



RExel

a world of energy

# Third-quarter 2023 sales

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October 20, 2023





# Key highlights



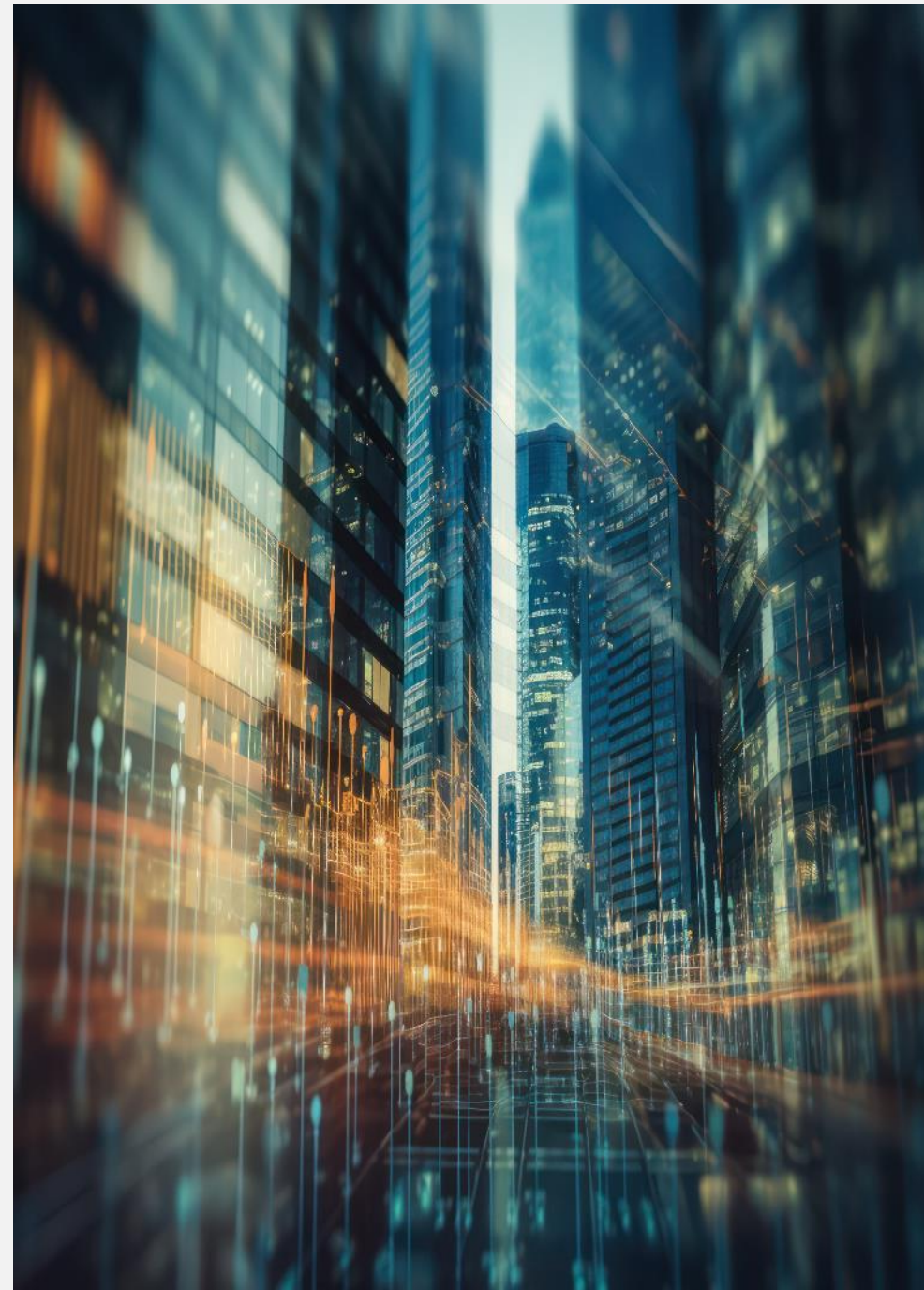
# Q3 2023 highlights

- **Solid quarter, with volumes up and same-day sales growth of 2.6%**
  - Growth driven by Europe and North America
  - **Volumes grew by +2.3%** on high comparable base and in a more mixed market environment, demonstrating the strength of Rexel's market positioning
  - Electrification trends contributing positively, growing by +5.0%, on a high 2022 comparable base (H2 22 @ 33% vs 17% in H1 22)
  - **Positive pricing contribution** on non-cable products
- **Digital penetration up +34bps, representing 28.4% of Group revenues in Q3 23**
- **YTD same-day sales growth at end-September of +6.3%**
- **Confirmation of FY 23 guidance, as upgraded in July**



# Q3 2023 highlights

- **Actively deploying our capital allocation strategy**
  - **Closing of Wasco acquisition**, on September 1<sup>st</sup>, with high mid-term growth potential driven by local regulation on energy efficiency
  - **Acquisition of 51% of Mavisun** (c. €40m of sales) in France to strengthen our value proposition in the attractive photovoltaic solutions distribution business.
  - **Execution of the share buyback program**, with €92m completed in the first nine months of 2023 (c. 4.4 million shares); targeting c. €200m on a 2022-2023 cumulative basis
- **Extending debt maturity** with the issuance of a €400m Sustainability Linked Bond due in 2030, at a competitive rate of 5.25%





# Actively executing our M&A strategy

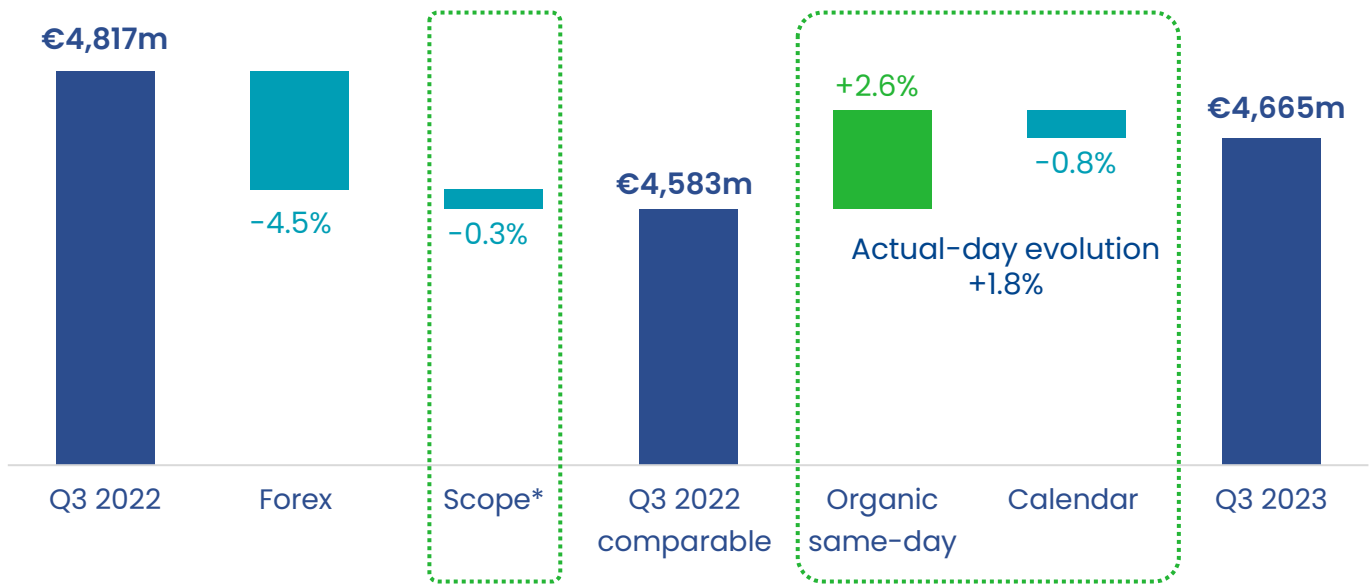
Acquisitions	Rational	Strategic dynamic
Wasco	Acquiring a leading distributor of <b>HVAC products and services</b> in the Netherlands	<div>→<ul style="list-style-type: none"><li>• Doubling our size in the Netherlands</li><li>• Gas boiler ban from 2026 will boost renovation market</li></ul></div>
Mavisun (51% stake)	Reinforcing our core competencies with a specialist of <b>solar solutions</b> distribution business in France	<div>→<ul style="list-style-type: none"><li>• Growth potential ahead as France was late in deploying solar technologies</li><li>• Market demand shifting from utility/large scale projects historically towards residential &amp; C&amp;I</li></ul></div>



→ Positioning Rexel on fast-growing, highly synergistic electrification trends

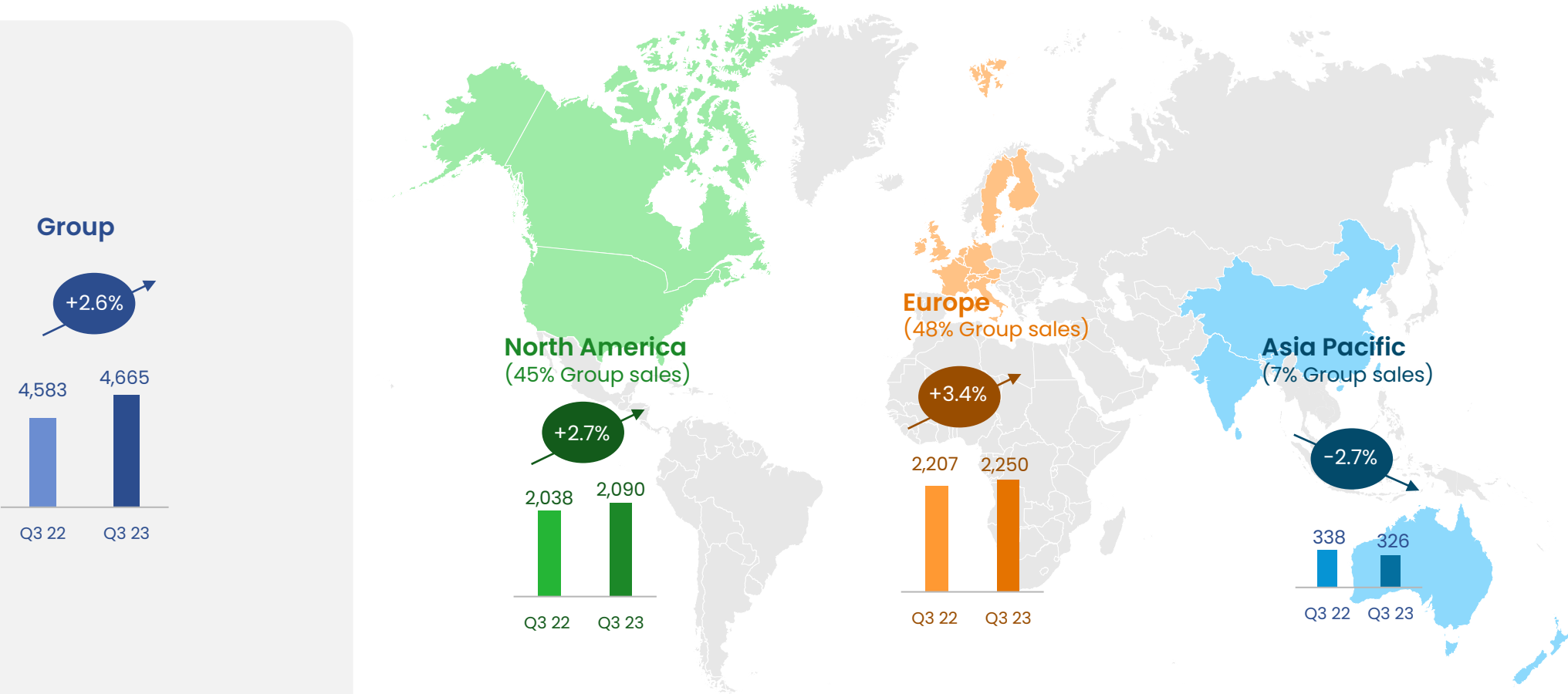
# Q3 2023 sales review

# Reported sales down 3.1%, impacted by forex in Q3 23



\* Including Wasco consolidated from September 1<sup>st</sup>, 2023

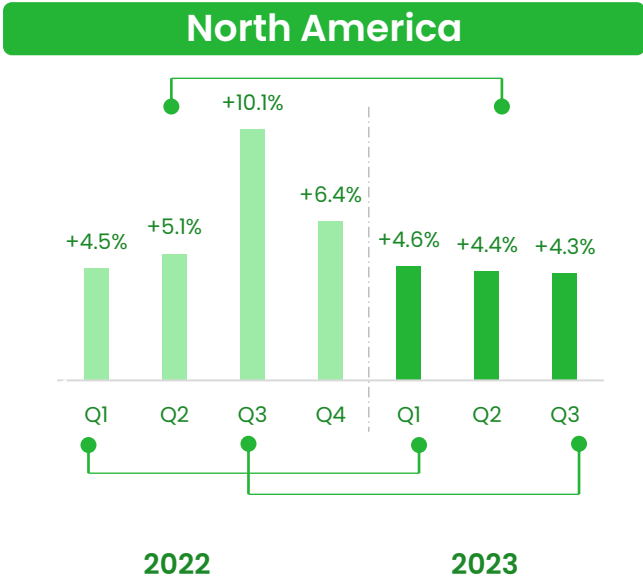
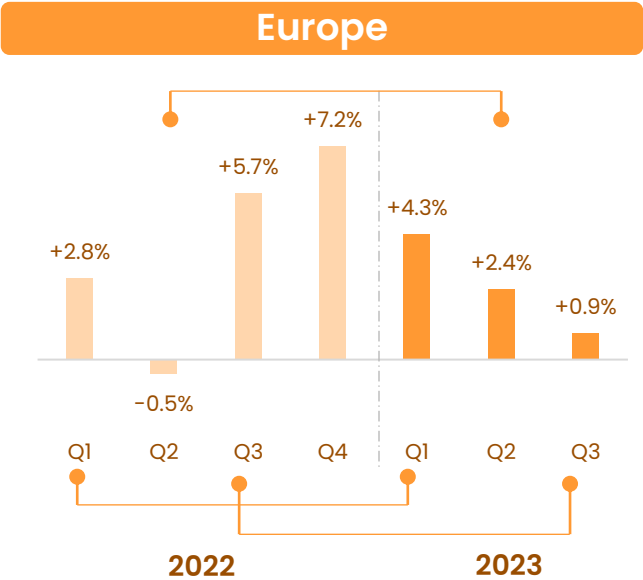
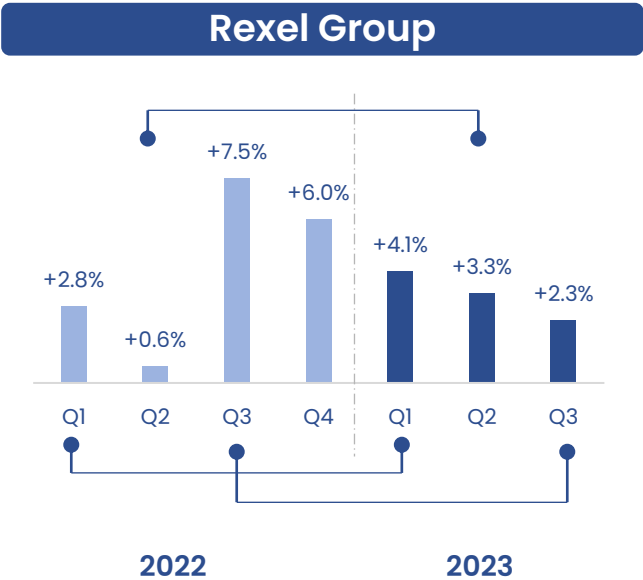
# Q3 2023 same-day sales growth driven by Europe & North America



NB: Sales in €m are presented on a comparable basis

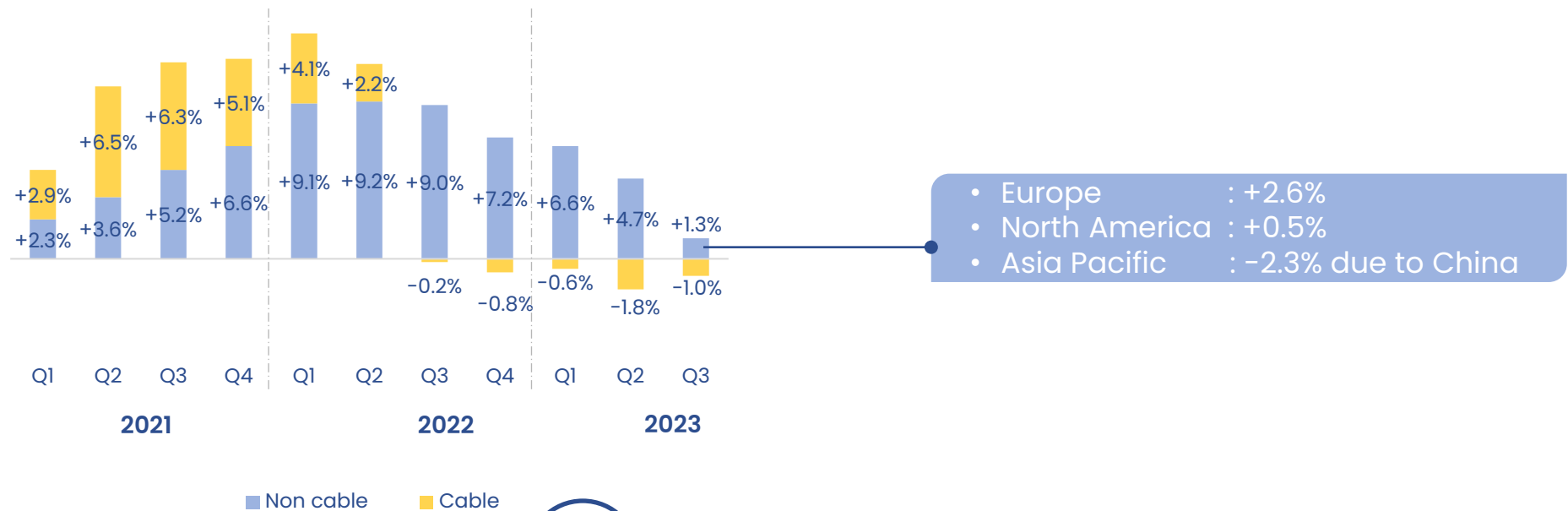


# Volumes boosted by North America and Europe in the quarter



# Non-cable selling prices up +1.3%

Price increases on non-cable & cable (yoy var.)

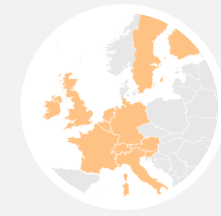


**Positive non-cable pricing contribution in Q3** with few pockets of deflation, mostly linked to raw material evolution

**Negative cable contribution** on lower copper prices, mostly in the US



# Europe: Resilience on a more difficult comparable base

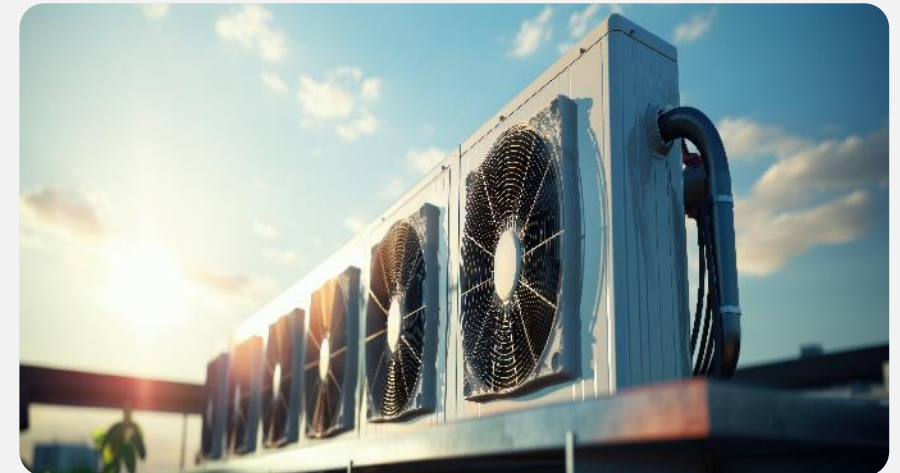


**+3.4%**

Q3 2023 SD  
sales growth

## Our performance

- **By country:**
  - Strong growth in Germany, Austria, Switzerland & UK, offsetting lower momentum in Nordics & Benelux
  - Market share gains in France, Germany and Switzerland
- **By product:**
  - Electrification categories grew faster than traditional products, albeit at a slower pace compared to previous quarter on a challenging comparable base effect; growth strongly accelerated in the second half of 2022 – above 80% in Q3 2022
- **By end-market:**
  - Growth supported by industry and some commercial segments
  - Residential impacted by rising interest rates and more difficult base effect, notably in electrification categories



# North America: Growth boosted by industrial activities



**+2.7%**

Q3 2023 SD  
sales growth

## Our performance

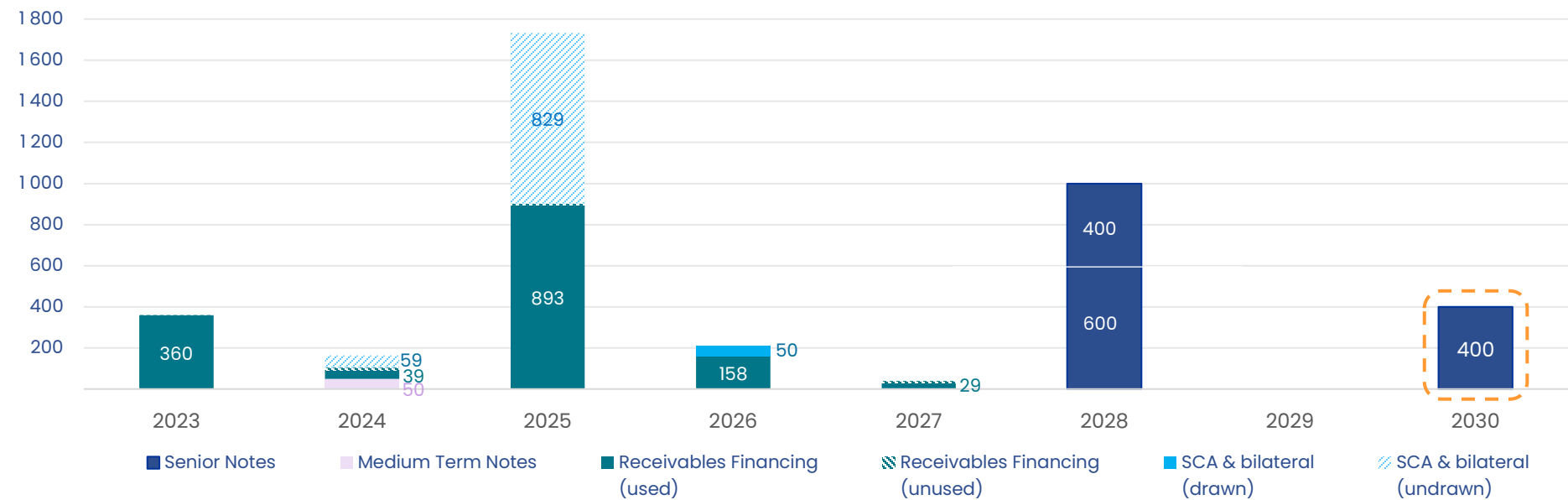
- **United States:**
  - **By market:** Sustained high growth in industrial driven by production **reshoring** and some commercial verticals (entertainment, water, logistics, government spending...) offset negative trends in residential market and commercial verticals, impacted by interest rates (offices, multi-use). Our portfolio diversification remains a factor of resilience
  - **By region:** Double-digit growth and market outperformance in Mountain Plains, Midwest & Gulf Central offset lower demand in Northwest and California
  - **By business:** Strong backlog execution, driving growth in project activity
- **Canada:**
  - Strong performance driven by industrial activities including Oil & Gas and the utility business
- **Backlog in North America remains at high level with good execution**
  - Progressive reduction (c. -6% versus June 2023) towards more normalized level
  - Still equivalent to 3 months of sales





# Extending debt maturity with successful issuance of a €400m Sustainability-Linked Bond, due in 2030

Gross debt maturity breakdown<sup>1</sup> and liquidity as of September 30<sup>th</sup>, 2023

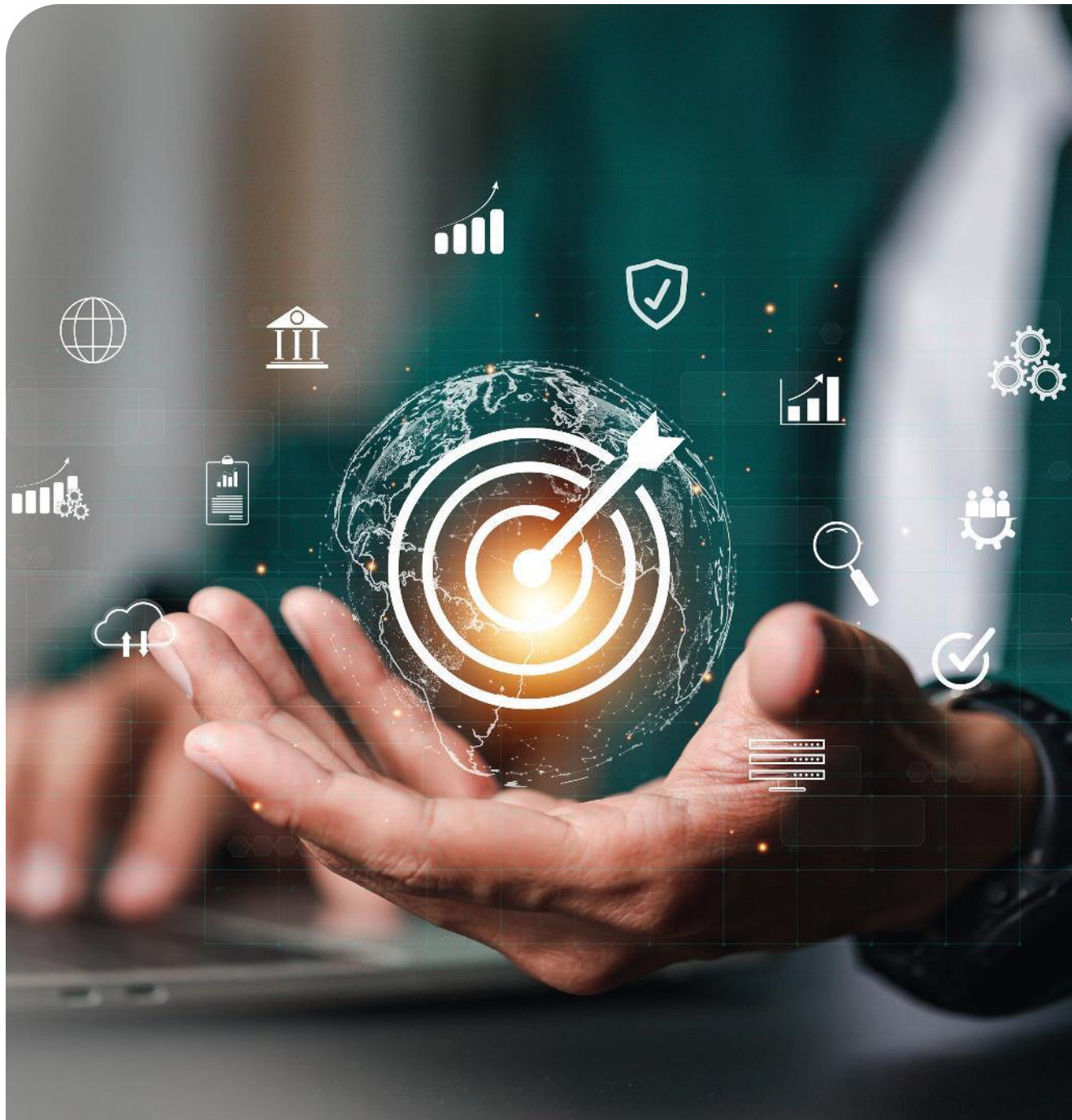


Aligned with new  
Scopes 1 & 2 and  
Scope 3, **validated by  
SBTi, objective to be  
net zero emission**

Competitive rate for  
our BB+ rating  
**5.25%**

**All our bonds are  
linked to our  
environmental  
objectives**

Increased gross debt  
duration by c. 0.5 year  
**c.3.5 years**



# 3

## Outlook

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# 2023 guidance confirmed (upgraded in July)

*Upper end  
of initial guidance*

Same-day  
growth

Initial guidance: 2%–6%

**6.6% – 6.9%**

Adjusted EBITA margin<sup>1</sup>

**> 60%**

Free cash flow conversion<sup>2</sup>

- Leveraging the diversity of our portfolio and our sales force efficiency to navigate a softer growth environment
- Sustaining high level of profitability thanks to continued efforts on productivity and pricing

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 ; EBITDAaL: Earnings Before Interest, Taxes, Depreciation and Amortization after Leases

# June CMD to update our strategic roadmap

- **Well on track to achieve our 2025 ambition**, executing on both pillars of the Power Up 25 strategic plan
  - Excel on fundamentals
  - Strive to be a differentiated leader
- An update of the strategic roadmap will be presented at a **Capital Markets Day to be held in June 2024**

