



HALF-YEAR FINANCIAL REPORT

REFERENCE PERIOD FROM 01/01/2024 TO 30/06/2024 (6 MONTHS)

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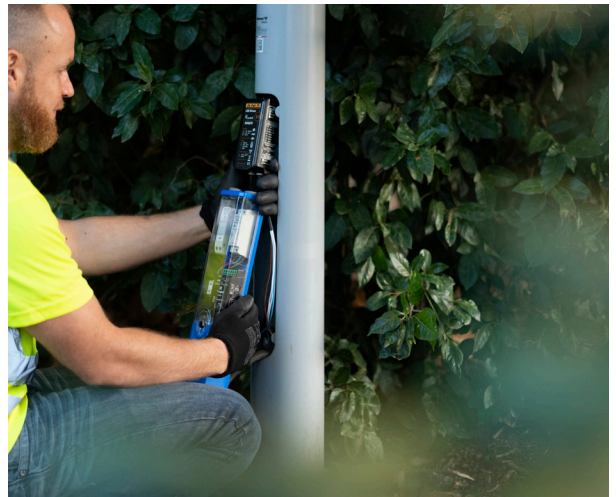


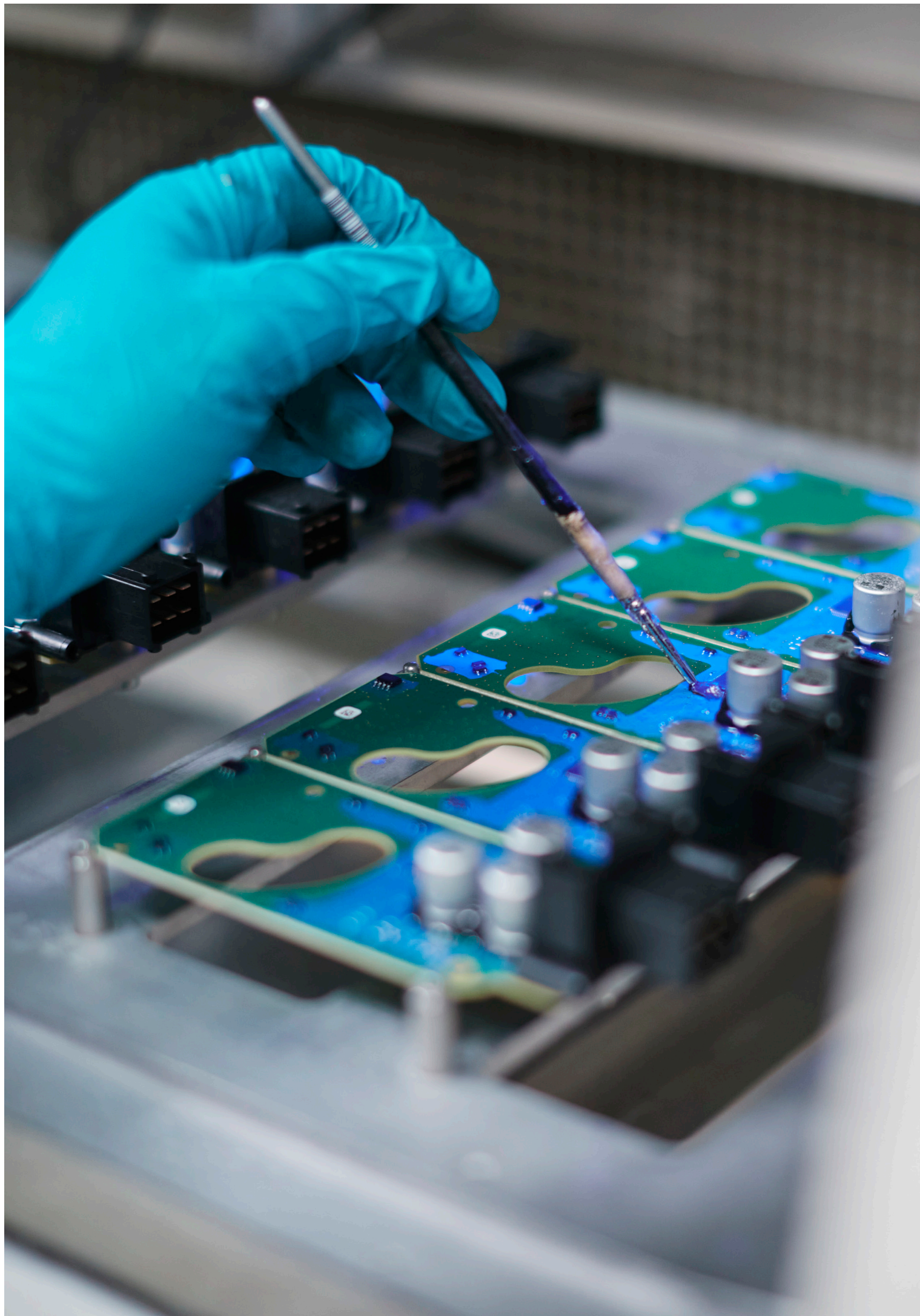
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PART 01

ACCOUNTING & FINANCIAL ITEMS

(CONSOLIDATED FINANCIAL STATEMENTS)

1. CONSOLIDATED BALANCE SHEET

In €K	Assets	Note no.	Period 2024 6 months	Period 2023 months
Non-current assets				
Goodwill		8.1	84 815	83 506
Intangible assets		8.2	29 054	30 038
Tangible assets		8.3	94 037	93 297
Rights of use		8.4	12 888	14 665
Non-current financial assets			2 333	3 672
Investments in associates				
Deferred tax assets			7 997	7 133
Total non-current assets			231 125	232 311
Current assets				
Inventory and goods in progress			141 747	145 153
Trade accounts receivable			121 051	128 678
Other receivables			25 918	26 900
Financial instruments assets			1 929	2 384
Cash and cash equivalents		8.5	29 922	42 523
Assets held for sale		7.4.1	24 414	29 150
Total current assets			344 981	374 789
TOTAL ASSETS			576 105	607 100
In €K	Liabilities	Note no.	Period 2024 6 months	Period 2023 months
Shareholders' equity				
Share capital			32 055	32 055
Share premiums			39 645	39 645
Consolidated reserves			104 660	101 946
Consolidated net income			(13 305)	4 268
Shareholders' equity (Group share)		4	163 055	177 915
Non-controlling interests		4	7 972	12 142
Total shareholders' equity			171 027	190 057
Non-current liabilities				
Provisions		8.7	11 899	13 181
Borrowings		8.8	85 201	95 619
Lease liabilities			10 768	11 825
Amounts due for business acquisitions		8.9	10 988	12 088
Deferred tax liabilities			8 286	7 803
Total non-current liabilities			127 143	140 516
Current liabilities				
Borrowings		8.8	67 154	61 467
Lease liabilities		8.4	2 749	3 373
Trade accounts payable			126 802	126 644
Derivative financial instruments liabilities			2 992	1 615
Amounts due for business acquisitions				
Other payables			58 360	57 154
Liabilities of discontinued operations		7.4.1	19 878	26 275
Total current liabilities			277 935	276 527
TOTAL LIABILITIES			576 105	607 100

2. COMPREHENSIVE INCOME STATEMENT

2.1 Consolidated income statement

In €K	Note no.	Period 2024 6 months	Period 2023 (restated) 6 months	Period 2023 (restated) 12 months
Revenue	9.1	350 326	376 677	733 946
Change in inventories and goods in progress		1 423	(1 908)	(2 752)
Goods and raw materials purchased		(206 999)	(232 713)	(451 379)
Personnel expenses		(88 223)	(86 910)	(170 910)
Subcontracting and external expenses		(35 092)	(31 900)	(62 305)
Taxes		(2 373)	(2 307)	(4 370)
Depreciation, amortisation and provisions		(11 546)	(11 291)	(22 935)
Other income and expenses		636	2 586	3 140
Current operating profit	9.1	8 153	12 234	22 435
Other operating income and expenses	8.10	(3 703)	(718)	(14 077)
Impairment of goodwill				
Operating profit		4 450	11 516	8 358
Financial income and expenses	8.11	(5 477)	(3 593)	(8 377)
Income tax expense	8.12	(1 841)	214	1 816
Equity method				
Net income from continuing operations		(2 869)	8 137	1 797
Net income from discontinued operations	7.4.2	(14 026)	(3 556)	(4 638)
Consolidated net income		(16 895)	4 581	(2 841)
Net income - Minority interests	4	(3 590)	(1 020)	(7 110)
Net income - Group share		(13 305)	5 601	4 268
Basic earnings per share (in euros)		(2,84)	1,20	0,91
Diluted earnings per share (in euros)		(2,82)	1,19	0,91

2.2 Consolidated statement of comprehensive income

In €K	Note no.	Period 2024 6 months	Period 2023 6 months	Period 2023 12 months
Consolidated net income		(16 895)	4 581	(2 841)
Currency translation differences		1 038	1 708	2 236
Revaluation of hedging instruments		(787)	673	(125)
Actuarial gains and losses on benefit plans		45	(263)	(59)
Total change in other comprehensive income (OCI) (1)		296	2 119	2 052
Total comprehensive income (loss) for the period	4	(16 599)	6 699	(789)
Group		(12 775)	7 804	6 548
Non-controlling interests		(3 823)	(1 104)	(7 337)

(1) Amount net of tax.

3. CASH FLOW STATEMENT

In K€	Note no.	Period 2024 6 months	Period 2023 (restated) 6 months	Period 2023 (restated) 12 months
CASH FLOWS FROM OPERATING ACTIVITIES				
NET INCOME		(16 895)	4 581	(2 841)
NET INCOME FROM DISCONTINUED OPERATIONS		(14 026)	(3 556)	(4 638)
NET INCOME FROM CONTINUING OPERATIONS		(2 869)	8 137	1 797
Income tax expense for the period		1 912	(214)	(1 836)
Consolidated pre-tax income		(956)	7 923	(39)
Elimination of non-cash and non-operating income and expenses :				
- Net depreciation, amortization and provisions		10 154	10 445	35 376
- Gains and losses on disposals, net of tax		2 074	22	(2 316)
- Share of profit/(loss) of associates equity method				
- Income and expenses related to changes in fair value		(560)	675	781
Income tax paid		(406)	(2 955)	(3 191)
Cash flows from operations of consolidated companies		10 306	16 109	30 610
Dividends received from equity-method companies				
Changes in working capital relating to operations		(1 670)	(6 238)	9 478
Cash flow from operating activities of continuing operations		8 636	9 872	40 088
Cash flow from operating activities of discontinued operations		(2 107)	(2 304)	(3 789)
Net cash flow from operating activities		6 529	7 568	36 299
CASH FLOWS FROM INVESTMENT ACTIVITIES				
Acquisition of tangible and intangible assets	8.2 / 8.3 / 7.4	(8 910)	(7 389)	(16 353)
Acquisition of financial assets		(7)	(40)	(641)
Proceeds from sales of fixed assets		783	188	3 771
Effect of changes in consolidation scope	7.3	2 844		
Cash flow from investment activities of continuing operations		(5 288)	(7 241)	(13 223)
Cash flow from investment activities of discontinued operations		(312)	(144)	(491)
Net cash flow from investment activities		(5 600)	(7 385)	(13 715)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid to shareholders		(306)	(437)	(4 183)
Capital increases in cash				
Changes in percentage interests with no change in method of control				
Change in other equity		(24)	18	(3)
Bond issues		1 166	13 622	33 892
Impact of sale and leaseback				6 054
Loan repayments		(12 671)	(13 323)	(21 601)
Repayment of rental debts	8.4.2 / 7.4	(1 938)	(1 660)	(3 443)
Cash flow from financing activities of continuing operations		(13 773)	(1 780)	10 715
Cash flow from financing activities of discontinued operations		(334)	(288)	(565)
Net cash used in financing activities		(14 107)	(2 068)	10 150
Impact of changes in exchange rates		(678)	435	498
Change in cash and cash equivalents		(13 857)	(1 451)	33 233
Opening cash position		12 453	(25 780)	(25 780)
Reclassification of cash from discontinued operations		(5 000)		5 000
Change in external cash flow from discontinued operations				
Closing cash and cash equivalents	8.5	(6 405)	(27 231)	12 453

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In €K	Position on closing		Share capital	Share premiums	Consolidated reserves	Period result	Other		TOTAL shareholders' equity - Group share	Non-controlling interests	TOTAL shareholders' equity
							Currency translation differences	Shares of consolidating company			
As at 1 st January 2023			32 055	39 645	95 523	11 876	(2 104)	(2 883)	174 112	19 773	193 885
Appropriation of results from previous year		8.9			11 876	(11 876)					
Dividends					(3 889)				(3 889)	(294)	(4 183)
Capital increases					(48)			44	(3)		(3)
Commitments to purchase non-controlling interests					743				743		743
Share-based payment effects/ Contributions to Employee Savings Plan					403				403		403
Net income of the period						4 268			4 268	(7 110)	(2 841)
Change in other comprehensive income (OCI)					(348)		2 628		2 280	(228)	2 052
Total comprehensive income (loss) for the period					(348)	4 268	2 628		6 548	(7 337)	(789)
Non-controlling interests arising from business combinations											
As at 31 December 2023			32 055	39 645	104 261	4 268	524	(2 839)	177 915	12 142	190 057
As at 1 st January 2024			32 055	39 645	104 261	4 268	524	(2 839)	177 915	12 142	190 057
Appropriation of results from previous year		8.9			4 268	(4 268)					
Dividends					(3 417)				(3 417)	(346)	(3 764)
Capital increases											
Changes in treasury shares					(18)			(6)	(24)		(24)
Commitments to purchase non-controlling interests					1 196				1 196		1 196
Share-based payment effects/ Contributions to Employee Savings Plan					161				161		161
Net income of the period						(13 305)			(13 305)	(3 590)	(16 895)
Change in other comprehensive income (OCI)					(707)		1 237		530	(234)	297
Total comprehensive income (loss) for the period					(707)	(13 305)	1 237		(12 775)	(3 823)	(16 599)
Non-controlling interests arising from business combinations											
As at 30 June 2024			32 055	39 645	105 743	(13 305)	1 761	(2 844)	163 055	7 972	171 027

5. INFORMATION ABOUT LACROIX

5.1 General Information about the company

LACROIX is a technological, industrial and international group, driven by the need to support societal and environmental change.

Our mission: Contribute to the development of more sustainable living ecosystems, thanks to useful, robust and secure connected technologies.

"At LACROIX, we don't believe that the solution to the ecological crisis is purely technological, but we are convinced that technology is essential for addressing environmental and societal challenges."

In a world where energy and resources are increasingly scarce and precious, the technologies we choose and develop must prove to be both useful and resource-efficient.

This commitment to useful, eco-designed technology is at the heart of the company's positive impact strategy, which is structured around 4 key commitments:

- Develop our positive-impact activities with a target of positive-impact products making up 80% of LACROIX sales by 2030,
- Design eco-efficient solutions for 100% of new LACROIX products by 2025,
- Conduct our operations in a sustainable manner, with a reduction in greenhouse gases in our activities, a reduction in waste generated and a more responsible value chain,
- Engagement in our workforce and local communities.

Through its two activities, LACROIX harnesses its technological know-how in order to:

- Offer connected and secure electronic equipment and IoT solutions enabling public and private operators to optimise the management of water networks, heating, ventilation and air conditioning installations, electrical networks and street lighting. LACROIX's Environment activity helps to improve network performance, save scarce resources and protect the environment.
- Design and produce electronic equipment for its customers in the automotive, industry, home & building automation, aeronautics & defense and healthcare sectors. Ranked among the world's Top 50 and Europe's Top 10 electronic subcontractors, LACROIX's Electronics activity supports its customers in meeting the challenges of automation, digitalisation and environmental performance.

To fulfill its mission, LACROIX has put in place an integrated innovation strategy at the heart of its development processes, covering key technological areas such as eco-design, cybersecurity and artificial intelligence.

Through its Leadership 2025 strategic plan, LACROIX has the ambition of becoming a global leader in industrial IoT solutions and electronic equipment for critical applications.

Vincent BEDOUIN
LACROIX Chair & CEO

5.2 List of consolidated companies

The companies included in the scope of consolidation are presented below:

Company and legal form	Head office	Tax scope	Period 2024		Note
			Consolidation method	% of interest	
CONSOLIDATING COMPANY					
LACROIX GROUP	SAINT-HERBLAIN	1	PARENT	100,00%	
CONSOLIDATED COMPANIES					
LACROIX 2	SAINT-HERBLAIN		FC	100,00%	
Electronics Activity					
LACROIX ELECTRONICS FRANCE	SAINT-PIERRE-MONTLIMART	1	FC	100,00%	
LACROIX ELECTRONICS BEAUPREAU	BEAUPREAU		FC	75,25%	
LACROIX ELECTRONICS zoo	POLOGNE		FC	100,00%	
LACROIX ELECTRONICS TUNISIE	TUNISIE		FC	100,00%	
LACROIX ELECTRONICS TUNIS	TUNISIE		FC	100,0%	
LACROIX ELECTRONICS SERVICE TUNISIE	TUNISIE		FC	100,0%	
LACROIX ELECTRONICS GmbH	ALLEMAGNE		FC	100,0%	
LACROIX ELECTRONICS CESSON	CESSON-SÉVIGNÉ	1	FC	100,0%	
LACROIX ELECTRONICS MI	MICHIGAN, USA		FC	62,1%	
LACROIX NORTH AMERICA	DELAWARE, USA		FC	100,0%	
Environment Activity					
LACROIX ENVIRONMENT	SAINT-HERBLAIN	1	FC	100,0%	
LACROIX SOFREL	VERN SUR SEICHE	1	FC	100,0%	
LACROIX SOFREL srl	ITALIE		FC	100,0%	
LACROIX SOFREL ESPANA	ESPAGNE		FC	100,0%	
LACROIX ENVIRONMENT SINGAPOUR	SINGAPOUR		FC	100,0%	
LACROIX ENVIRONMENT GmbH	ALLEMAGNE		FC	100,0%	
SAE IT Systems GmbH & Co KG	ALLEMAGNE		FC	100,0%	
LACROIX CITY LES CHERES	LES CHÈRES	1	FC	100,0%	
LACROIX City Belgium	BELGIQUE		FC	100,0%	
City Activity					
LACROIX CITY	SAINT-HERBLAIN	1	FC	100,0%	5
LACROIX CITY SAINT HERBLAIN	SAINT-HERBLAIN		FC	99,9%	4
LACROIX CITY CARROS	SAINT-HERBLAIN	1	FC	100,0%	5
LACROIX CITY MADRID	ESPAGNE	3	FC	100,0%	5
LACROIX CITY NORTE	ESPAGNE		FC	99,9%	4
LACROIX CITY CENTRO	ESPAGNE	3	FC	99,9%	4
LACROIX PACIFIC	NOUMÉA		FC	99,9%	4
LACROIX OCEAN INDIEN	LE PORT		FC	99,9%	4
LACROIX MAYOTTE	MAMOUDZOU		FC	99,9%	4
LACROIX TRAFIC CAMEROUN	CAMEROUN		FC	99,9%	4
LACROIX 3	SAINT HERBLAIN		FC	99,9%	4
LACROIX 7	SAINT HERBLAIN		FC	99,9%	4
LACROIX CITY PLOUFRAGAN	NANTES	1	FC	100,0%	5
LTI SUD EST	CARROS		FC	0,0%	2

FC = fully consolidated

(1) French tax consolidation scope

(2) Ad hoc entity

(3) Spain consolidated for tax purposes

(4) Companies deconsolidated at April 30, 2024

(5) City Mobility segment reclassified as a discontinued operation under IFRS5

6. ACCOUNTING STANDARDS, CONSOLIDATION METHODS, VALUATION METHODS AND RULES

The annual half-yearly statements are presented for the period ended 30 June 2024 by applying all standards published by the International Accounting Standards Board (IASB) and adopted by the European Union.

The Group's condensed interim financial statements for the period from 1st January 2024 to 30 June 2024 (6 months) have been prepared in accordance with IAS 34 and IFRIC 10, i.e. specific IFRS standards governing interim financial reporting adopted by the European Union.

As these are condensed financial statements, they do not include all the information required by IFRS for annual financial statements and should therefore be read in conjunction with LACROIX's consolidated financial statements prepared with respect to the IFRS standards as adopted by the European Union for the year ended 31 December 2023.

In addition, the Group applied the following standards for the first time starting 1st January 2024:

- Amendment to IAS 1 classification of debts as current/non-current, as well as non-current liabilities with covenants;
- Amendments to IFRS 16 "Sale and Leaseback Obligations".

The main IFRIC decisions published in the first half of 2024 concern:

- IFRS 3 and IAS 27 "Parent-Subsidiary Mergers in Separate Financial Statements";
- IFRS 3 "Payments conditional on continued employment during transfer periods";
- IAS 37 "Climate Commitments".

The Group did not identify any impact on its financial statements as at 30 June 2024.

Entry into force of the Pillar II amendment

Following the OECD's Pillar II recommendation, which led to the creation of a minimum tax regime for large international organisations in November 2021, on 14 December 2022 the European Union adopted a directive making this regime effective from 1st January 2024 or at the date of transposition by EU Member States, whichever is later.

EU Member States were required to transpose the directive by 31 December 2023, and France voted to do so as part of the 2024 Finance Law.

To date, the LACROIX Group is not yet subject to the application of this amendment, as the required thresholds have not been reached.

However, in order to prepare for potential future application, the Group has followed all OECD publications and draft legislation published in the countries in which it operates. At this stage of the review, and even though it is not yet subject to the application of Pillar II, the Group does not expect a significant additional tax charge.

7. COMPARABILITY OF FINANCIAL STATEMENTS

7.1 Accounting changes

The Group does not apply IFRS standards that have not yet been approved by the European Union as at the closing date of the period. The Group has not opted for early application of standards and interpretations whose application is not mandatory for the 2024 financial year.

7.2 Changes in consolidation scope

On 30 April 2024, all the entities in the Road Sign BU were deconsolidated from the LACROIX Group following the final disposal of this segment (see 7.3 Significant events below).

7.3 Significant events

Cyberattack:

On 15 May 2023, LACROIX announced it had suffered a cyberattack which mainly affected the French (Beaupréau), German (Willich) and Tunisian (Zriba) Electronics production sites.

On 30 June 2024, insurance payouts relating to the loss suffered by the Group had been booked and received, with no major impact on earnings due to the accrued income booked at 31 December 2023.

Tax audits:

During the 1st half of 2024, several LACROIX companies were notified of an audit of their accounts by the French tax authorities: LACROIX Electronics Beaupreau, LACROIX Electronics Cesson and LACROIX Sofrel.

The various audits cover the 2021 to 2023 financial years.

At this stage of the various verifications, LACROIX does not expect any significant adjustments.

Sale of Road Sign BU:

On 14 December 2023, the LACROIX announced that it had entered into exclusive negotiations with AIAC with a view to acquiring the Road Sign BU.

As a reminder, at 31 December 2023, in application of IFRS 5 - Non-current assets held for sale and discontinued operations, the accounting and presentation impacts of this transaction were as follows:

- Impairment of goodwill and a share of assets to reflect the estimated loss on disposal of €3,735k;
- Reclassification and presentation of the assets and liabilities of the Road Sign BU on dedicated lines in the consolidated balance sheet.

As the Road Sign BU does not qualify as a discontinued operation under IFRS 5, no presentation impact has been recorded in the consolidated income statement and cash flow statement.

On 18 March 2024, LACROIX announced the final sale of the Road Sign BU. The latter became definitively effective in the Group's consolidated financial statements at 30 April 2024, generating an additional capital loss of €2,992k. The Road Sign BU's activity from 1st January to 30 April 2024 is included in the consolidated income statement and cash flow statement.

The Road Sign BU's main aggregates in the Group's consolidated financial statements break down as follows:

In K€	Period 2024 4 months	Period 2023 6 months	Period 2023 12 months
Revenues	17 898	27 206	58 320
EBITDA	251	366	3 058
EBIT	251	(487)	1 294

The changes in the scope of consolidation presented in the tables in these notes correspond to the disposal of assets or liabilities of the Road Sign BU that changed during the year, historical assets and liabilities having already been reclassified in accordance with IFRS 5 at 31 December 2023.

Transfer of the Street Lighting BU to the Environment activity and proposed sale of the City-Mobility BU:

On 22 May 2024, LACROIX announced that the Street Lighting segment would be attached to the Environment activity, and that it planned to sell the City-Mobility segment in order to focus on markets with greater potential and positive impacts.

At 30 June 2024, the Group examined the application of IFRS 5 - Non-current assets held for sale and discontinued operations to the substance of this announcement and drew the following conclusions and accounting impacts:

- The Street Lighting segment is now presented within the Environment activity;
- As the Group considers the disposal of the City-Mobility segment as at 30 June 2024 to be highly probable within the next 12 months, the assets and liabilities concerned have been reclassified under specific headings in the consolidated balance sheet;
- As the City activity is set to disappear permanently from the Group's portfolio of operations, it is now treated as a discontinued operation in the consolidated income statement and cash flow statement.

The impact on the presentation of the consolidated financial statements of the LACROIX Group is as follows:

- The Street Lighting segment is included in the income statement of the Environment activity - note 9.1 Segment Reporting reflects this change, in particular with the restatement of data relating to the 2023 financial year;
- The activity of the City-Mobility segment is presented as Net profit from discontinued operations in the Income Statement, and Net cash flow from discontinued operations in the Consolidated cash flow statement. The 2023 financial year has been restated accordingly.

Note 7.4 Available-for-sale assets and discontinued operations provides further details on this accounting presentation.

7.4 Available-for-sale assets and discontinued operations

7.4.1 Analysis of assets and liabilities of discontinued operations

In K€	Current assets	Period 2024
Non-current assets		
Goodwill		
Intangible assets		
Property, plant and equipment		
Rights of use		
Non-current financial assets		
Investments in associates		
Deferred tax assets		
Total non-current assets		
Current assets		
Inventories and stocks in progress		8 506
Trade receivables		12 422
Other receivables		3 486
Financial instruments assets		
Cash and cash equivalents		
Total current assets		24 414
Total assets of discontinued operations		24 414

In K€	Liabilities	Period 2024
Non-current liabilities		
Non-current provisions		8 050
Long-term borrowings		
Long-term rental liabilities		508
Debts arising from business combinations - non-current		
Deferred tax liabilities		27
Total non-current assets		8 585
Current liabilities		
Short-term borrowings		
Short-term rental liabilities		411
Trade payables		3 756
Financial instrument liabilities		
Payables on business combinations - current		
Other liabilities		7 125
Total current liabilities		11 293
Total liabilities of discontinued operations		19 878

In view of the estimated disposal value of the Mobility segment, the Lacroix Group has recognised an impairment loss of €10,000k in accordance with IFRS 5, broken down as follows:

- Total impairment of non-current assets (including goodwill) of €4,030k;
- Recognition of an additional provision for contingencies of €5,970k (LACROIX's accounting policy being not to write down current assets).

The amount of this impairment loss will be reviewed at 31/12/2024 depending on the progress of discussions with potential buyers.

7.4.2 Net profit from discontinued operations

Net income from discontinued operations	30 june 2024 6 months	30 june 2023 6 months	31 december 2023 12 months
Revenues	12 019	11 098	27 237
Operating expenses	(15 561)	(14 551)	(31 823)
Operating income before non-recurring items	(3 541)	(3 453)	(4 586)
Other operating income and expenses (1)	(10 467)		(12)
Operating income	(14 008)	(3 453)	(4 598)
Net financial expense	18	(70)	(161)
Income tax	(37)	(33)	120
Net income from discontinued operations	(14 026)	(3 556)	(4 638)

(1) Of which €10,000k corresponds to the estimated impairment on disposal.

8. EXPLANATION OF BALANCE SHEET AND INCOME STATEMENT ACCOUNTS AND THEIR CHANGES

The tables below form an integral part of the consolidated financial statements.
Unless otherwise stated, amounts are in €k.

8.1 Goodwill

	Gross value					Accumulated impairment				Net book amount	
	Opening	Variations	Assets and activities held for sale	Changes in consolidation scope	Closing	Opening	Variation Variations	Assets and activities held for sale	Closing	Opening	Closing
Electronics Activity	58 054			1 309	59 363	(5 991)			(5 991)	52 063	53 372
Environment Activity	17 045	21 219			38 264		(6 821)		(6 821)	17 045	31 443
City Activity	23 898	(21 219)	(2 679)			(9 500)	6 821	2 679		14 398	
Total	98 997		(2 679)	1 309	97 627	(15 491)		2 679	(12 812)	83 506	84 815

No impairment indicator was identified for these goodwills during the first half-year 2024.

The change in the scope of consolidation corresponds to the reallocation of goodwill from the Street Lighting Business Unit as part of the transfer of this segment from the LACROIX City activity to the LACROIX Environment activity, as described in note 7.3 - Significant events.

8.2 Intangible Assets

	Opening	Additions	Disposals	Changes in consolidation scope	Assets and activities held for sale	Currency translation differences	Other variations	Closing
Gross values								
Preliminary expenses	10							10
Research & Development costs	2 453				(48)		421	2 826
Concessions, patents, licenses, software	12 064	144			(2 073)	12		10 147
Other intangible assets (1)	41 653					1 270		42 923
Intangible assets in progress	209	403					(421)	191
Advances and down-payments								
Total	56 388	547			(2 121)	1 282		56 096
Cumulated amortisation								
Preliminary expenses	(11)							(11)
Research & Development costs	(722)	(95)			48			(769)
Concessions, patents, licenses, software	(8 715)	(1 146)			2 073	(7)		(7 795)
Other intangible assets	(16 902)	(1 070)				(497)		(18 468)
Total	(26 349)	(2 310)			2 121	(504)		(27 043)
Total intangible assets	30 038	(1 763)				778		29 054

(1) "Other Intangible Assets" mainly include the "Customer Relationships" asset identified in the process of allocating the acquisition price of LACROIX Electronics MI in 2021.

8.3 Tangible Assets

	Opening	Additions	Disposals	Changes in consolidation scope	Assets and activities held for sale	Currency translation differences	Other variations	Closing
Gross values								
Land	2 749				(168)	1		2 582
Buildings	42 047	138	(44)		(1 778)	93		40 456
Technical install., machinery and equipment	121 086	4 673	(194)	(8)	(2 174)	1 518	3 172	128 072
Other tangible assets	25 729	660	(52)	10	(2 570)	100	309	24 187
Tangible assets in progress	797	1 645		(88)	(197)	10	(1 429)	738
Advances and down payments	1 261	1 659					(2 052)	868
Total	193 668	8 776	(292)	(86)	(6 887)	1 723	(0)	196 905
Cumulated amortisation								
Land	(34)	(5)						(39)
Buildings	(16 183)	(789)	42		1 778	(55)		(15 207)
Technical install., machinery and equipment	(65 047)	(5 672)	118		2 174	(688)		(69 115)
Other tangible assets	(19 107)	(2 271)	23	(13)	2 935	(73)		(18 505)
Total	(100 370)	(8 737)	183	(13)	6 887	(816)		(102 868)
Total tangible assets	93 297	39	(108)	(99)		907		94 037

8.4 Lease Contracts

8.4.1 Rights of use

Rights of use Gross values	Opening	New contracts	Ends and terminations of contracts	Changes in assumptions	Changes in consol- idation scope	Assets and activities held for sale	Currency translation differences	Other variations	Closing
Buildings	21 260	74	93	(377)		(2 608)	287		18 728
Other assets	3 164	606	57	(162)		(453)			3 212
Total	24 424	679	150	(539)		(3 061)	287		21 940
Rights of use Amortisations and provisions	Opening	Amortisa- tions for the period	Ends and terminations of contracts	Changes in assumptions	Changes in consol- idation scope	Assets and activities held for sale	Currency translation differences	Other variations	Closing
Buildings	(8 021)	(2 281)		377		2 608	(56)		(7 373)
Other assets	(1 738)	(556)		162		453			(1 679)
Total	(9 759)	(2 837)		539		3 061	(56)		(9 052)
Total net rights of use	14 665	(2 158)	150				231		12 888

The lease contracts under the "Other Assets" category consist mainly of company car rentals.

8.4.2 Lease liabilities

Lease liabilities	Opening	New contracts	Repayment of the nominal value	Ends and termina- tions of contracts	Changes in assump- tions	Changes in consol- idation scope	Assets and activities held for sale	Currency translation differences	Other variations	Closing
Immobilier	13 581	74	93	(1 662)		231	(764)	241		11 794
Mobilier	1 616	606	57	(586)		184	(156)			1 721
Total	15 198	679	150	(2 249)		415	(919)	241		13 516

8.5 Cash and cash equivalents

	Period 2024	Period 2023
Short-term deposits (1)	16 441	27 960
Cash in hand	13 481	14 563
Impairment		
Total cash and cash equivalents	29 922	42 523
Bank overdrafts	(36 327)	(30 070)
Total cash and cash equivalents excl. bank overdrafts	(6 405)	12 453

(1) These are SICAVs (unit trusts), deposit certificates, and other investment products.

Cash and cash equivalents include cash at bank, cash, and short-term deposits with an initial term of less than 3 months.

Within the framework of the Reverse factoring contracts signed by LACROIX, the receivables not yet due at 30 June 2024 and paid before that date amount to 23 million euros.

8.6 Shareholders' Equity

8.6.1 Share capital of the consolidating entity

As at 30 June 2024, the share capital is made up of 4,829,096 shares with a par value of €6.64 each.

8.6.2 Changes in treasury shares

The number of treasury shares has changed as follows:

	Period 2024
Opening	146 003
Acquisitions	6 009
Disposals	(5 030)
Granted as part of an AGA plan	
Total treasury shares (1)	146 982

(1) The value of treasury shares as at 30 June 2024 recognised in LACROIX's financial statements stood at €2,829k. On the basis of the average share price in June 2024, it stands at €3,377k.

8.6.3 Free shares

LACROIX introduced a free share plan for some of its employees.

The final allocation of shares is contingent on various conditions of presence and/or performance.

24,200 shares were allocated at 31 December 2023. The amount available for allocation for the 2024 financial year is 6,913 shares. The share retention period is set at 2 years.

The expense for the period in respect of the free share plan is €161k as at 30 June 2024 within the meaning of IFRS 2.

8.6.4 Earnings per Share

Earnings per share	Period 2024 6 months	Period 2023 (restated) 6 months	Period 2023 (restated) 12 months
Weighted average number of shares	4 829 096	4 829 096	4 829 096
Average number of treasury shares	(146 982)	(147 666)	(146 003)
Weighted average number of shares used for earnings per share	4 682 114	4 681 430	4 683 093
Average number of dilutive instruments (share-based payment effects)	31 113	18 573	24 200
Weighted average number of shares used for diluted earnings per share	4 713 227	4 700 003	4 707 293
Net income - Group share in €K	(13 305)	5 601	4 268
Basic earnings per share (in euros)	(2,84)	1,20	0,91
Diluted earnings per share (in euros)	(2,82)	1,19	0,91

8.7 Provisions for other liabilities and charges

8.7.1 Change in provisions for other liabilities and charges

This change can be analysed as follows:

	Opening	Additional provisions	Reversals used	Reversals not used	Changes in consolidation scope	Assets and activities held for sale	Currency translation differences	Other variations	Closing
Retirement benefit obligations (1)	10 006	337	(81)		(39)	(707)		(43)	9 473
Provisions for warranty	772	165	(65)	(21)		(356)			495
Provisions for litigations (2)	1 531	7 286	(644)	(557)	427	(6 987)	3		1 059
Provisions for other liabilities and charges (3)	872								872
Total	13 181	7 788	(790)	(578)	388	(8 050)	3	(43)	11 899

(1) The value of retirement benefit obligations was determined by independent actuaries using the projected unit credit method.

Assumptions taken into account for the calculations, for the French scope, are as follows:

- Discount rate of 3.2% (similar to 2023)
- Salary increases, including inflation, are based on the following table:

	LACROIX
Age brackets	
< 29 years old	5,00%
30 to 39 years old	3,50%
40 to 44 years old	3,00%
45 to 49 years old	3,00%
50 to 54 years old	2,50%
> 55 years old	2,00%

- The mortality tables used are those of INSEE F 2016-2018,
- The retirement age is 64 for non-managerial staff and 66 for managerial staff. Reason for retirement: 100% of departures are at the initiative of the employee.
- Turnover probability as per the table below:

	Holding companies	Production companies
Age brackets		
< 29 years old	15,00%	8,00%
30 to 39 years old	8,00%	5,00%
40 to 44 years old	5,00%	3,00%
45 to 49 years old	5,00%	3,00%
50 to 54 years old	3,00%	2,00%
55 to 59 years old	1,00%	1,00%
> 60 years old	0,00%	0,00%

For the German scope, the following assumptions were made:

- Discount rate of 3.2% (similar to 2023)
- Inflation rate of 2.25%,
- Salary increase of 3%
- Average turnover rate of 5%:
- Retirement at the age of 64 for non-managerial staff and 65 for other managerial staff.

(2) Provisions for other liabilities and charges include, in addition to the various provisions for litigation, employee-related risks and tax risks, a provision of €5,970k for the estimated impairment of the Mobility segment.

(3) In connection with the exercise of stock options by employees of the Sofrel business, the Group had undertaken to buy back these shares at the request of beneficiaries. The amount of €872k is the valuation, at the end of June 2024, of the theoretical purchase price of said shares.

8.8 Borrowings and other financial debts

8.8.1 Nature and maturity of borrowings and financial debts

The breakdown of financial debts by maturity is as follows:

	Period 2024	Period 2023	2024 Maturity (1)	
			< 1 year (Current)	> 1 year (Non-current)
Bank borrowings	92 547	103 844	19 583	72 964
Other financial debts (2)	23 482	23 172	11 245	12 237
Bank overdrafts	36 327	30 070	36 327	
Total borrowings	152 354	157 085	67 154	85 201

(1) "Non-current" portion of financial debts: of which €11,085k at more than 5 years.

(2) Of which C/C VINILA INVESTISSEMENTS (shareholder) for €10,129k, compared with €10,143k at 31 December 2023.

8.9.2 Financial gearing

The table below shows the changes to the Group's financial gearing.

	Period 2024	Period 2023
Borrowings and other financial debts	116 029	127 015
Bank overdrafts	36 327	30 070
Other financial assets	2 326	(1 634)
Cash and cash equivalents (see Note 8.9)	(29 922)	(42 523)
Net debt position	124 760	112 928
Shareholders' equity	171 027	190 057
Financial gearing	72,9%	59,4%

Amounts due for business acquisitions and lease liabilities are not included in the Group's gearing ratio.

8.9 Amounts due for business acquisitions

	Period 2024	Period 2023
Opening	12 088	12 978
Change in scope of consolidation		
Revaluation with impact on shareholders' equity	(1 196)	(743)
Payment		
Currency translation differences	96	(147)
Other changes		
Amounts due for business acquisitions	10 988	12 088

8.10 Other operating income and expenses

	Period 2024 6 months	Period 2023 (restated) 6 months	Period 2023 (restated) 12 months
Restructuring costs (1)	(870)	(363)	(847)
Sale of assets (2)	(2 992)		(3 042)
Customer litigations			424
Other non-current expenses (3)	159	(355)	(10 612)
Total	(3 703)	(718)	(14 077)

(1) Reorganisation costs mainly concern employees taking retirement who have not been replaced.

(2) Asset disposals correspond to additional impacts of the sale of the Road Sign BU.

(3) Other non-current expenses correspond to the additional insurance reimbursement in respect of the cyber attack in May 2023. As a reminder, at 31 December 2023, this item mainly included the exceptional amortisation of the "Customer Relations" asset.

8.11 Financial income and expenses

The breakdown of financial income is as follows:

	Period 2024 6 months	Period 2023 (restated) 6 months	Period 2023 (restated) 12 months
Interest expenses on borrowings	(4 520)	(4 069)	(8 132)
Interest income	111	125	331
Net financial expenses on borrowings	(4 410)	(3 943)	(7 801)
Net foreign exchange gains (losses)	274	1 365	1 984
Other financial income and expenses (1)	(1 342)	(1 015)	(2 560)
Total financial income and expenses	(5 477)	(3 593)	(8 377)
Summary			
Total income	1 789	5 034	11 062
Total expenses	(7 266)	(8 627)	(19 439)
Total financial income	(5 477)	(3 593)	(8 377)

(1) Including €393k in finance costs on rental debt, compared with €151k at 30 June 2023. This change relates to new leases signed in 2023 at LACROIX Electronics Michigan.

8.12 Taxation

The breakdown of taxation is as follows:

	Period 2024 6 months	Period 2023 (restated) 6 months	Period 2023 (restated) 12 months
Current taxes	(1 172)	(2 151)	(4 718)
Deferred taxes (1)	(669)	2 364	6 534
Total income tax expense	(1 841)	214	1 816

(1) Capitalised tax losses represent €20.2m for the French tax group, \$10.6m for LACROIX Electronics MI and €5.2m for LACROIX Electronics Beaupreau.

No change was recognised in the financial statements at 30 June 2024.

9. OTHER INFORMATION

9.1 Segment reporting

9.1.1 Consolidated income statement by segment

Following the announcement by the LACROIX Group on 22 May 2024 (see Note 7.3 Significant events), the presentation of the income statement by activity has changed as follows:

- The Street Lighting segment has now been integrated into the LACROIX Environment activity - the 2023 financial year has been restated accordingly;
- The City activity, including the City-Mobility segment, is now treated as a discontinued operation and is therefore no longer included in the income statement by business segment;
- The Road Sign BU, which was definitively sold on 30 April 2024, is presented separately, as the 2024 business only covers 4 months.

The inclusion of the Street Lighting segment within the Environment activity meets the criteria set out in IFRS 8, namely:

- A centralised managerial approach to business management;
- Similar economic characteristics reflected, in particular, by the financial performance of each of the BUs in the Environment activity;
- Products and services of a similar nature, including in particular the use of common technological platforms;
- Customers who operate public energy, water and electricity networks.

Segment reporting for the half-year ended 30 June 2024 is detailed as follows:

First half-year 2024 compared to first half-year 2023

	Electronics Activity		Environment Activity		LACROIX Road Sign		Holdings		Others		Group total	
	Period 2024	Period 2023	Period 2024	Period 2023	Period 2024 (*)	Period 2023	Period 2024	Period 2023	Period 2024	Period 2023	Period 2024	Period 2023
Revenues												
External sales	277 077	302 435	64 435	54 923	17 952	27 553					359 464	384 911
Inter-company sales between activities	(9 000)	(7 522)	(84)	(365)	(54)	(347)					(9 138)	(8 234)
Total produits des activités ordinaires	268 077	294 913	64 351	54 558	17 898	27 206					350 326	376 677
Current operating profit	(2 819)	4 642	11 499	8 711	251	(487)	(930)	(1 018)	152	386	8 153	12 234
Depreciation, amortisation and provisions on tangible and intangible assets	8 811	8 316	1 128	1 107		854	242	254			10 181	10 531
Compensation expenses relating to shares (IFRS 2) and/or to the achievement of objectives following the integration of newly acquired entities	(178)	622					161	224			(17)	846
Current EBITDA	5 814	13 580	12 627	9 818	251	366	(527)	(540)	152	386	18 317	23 611

(*) Road Sign BU data impact the Group's consolidated financial statements for the period from January 1, 2024 to April 30, 2024, the date of disposal.

First half-year 2024 compared to fiscal year 2023 (12 months)

	Electronics Activity		Environment Activity		LACROIX Road Sign		Holdings		Others		Group total	
	Period 2024	Period 2023	Period 2024	Period 2023	Period 2024 (*)	Period 2023	Period 2024	Period 2023	Period 2024	Period 2023	Period 2024	Period 2023
Revenues												
External sales	277 077	578 375	64 435	114 194	17 952	59 189					359 464	751 758
Inter-company sales between activities	(9 000)	(16 232)	(84)	(711)	(54)	(869)					(9 138)	(17 812)
Total revenues	268 077	562 143	64 351	113 483	17 898	58 320					350 326	733 946
Current operating profit	(2 819)	1 852	11 499	19 900	251	1 294	(930)	(1 174)	152	563	8 153	22 435
Depreciation, amortisation and provisions on tangible and intangible assets	8 811	17 151	1 128	2 248		1 764	242	508			10 181	21 671
Compensation expenses relating to shares (IFRS 2) and/or to the achievement of objectives following the integration of newly acquired entities	(178)	599					161	403			(17)	1 002
Current EBITDA	5 814	19 602	12 627	22 148	251	3 058	(527)	(263)	152	563	18 317	45 108

(*) Road Sign BU data impact the Group's consolidated financial statements for the period from January 1, 2024 to April 30, 2024, the date of disposal.

Alternative performance indicators

To improve the monitoring and comparability of its operating and financial performance, the Group employs the concept of "Earnings Before Interest, Taxes, Depreciation and Amortisation" (current EBITDA).

This is a financial indicator not strictly for accounting purposes, defined by the Group as follows:

Current EBITDA used by LACROIX is an operating indicator for operating profit, increased by:

- Allowances for amortisations of tangible and intangible assets (including, where necessary, those recognised for business combinations) and rights of use.
- Compensation expenses relating to shares (IFRS 2) and/or to the achievement of objectives following the integration of newly acquired entities.

9.2 Off-balance sheet commitments

The breakdown of commitments given or received by the Group is as follows:

Off-balance sheet commitments	Period 2024	Period 2023
Guarantees given		
Related to financing (1)	52 044	54 316
Lease contracts with an effective date after closing		

(1) The commitments mentioned are already accounted for in the Group's consolidated balance sheet. The above table reiterates these amounts where sureties and guarantees are provided to financing institutions as a consideration for asset financing or authorised bank overdrafts.

The amount of €52,044k includes €20,000k in guarantees provided in 2021 in respect to one of the loans obtained in order to fund the acquisition of Lacroix Electronics Michigan, as well as €30m in hedged financial debt for Lacroix Electronics Michigan.

9.3 Post-closing events

None



PART 02

OTHER INFORMATION

(REPORTS AND CERTIFICATIONS)

STATEMENT OF THE CORPORATE OFFICER RESPONSIBLE FOR THE FINANCIAL REPORT

set out under articles 222-3 and 222-4
of the General Regulations of the Financial Markets Authority

Vincent Bedouin,
Chairman & CEO of the Company

CERTIFIES

"To my knowledge, the financial statements for the past year are drawn up in accordance with the accounting standards applicable and give a true and fair view of the assets and liabilities, financial position, and income of the Company and of all companies included within the scope of consolidation. The annual report gives a true and fair view of the major events that have occurred during the 12 months of the financial year, their impact on the statements, the main transactions between related parties, as well as a description of the main risks and uncertainties that they face."

Vincent Bedouin



LACROIX Group

Société Anonyme à Conseil d'Administration

au capital de 32 055 239,04 €

Siège Social : 17 rue Océane, 44800 Saint-Herblain

RCS Nantes 855 802 815 – Siret 855 802 815 00123

STATUTORY AUDITORS' REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION

LACROIX GROUP

For the period from 1 January to 30 June 2024

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (Code monétaire et financier), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of the Lacroix Group, for the period from 1 January to 30 June 2024;
- the verification of the information presented in the half-yearly activity report.

These condensed consolidated half-year financial statements were drawn up under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our limited review in accordance with the professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with standard IAS 34 of the IFRS as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Saint-Herblain and Nantes, 30 September 2024

The Statutory Auditors (French original signed by)

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Arnaud Le Néén

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