Q2 – H1 2026 Financial results

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

Q2 and H1 2026 results

- **Key highlights**
- Q2 and H1 2026 results
- Balance sheet and free cash-flow
- 2026-2028 Financial objectives

Q2 and H1 2026 highlights

Persistent economic and geopolitical uncertainty, with continued war in Iran, trade and tariffs tensions

Strong increase of EBITDA in Q2 2026 resulting from the continued recurring revenues growth, gross margin rates increase and fixed overheads reduction

Limited decrease of non-recurring revenues

Q2 free cash-flow generation back to satisfactory level

Negative working capital strengthening an already strong financial position

Message from Daniel Harari, Chairman and CEO

Improving business momentum in Q2 2026

Q2 2026 business activity improved versus Q1, mainly driven by equipment, consumables and parts sales, despite continued customer caution in investment decisions.

Resilient recurring revenues and disciplined cost control

Recurring revenues and strict cost control are helping sustain Group performance, offsetting a weak investment cycle and supporting the 2026–2028 roadmap ambitions.

Ongoing business model transformation

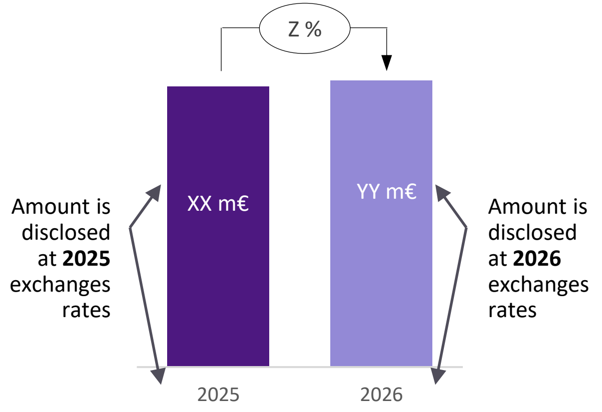
The Group's business model transformation is accelerating, fueled by recurring revenues growth, operational discipline, and new opportunities linked to agentic AI.

Q2 and H1 2026 results

- Key highlights
- **Q2 and H1 2026 results**
- Balance sheet and free cash-flow
- 2026-2028 Financial objectives

Format of graph presentation

Variation is comparing 2026 @ **2025 rates** with 2025



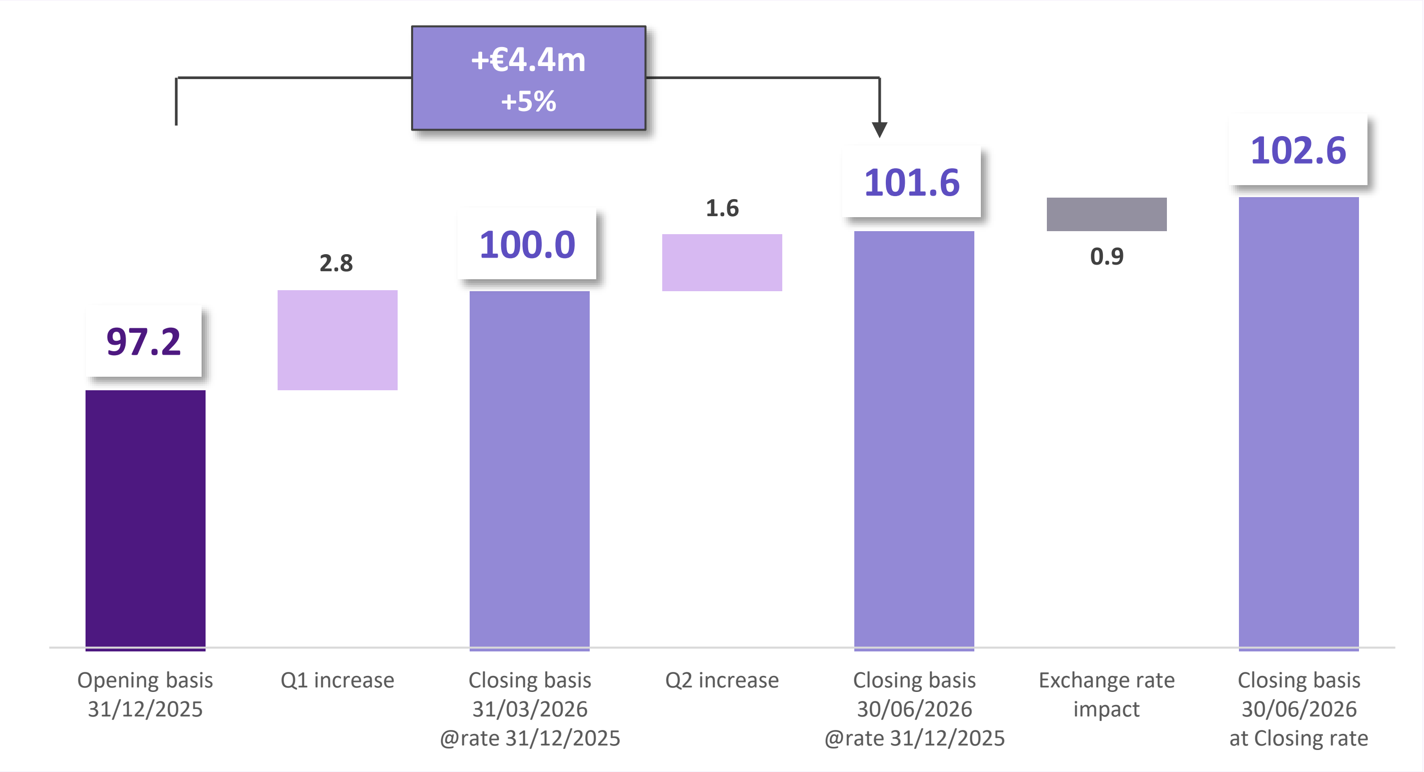
- Detailed comparisons between 2026 and 2025 are presented, unless otherwise indicated, at 2025 exchange rates (like for like).
- The Q2 2025 and Q2 2026 figures are presented, unless otherwise indicated, at the actual exchange rates of 1.13 (2025) and 1.16 (2026), respectively for the €/$ parities.
- The H1 2025 and H1 2026 annual figures are presented, unless otherwise indicated, at the actual exchange rates of 1.09 (2025) and 1.17 (2026), respectively for the €/$ parities.

Q2 and H1 2026 results

ARR growth of 5% for the first six months

Annual Recurring Revenues (ARR) of subscriptions

In millions of euros



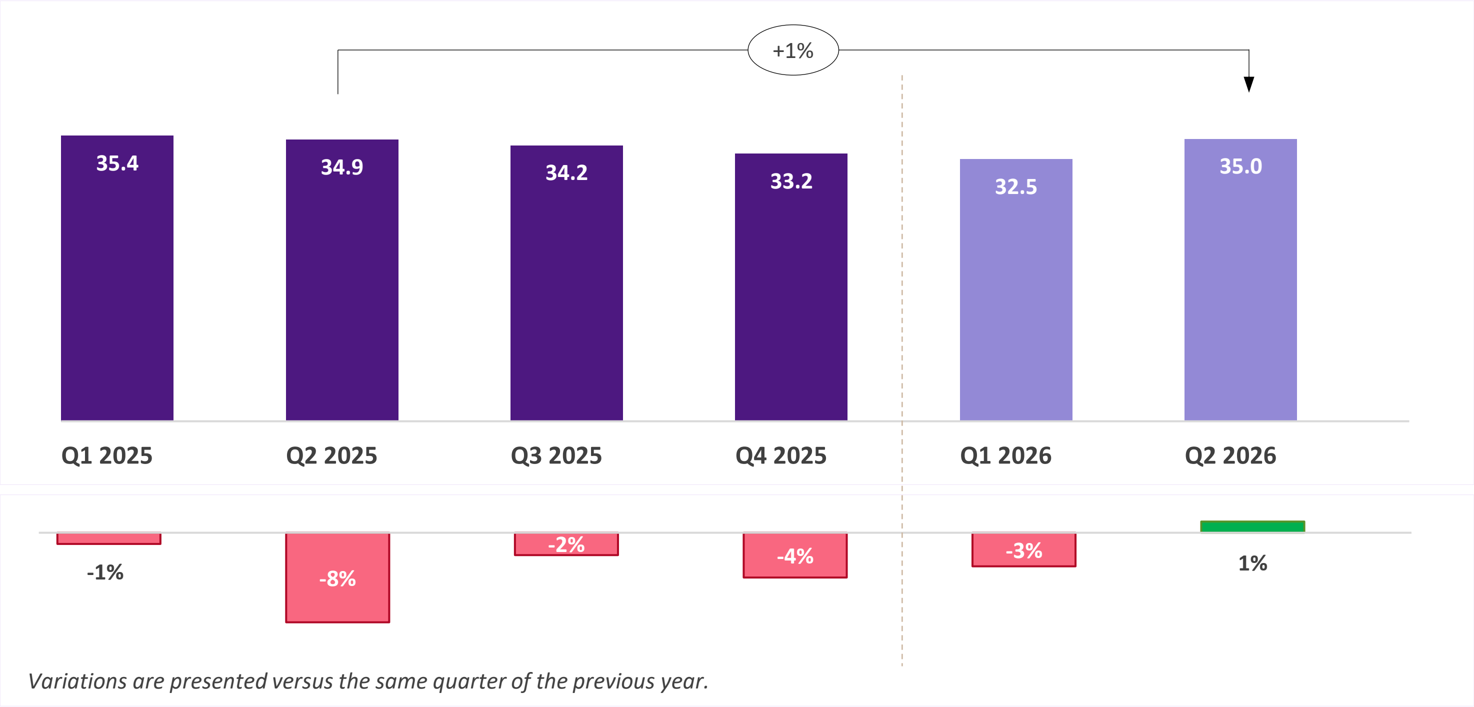
Parity €/$	1.17	1.17	1.17	1.14

Q2 and H1 2026 results

Q2 2026 shows a first sign of activity increase

Recurring revenues - Consumables and parts*

In millions of euros



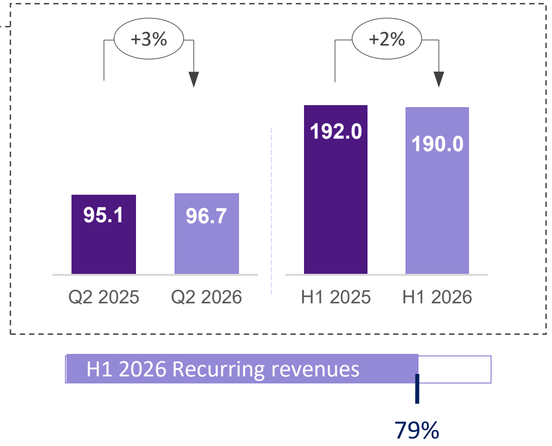
Parity €/$	1.05	1.13	1.17	1.16	1.17	1.16

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

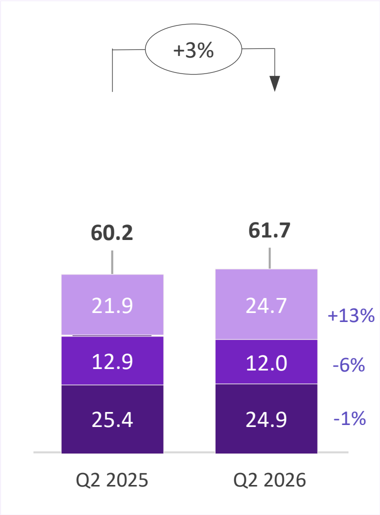
Q2 and H1 2026 results

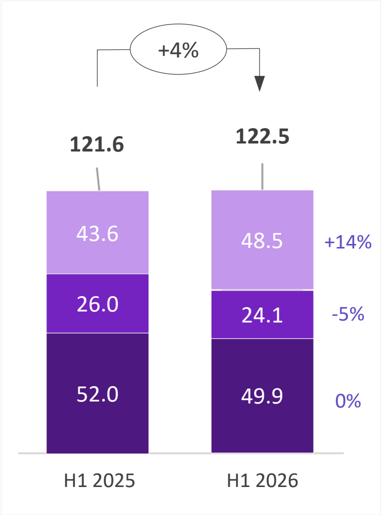
Constant growth of recurring contracts at 4% in H1 2026
Consumables and parts activity growth in Q2

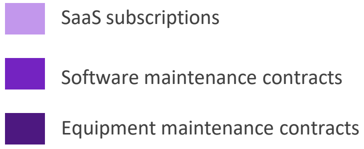
Recurring revenues
In millions of euros



Recurring contracts

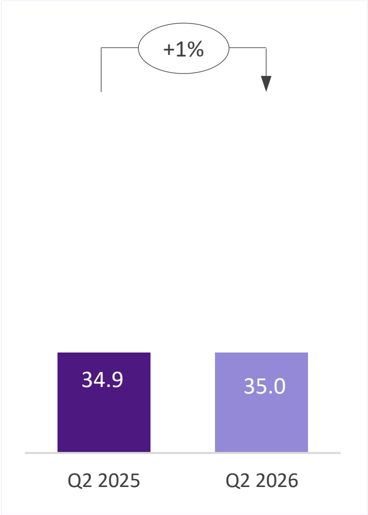


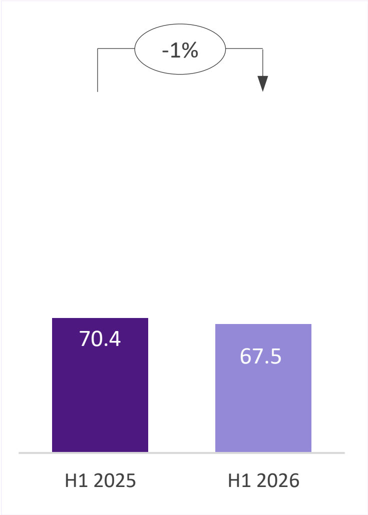




Recurring contract revenues are mainly supported by SaaS subscriptions, which continue to deliver double-digit growth, while software maintenance contracts are gradually declining and equipment maintenance contract are flat.

Consumables and parts





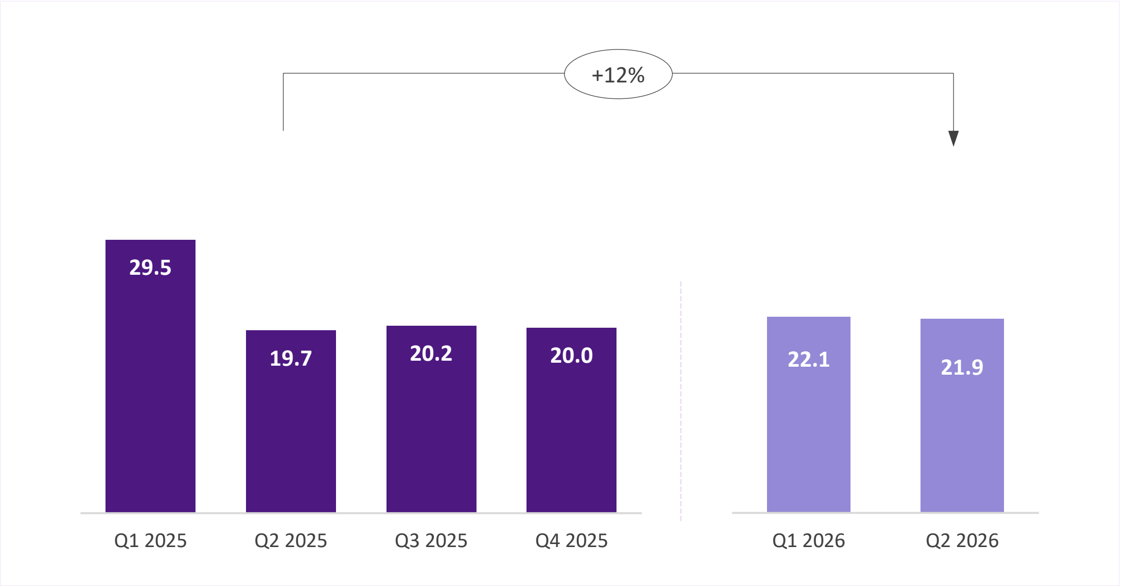
At comparable exchange rate, the consumables and parts activity almost levels up with 2025, showing a first sign of activity increase at some customers.

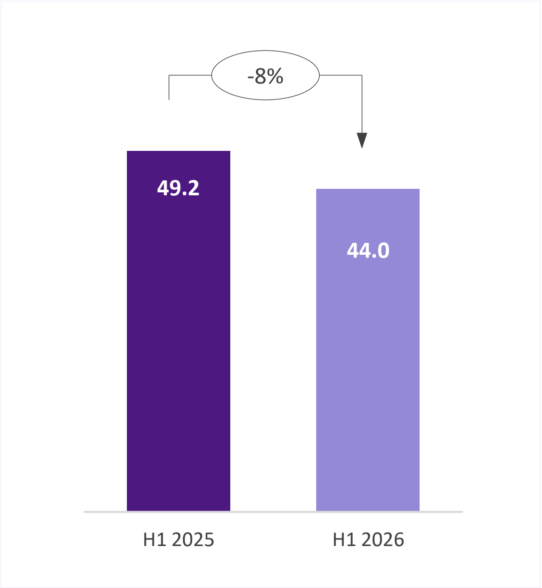
Q2 and H1 2026 results

Stable level of orders between Q1 and Q2 2026, growth of 12% over Q2 2025

Equipment orders*

In millions of euros





Parity €/$	1.05	1.13	1.17	1.16	1.17	1.16

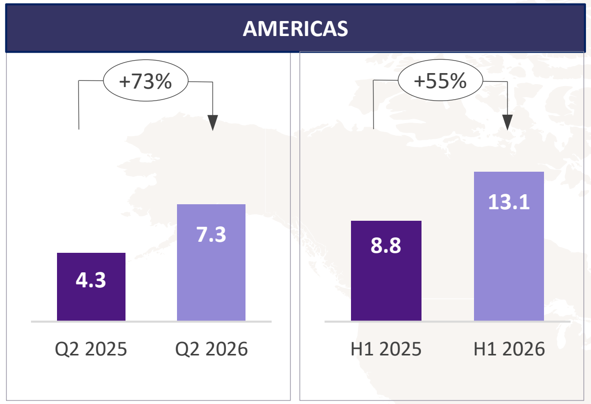
*the amount of orders for each quarter is at actual rate

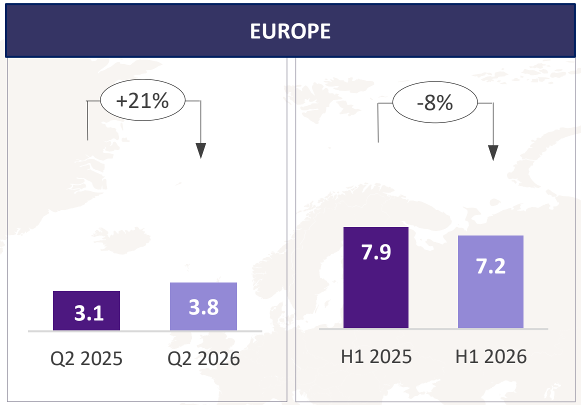
Q2 and H1 2026 results

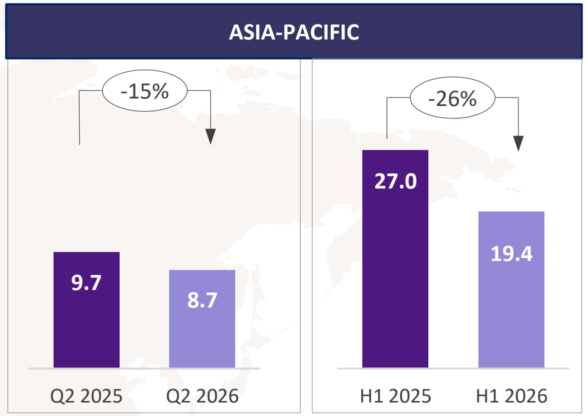
Asia-Pacific decreases while Americas and Europe show better orders momentum in Q2

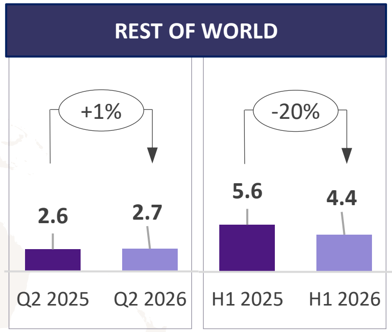
Equipment orders by geography

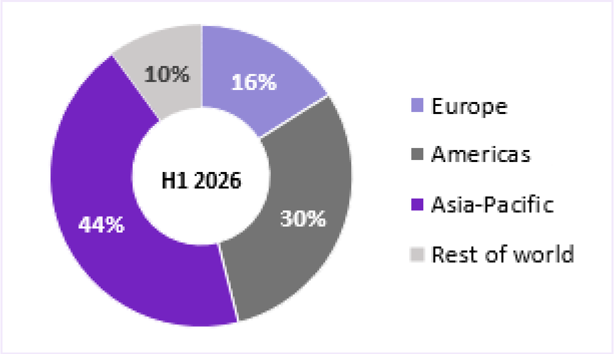
In millions of euros











Equipment orders in Asia-Pacific remain below the levels seen before the tariff increases. In the Americas, the trend has improved against a low comparison base, while Europe has remained broadly stable in values across quarters.

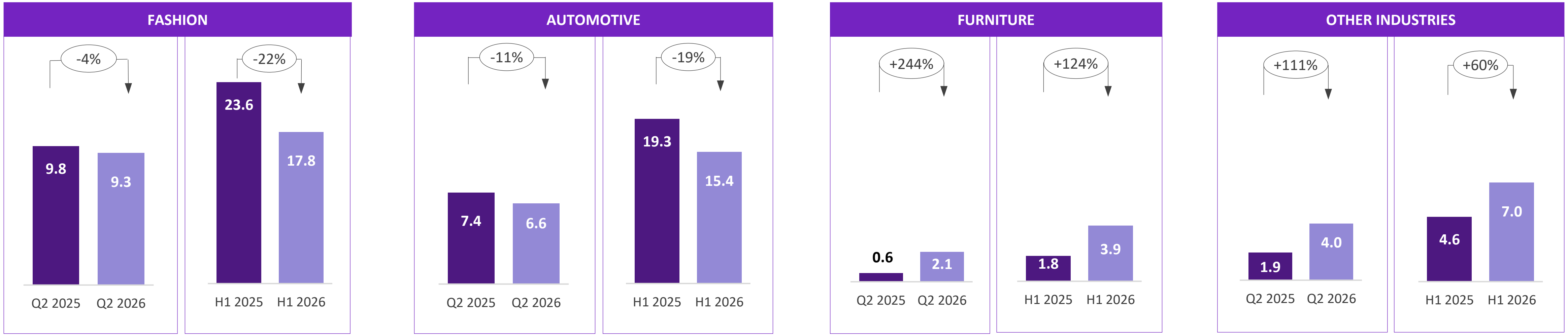
In the rest of the world, order levels are generally steady, although conditions vary from country to country.

Q2 and H1 2026 results

Automotive and Fashion orders decrease
Furniture and other industries show better dynamics

Equipment orders by market

In millions of euros



In Fashion, excluding the orders drop versus Q1 2025, the level of activity is relatively stable.

Automotive orders are weaker than H1 2025. However, H1 2026 shows a sequential improvement compared to H2 2025.

Furniture market sector shows a better dynamics after several quarters of decrease.

Other industries include various market sectors that are facing less budget constraints.

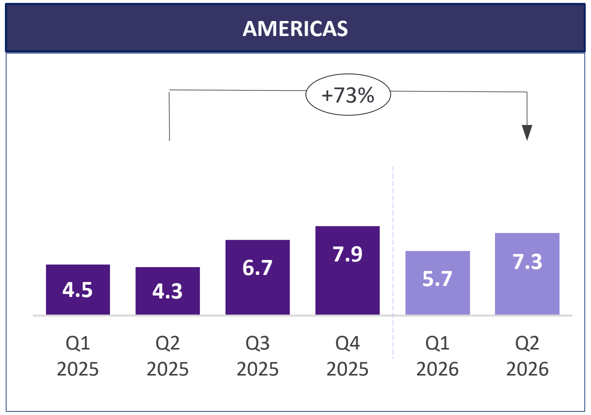
Q2 and H1 2026 results

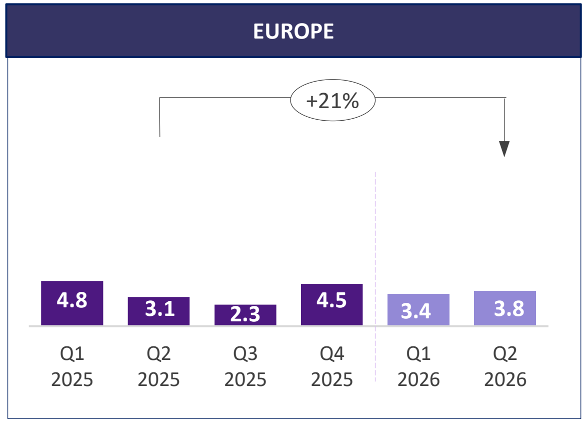
Sequential evolution of equipment orders varies largely by key geographies and markets

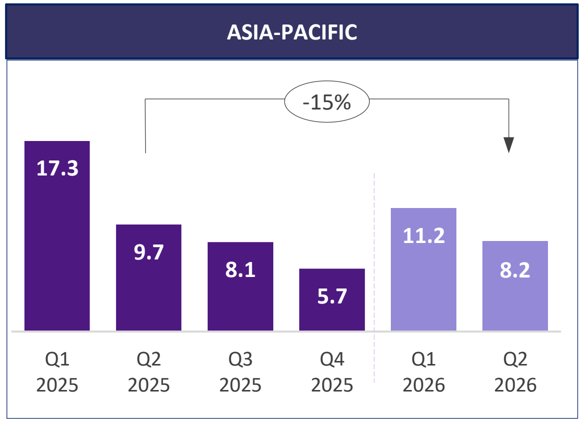
Equipment orders by quarter

In millions of euros

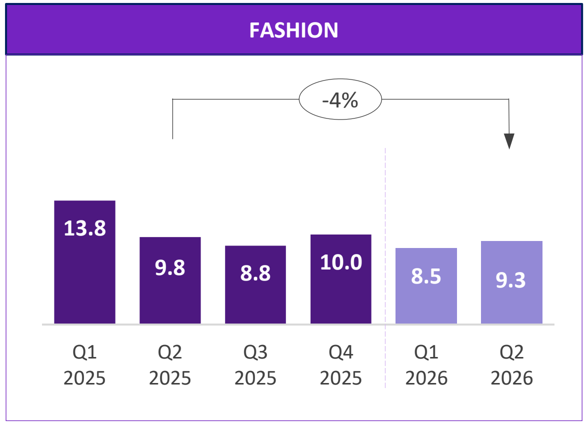
GEOGRAPHY

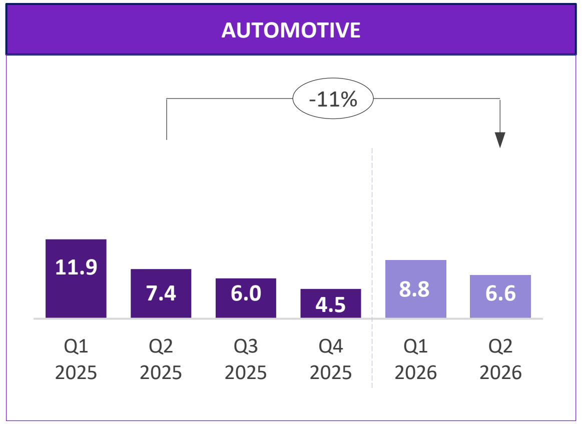






MARKET



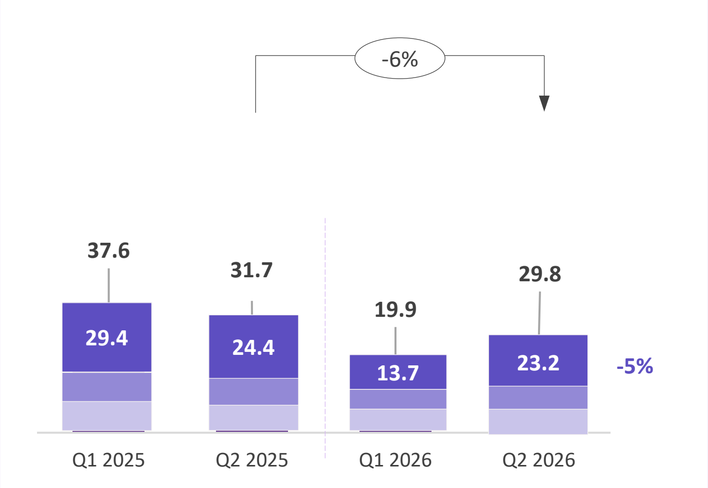


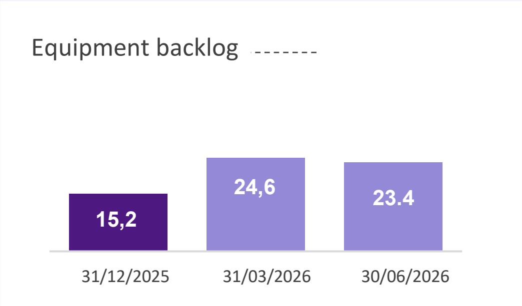
Q2 and H1 2026 results

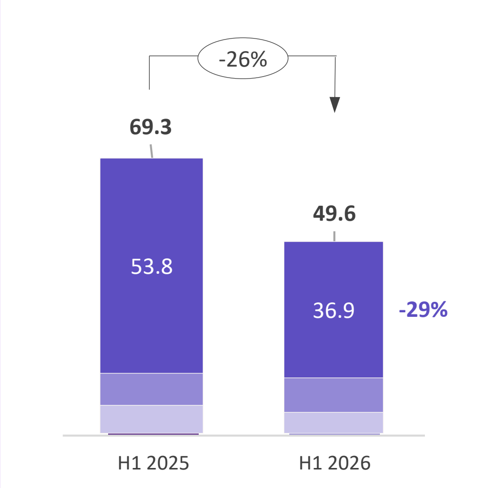
Non-recurring revenues down 6% in Q2

Non-recurring revenues*

In millions of euros







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

After a sharp decline in Q1 2026, driven by an unusually low level of invoicing and a resulting significant increase in backlog, equipment revenues showed an improved trend in Q2, as expected.

Equipment backlog stood at €23.4m at the end of June 2026, with 70% expected to convert into Q3 revenues.

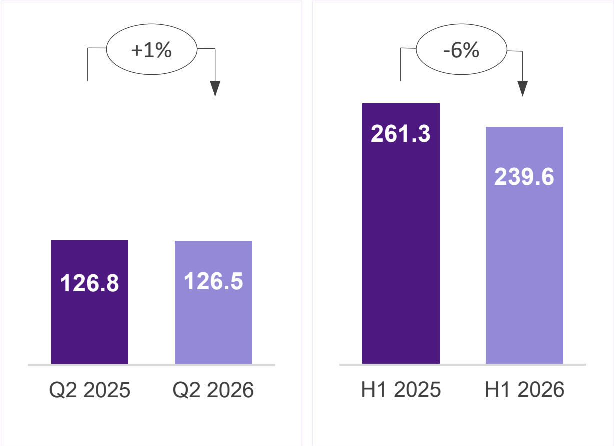
*Revenues of software perpetual licenses, equipment and non-recurring services
**Other non-recurring revenues include perpetual software licenses and other services

Q2 and H1 2026 results

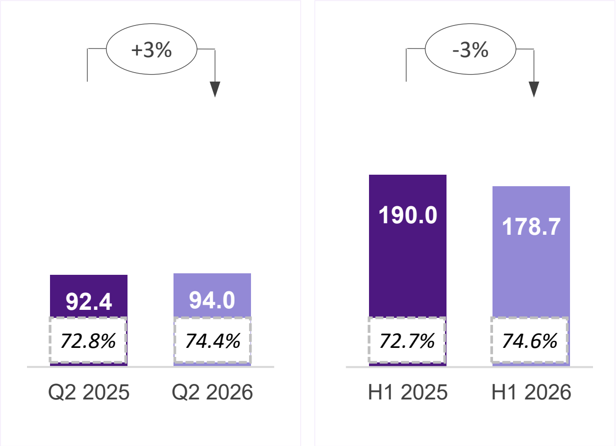
Gross margin rates increase, strict control of overhead costs

In millions of euros

Total revenues



Gross margin



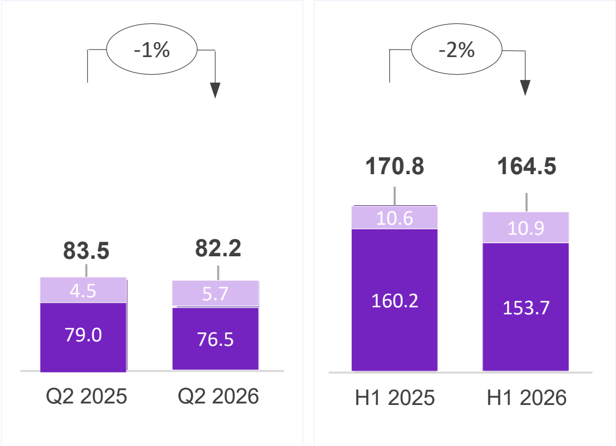
Gross margin rates are increasing on all product lines. Current level of gross margin rate represents a particularly strong performance.

Overhead costs

(Fixed and variable)

Fixed

Variable



Strict control of overhead costs enables a decrease in H1 2026, in particular on fixed overheads by 3% in Q2 and 2% in H1.

Headcount reduction and cost control compensate inflation of salaries.

Security ratio improves as 97% of fixed costs are covered by the margin of recurring activity in H1 2026 (93% in H1 2025).

= In % of revenues

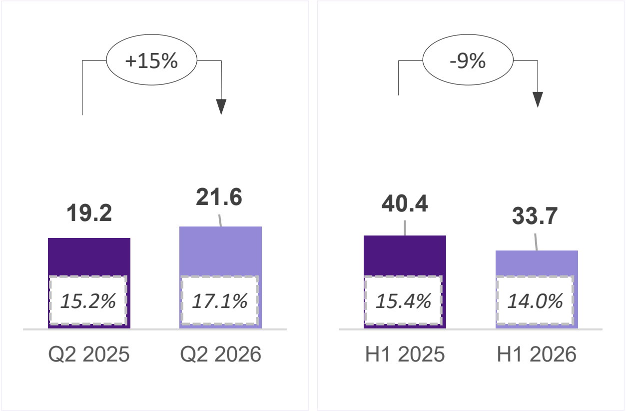
LECTRA

Q2 and H1 2026 results

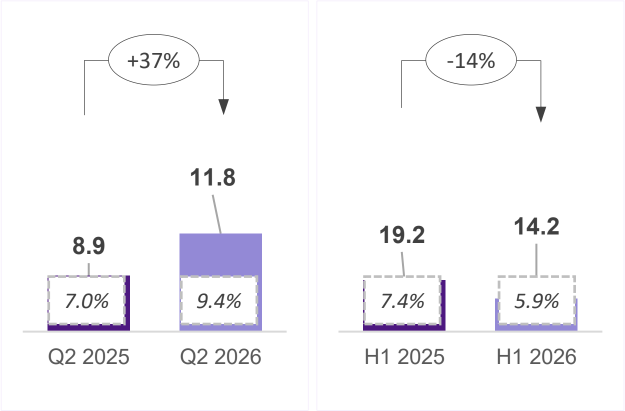
EBITDA before non-recurring items up 15% in Q2

In millions of euros

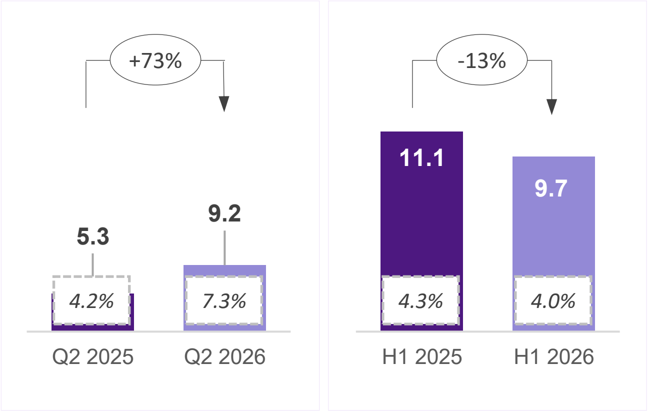
EBITDA
before non-recurring items



Income from operations
before non-recurring items



Net income*



= In % of revenues

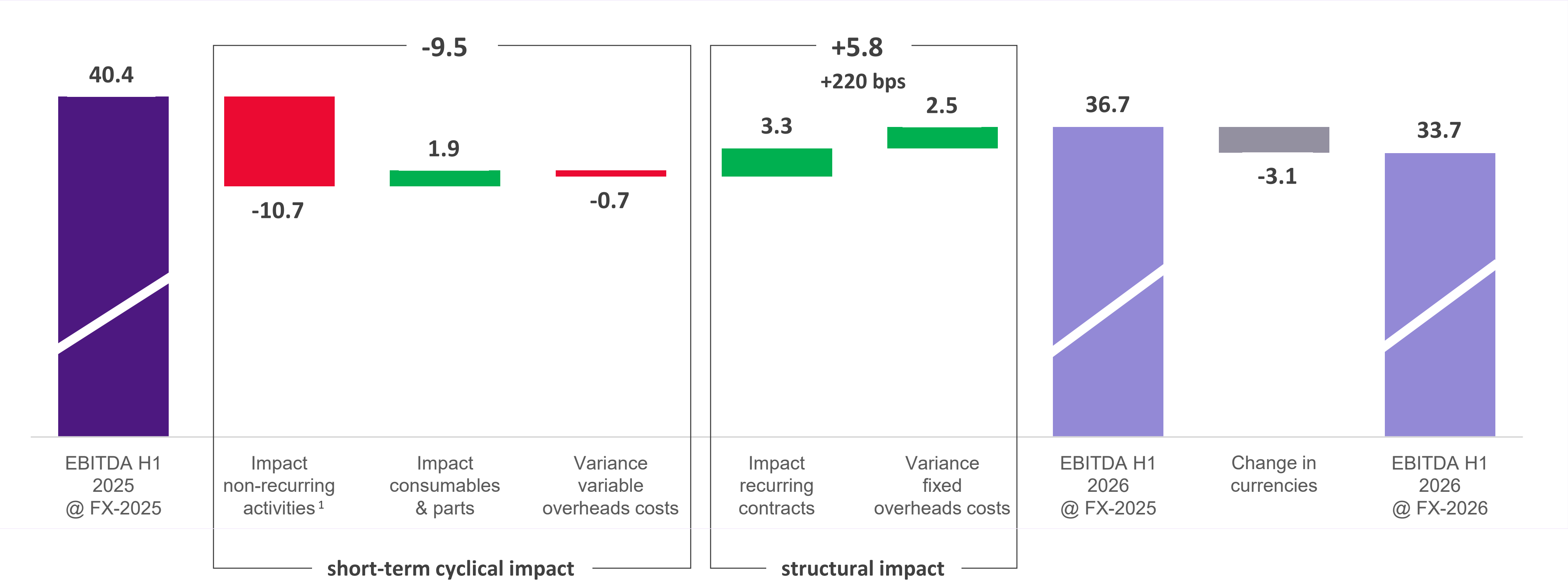
*variation at actual rate

Q2 and H1 2026 results

Non-recurring revenues explain the decrease of EBITDA
Recurring contracts and control of fixed overheads in line with the guidance

Evolution of EBITDA before non-recurring items H1 2025 – H1 2026

In millions of euros



Parity €/$	1.09	1.09	1.17

[1] Revenues of software perpetual licenses, equipment and non-recurring services

Q2 and H1 2026 results

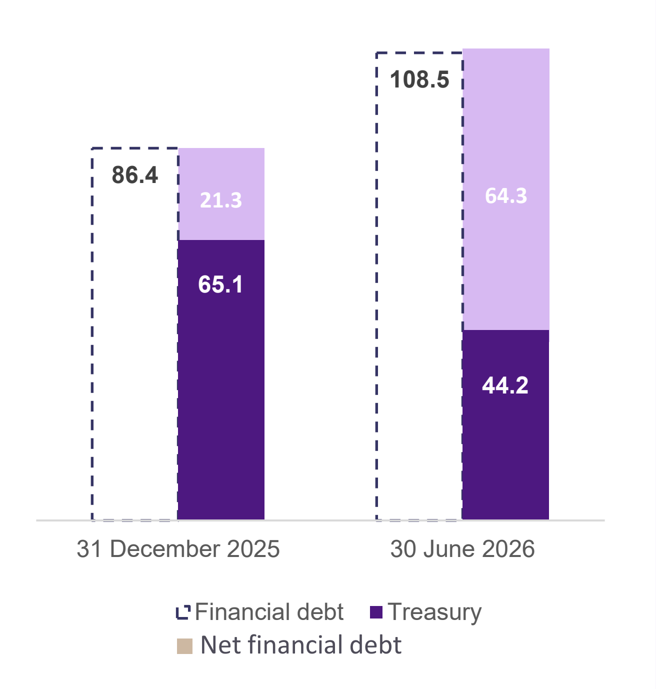
- Key highlights and evolution of Lectra’s markets
- Q2 and H1 2026 results
- **Balance sheet and free cash-flow**
- 2026-2028 Financial objectives

Balance sheet June 2026

Limited financial debt

Debt

In millions of euros



Financial debt at June 30th has increased following a draw-down of €30m of the Revolving Credit Facility (RCF).

During 2026, the Group cashed out:

- €22.6m for the third tranche of Launchmetrics' capital and €19.5m for the second tranche of TextileGenesis
- €13.3m of dividends
- €8.0m of loan and interests' reimbursement
- €13.6m for share buyback program*

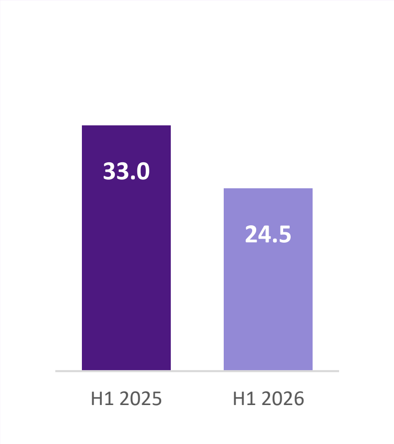
The Group generated €24.5m of free cash-flow before non-recurring items.

* Lectra's Shareholders' Meeting approved a share buyback programme capped at 10% of share capital and €50m, valid for 18 months. On May 11th, the Group launched an initial tranche of €20m. At June 30th, it had bought 818,206 shares for €13.6m. The remaining €6.4m was recorded under other liabilities, with a corresponding entry in equity.

H1 2026 Free cash-flow

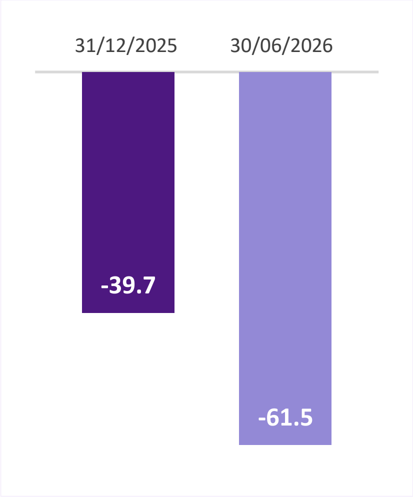
Q2 cash-flow returns to satisfactory level

In millions of euros



Free cash-flow stands at €24.5m (€33.0m in H1 2025). After a fairly low Q1 2026 free cash-flow and despite unfavorable macro-economic conditions, the Group managed to collect receivables and limit overdues while reducing inventories.

The working capital requirement on June 30, 2026, is negative €61.5m, which remains one of the fundamentals of the Group's business model.



Q2 and H1 2026 results

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- **2026-2028 Financial objectives**

2026-2028 Financial objectives

15% ARR yearly average 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 revenues and EBITDA.

Like-for-like
Excluding non-recurring items

Thank You