

FIRST-QUARTER 2023 SALES

Strong start to the year with same-day sales up +10.1%, driven by both volume and price increases

Quarter boosted by sustainable electrification trends across the group

FY 2023 guidance confirmed

→ Sales of €4,927.9m in Q1 2023, up +10.1% on a same-day basis

- Positive trends in all geographies, benefiting from strong demand in energy transition activities
- Electrification products represented c.22% of Group revenues and grew by c.+31% in the quarter, c.560bps contribution to Group sales

→ Same-day sales growth supported by both volume increase (410bps contribution) and increased selling prices (604bps including -60bps on copper-based cable products)

→ Sales up +12.6% on reported basis, benefiting from a favorable calendar effect (+1.0%) and scope effect (+0.5%) with positive impact from acquired companies more than offsetting disposal effects

→ Digital sales represented 27.4% of total sales in Q1, up +320 bps

→ FY 2023 guidance confirmed

Key figures (€m)	Q1 2023	YoY change
Sales on a reported basis	4,927.9	+12.6%
<i>On a constant and actual-day basis</i>		<i>+11.1%</i>
<i>On a constant and same-day basis</i>		<i>+10.1%</i>
Same-day sales growth by geography		
Europe	2,526.4	+12.7%
France	973.6	+10.8%
Benelux	316.6	+12.5%
Scandinavia	286.6	+17.4%
Germany	282.4	+22.7%
UK	220.8	+2.7%
North America	2,072.2	+8.7%
US	1,705.3	+8.6%
Canada	366.9	+9.3%
Asia-Pacific	329.3	+1.3%
Australia	143.6	+9.1%
China	137.4	(3.5)%

Guillaume TEXIER, Chief Executive Officer, said:

“Rexel has gotten off to a good start this year, with double-digit growth in sales, driven by positive trends in all geographies and solid increases both in volumes and in prices, reflecting the excellent work of our teams across the Group. Growth was also supported by powerful electrification trends. We continue to see high and growing demand in all geographies for energy efficiency and electricity generation solutions, electrification usages and industrial automation. These trends are supported by several drivers, including government stimulus plans and regulations, corporate energy transition agendas and general concerns from our customers over the price of energy and its availability. This strong and resilient electrification tailwind allows us to confirm our full-year 2023 guidance.”

SALES REVIEW FOR THE PERIOD ENDED MARCH 31, 2023

- Unless otherwise stated, all comments are on a constant and adjusted basis and, for sales, at same number of working days.

SALES

In Q1, sales were up +12.6% year-on-year on a reported basis and +10.1% on a constant and same-day basis, reflecting positive momentum in all three geographies.

Key figures (€m)	Q1 2023	YoY change
Sales on a reported basis	4,927.9	+12.6%
<i>On a constant and actual-day basis</i>		+11.1%
<i>On a constant and same-day basis</i>		+10.1%

In the first quarter 2023, Rexel posted sales of €4,927.9m, up +12.6% on a reported basis, including:

- A positive currency effect of €32.3 million (i.e. +0.7% of Q1 2022 sales), mainly due to the appreciation of the US dollar against the euro
- A positive net scope effect of €23.9 million (i.e. +0.5% of Q1 2022 sales) from our active portfolio management, with favorable impacts from acquired companies offsetting disposals.
 - Acquisitions of Horizon and Buckles-Smith, two specialists of Industrial Automation distribution in the US, as well as Trilec, the number 3 player in Belgium, and LTL in Canada, contributing to the positive scope effect
 - Disposal effects reflecting the sale of Rexel's activities in Spain and Norway (closing completed ahead of schedule on March 1st), as well as of activities in Portugal and Russia, to a lesser extent
- A positive calendar effect of +1.0%.

On a constant and same-day basis, sales were up +10.1%, as a result of:

- An excellent performance in Europe and North America on more difficult base effects, offsetting lower growth in Asia-Pacific.
- Strong underlying trends from electrification and growing demand for energy efficiency solutions, boosted by government subsidies and corporate agendas, as illustrated by the growth of product categories such as PV, EV, Industrial Automation or HVAC, which grew by c. +31% in Q1, above Group average, and represented c.22% of sales. This more than offset signs of slowdown in the new residential component of our end demand.
- A favorable pricing environment for non-cable products (6.6% contribution in the quarter), resulting from a carryover effect of price increases passed in 2022 and an additional rise recorded in the beginning of 2023.
- A slightly negative copper-cable pricing contribution ((0.6)% in Q1 2023 vs 4.1% in Q1 2022) resulting from lower copper prices in Q1 23 compared to Q1 22. Assuming copper prices remain unchanged, we anticipate a more favorable copper cable contribution in H2 23.
- Further growth in digitalization in all three geographies, with digital sales now representing 27.4% of sales, up 320bps compared to Q1 2022. Trends were positive in Europe (37.3% of sales, an increase of +183bps), North America (18.8% of sales, an increase of +436bps) and Asia-Pacific (5.8% of sales, up +126bps).

Europe (51% of Group sales): +12.7% in Q1 on a constant and same-day basis

In the first quarter, sales in Europe increased by +10.6% on a reported basis, including:

- A negative currency effect of (0.8)%, or €(18.3) million, mainly due to the depreciation of the British pound and the Swedish Krona against the euro
- A negative scope effect of (2.3)%, or €(53.0) million, mainly resulting from the disposal of our activities in Russia, Spain & Portugal in 2022 and Norway in 2023

On a constant and same-day basis, sales were up +12.7%, including a positive volume contribution of 4.3% and a price effect of +8.3% (including 0.3% contribution from copper-based cable prices in the quarter).

Key figures (€m)	Q1 2023	YoY change
Europe	2,526.4	+12.7%
France	973.6	+10.8%
Benelux	316.6	+12.5%
Scandinavia	286.6	+17.4%
Germany	282.4	+22.7%
UK	220.8	+2.7%

In Europe, electrification trends continued to support our growth, with our three product families (solar, EV charging infrastructure and HVAC) growing by +57% (contributing for 770bps of same-day sales growth in Europe in Q1 23) and representing 19% of sales. Germany, Benelux and Sweden were the biggest beneficiaries of sustained electrification growth in the region.

- Sales in **France** (39% of the region's sales) were up +10.8%, outperforming the market, with positive trends in all markets except in the traditional ED business in residential. We saw positive momentum in HVAC and Solar activities.
- **Benelux** (13% of the region's sales) grew by +12.5%, with a good performance in Belux and Netherlands. More specifically, Solar, HVAC and EV infrastructure remain the key growth drivers in the Netherlands.
- Sales in **Scandinavia** (11% of the region's sales) were up +17.4% with accelerating trends in electrification, notably in Sweden (Solar).
- Sales in **Germany** (11% of the region's sales) posted strong +22.7% growth, with further market share gains, supported by the residential & commercial markets. Residential was again boosted by solar demand.
- In the **UK** (9% of the region's sales), sales increased by +2.7%, on a difficult comparable base due to the lower revenues generated in the quarter with the Department of Education (school air filtration and CO₂ equipment - contribution of -270bps in Q1 23). Underlying growth was supported by favorable trends in industry.

North America (42% of Group sales): +8.7% in Q1 on a constant and same-day basis

In the first quarter, sales in North America increased by +17.4% on a reported basis, including:

- A positive currency effect of +3.3%, or €58.0 million, due to the appreciation of the US dollar against the euro
- A positive scope effect of +4.4%, or €76.9 million, from the acquisition of Horizon Solutions and Buckles-Smith in the US as well as LTL in Canada.

On a constant and same-day basis, sales were up +8.7%, including +4.6% from volume growth and +4.1% from price effect (including (1.7)% contribution from copper-based cable prices in the quarter).

Key figures (€m)	Q1 2023	YoY change
North America	2,072.2	+8.7%
United States	1,705.3	+8.6%
Gulf Central		+25.7%
Mountain Plains		+23.7%
Midwest		+18.9%
California		+16.5%
Northeast		+10.8%
Florida		+8.9%
Northwest		+2.2%
Southeast		(0.7)%
Canada	366.9	+9.3%

In North America, electrification trends continued to support our growth, with our four product families (solar, EV charging infrastructure, HVAC and industrial automation) growing by c.+19% (contributing for 370bps of same-day sales growth in North America in Q1 23) and representing c. 22% of sales.

- In the **US** (82% of the region’s sales), sales posted solid +8.6% growth on a same-day basis, driven by robust demand in our diversified Commercial and Industrial end-markets, offsetting the declining trend in residential activity and the more difficult base effect in the Southeast.
 - Rexel’s Industrial automation business grew in double digits
 - Rexel was awarded a multi-year U.S. Postal Service contract for the supply of up to 41,500 electric vehicle charging stations.
- In **Canada** (18% of the region’s sales), sales grew by +9.3% on a same-day basis. The robust growth in Q1 was largely driven by diversified industrial segments such as mining, transportation, OEM, farm & food, sawmills...
- **Stable backlogs in North America at end-March 2023** compared to end-December 2022, reflecting good project execution and robust underlying order intake in the quarter.
- **Smooth integration of recently-acquired companies:** Buckles-Smith and Horizon in the US as well as LTL in Canada.

Asia-Pacific (7% of Group sales): +1.3% in Q1 on a constant and same-day basis

In the first quarter, sales in Asia-Pacific were up +0.4% on a reported basis, including:

- A negative currency effect of (2.3)%, or €(7.4) million, mainly due to the depreciation of the Chinese renminbi and the Australian dollar against the euro
- A neutral scope effect

On a constant and same-day basis, sales were up +1.3%, including a slight (0.5)% volume decline and +1.8% price effect (including 0.1% contribution from copper-based cable prices in the quarter).

Key figures (€m)	Q1 2023	YoY change
Asia-Pacific	329.3	+1.3%
Australia	143.6	+9.1%
China	137.4	(3.5)%

- In the Pacific (52% of the region's sales), sales were up +8.0% on a constant and same-day basis. More specifically:
 - In **Australia** (83% of Pacific's sales), sales increased by +9.1%, with good volume growth driven by Industrial and, to a lesser extent, Commercial. Solar activity remained supportive.
- In Asia (48% of the region's sales), sales decreased by (5.1)% on a constant and same-day basis:
 - In **China** (87% of Asia's sales), sales were down (3.5)% due to increased business selectivity in a favorable business environment.

FY 2023 OUTLOOK

Leveraging our transformation and enhanced efficiency, we target for 2023, at comparable scope of consolidation and exchange rates:

- Same-day sales growth of between 2% and 6%
- An adjusted EBITA¹ margin of between 6.3% and 6.7%
- Free cash flow conversion² above 60%

¹ Excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices.

² FCF Before interest and tax/EBITDAaL

NB: The estimated impacts per quarter of (i) calendar effects by geography, (ii) changes in the consolidation scope and (iii) currency fluctuations (based on assumptions of average rates over the rest of the year for the Group's main currencies) are detailed in appendix 2.

CALENDAR

May 9, 2023	Detachment date of the dividend
May 11, 2023	Dividend Payment of €1.20 per share (issue premium)
July 28, 2023	First-half 2023 results

FINANCIAL INFORMATION

A slideshow of the first quarter 2023 sales is available on the Group's website.

ABOUT REXEL GROUP

Rexel, worldwide expert in the multichannel professional distribution of products and services for the energy world, addresses three main markets: residential, commercial, and industrial. The Group supports its residential, commercial, and industrial customers by providing a tailored and scalable range of products and services in energy management for construction, renovation, production, and maintenance. Rexel operates through a network of more than 1,900 branches in 21 countries, with more than 26,000 employees. The Group's sales were €18.7 billion in 2022.

Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is included in the following indices: CAC Next 20, SBF 120, CAC Large 60, CAC 40 ESG, CAC SBT 1.5 NR, CAC AllTrade, CAC AllShares, FTSE EuroMid, and STOXX600. Rexel is also part of the following SRI indices: FTSE4Good, Dow Jones Sustainability Index Europe, Euronext Vigeo Europe 120 and Eurozone 120, STOXX® Global ESG Environmental Leaders, and S&P Global Sustainability Yearbook 2022, in recognition of its performance in terms of Corporate Social Responsibility (CSR).

For more information, visit www.rexel.com/en.

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GLOSSARY

REPORTED EBITA (Earnings Before Interest, Taxes and Amortization) is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

ADJUSTED EBITA is defined as Reported EBITA excluding the estimated non-recurring net impact from changes in copper-based cable prices.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is defined as operating income before depreciation and amortization and before other income and other expenses.

EBITDAaL is defined as EBITDA after deduction of lease payment following the adoption of IFRS16.

RECURRING NET INCOME is defined as net income restated for non-recurring copper effect, other expenses and income, non-recurring financial expenses, net of tax effect associated with the above items.

FREE CASH FLOW is defined as cash from operating activities minus net capital expenditure.

NET DEBT is defined as financial debt less cash and cash equivalents. Net debt includes debt hedge derivatives.

APPENDIX

Appendix 1: Segment reporting – Constant and adjusted basis*

* Constant and adjusted = at comparable scope of consolidation and exchange rates, excluding the non-recurring effect related to changes in copper-based cable prices and before amortization of purchase price allocation

GROUP

Constant and adjusted basis (€m)	Q1 2022	Q1 2023	Change
Sales	4,433.6	4,927.9	+11.1%
<i>on a constant basis and same days</i>			+10.1%

EUROPE

Constant and adjusted basis (€m)	Q1 2022	Q1 2023	Change
Sales	2,213.5	2,526.4	+14.1%
<i>on a constant basis and same days</i>			+12.7%
France	865.5	973.6	+12.5%
<i>on a constant basis and same days</i>			+10.8%
United Kingdom	211.6	220.8	+4.4%
<i>on a constant basis and same days</i>			+2.7%
Germany	226.5	282.4	+24.7%
<i>on a constant basis and same days</i>			+22.7%
Scandinavia	240.0	286.6	+19.4%
<i>on a constant basis and same days</i>			+17.4%

NORTH AMERICA

Constant and adjusted basis (€m)	Q1 2022	Q1 2023	Change
Sales	1,899.5	2,072.2	+9.1%
<i>on a constant basis and same days</i>			+8.7%
United States	1,569.2	1,705.3	+8.7%
<i>on a constant basis and same days</i>			+8.6%
Canada	330.4	366.9	+11.0%
<i>on a constant basis and same days</i>			+9.3%

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q1 2022	Q1 2023	Change
Sales	320.6	329.3	+2.7%
<i>on a constant basis and same days</i>			+1.3%
China	141.1	137.4	(2.6)%
<i>on a constant basis and same days</i>			(3.5)%
Australia	129.5	143.6	+10.9%
<i>on a constant basis and same days</i>			+9.1%
New Zealand	27.4	28.6	+4.3%
<i>on a constant basis and same days</i>			+2.6%

Appendix 2: Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

€ 1.00	=	USD 1.09
€ 1.00	=	CAD 1.47
€ 1.00	=	AUD 1.62
€ 1.00	=	GBP 0.88

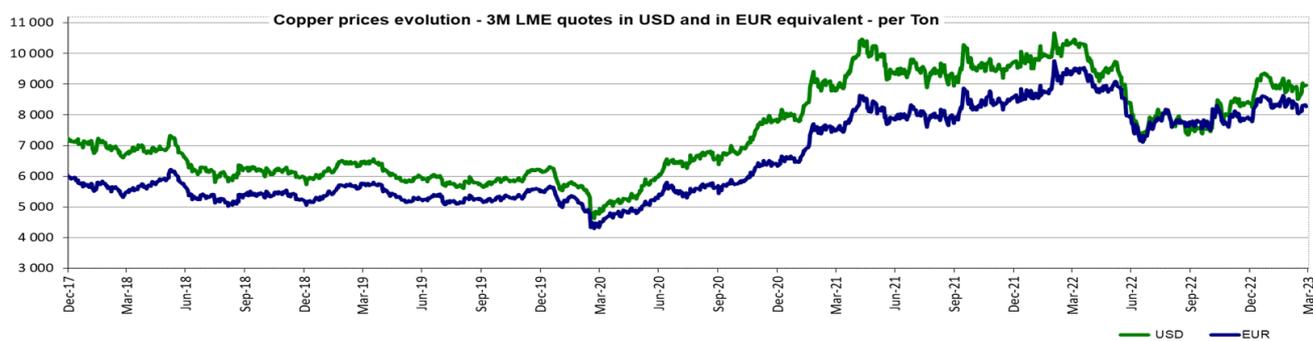
and based on acquisitions/divestments to date, 2022 sales should take into account the following estimated impacts to be comparable to 2023:

	Q1	Q2e	Q3e	Q4e	FYe
Scope effect at Group level	23.9	(18.3)	(60.9)	(53.1)	(108.3)
as % of 2022 sales	0.5%	(0.4)%	(1.3)%	(1.1)%	(0.6)%
Currency effect at Group level	32.3	(93.5)	(218.2)	(151.5)	(431.1)
as % of 2022 sales	0.7 %	(2.0)%	(4.5)%	(3.2)%	(2.3)%
Calendar effect at Group level	+1.0%	(0.9)%	(0.8)%	+0.4 %	(0.1)%
Europe	+1.4%	(2.0)%	(1.4)%	(0.2)%	(0.6)%
USA	+0.1%	+0.1%	+0.2%	+1.7 %	+0.5%
Canada	+1.7%	+0.1%	(1.7) %	— %	— %
North America	+0.4%	—%	(0.2)%	+1.3 %	+0.4%
Asia	+1.1%	+1.2%	(1.9) %	(0.2) %	—%
Pacific	+1.7%	+0.4%	(0.1) %	(0.1) %	+0.4%
Asia-Pacific	+1.4%	+0.7 %	(1.0)%	(0.2)%	+0.2 %

Appendix 3: Analysis of change in revenues (€m)

Q1	Europe	North America	Asia-Pacific	Group
Reported sales 2022	2,284.8	1,764.6	328.0	4,377.4
+/- Net currency effect	(0.8)%	+3.3%	(2.3)%	+0.7%
+/- Net scope effect	(2.3)%	+4.4%	— %	+0.5%
= Comparable sales 2022	2,213.5	1,899.5	320.6	4,433.6
+/- Actual-day organic growth, of which:	+14.1%	+9.1%	+2.7 %	+11.1%
Constant-same day excl. copper	+12.4%	+10.4%	+1.2 %	+10.7%
Copper effect	+0.3%	(1.7)%	+0.1%	(0.6)%
Constant-same day incl. copper	+12.7%	+8.7%	+1.3 %	+10.1%
Calendar effect	+1.4%	+0.4%	+1.4%	+1.0%
= Reported sales 2023	2,526.4	2,072.2	329.3	4,927.9
YoY change	+10.6%	+17.4%	+0.4%	+12.6%

Appendix 4: Historical copper price evolution



USD/t	Q1	Q2	Q3	Q4	FY
2021	8,492	9,691	9,397	9,585	9,294
2022	9,978	9,507	7,731	8,005	8,788
2023	8,956				
2021 vs. 2020	+50%	+80%	+44%	+33%	+50%
2022 vs. 2021	+18%	-2%	-18%	-17%	-5%
2023 vs. 2022	-10%				

€/t	Q1	Q2	Q3	Q4	FY
2021	7,052	8,048	7,971	8,380	7,864
2022	8,902	8,926	7,678	7,847	8,326
2023	8,351				
2021 vs. 2020	+38%	+65%	+43%	+39%	+45%
2022 vs. 2021	+26%	+11%	-4%	-6%	6%
2023 vs. 2022	-6%				

DISCLAIMER

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 19% of the Group's sales and copper accounts for approximately 60% of the composition of cables. This exposure is indirect since cable prices also reflect copper suppliers' commercial policies and the competitive environment in the Group's markets. Changes in copper prices have an estimated so-called "recurring" effect and an estimated so called "non-recurring" effect on the Group's performance assessed as part of the monthly internal reporting process of the Rexel Group: i) the recurring effect related to the change in copper-based cable prices corresponds to the change in value of the copper part included in the sales price of cables from one period to another. This effect mainly relates to the Group's sales; ii) the non-recurring effect related to the change in copper-based cable prices corresponds to the effect of copper price variations on the sales price of cables between the time they are purchased and the time they are sold, until all such inventory has been sold (direct effect on gross profit). Practically, the non-recurring effect on gross profit is determined by comparing the historical purchase price for copper-based cable and the supplier price effective at the date of the sale of the cables by the Rexel Group. Additionally, the non-recurring effect on EBITA corresponds to the non-recurring effect on gross profit, which may be offset, when appropriate, by the non-recurring portion of changes in the distribution and administrative expenses.

The impact of these two effects is assessed for as much of the Group's total cable sales as possible, over each period. Group procedures require that entities that do not have the information systems capable of such exhaustive calculations to estimate these effects based on a sample representing at least 70% of the sales in the period. The results are then extrapolated to all cables sold during the period for that entity. Considering the sales covered, the Rexel Group considers such estimates of the impact of the two effects to be reasonable.

This document may contain statements of future expectations and other forward-looking statements. By their nature, they are subject to numerous risks and uncertainties, including those described in the Universal Registration Document registered with the French Autorité des Marchés Financiers (AMF) on March 9, 2023 under number D.23-0078. These forward-looking statements are not guarantees of Rexel's future performance, Rexel's actual results of operations, financial condition and liquidity as well as development of the industry in which Rexel operates may differ materially from those made in or suggested by the forward-looking statements contained in this release. The forward-looking statements contained in this communication speak only as of the date of this communication and Rexel does not undertake, unless required by law or regulation, to update any of the forward-looking statements after this date to conform such statements to actual results to reflect the occurrence of anticipated results or otherwise.

The market and industry data and forecasts included in this document were obtained from internal surveys, estimates, experts and studies, where appropriate, as well as external market research, publicly available information and industry publications. Rexel, its affiliates, directors, officers, advisors and employees have not independently verified the accuracy of any such market and industry data and forecasts and make no representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only.

This document includes only summary information and must be read in conjunction with Rexel's Universal Registration Document registered with the AMF on March 9, 2023 under number D.23-0078, as well as the financial statements and consolidated result and activity report for the 2022 fiscal year which may be obtained from Rexel's website (www.rexel.com).