and healthcare sectors. As the Group's industrial backbone, the activity Electronics of LACROIX, is ranked among the TOP 50 worldwide and TOP 10 European EMS.

Through its Environment activity, LACROIX also supplies secure and connected electronic equipment and IoT solutions to optimize the management of water networks, heating, ventilation, and air conditioning installations, as well as smart grids and smart lighting networks.

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