

Q1 Financial results



Daniel Harari, *Chairman and CEO*
Olivier du Chesnay, *Chief Financial Officer*

Q1 2026 results

- **Key highlights**
- Q1 2026 results
- Balance sheet and free cash-flow
- 2026 Outlook

Message from Daniel Harari, CEO and Chairman

Unstable environment in the first quarter of 2026

The conflict in Iran temporarily froze investments, leading to a postponement of equipment orders over several weeks

Mitigation of the effects from tariffs

One year after the first announcements on tariffs negotiations, customers are beginning to resume investments

Agentic Artificial Intelligence, an opportunity

The rise of artificial intelligence is driving innovation and growth in SaaS, enabling Lectra to reiterate its ambitions and to pursue its strategy

Q1 2026 Key highlights

Equipment orders reached €22.1m, up 11% compared to Q4 2025, which is encouraging given the current environment.

ARR stands at €100.6 million as of March 31, 2026, up 3% compared to December 31, 2025, reflecting a 12% annualized growth.

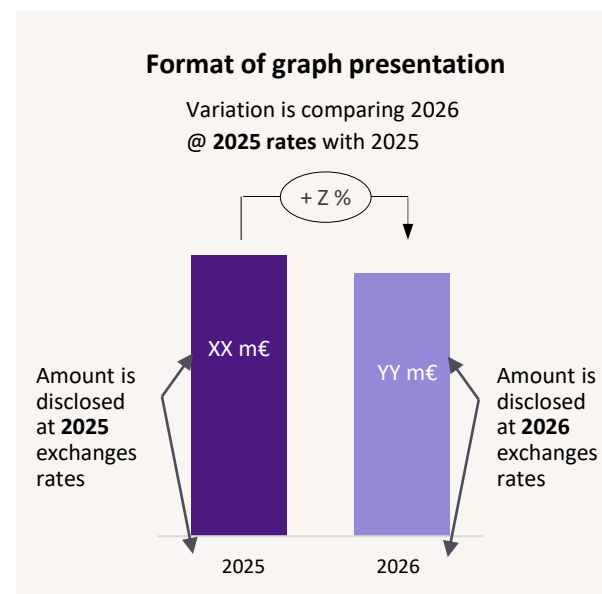
Non-recurring revenues negatively impacted by the low backlog as of December 31st, 2025, and a high comparison base, to which was added a wait-and-see attitude related to the war in Iran.

EBITDA is €12.1m, down 31%, with a margin of 10.6%, decreasing compared to Q1 2025 due to:

- €9.4m negative short-term cyclical impact resulting in reduced equipment and consumables and parts revenues;
- €2.8m positive structural impact from higher recurring revenues and reduced overhead.

Q1 2026 results

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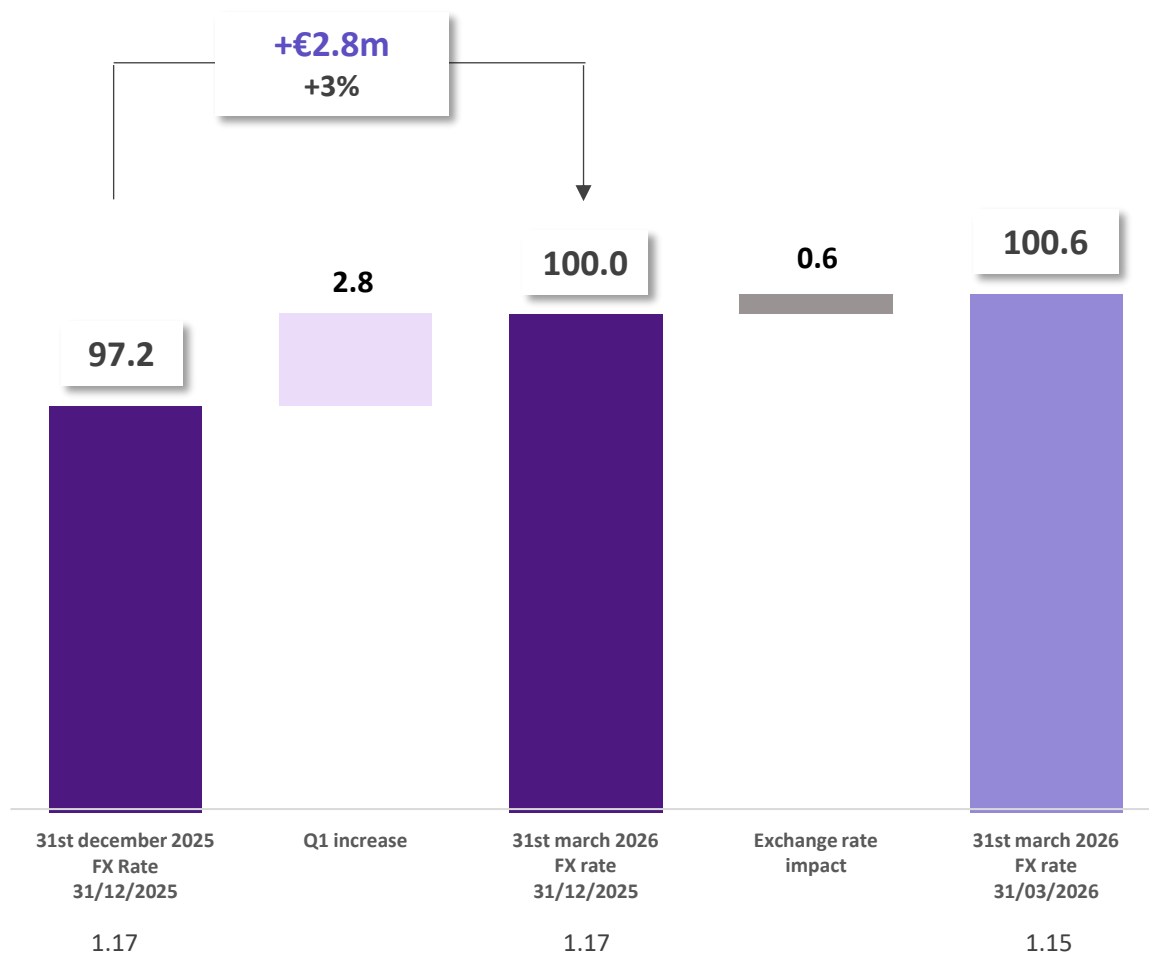


- Detailed comparisons between 2026 and 2025 are presented, unless otherwise indicated, at 2024 exchange rates (like for like).
- The Q1 2025 and Q1 2026 figures are presented, unless otherwise indicated, at the actual exchange rates of 1.05 (2025) and 1.17 (2026), respectively for the €/€ parities.
- Since equipment orders are the main indicator reflecting customers capital investments, this metric will replace the previous indicator for new system orders.

Q1 2026 results

ARR bridge

Annual Recurring Revenues (ARR) all offers



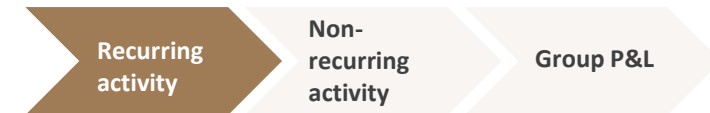
In a degraded macroeconomic environment, our SaaS activities are growing double digit (12%) on an annualized basis.

ARR has reached the €100m threshold.

New SaaS orders remained dynamic, while churn was in line with 2025.

Q1 2026 results

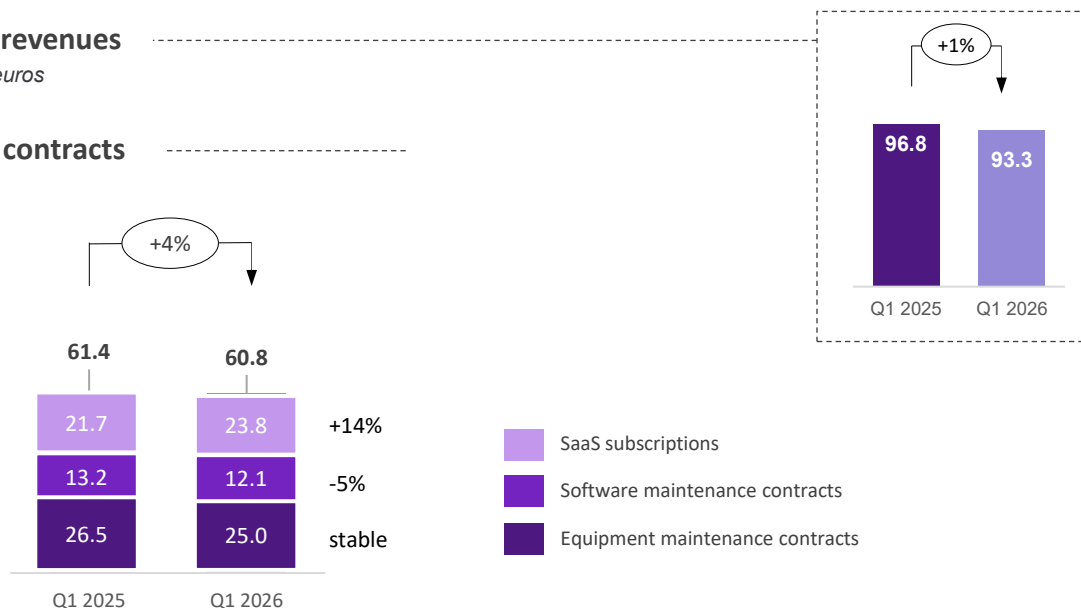
Growth of recurring contracts at 4% driven by SaaS subscriptions
 Consumables and parts slightly decreasing by 3%



Recurring revenues

In millions of euros

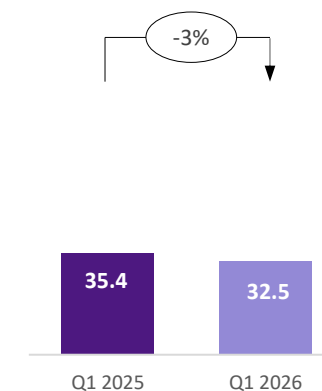
Recurring contracts



Revenues from recurring contracts are driven by SaaS subscriptions which continue to grow, by 14% in Q1, while software maintenance contracts are slowly eroding (-5%).

Revenues from equipment maintenance contracts are stable at comparable exchange rate, mostly due to 2025 contract base evolution.

Consumables and parts



The decline in sales of consumables and parts is limited to 3% in a challenging macroeconomic context.

Asia-Pacific is suffering more than EMEA and Americas.

Q1 2026 results

Increase of equipment orders level compared to last three quarters'

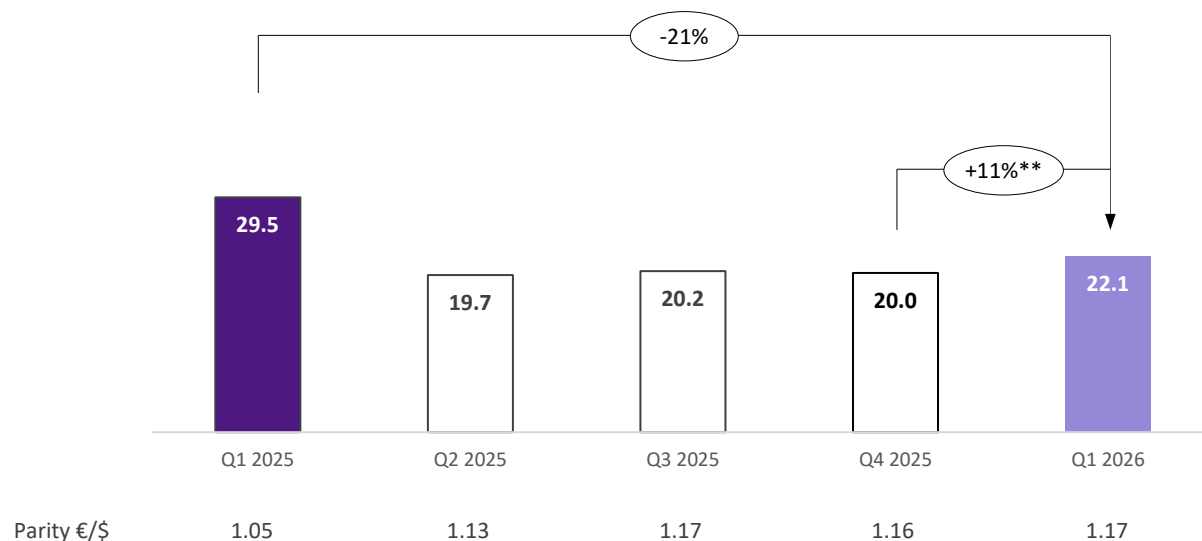
Recurring activity

Non-recurring activity

Group P&L

Equipment orders*

In millions of euros



Q1 equipment orders increased 11% in value compared to Q4 2025. Not yet a rebound of activity but a positive sign of customers investments.

Q1 2025 was still a strong reference base before tariffs trade war. The decrease in Q1 2026 is 21% like for like.

*the amount of orders for each quarter is at actual rate

** variation Q4 2025 to Q1 2026 at actual rate, the impact of exchange rate not being material

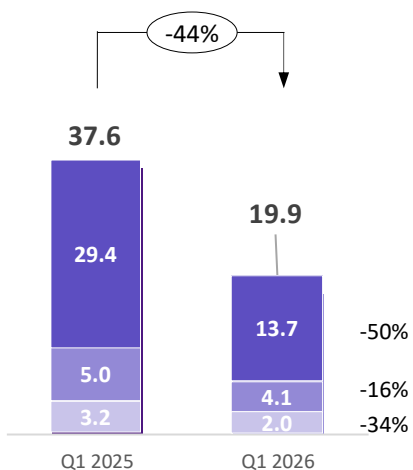
Q1 2026 results

Non-recurring revenues decreased 44%



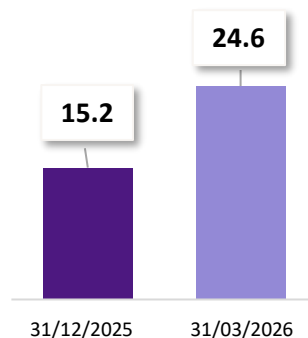
Non-recurring revenues

In millions of euros



- Equipment
- Training and consulting
- Other non-recurring revenues*

Equipment backlog



The non-recurring revenues decrease stems from both low orders of Q4 2025, and a very low backlog on December 31st, 2025, to which was added the wait-and-see attitude linked to the war in Iran.

The equipment revenues dropped 50%, despite a growing level of orders vs. Q4 2025.

As a result, the equipment backlog increased significantly to €24.6m, a €9.4m increase compared to December 31, 2025. Of this amount, approximately 80% is to be recognized as revenue in Q2 2026.

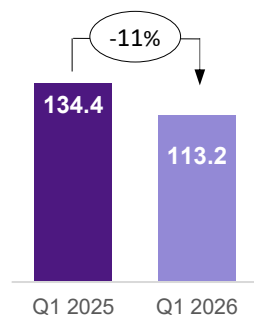
*Other non-recurring revenues include perpetual software licenses and other services

Q1 2026 results

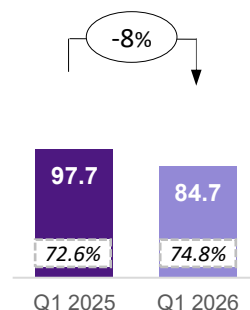
Despite high gross margin rates, and strict control of overhead costs
EBITDA before non-recurring items decreasing by 31%

In millions of euros

Total revenues



Gross margin

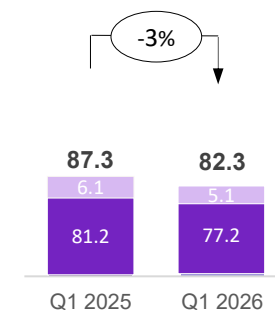


Despite limited volume, gross margin rates are stable by product line.

Positive product mix enables gross margin to be at a record level.

Overhead costs¹

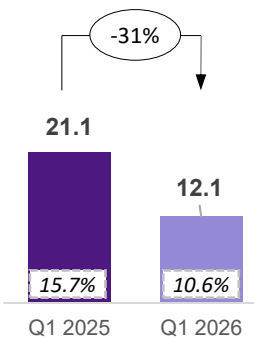
(Fixed and variable)



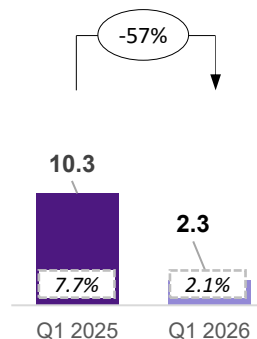
Fixed
Variable

Strict control of overhead costs and headcount reduction led to a 3% like-for-like decrease.

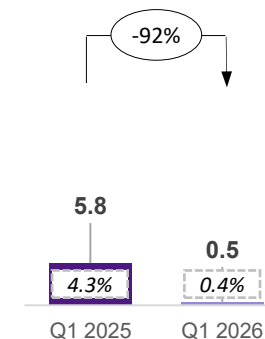
EBITDA²



Income from operations²



Net income³



Net income in 2026 drops significantly because of Q1 non-recurring revenues decline.

= In % of revenues

¹ 95% of fixed costs are covered by the margin of recurring activity in Q1 2026 (93% in Q1 2025)

² before non-recurring items

³ variation at actual rate

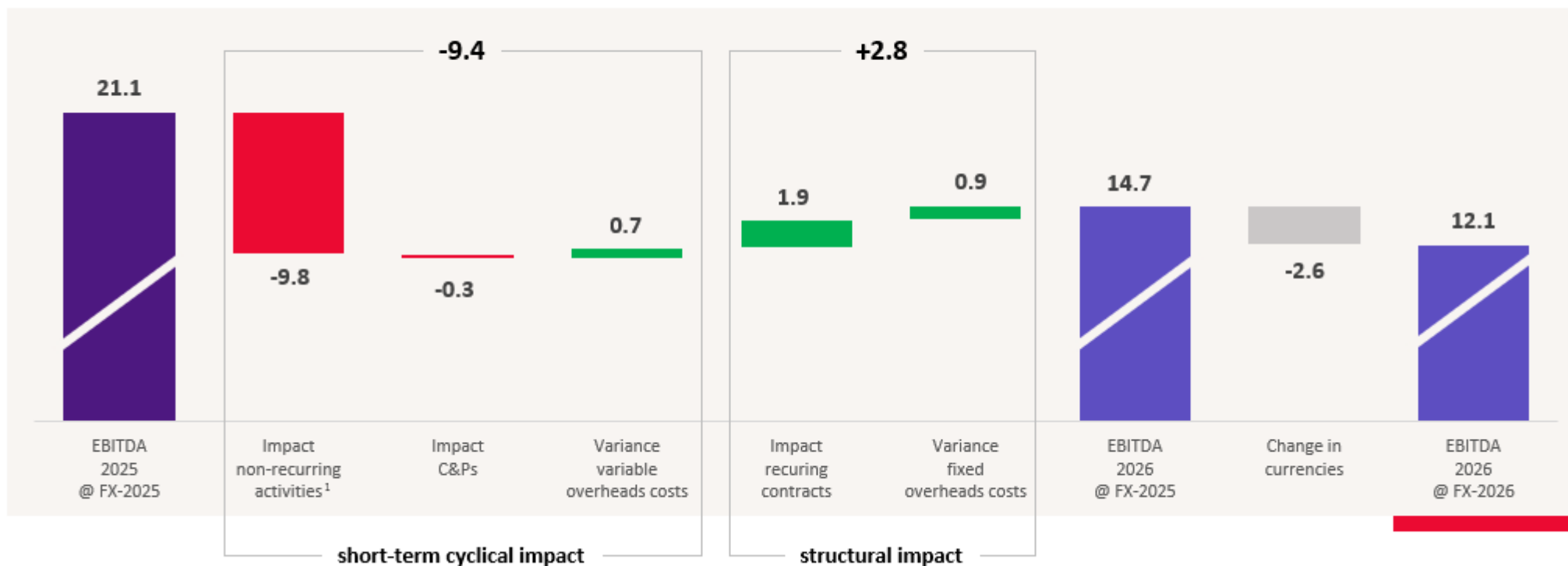
Q1 2026 results

Non-recurring revenues and consumables and parts impacted by macroeconomic conditions

Recurring contracts and control of fixed overheads in line with the guidance

Evolution of EBITDA before non-recurring items Q1 2025-Q1 2026

In millions of euros



Parity €/ \$ 1.05

1.05 1.17

Q1 2026 results

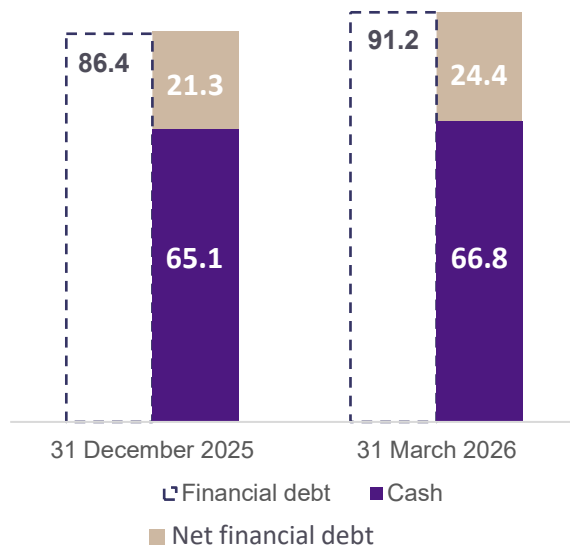
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Balance sheet and free cash-flow

Limited financial debt

Net financial debt

In millions of euros



During **Q1 2026**, the Group:

- cashed out the first payment (€14.1m) for 24.8% additional shares in TextileGenesis capital. Total payment of that tranche is estimated at €19.1m (remaining amount will be paid in Q2 2026);
- drew €5.0m in March from its revolving credit facility (RCF) out of the maximum amount of €60m.

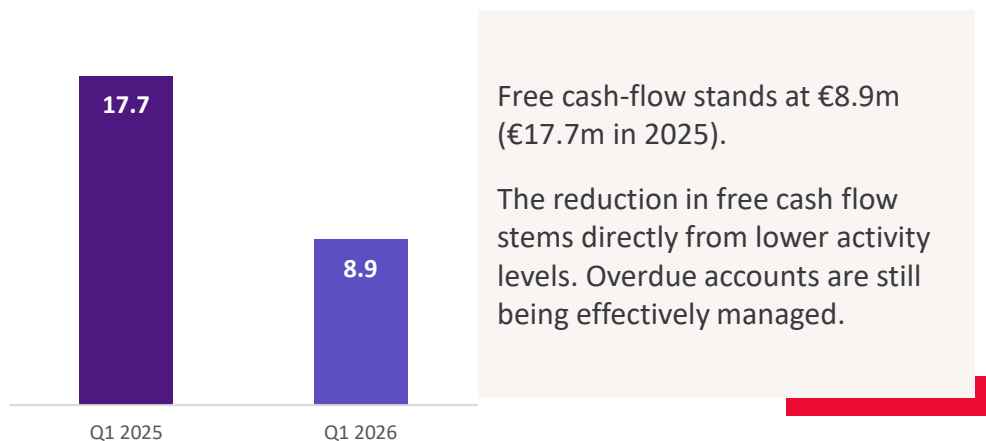
The Group generated €8.9m of free cash-flow.

Q1 2026 Free cash-flow

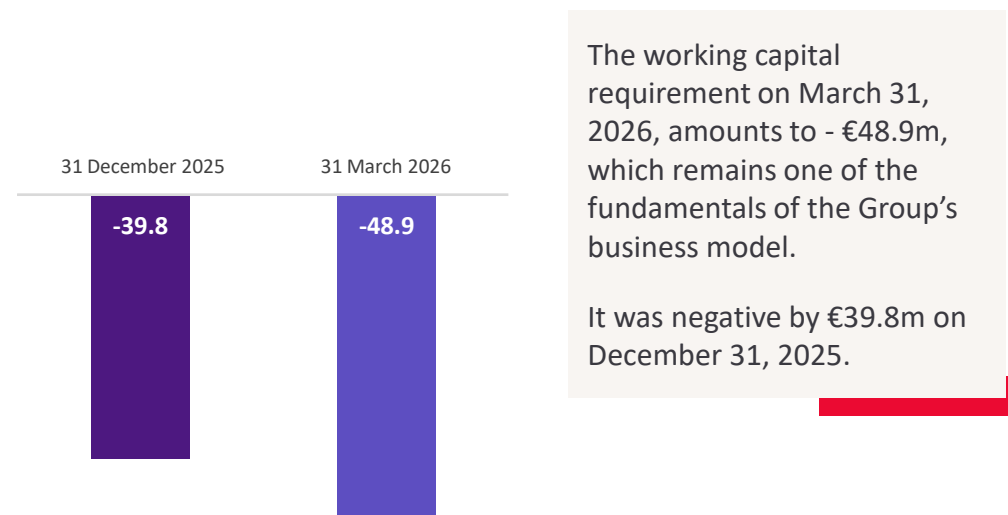
Positive cash-flow generation and negative working capital

In millions of euros

Free cash-flow



Working capital requirement



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2026-2028 Financial objectives

**15% ARR yearly growth,
contributing to
5% to 8% yearly growth of
recurring contract revenues**

**Continued
cost optimization**

**EBITDA margin:
+120 to 180bps/year***

**Security Ratio: +2-3 points/year
(>100% in 2028)**

**Lectra reiterates the objectives
communicated in February**

*In the event that equipment orders remain stable.

Any rebound –the timing and magnitude of which remain uncertain– would represent an additional growth potential for revenue and EBITDA.

Like-for-like
Excluding non-recurring items

Thank You