AGENDA

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03 LEADERSHIP 2025 ADVANCES
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PRESENTATION

AT THE EARTH OF LACROIX
An international, tech & industrial midcap

€501M
Revenues 2021

13.7%
organic growth
vs 2020 revenues

~4,000
Collaborators 2021
in 10 countries

OUR AMBITION
Become a global leader in industrial IOT solutions & electronic equipment for critical applications
RESULTS H1 2022

STRONG GROWTH IN REVENUE & RESISTANCE IN OPERATING PROFITABILITY
A DYNAMIC ACTIVITY IN A CONTRASTING ENVIRONMENT

- Growing activity in the first half (+32.8%) and acceleration in Q2 (+36.2%), driven by the integration of Firstronic and the repercussions of additional costs on components
- H1 organic growth: +3.7%, including Q2: +8.1%
- Resilience of current EBITDA despite headwinds (components, inflationary context, dilutive effect of cost overruns): -14 bp (-49 bp lfl)
- Positive contribution of Firstronic in terms of margin
**ELECTRONICS ACTIVITY**

- Growth of **47.9%** in H1, driven by the integration of Firstronic and organic growth (+3.8%), despite held back by the availability of components
- Positive momentum supported by re-invoicing of excess supply costs
- Increase in operating profitability (+71 bp), despite the impact of components, more than offset by the accretive nature of Firstronic
### CITY ACTIVITY

**Revenue (€m)**

- Remind FY21: 109.9
- 1H21: 52.6
- 1H22: 51.4

**Current EBITDA (€m, % Revenue)**

- Remind FY21: 3.3 (3.0%)
- 1H21: 0.6 (1.1%)
- 1H22: -0.9 (-1.8%)

**View by quarter (€m)**

- Q1: 23.8
- Q2: 23.4

**View by quarter (€m)**

- Q1: 28.9
- Q2: 28.0

- **-2.3%**
- **-1.4%**
- **-3.1%**

- **-2.9 pts**

**Activity in the first half of the year was mixed: -2.3%**

- Weakness of the Signaling and Traffic segment

- Excellent performance of the Street Lighting segment (Q1: +20%, Q2: +17%)

- Deterioration of operating profitability to €-0.9 million, due to the delayed impact of cost increases on sales prices (particularly in the public sector)
Continued strong growth in revenues over the first half: +12.9%, driven by the Water, Heat Networks and Smart Grids segments

Price increases not covering all additional costs

Profitability still high at 21.1%, which remains above the 2025 objective (above 20%)
### SIMPLIFIED INCOME STATEMENT

**EARNINGS IMPACTED BY AMORTIZATION OF INTANGIBLE ASSETS, AND NON-CURRENT AND FINANCIAL EXPENSES**

<table>
<thead>
<tr>
<th>In €m</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>Reminder FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>338.4</td>
<td>254.8</td>
<td>501.5</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>19.3</td>
<td>14.9</td>
<td>30.9</td>
</tr>
<tr>
<td>In % Revenue</td>
<td>5.7%</td>
<td>5.8%</td>
<td>6.2%</td>
</tr>
<tr>
<td><strong>Current operating profit</strong></td>
<td>8.3</td>
<td>8.6</td>
<td>18.1</td>
</tr>
<tr>
<td>In % Revenue</td>
<td>2.4%</td>
<td>3.4%</td>
<td>3.6%</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>7.3</td>
<td>8.2</td>
<td>17.2</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>(3.0)</td>
<td>(0.1)</td>
<td>5.8</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>(0.7)</td>
<td>(1.9)</td>
<td>(0.6)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>3.5</td>
<td>6.2</td>
<td>22.4</td>
</tr>
<tr>
<td><strong>Net income Group share</strong></td>
<td>3.9</td>
<td>5.8</td>
<td>21.6</td>
</tr>
</tbody>
</table>

- Limited decline in operating profit (-93 bp) due to amortization of intangible assets related to Firstronic ($2.9m/year)
- Operating profit: €7.3m, including €0.7m of non-recurring expenses related to the transfer of Symbiose
- Increase in cost of debt in line with production and Firstronic investments: €1.5m
  €1.0m impact of revaluation of non-consolidated shares on 30/06/2021
- Net income in line with lower consolidated net income and buyout of minority interests in H1
### SIMPLIFIED BALANCE SHEET

<table>
<thead>
<tr>
<th></th>
<th>June 30 2022</th>
<th>December 31 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td>256.9</td>
<td>250.6</td>
</tr>
<tr>
<td><strong>Current assets (excluding cash)</strong></td>
<td>323.0</td>
<td>259.3</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td>19.4</td>
<td>33.4</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>599.2</td>
<td>543.2</td>
</tr>
<tr>
<td><strong>Shareholders' equity</strong></td>
<td>184.6</td>
<td>180.4</td>
</tr>
<tr>
<td><strong>Non-current borrowings</strong></td>
<td>80.2</td>
<td>74.9</td>
</tr>
<tr>
<td><strong>Other non-current liabilities</strong></td>
<td>50.5</td>
<td>52.2</td>
</tr>
<tr>
<td><strong>Other current liabilities</strong></td>
<td>284.0</td>
<td>235.8</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>599.2</td>
<td>543.2</td>
</tr>
</tbody>
</table>

- Growth in shareholders' equity vs. end 2021 (+€4.2m), driven by earnings, exchange rate and actuarial gains, and dividends
- Current financing of larger inventories, and buyout of minority interests:
  - Cash of €19.4m (vs. €33.4m on December 31)
  - Gearing of 81.3% (vs. 57.0% on December 31)
## CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th>In €m</th>
<th>H1 2022</th>
<th>H1 2021</th>
<th>Reminder FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated net income</td>
<td>3.5</td>
<td>6.2</td>
<td>22.4</td>
</tr>
<tr>
<td>Cash flow from operations</td>
<td>15.5</td>
<td>11.3</td>
<td>20.5</td>
</tr>
<tr>
<td>Change in WCR</td>
<td>(30.1)</td>
<td>(8.7)</td>
<td>(15.7)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>(14.6)</td>
<td>2.6</td>
<td>4.9</td>
</tr>
<tr>
<td>Net cash used from investing activities</td>
<td>(10.8)</td>
<td>(15.8)</td>
<td>(102.3)</td>
</tr>
<tr>
<td>Net cash flow from financing activities</td>
<td>(3.3)</td>
<td>(6.0)</td>
<td>56.4</td>
</tr>
<tr>
<td>Change in cash flow</td>
<td>(34.3)</td>
<td>(19.3)</td>
<td>(41.3)</td>
</tr>
<tr>
<td>Closing cash position</td>
<td>(39.9)</td>
<td>16.4</td>
<td>(5.6)</td>
</tr>
</tbody>
</table>

- Cash flow from operations up €4.2m due to significant non-cash amortization
- Strong negative variation of the WCR linked to the component situation:
  - Larger inventories due to shortages
  - Build up of strategic stocks
- Capex: -€5.0m vs H1 2021 which included Symbiose investments
- Net cash flow from financing activities, including:
  - Purchase of minority interests in Environment in Germany for €10.4m
  - Subscription of new loans
A STRONG FINANCIAL STRUCTURE

- At the initiation of 2025 Leadership plan, target gearing level defined below 80% by 2025
- Ratio expected to improve over the full year 2022
LEADERSHIP 2025

MAJOR ADVANCES
5 STRATEGIC PILLARS TO SUPPORT OUR AMBITION

Technological leadership
- Strengthen our innovation and R&D capabilities
- Technological synergies
  3 expertise domains: Edge/Cloud, low power, cyber-security
- Strategic partnerships

Strategic geographical positions
- Develop a complete presence of our 3 activities in 3 key markets
- Combination of an industrial & distribution network on 4 continents

M&A
- Strengthen the international presence of existing activities
- Focus on our niche segments or adjacent markets
- Expand our smart offer by adding technological bricks / solutions

Industry 4.0
- Improve industrial efficiency & customer experience
  - Automation
  - Real-time connectivity
  - Digitalization
  - Artificial Intelligence
- Optimization of our locations

Transition to end-to-end solutions
- Start a transition to higher value-added products and solutions
  - Major lever for revenue recurrence and margin appreciation

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Stéphane KLAJZYNGER has been appointed President of LACROIX North America, starting from the 1st of October 2022
• Formerly Executive Managing Director of the Electronics activity of LACROIX
• Carries on the successful integration of the North America and EMEA scope of the Electronics activity
• Supports the local development of the Environment and City activities, in particular through targeted acquisitions
**Procurement synergies**

*ONGOING*

Advanced discussions underway for all of the Group's purchasing channels

- Distributors
- Brokers
- Manufacturers

→ Up to $1m of purchasing synergies in 2022 (target of $5-7m cumulative by 2025)

**Cross-selling**

*ONGOING*

As of today, 5 awarded programs for 2 customers

→ Project gains up to $30m already achieved ($50m objective in commercial synergies by 2025)

**IT / Cybersecurity**

integration & security
INDUSTRY 4.0 - SYMBIOSE OPENING ON SEPTEMBER 8, 2022

« Symbiose reflects our determination to become more competitive while reducing France’s carbon footprint and reliance on foreign countries »

TARGET: €100m revenue by 2027. (2021 revenue: €60m)

A reaction to Europe deindustrialization
A plant 60% larger than the previous one

Technological and digital disruption
- Automation & robotization
- Process digitization
- Cybersecurity

Environmental responsibility
- High energy & environmental performance
- Support the 460 employees with the new technologies deployed at Symbiose
- Employees well-being is valued

Social innovation

Successful bidder in the call for projects to support relocation

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CONFIRMED OBJECTIVES
Confirmation of 2022 annual objectives

Opportunities

- Strong demand for LACROIX solutions
- Continued policy of price readjustment
- High level of stocks, including strategic stocks
- Progressive ramp-up of the Symbiose plant

Risks

- Persistent tensions on electronic components
- Inflationary context & indirect consequences of the Russian-Ukrainian conflict:
  - Raw materials
  - Energy (additional costs or breakdown)
  - Employee costs

> €650m revenue (i.e. a growth of more than 30% vs 2021)

+ €11m - €15m estimated exchange rate impact

> 6.2% current EBITDA margin (so it ≥ FY21)

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> 6.2% current EBITDA margin (so it ≥ FY21)
LEADERSHIP 2025

An ambition

2020

€441m in revenue
5.9% EBITDA

An international, industrial and innovative technological equipment manufacturer

2025

€800m in revenue
~9% EBITDA

A global leader in industrial IoT solutions and electronic equipment for critical applications
NEXT MEETINGS
• November 7th, 2022 : Revenue Q3 2022

• November 24th, 2022 : Tech Day 2022 (digital)
<table>
<thead>
<tr>
<th>Key figures</th>
<th>Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€800m</td>
<td></td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>~9%</td>
<td></td>
</tr>
<tr>
<td>Gearing ratio</td>
<td>&lt;0.8</td>
<td></td>
</tr>
<tr>
<td>Revenue out of France</td>
<td>&gt;70%</td>
<td></td>
</tr>
<tr>
<td>Share of revenue invested in R&amp;D</td>
<td>&gt;5%</td>
<td></td>
</tr>
<tr>
<td>Internal satisfaction</td>
<td>&gt;75%</td>
<td></td>
</tr>
<tr>
<td>Profits distributed</td>
<td>~30%</td>
<td></td>
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</tbody>
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