

First nine months of 2025: strengthened fundamentals in a challenging environment

- Revenues: €383.1 million (-2%)*
- Recurring revenues (75% of the total): +2%*, including +13%* on SaaS subscription contracts
- EBITDA before non-recurring items: €61.6 million (-8%)* with controlled growth in overheads
- The security ratio⁽³⁾ improves and reaches 96% for the first nine months of 2025
- The situation still calls for caution; the Group remains focused on the future

(*) Like-for-like

	July 1 – September 30				January 1 – September 30			
	2025	2024	Variation 2025/2024		2025	2024	Variation 2025/2024	
			Actual exchange rates	Like-for-like ⁽¹⁾			Actual exchange rates	Like-for-like ⁽¹⁾
(in millions euros)								
Revenues	121.8	131.9	-8%	-4%	383.1	394.2	-3%	-2%
ARR ^{(2) (3)}	-	-	-	-	92.7	88.9	4%	9%
EBITDA before non-recurring items ⁽³⁾	21.2	26.2	-19%	-13%	61.6	68.5	-10%	-8%
EBITDA margin before non-recurring items	17.4%	19.9%	-2.5 points	-1.7 points	16.1%	17.4%	-1.3 points	-1.1 points
Net income	7.2	10.1	-29%	-	18.3	21.2	-14%	-
Consolidated Shareholders' Equity ⁽²⁾	-	-	-	-	346.9	374.4	-	-
Net cash (+) / Net debt (-) ⁽²⁾	-	-	-	-	-38.1	-20.6	-	-

⁽¹⁾ At constant exchange rates and comparable scope

⁽²⁾ As of September 30, 2025 and December 31, 2024

⁽³⁾ The definition of performance indicators is included in the Quarterly Financial Information as of September 30, 2025

Paris, October 29, 2025. Today, Lectra's Board of Directors, chaired by Daniel Harari, reviewed the consolidated financial statements for the third quarter and the first nine months of 2025, which have not been subject to a review by the Statutory Auditors.

1. ON-GOING INTERNATIONAL TENSIONS

While the first months of 2025 were marked by escalating trade tensions, customs duties have become a tool of pressure in broader international negotiations.

Indeed, since June, several bilateral agreements and various exemptions have been announced, temporarily easing trade tensions - except with China, India, and Mexico, three countries that are important for the Group. Discussions remain ongoing, with an extended deadline to finalize lasting agreements.

Furthermore, China's tightening of controls over rare earth elements has led to renewed tensions with the United States, which on 13 October announced additional tariffs of 100% against China.

Thus, as of the end of September 2025, the agreements have not been stabilized, leaving the situation highly fragile.

Direct impacts of tariffs for Lectra are under control

As announced in July, European or Chinese exports of equipment, consumables and parts to the United States account for less than 10% of Lectra's revenues.

The Group has repeatedly adjusted its price lists to reflect the impact of tariffs in China and the United States for equipment, consumables and parts, and maintenance contracts. It has also rerouted certain shipments to Mexico and removed several products from the Chinese and American catalogs to avoid customs formalities.

Indirect impacts are closely tied to customers' wait-and-see behavior

Whether in fashion, automotive, or furniture, tariffs have so far resulted in little competitive distortion or industrial relocation. However, changes cannot be ruled out in the coming months. Disruptions continue, and uncertainty remains, especially for Mexico, China, and India.

Furthermore, an increase in import costs for American companies and a rise in inflation driven by tariffs are to be feared in the coming months.

The need to diversify sourcing and countries of origin is more relevant than ever for all companies concerned. In the medium and long term, this could imply additional production capacities and represent business opportunities for Lectra.

2. Q3 2025

Despite the continued cautiousness of customers, the third quarter saw a less pronounced decline in new systems orders than in the second quarter (-15% like-for-like after -27% in Q2).

Revenues for the third quarter of 2025 declined by 4% on a like-for-like basis. This includes a 2% increase in recurring revenues, driven by a 5% rise in recurring contracts, particularly SaaS subscriptions, which continue to show strong momentum with 13% growth.

EBITDA before non-recurring items was €21.2 million, down 13%, with a margin of 17.4%, down 1.7 points like-for-like vs. Q3 2024.

After amortization of intangible assets (€5.6 million), income from operations before non-recurring items was €11.0 million, down 21% like-for-like.

Net income was €7.2 million, down 29% at actual rates.

3. FIRST NINE MONTH OF 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").

Revenues for the first nine months of 2025 amounted to €383.1 million, down 2%. This breaks down into €97.2 million in non-recurring revenues, down 11%, and €285.9 million in recurring revenues (75% of total revenues), up 2%, including €66.0 million from SaaS subscription (17% of revenues, +13%).

As of September 30, 2025, ARR stood at €92.7 million, up 9% compared to year-end 2024, confirming the relevance of Lectra's strategy.

Gross margin reached €279.1 million, stable compared to the first nine months of 2024, with a gross margin rate of 72.9%, up 1.3 points, thanks to a favorable sales mix and strict cost control. The Group's fundamentals are reinforced.

The security ratio (fixed overhead costs covered by gross profit on recurring revenues) reached 96%, confirming the undeniable strength of the business model.

EBITDA before non-recurring items was €61.6 million, down 8%, with an EBITDA margin of 16.1%, down 1.2 points.

Operating income before non-recurring items amounted to €30.2 million, down 14%.

Financial income and expenses represented a net expense of €4.5 million, and the foreign exchange result was negative by €1.2 million.

After a tax expense of €6.0 million, net income amounted to €18.3 million, down 14%.

At 30 September 2025, working capital was negative at €29.8 million, one of the strengths of the Group's business model. Free cash flow before non-recurring items amounted to €36.9 million (€49.9 million in 2024). As of September 30, 2025, the Group's balance sheet remains very solid: equity stands at €346.9 million and net debt at €38.1 million after outflows for the buyback of the second tranche of Launchmetrics' capital (€20.5 million), the buyback of Glengo Turkey (€1.7 million), and the payment of dividends (€15.2 million) during the first half.

4. ASSESSMENT OF THE 2023-2025 STRATEGIC ROADMAP

Launched in 2017, the Lectra 4.0 strategy aims to position the Group as a key Industry 4.0 player in its three strategic market sectors: fashion, automotive and furniture, before 2030. The strategy has been implemented up to now through three strategic roadmaps.

The first strategic roadmap, which covered the 2017-2019 period, established the key fundamentals for the future of the Group. The second roadmap, which ran from 2020 through 2022, achieved a new dimension for the Group – primarily through the acquisition of Gerber in June 2021.

Over the third roadmap, from 2023 to 2025, Lectra made decisive progress toward its Lectra 4.0 vision, guided by six strategic priorities: (1) Reinforce implementation of ethical, social, societal and environmental best practices both internally and for customers, (2) Leverage all synergies arising from the Gerber acquisition, (3) Accelerate the transition of software sales to the SaaS model, (4) Accelerate the transformation of the Group's customer relationship and customer engagement model, (5) Pursue external growth, (6) Prepare Lectra for the 2026-2030 period.

The strategic roadmap was executed with discipline and ambition. It delivered a wide range of solid results - notably a threefold increase in SaaS revenues, deeper integration of sustainability across operations, and enhanced financial resilience. These achievements were complemented by significant progress in other areas, including organizational transformation, innovation, and customer-centricity.

The consistent improvement of Lectra's financial indicators since 2023, supported by steady growth in recurring revenues, rigorous cost management, as well as the success and effective integration of targeted acquisitions, demonstrates the strength of the Group's performance. Despite a challenging macroeconomic and geopolitical environment, the success of Lectra's various offers confirms the relevance of its strategic choices since 2017.

The detailed assessment of the 2023-2025 roadmap can be found in the Quarterly Financial Information as of 30 September 2025, published on 29 October 2025, to which reference should be made.

5. OUTLOOK

2025 has proven to be an unprecedented year in terms of macroeconomic and geopolitical environment, marked by successive announcements since March that have led most of the Group's customers to adopt a wait-and-see attitude, regardless of market or geographic region.

Lectra has continued to pursue its strategy, which has demonstrated its relevance through the development of its SaaS business, despite the adverse context.

In July 2025, the lack of visibility led the Group not to reiterate its annual targets announced in February 2025. Today, the situation still calls for caution. The Group therefore cannot commit to specific targets and is focusing on the future, accelerating its transformation to seize every opportunity that may arise in a normalized environment, both in terms of organic and external growth.

This year marks the completion of the final stage of its 2023–2025 strategic roadmap. The Group's ambitions for the next three years, in line with its long-term vision, will be detailed in the 2026–2028 strategic roadmap, which will be presented on February 12, 2026. The Group will rely on its strong fundamentals to drive this new phase of its development.

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 the first nine months of 2025 are available on [lectra.com](https://www.lectra.com). Q4 and full year 2025 earnings will be published on February 11, 2026 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 offers. 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.

For more information, visit www.lectra.com.