**Press Release**

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# First half 2025: stable revenues and limited decline in EBITDA in a context of increased volatility in Q2

- Revenues: 261.3 million euros (stable)*
- EBITDA before non-recurring items: 40.4 million euros (-4%)*
- Annual objectives are no more relevant, in the absence of visibility

*(*) At actual exchange rates*

| | April 1 – June 30 | | | | January 1 – June 30 | | | |
|---|---|---|---|---|---|---|---|---|
| | **2025** | **2024** | **Variation 2025/2024** | | **2025** | **2024** | **Variation 2025/2024** | |
| (in millions of euros) | | | Actual exchange rates | Like-for-like[1] | | | Actual exchange rates | Like-for-like[1] |
| Revenues | 126.8 | 132.7 | -4% | -2% | 261.3 | 262.3 | 0% | -1% |
| ARR [2] [3] | - | - | - | - | 90.9 | 88.9 | +2% | +6% |
| EBITDA before non-recurring items [3] | 19.2 | 21.2 | -9% | -3% | 40.4 | 42.2 | -4% | -4% |
| *EBITDA margin before non-recurring items* | *15.2%* | *15.9%* | *-0.7 point* | *-0.2 point* | *15.4%* | *16.1%* | *-0.7 point* | *-0.7 point* |
| Net income | 5.3 | 4.4 | 20% | - | 11.1 | 11.1 | 0% | - |
| Consolidated Shareholders' Equity [2] | - | - | - | - | 343.8 | 374.4 | - | - |
| Net cash (+) / Net debt (-) [2] | - | - | - | - | -34.1 | -20.6 | - | - |

[1] At constant exchange rates and comparable scope
[2] As of June 30, 2025 and December 31, 2024
[3] The definition of performance indicators is included in the Financial report as of 30 June 2025

**Paris, July 24, 2025.** Today, Lectra's Board of Directors, chaired by Daniel Harari, reviewed the consolidated financial statements for the first half of 2025, which have been subject to a limited review by the Statutory Auditors.

## 1. A PARADIGM SHIFT AT THE GLOBAL LEVEL

The deterioration in the global economic situation since early March continued throughout the second quarter, extending to all geographical areas and all sectors of activity. The US tariff announcements on April 2 came as a shock that increased the uncertainty weighing on the business climate, particularly for the Group's customers, who are highly exposed to international trade.

While the direct impact of these measures is limited for Lectra, the indirect impacts, linked to the reactions of the customers concerned, together with the lack of visibility, have led to a pause in their investment decisions. The Group's customers -- brands and subcontractors alike -- must adapt to this new economic situation, whether in terms of pricing policy, production, investment or future strategy, and are waiting for negotiations to be concluded before choosing their options.

The 90-day suspension of reciprocal tariffs, announced on April 9 and due to end on July 9 was followed by further announcements. The frequent changes in the decisions of the US administration and the negotiations still underway have contributed to persistent uncertainty.

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**The direct impacts of tariffs remain limited, and are under control**

European and Chinese exports to the United States account for less than 10% of Lectra's sales. Starting in April, Lectra has taken several measures to deal with the new commercial situation: the Group has reflected the full impact of customs tariffs on price lists in the United States for equipment, consumables and parts and maintenance contracts. It also rerouted some shipments to Mexico to avoid customs formalities and removed several products from the Chinese and American catalogs.

**Indirect impacts are characterized by high customer wait-and-see position**

Lectra's three strategic markets are highly exposed to tariffs.

Particularly in the fashion and automotive sectors, the United States' dependence on imports is very strong. Whatever the outcome of the negotiations, the need to diversify sources of supply and their countries of origin seems clear and will require additional production capacities and relocations.

In the Group's three strategic markets, the turbulence of the last few months represents medium- and long-term development opportunities for Lectra, irrespective of the tariff rates ultimately decided, and will necessarily lead to structural changes in the industrial landscape and supply chains.

## 2. Q2 2025

The slowdown that affected the Americas and Automotive from mid-March onwards spread to all geographies and sectors. Indeed, the successive announcements, then the shock of "Liberation Day" on April 2, have led to a strong wait-and-see attitude from customers. New systems orders were accordingly 27% lower in the second quarter.

Q2 2025 revenues were down 4% on an actual basis and 2% on a like-for-like basis, reflecting the continued slowdown that began in mid-March.

EBITDA before non-recurring items (€19.2 million) declined 3%, resulting in a recurring EBITDA margin before non-recurring items of 15.2%, down 0.7 percentage point on an actual basis (0.2 percentage point like-for-like).

Considering the amortization of intangible assets (€5.7 million), income from operations before non-recurring items was down 6% on a like-to-like basis, to €8.9 million. Net income reached €5.3 million, up 20% on an actual basis, driven by a reduction in tax expense.

## 3. FIRST HALF 2025

To facilitate analysis of the Group's results, the financial statements are compared to those published in 2024 that consolidated Launchmetrics as of January 23 ("actual") and, for the analysis of variations, to the 2024 Proforma statements that consolidate Launchmetrics as of January 1, expressed at 2024 exchange rates (like-for-like"). Proforma revenues and EBITDA increased by €2.5 million and €0.3 million respectively compared to the reported financial statements.

H1 2025 revenues amounted to €261.3 million, down 1%. This breaks down into €69.3 million in non-recurring revenues, down 7%, and €192.0 million in recurring revenues (73% of revenues), up 2%, including €43.6 million in revenues from SaaS subscription contracts (17% of revenues, +13%).

The ARR at June 30, 2025 was €90.9 million, up 6% on a like-for-like basis (+2% on an actual basis) compared to the level at the end of 2024, confirming the relevance of Lectra's strategy.

In a context of declining revenues, the gross margin reached €190.0 million, up 1%, and the gross margin rate stood at 72.7%, up 1 point, thanks to the favorable sales mix and strengthened cost control.

EBITDA before non-recurring items reached €40.4 million, down 4%, with an EBITDA margin before non-recurring items of 15.4%, down 0.6 point.

Income from operations before non-recurring items amounted to €19.2 million, down 9%.

Net income, following a tax expense of 3.6 million euros, was stable at 11.1 million euros.

Free cash flow before non-recurring items remained high in the first half of 2025 at € 33.0 million, reflecting good management of the working capital requirement, which was negative by €41.6 million, benefiting from lower receivables and a further reduction in inventories.

As of June 30, 2025, the Group's balance sheet remained very strong: shareholders' equity stood at €343.8 million and net debt at €34.1 million after disbursement of the second tranche of Launchmetrics' share capital (€20.5 million), the acquisition of Glengo Turkey (€1.7 million), and dividend payments (€15.2 million). Net debt consisted in financial debt of €94.6 million and cash of €60.6 million, reflecting the continued deleveraging of the company.

## 4. OUTLOOK

In the Annual Financial Report 2024 published February 12, 2025, Lectra reiterated its long-term vision, as well as the objectives of its 2023-2025 strategic roadmap. The Group then underlined, in a deteriorating environment, its resilient nature, the quality of its fundamentals, and the pursuit of its strategy with a focus on the development of its SaaS business.

Following the series of announcements on tariffs, the 2025 outlook had not been updated when the first quarter 2025 results were published on April 24, 2025.

At the end of the second quarter, there were still no signs of significant improvement that would point to an upturn in activity. The economic and political context remains uncertain and continues to lead to a strong wait-and-see attitude on the part of the Group's customers. In this context, the annual objectives announced by the Group in February 2025 are no more relevant.

The Company remains attentive to the evolution of the situation and relies on its solid fundamentals, notably its low net debt and high free cash flow generation, to pursue its strategy.

*The 2024 Annual Financial Report, as well as the Management Discussion and Analysis of Financial Conditions and Results of Operations and the financial statements for H1 2025 are available on lectra.com. Q3 and the first nine months of 2025 earnings will be published on October 29, 2025 after market.*

***About Lectra***

At the forefront of innovation since its founding in 1973, Lectra provides industrial intelligence technology solutions—combining software in SaaS mode, cutting equipment, data, and associated services—to players in the fashion, automotive and furniture industries. With boldness and passion, Lectra accelerates the transformation and success of its customers in a world in perpetual motion thanks to the key technologies of Industry 4.0: AI, big data, cloud and the internet of things.

The Group is present in more than one hundred countries. It operates three production sites for its cutting equipment, located in France, China and the United States. Lectra's 3,000 employees are driven by three core values: being open-minded thinkers, trusted partners and passionate innovators. They all share the same concern for social responsibility, which is one of the pillars of Lectra's strategy to ensure its sustainable growth and that of its customers.

Lectra reported revenues of €527 million in 2024, including €77 million coming from its SaaS offerings. The company is listed on Euronext, and is included in the CAC All Shares, CAC Technology, EN Tech Leaders and ENT PEA-PME 150 indices.

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