



CONNECTED
TECHNOLOGIES
FOR A **SMARTER**
WORLD

2019 ACTIVITY REPORT

Extract

Putting our technical and industrial excellence at the service of a connected, responsible world

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OUR RESULTS



We made 2 highly significant acquisitions in 2019. Our guiding principle is clear: to strengthen our leadership in our priority technological and international areas.

SAE IT-systems, leading German manufacturer of remote management equipment for smart electricity grids, is the ideal complement to LACROIX Sofrel, leading French manufacturer of remote management equipment for water and heating

networks. Product and commercial synergies are clear, and the ways that they complement each other enable us to enhance our global proposition with a new umbrella operation: LACROIX Environment.

The takeover of Belgian start-up Smartnodes, incorporated into the LACROIX City street lighting business unit, is a technological complement to our smart lighting offer and will be particularly relevant for reaching European markets such as Benelux and Germany.

We are fully engaged in this effort to increase our trade and presence across the European market.

We are also engaged in a large number of structuring projects. We haven't finished the Ambition 2020 programme yet, but we are already seeing concrete results and real progress as regards innovation, digitalisation and freeing up energies. We have structured ourselves in all of these areas, for example through a training plan for managers.

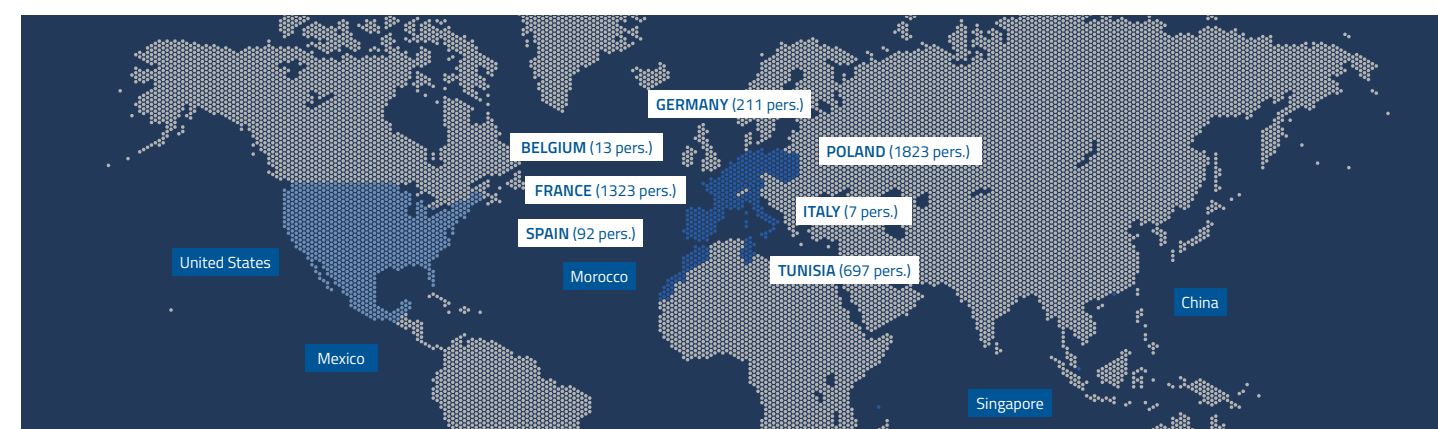
We have already started constructing the plan for 2025, which offers plenty of promising avenues.

And of course we must not overlook our SYMBIOSE project, the electronics factory of the future, which was officially launched this year. It is our totem project, embodying all that we do and all that we are. It's more than just a construction project, it's the opportunity to create the future. We have opened it up to partners, because you can't build the future all on your own and the intense interest it has created is more than we can handle unassisted.

Lastly, we joined the ENGIE / Suez / La Poste / VYV grouping, which was chosen by the town of Angers to create its smart region. It is the showcase project of our strategy, given the wide scope of the features we bring to it: street lighting, traffic management, management of water and heating networks, and connected electronics equipment wherever you look... This project, which will serve as the model for many other towns and cities, illustrates the complementarity of our lines of business more than ever before.

Vincent Bedouin,
CEO of LACROIX Group

An international presence



BOARD OF DIRECTORS



Muriel Barnéoud
Member since 2018
Director of Corporate Social Responsibility at La Poste Group



Hubert de Boisredon
Member since 2013
President of ARMOR, international specialist in ink chemistry and printing technologies



Ariane Malbat
Member since 2018
Director of Human Resources at SERIS Group



Hugues Meili
Member since 2010
President of Niji, consultancy and technology for the digital transformation of companies



Pierre Tiers
Member since 2006
Director of CM-CIC, investment funds and M&A consultancy



4100
COLLEAGUES
ACROSS THE WORLD



12 COUNTRIES
4 CONTINENTS



10
INDUSTRIAL
SITES



11
DESIGN
CENTRES

Views from the Executive Committee

Comprising members of the executive and functional teams, the Executive Committee's mission is to work with the Board of Directors to ensure the consistency of Group strategy and the appropriate deployment of resources and skills. It similarly ensures that useful discussions take place and that best practices are shared between different lines of business and teams in all areas.



Vincent Bedouin
CEO

Over the course of 2019, we undertook a large number of structuring projects. We haven't finished the Ambition 2020 programme yet, but we are already seeing concrete results and real progress as regards innovation, digitalisation and freeing up energies. We have structured ourselves in all of these areas and have already started constructing the plan for 2025, which offers plenty of promising avenues. Through our 2 acquisitions – SYMBIOSE and the smart region project in Angers – we have shown more than ever how our lines of business complement each other.



Nicolas Bedouin
CFO & Executive Vice-President,
Finance

2019 has been a very fruitful year in terms of mergers and acquisitions, with a great many partnerships and external growth projects studied and, in the case of the acquisition of SAE IT-systems in Germany and Smartnodes in Belgium, made reality. In addition to these outstanding projects, the digitalisation of finance operations is continuing with the ongoing roll-out of various dematerialisation projects. Subsequent stages will aim to harmonise and streamline our reporting benchmarks.



Stéphane Gervais
Executive Vice-President,
Strategic Innovation

2019 has once again been a good year for innovation, which crossed a significant threshold with the recognition of our ecosystem and different rewards confirming that we have hit on the right strategy. In-house, our programme of innovation catalysers led by LACROIX Lab started up with a motivated, cooperative community. Ever pragmatic and modest, innovation in LACROIX Group is also a vector for transformations – and not only digital ones.



Stéphane Henry
Executive Vice-President,
R&D

This year, the acquisitions of SAE IT-systems and Smartnodes enabled us once again to augment our technical skills in the remote management markets for new energies and smart street lighting. The cross-fertilisation between their skills and existing Group skills increases our capacity for product innovation in our 3 lines of business. These new technologies, placed at the service of our customers and citizens, rise to the challenge of an increasingly connected world whilst at the same time guaranteeing information confidentiality and the security of goods and individuals.



Loïc Goulard
Executive Vice-President,
Information Systems

Digitalisation of our jobs is speeding up, and the digital skills of our teams are progressing accordingly and expanding more rapidly. In 2019, this enabled us to take decisive steps as regards our IoT infrastructure and route map for future developments. Our commitment to data democratisation and making use of its value can be seen in our requirements for our employees and customers. This is why we decided to introduce an in-house data access portal and to continue work on our products by introducing new profiles, new partners and new expertise.



Vincent Sabot
Executive Managing Director,
LACROIX City

In 2019, LACROIX City confirmed its trajectory as France and Europe's leader in smart mobility, essential for the cities of tomorrow, with a growth of 6.4%. The sheer number of smart lighting and connected road projects in France and Europe in which we have been involved has confirmed customer interest in our smart, connected equipment, which can be combined in innovative applications for safe and uncongested smart road systems, shared by everyone. The acquisition of Smartnodes in Belgium rounded off our smart lighting offer, opening up markets in northern Europe and Germany to us.



Ronald Vrancken
Executive Managing Director,
LACROIX Environment

2019 was both productive and pivotal, primarily due to our acquisition of SAE IT-systems, the German supplier of connected control and safety equipment for electricity grids and the incorporation of renewable energies. This rounded off the offer of LACROIX Sofrel, expert in water and heating networks, and launched the LACROIX Environment line of business. The year also stood out as being a particularly profitable one. We are thus consolidating our business by expanding a new range of products that fulfils the Industry 4.0 rationale, with the emphasis on cybersecurity.



Stéphane Klajzyngier
Executive Managing Director,
LACROIX Electronics

In 2019, we brought in all of our employees on smart industry projects to meet customer requirements, since the use of electronics is becoming increasingly relevant for them. Similarly, we brought our partners in on the SYMBIOSE project for 2021 to build an electronics factory of the future in France. It will be the world benchmark in industrial innovation, and endorses the LACROIX Group's commitment to sustainability and social responsibility.



Franck Legrand
Executive Vice-President,
Legal and Compliance

In 2019, the Legal and Compliance Department played its part in the sustainable transformation of the Group through a cultural shift in 3 areas: the bid process culture encouraged and introduced in LACROIX City, the contract management culture through new risk control standards in LACROIX Electronics, and the culture of written records through the formalisation and professionalisation of contract relationships in LACROIX Environment. All of these changes contribute to better visibility and anticipation of our commitments and risks. All in all, this has resulted in better collective performance of Group support functions and business. I would also like to thank the 400 employees from all areas of the Group who attended Compliance training sessions and obtained in-house anti-corruption accreditation in 2019.



Thomas Lesort
Executive Vice-President,
Human Resources

Human capital is at the heart of the LACROIX Group project, and is its greatest wealth. Enhancing the skills of our teams so that members can develop their full potential in making Group transformation a reality is one of our key challenges. Changes to managerial practices, developing knowledge, technical skills and implementing the transformations linked to digitalisation are core issues in supporting our teams. This year we have launched 3 MBA, Visa and Certificate training programmes, as a first stage. Through the creation of our Human Resources Development Management in 2019, LACROIX Group is equipped with the means to rise to the challenge.



Landry Chiron
Executive Vice-President,
Communication

2019 has seen several strategic partnership agreements and awards: the joint innovation partnership with Orange to explore 5G, the Mid-Cap Business of the Year Award and the Company Image Award, all of which recognise and pay tribute to our activities and openness to the world, in addition to strengthening our convictions and image. 2019 also saw completion of the roll-out of our range of new websites, designed to support our communications' digitalisation. We continued to work on communication with our teams, organising in-house events that are now scheduled, and increasing the use of our company social network. All with one goal: to continue the construction of a "One LACROIX Group".

Our values

MORE THAN VALUES, BEHAVIOURAL MODELS

At a time when the purpose of companies and their role in society are increasingly in the spotlight, it is our firm belief that they must embody behavioural models that reflect our fundamental values. To make these values a daily reality, we encourage and train our teams continuously.



AUDACITY

"Whether you think you can or you can't, you're right."

COMMITMENT

"Don't talk, act. Don't say, show. Don't promise, prove."

TEAM SPIRIT

"If you want to go fast, go alone, if you want to go far, go together."

OPENNESS

"Strength lies in differences, not in similarities."

RESPECT

"We are a team because we respect, trust and care."

Ambition 2020

All of the projects we are involved in revolve around the 6 strategic priorities set out in our Ambition 2020 programme. All of them give us reasons for implementing our values on a daily basis.



MARKET CONQUEST

A customer-oriented organisation focused on selling value



OPERATIONAL EXCELLENCE

Transformation into the industry of the future: digitalisation and real-time fluidity



INTERNATIONAL NEW HORIZONS

Further development in high-growth areas



HUMAN CAPITAL

Teams committed to an entrepreneurial corporate culture



INNOVATION & DESIGN

Supporting the growth of the industrial IoT and new uses with our ecosystems



SMART WORLD

LACROIX Group connected for accelerating and implementing the 2025 plan

High points of the year

We have acquired 2 new companies that strengthen our positioning in smart grids and smart cities. These acquisitions also widen our international presence, because the companies in question are located in Germany and Belgium, respectively.

ACQUISITION OF SAE IT-SYSTEMS

We executed a major deal through the acquisition of SAE IT-systems, German supplier of connected equipment for control and security of electricity grids and inclusion of renewable energies. This 75-strong company, with a turnover of €15 million, adds to our offer in the electricity grid sector and further consolidates our positioning in the smart environment market.



ACQUISITION OF SMARTNODES

This Belgian start-up, based in Liege, was born out of inter-university research. It has won several international awards for its innovations in smart lighting equipment. With some 15 employees, Smartnodes strengthens our European positioning in the smart cities market by boosting our offer in the field of smart management of infrastructure for road systems and street lighting. The acquisition also strengthens our presence in the Benelux, northern Europe and German markets.

Inventing the factory of the future: symbiose



In November 2018, we announced the launch of a viability study for building the electronics factory of the future, simultaneously including the requirements of Industry 4.0, environmental challenges and the development of our teams. Over the course of 2019, the project evolved and took shape.

Numerous partners have joined the project: Microsoft, Inventy, PTC, Orange, Schneider Electric and ASM.

JANUARY:

APPROVAL OF THE 1ST STAGE OF THE VIABILITY STUDY:

"We have just completed the 1st stage of the viability study launched in November 2018 for building the electronics factory of the future in France. The verdict is in: quitting the current factory in Montrevault-sur-Evre (Maine-et-Loire) and setting up the new industrial unit of the future is viable from both technical and financial perspectives."

Vincent Bedouin, CEO of LACROIX Group

CALL TO BUSINESSES, START-UPS, HIGHER EDUCATION AND R&D CENTRES:

"Join us – we are on the threshold of a project that is pioneering, disruptive and unique in France. We need skills of all types to make this project for the reindustrialisation of our sector a success: machinery manufacturers, energy companies, construction companies, HR experts, and change management experts."

Eric Meynet, SYMBIOSE Project Manager



OCTOBER:

ANNOUNCEMENT OF OFFICIAL LAUNCH OF THE PROJECT:

"I am delighted to confirm the official launch of our new factory 4.0 in France, in Beaupréau (49). This new stage rewards the commitment and effort of LACROIX Electronics teams and those of our partners, and is the continuation of the "Future Industry Showcase" recognition we won for our factory in Montrevault-sur-Evre in 2017. Work will start next spring, and will be completed over the course of 2021."

Vincent Bedouin, CEO of LACROIX Group

"We enthusiastically support and participate in the SYMBIOSE project, because it represents the cutting-edge economic and industrial impetus that exists in our region and illustrates the capacity of our industry to take regional root, sustaining and increasing our expertise and employment opportunities."

Christelle Morancès, Chairwoman of the Pays de la Loire Regional Council



JOINT INNOVATION PARTNERSHIP WITH ORANGE

18 April saw the 2019 edition of the Orange Business Summit, organised by Orange Business Services. We were there, and for a very specific reason: we are entering a joint innovation partnership with Orange to explore the uses of 5G that could, for example, be deployed in SYMBIOSE, our project for the electronics factory of the future.

5G is an evolution of mobile cellular networks, compatible with and complementing previous generations. It will provide diverse improvements (speed, scalability, security, reliability, range, capacity, deployment flexibility) to permit new uses. For a technological equipment supplier like us, 5G heralds a profound change. We see it as giving us strategic transformation leverage for all of our activities, the common denominator of which is connectivity between objects, and interoperability.



NANTES AUTONOMOUS SHUTTLE: 2ND STAGE EXPERIMENTATION

The shuttle made its reappearance for the second stage of testing, carried out on a 2.5km circuit around the airport area in real traffic conditions, safely navigating traffic lights and roundabouts. Working with SEMITAN, EDF, CHARIER and ID4CAR, we are making a strategic contribution to the project. Our roadside units were installed for intersection navigations. They ensure reliable and secure V2X communication between the infrastructure, in this case the traffic light controller, and the shuttle. The installation enables traffic light status to be transmitted and controlled so that navigation is completely safe, and that time and energy consumption are optimised. We also installed cameras to detect users waiting for the shuttle, so that it stops according to requirements.



CREATION OF LACROIX ENVIRONMENT

This line of business brings together LACROIX Sofrel, specialist in remote management for water and heating networks, and SAE IT-systems, specialist in remote management for energy networks. Together, they strengthen our positioning in the smart environment market.



OPEN DAY IN ZRIBA, TUNISIA

In April, our production premises in Tunisia caught fire and suffered material damage. In October, just 6 months after the incident, we were able to celebrate the remarkable achievement of our Tunisian teams in refurbishing the factory with our customers and partners. This was an opportunity to visit the Zriba factory, take a good look around, and discuss its future and ambitions.

"L'USINE NOUVELLE" MID-CAP COMPANY OF THE YEAR AWARD

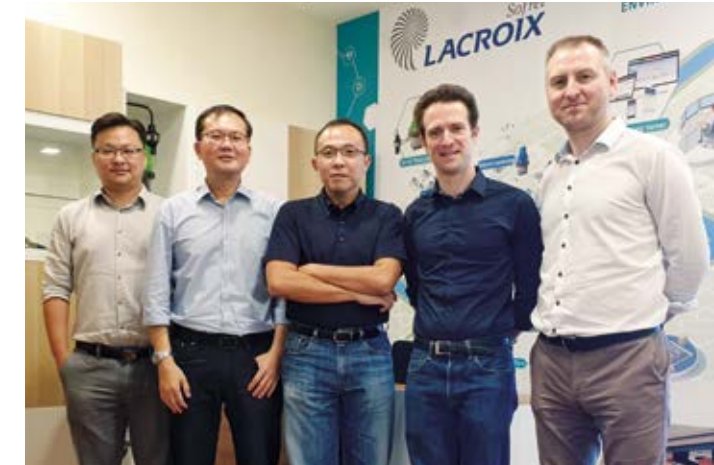
We were honoured to win this award at the 10th edition of the "Assises de l'Industrie" event. Winning this award recognises our ambitious industrial strategy, embodied particularly by our project for the electronics factory of the future: SYMBIOSE.

Vincent Bedouin was delighted to win this award: *"Teamwork always pays off in the end. On the one hand, this award recognises all the hard work by a consolidated mid-cap company with national and international presence in a high-tech sector that is highly competitive and demanding. On the other, it is also fantastically encouraging for the future, for all our teams and for me personally. It drives us to pull out all the stops and aim higher still in our vision for revitalising industry."*



SMART CITY MAJOR PROJECTS

A high point of the year was seeing the LACROIX City approach implemented on the ground, thanks primarily to its participation in major smart city projects such as those taking place in Angers and Wallonia. This confirms the value of a strategic focus adopted and built up in recent years in response to the overarching need of towns and cities for smart road system and mobility issues to be tackled systematically: street lighting, urban and inter-urban traffic management, traffic signs, and preparation of infrastructure ahead of the arrival of autonomous, connected vehicles.



CREATION OF A SUBSIDIARY IN SINGAPORE TO STRENGTHEN OUR SMART ENVIRONMENT POSITIONING IN ASIA

Smart environment is becoming a key consideration in Asia. For several years now, we have been setting up partnerships in several countries in the region: Indonesia, Thailand, Vietnam, Malaysia and the Philippines. We have taken a decisive step in our expansion by opening a subsidiary in Singapore to strengthen LACROIX Environment's development in the ASEAN region.

E.ON GIVES PRIDE OF PLACE TO SAE IT-SYSTEMS' REMOTE MONITORING EQUIPMENT

The increasing amount of electricity generated from renewable sources is giving network operators new challenges. E.ON, the German energy stakeholder, has taken up this challenge proactively and, in the future, will equip all of its new medium-voltage power stations with remote monitoring technology, where SAE will be one of the main suppliers. We are thus contributing to making E.ON networks smarter, and helping them to develop smart grids.



PARTNERSHIP WITH TRANSPOLIS

These facilities, unique in Europe, are a real laboratory for urban mobility and transport systems. Located in the Lyon region in France, they are a multidisciplinary accelerator for the implementation of major innovations with a view to future uses. LACROIX City has signed a partnership agreement with them for testing and preparing infrastructure for the arrival of autonomous, connected vehicles. Our traffic sign, traffic control, smart lighting and V2X equipment is installed in the facilities to help pave the way for future mobility.





SENELEC BUSINESS, SENEGAL: REMOTE CONTROL OF ELECTRICITY DISTRIBUTION STATIONS

The Senegalese Electricity Company runs the country's production, transport and distribution of electricity. Given the number of electricity distribution stations and their locations on the ground, it is vital to have a remote control system for the grid. In addition to the requirement for remote control and command, the aim is to improve service quality by reducing the number and duration of power cuts. Following a pilot operation across 9 stations, SENELEC decided to equip over 250 facilities with LACROIX Sofrel remote terminal units. In the first 6 months of 2019, the company saw significant improvement in its performance indicators: a 56.5% decrease in non-distributed electricity, and a 67% reduction in the average duration of power cuts.



LEAN MANAGEMENT: A FUNDAMENTAL AND CROSS-CUTTING APPROACH IN OUR FACTORIES

In a context where the needs of our customers are constantly growing and changing, we have embarked on continuous improvement in all of our factories, and particularly in LACROIX Electronics. Lean Management helps us to improve our industrial performance on a daily basis and to make our management systems more robust. It is a way of making our processes more streamlined and agile in terms of both production and support activities. Specifically, use of this strategy has enabled us to shorten lead times for the goods manufactured in our factories and to boost our processes, allowing us to meet our customers' ever-growing Time-to-Market concerns.



DATA CITY: INTEGRATION OF SUSTAINABLE MOBILITY IN URBAN TRAFFIC

In the framework of the Data City programme organised by NUMA Paris and the City of Paris, we took part in the "Green light for sustainable mobility" experiment.

Although today's town planning measures do encourage the use of active and ecological modes of transport (walking, cycling, scooters), traffic regulation and particularly waiting times at traffic light-controlled intersections continue to be based solely on vehicle flows. At an intersection in Paris, we installed a sustainable mobility sensor model that uses image analysis. This enables the traffic light controller algorithm to take these new forms of mobility into account and thus reduce waiting times for all users.



LAUNCH OF SOFREL S4TH: REMOTE MANAGEMENT 4.0 FOR HEATING NETWORKS

The fruit of 5 years' R&D work, this new product forms part of the business strategy for developing the smart environment.

Designed to meet the needs of heating suppliers, SOFREL S4TH innovates through its ecosystem so that these operations are run with guaranteed cybersecurity. Developed in the form of a compact cabin featuring an industrial, ergonomic design, S4TH is configured using intuitive graphic software, which integrates the functions required by the energy profession. With an embedded web server, S4TH can be operated *in situ* or remotely by means of smartphone or tablet.



LACROIX ELECTRONICS CONTINUES ITS TRANSFORMATION AND DIGITALISES DESIGN FOR MANUFACTURING

We decided to deploy Siemens Valor NPI software in all LACROIX Electronics premises. The function of this software is to reduce deviations between the design of an electronic board produced in the design office and its factory mass production capacities. With 1000 design rules processed automatically in record time, identification of potential improvements and better time allocation among teams, the solution provides a gateway into the electronics industry of the future.



DIGITALISATION OF OUR PROCESS FOR ANNUAL PROGRESS INTERVIEWS

We now have a harmonised process and support implemented in over 6 countries and for all of our professional areas (administration, production, etc.).

HR information is easy to access, enabling better analysis to be made thanks to detailed reports, and action plans appropriate for optimising our HR approach to be drawn up rapidly. Every employee and every manager can access their information at any time.

A support phase has been envisaged so that transitioning and getting to grips with new areas (digital tool, processes) is as straightforward as possible.

At the end of our 1st digital campaign, we found that over 95% of the interviews were positive. An in-house survey also showed that users are satisfied with this digitalisation.

In view of this success, we shall continue with HR digitalisation in 2020.



Smart Communities

In each of the Group's activities, we encounter shared issues. And rather than addressing them in isolation, we decided to work on them together.



LACROIX GROUP COMMUNITIES: THE EMBODIMENT OF COLLECTIVE INTELLIGENCE

We are currently experiencing a digital revolution. New technologies, new business models and new equipment are reshuffling our professional card decks every day: reinventing ourselves has therefore become a *sine qua non* for our success.

We choose to become stronger together, because quality innovation depends on a collective intelligence approach. From the drawing board to the factory floor, we highlight and share the skills and expertise of our employees with those of our customers and partners, in order to create value.

Through our **LACROIX TECH** and **LACROIX FAB** communities, we promote information sharing and good practices in-house: this is the 1+1=3 principle.



LACROIX TECH, 140 HIGH FLYERS IN MARKETING AND R&D FROM THE GROUP'S 3 LINES OF BUSINESS

LACROIX Tech is the cross-functional community driving LACROIX Group innovation. We develop new ideas together so that we can move faster and go further.

To support this constant innovation, we have set up our own innovation catalyser: LACROIX Lab. Working for the entire company, the Lab uses its autonomy and independence to seek out and find new opportunities.



LACROIX FAB, PROUD OF THE INDUSTRIAL DNA IT HAS INHERITED FROM THE GROUP'S 3 BUSINESS AREAS

Our history, our culture, our DNA: at LACROIX Group, we are manufacturers above all. We want to become the partner of choice for our customers, always at their side so as to better understand and meet their expectations.

LACROIX Fab is the community that disseminates innovation and builds the industry of tomorrow.

Training our managers

Because of our firm conviction that the performance and success of an organisation are closely linked to its human capital, we are committed to investing in skills development for our employees and managers.

With a view to supporting strategic challenges now and in the future, we are making changes in our organisation, both as regards professionalising the Human Resources Department and rethinking our transversal matrix structure and management models. Streamlined HR development management focuses on supporting this transition by combining harmonisation, change and digitalisation with a view to skills development for all.

Aware that evolving managerial practices contribute directly to evolving managerial culture, we are investing in a long-term policy with reputable management schools such as Audencia in Nantes, France, and setting up tailored training programmes for

managerial excellence. Employees obtain accreditation or a diploma in an environment where profiles from all horizons rub shoulders (France and overseas).

A person-oriented venture above all, this is a challenging and demanding experience for the managers involved. Identifying and moving beyond limitations, learning to think critically, questioning ideas, taking a step back so as to better move forward; these are all assets which make these programmes genuine opportunities for development.



37 EMPLOYEES
taking part in pilot sessions

3 PROGRAMMES
for each management level

1 COMMON FOUNDATION
built on the Group's vision, values
and management principles

Employee testimonials

Find out more about Léa, Stéphane and Claire on our website: www.lacroix-group.com



The Group's transformation is in full swing, there are lots of perspectives and possibilities, and this makes every day exciting.

Léa Dumérin,
HR Project Manager
LACROIX Group



In my job, challenges come along every day. It's what motivates me!

Stéphane Bonsignori,
Supply Chain Controller
LACROIX Electronics



What I most enjoy about my job is the variety of tasks involved and people I talk to, teamwork, and above all, feeling that I'm helping everybody to be happy to be here!

Claire Faya,
Customer Technical Support
Manager
LACROIX City

Smart World

LACROIX Group is an international supplier of technological equipment, whose ambition is to place its technical and industrial excellence at the service of a connected and responsible world.

LACROIX GROUP'S WORK TOWARDS A CONNECTED, RESPONSIBLE WORLD

As a listed mid-cap family business, we are able to combine the agility necessary to innovate in a constantly changing technological world with the long-term vision to invest in and build the future.

LACROIX Group provides safe, connected equipment for the management of intelligent road infrastructure (traffic signs, traffic management, street lighting, V2X) and for the management of water and energy infrastructure.

LACROIX Group also develops and produces electronic equipment for its automotive, home automation, aeronautics, industry and healthcare customers.

We do not indulge in grand, futuristic and fantastical schemes. We work with our clients and partners to create the link between the world of today and the world of tomorrow. We help them to build the industry of the future and to make the most of the opportunities for innovation that are all around us, supplying them with the equipment for a smarter world.

WHAT WILL TOMORROW'S SMART WORLD LOOK LIKE?

An increasingly urban world where population migration is intensifying and resources are becoming scarce. It is therefore crucial to manage them better. At the same time, new technologies are emerging, and creating a world that is more and more connected, with ever more data. These profound changes are transforming markets and opening up unlimited perspectives for our customers. Our activities place us at the heart of these transformations.



€482M
2019 REVENUE
+2.8% vs. 2018

€20.8M
OPERATING PROFIT 2019
+38% vs. 2018

€55.8M
NET DEBT 2019



SMART MOBILITY

In an urbanising world, we need to rise to the key challenges of smart mobility: helping regions and cities to turn road systems into safe and attractive places that everyone can share.

It is thanks to the connected equipment and technologies of tomorrow, designed with a solid foundation built on experience and expertise, that we will be able to meet these challenges.

Through its equipment, **LACROIX City** has been working at the service of smart road systems for decades, innovating to combat traffic congestion and pollution.



SMART WATER & ENERGY

In a world where natural resources are becoming scarce, we must act now. This means that we all need to commit to implementing smart water and energies. Optimising the management of water, energy and raw materials is our duty as citizens and as a responsible company. Thanks to its technical expertise, **LACROIX Environment** has placed its technology at the service of a more sustainable world.

It has done so by creating connected equipment for enhanced operation of water, heating and electricity networks, which are ultimately the resources of our planet we are protecting.



SMART INDUSTRY

In a changing world where electronics are making their way into all sectors, our customers seek innovative solutions for developing new opportunities. Our ambition is to help them achieve this goal through our ability to meet the challenges of smart industry.

To do so, we are building a digital, interconnected ecosystem. We also ensure a tailor-made, quality service supported by our design and manufacturing capacities, and also by our partners and the latest technologies.

LACROIX Electronics, its premises enjoying recognition as "Future Industry Showcase" since 2016, is now a benchmark stakeholder.

€59M
LACROIX ENVIRONMENT
12% OF GROUP REVENUE

€105M
LACROIX CITY
22% OF GROUP REVENUE



€318M
LACROIX ELECTRONICS
66% OF GROUP REVENUE



Consolidated balance sheet

In €K - Assets	Note no.	Fiscal year 2019 12 months	Fiscal year 2018 12 months
Non-current assets			
Goodwill	8.1	37,679	15,904
Intangible assets	8.1	4,599	3,205
Tangible assets	8.3	53,319	52,853
Non-current financial assets	8.4	6,987	3,676
Investments in associates	8.4	7	16
Deferred tax assets	8.19	5,620	3,370
Total non-current assets		108,211	79,024
Current assets			
Inventories and work-in-progress	8.7	82,612	78,037
Trade accounts receivable	8.8	102,420	99,549
Other receivables	8.9	20,426	17,322
Derivative financial instrument assets	9.1.1/9.1.2	9	605
Cash and cash equivalents	8.1	13,542	17,699
Total current assets		219,009	213,212
TOTAL ASSETS		327,219	292,236

In €K - Liabilities	Note no.	Fiscal year 2019 12 months	Fiscal year 2018 12 months
Shareholders' equity			
Share capital	8.11	25,000	25,000
Share premium		3,455	3,455
Consolidated reserves		57,319	63,445
Consolidated income of the year		10,616	8,233
Shareholders' equity (Group share)	4	96,390	100,133
Non-controlling interests	4	6,809	282
Total shareholders' equity		103,200	100,415
Non-current liabilities			
Provisions for other liabilities and charges	8.12	33,602	25,320
Borrowings	8.13	34,818	22,244
Amounts due for business acquisitions	7.2	6,281	
Deferred tax liabilities	8.19	199	15
Total non-current liabilities		74,901	47,579
Current liabilities			
Borrowings	8.13	35,452	29,945
Trade accounts payable	8.14	71,314	78,195
Derivative financial instruments liabilities		21	
Other payables	8.14	42,330	36,103
Total current liabilities		149,118	144,242
TOTAL LIABILITIES		327,219	292,236

Consolidated income statement

In €K	Note no.	Fiscal year 2019 12 months	Fiscal year 2018 12 months
Revenue	9.2	481,591	468,287
Other operating revenue		1,958	500
Goods and raw materials purchased		(279,272)	(279,074)
Personnel expenses	8.15	(122,791)	(112,272)
Subcontracting and external expenses		(43,541)	(49,221)
Taxes		(4,178)	(5,363)
Depreciation, amortisation and provisions	8.16	(9,481)	(10,569)
Change in inventories and goods in progress		(3,587)	2,665
Other operating income and expenses		62	72
Current operating profit	9.2	20,759	15,025
Other income and expenses	8.17	(4,414)	(2,996)
Operating profit		16,345	12,028
Financial expenses and income	8.18	(1,039)	(960)
Income tax expense	8.19	(4,175)	(2,566)
Equity method		(3)	(4)
Net income		11,127	8,498
Net income - non-controlling interests	4	511	265
Net income - Group share		10,617	8,233
Basic earnings per share (in euros)		2.97	2.30
Diluted earnings per share (in euros)		2.94	2.27

Simplified consolidated cash flow statement

In €K	Fiscal year 2019 12 months	Fiscal year 2018 12 months
Cash flows from operating activities		
Cash flows from operations before change in net working capital	22,028	20,724
Change in net working capital	(15,709)	(10,009)
Net cash flows from operating activities	6,319	10,715
Cash flows from investment activities		
Acquisition of tangible and intangible assets	(11,719)	(10,916)
Acquisition of financial assets	(1,737)	(2,205)
Proceeds from sales of tangible and intangible assets	4,874	446
Effect of changes in consolidation scope	(16,327)	(122)
Net cash flows from investment activities	(24,909)	(12,797)
Cash flows from financing activities		
Dividends paid to shareholders and non-controlling interests	(2,940)	(2,520)
Proceeds from issuance of share capital (Group or non-controlling interests)	7	
Other changes in shareholders' equity	(17)	80
Proceeds from borrowings	20,681	14,571
Repayment of borrowings	(8,395)	(14,231)
Net cash flows from financing activities	9,336	(2,100)



2019 ACTIVITY REPORT

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