Rexel
a world of energy

Fourth-quarter sales & FY 2024 results

Paris, February 12, 2025

2024 consolidated financial statements were authorized for issue by the Board of Directors held on February 12, 2025

01

Key highlights

Very solid performance in a challenging environment

Despite strong headwinds in 2024…

- **Construction downturn** in most European countries
- Difficult **base effect** and temporary slowdown in electrification product categories
- **Deflationary pricing** in some commodity product categories
- Macro and **political uncertainties**

…Rexel delivered a resilient performance

- **Further market outperformance in our key countries,** including France and the US
- Increased **exposure to positive North America trends** supporting profitability
- **Acceleration of structural costs initiatives**
- **Continued focus on acceleration segments, digital and AI**

Resulting in:

- **EBITA resilience: 5.9%, higher than any year pre-2021**
- **Cash conversion > 75%, best on record excluding exceptional 2020**
- **TSR beating SBF 120 for 6th consecutive year**

Market share gain in our key countries

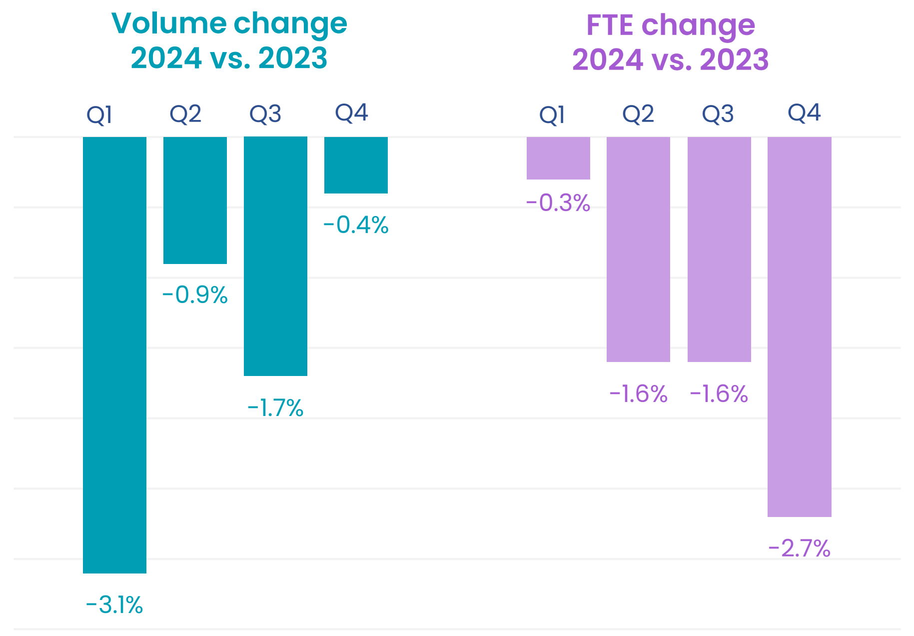
NORTH AMERICA

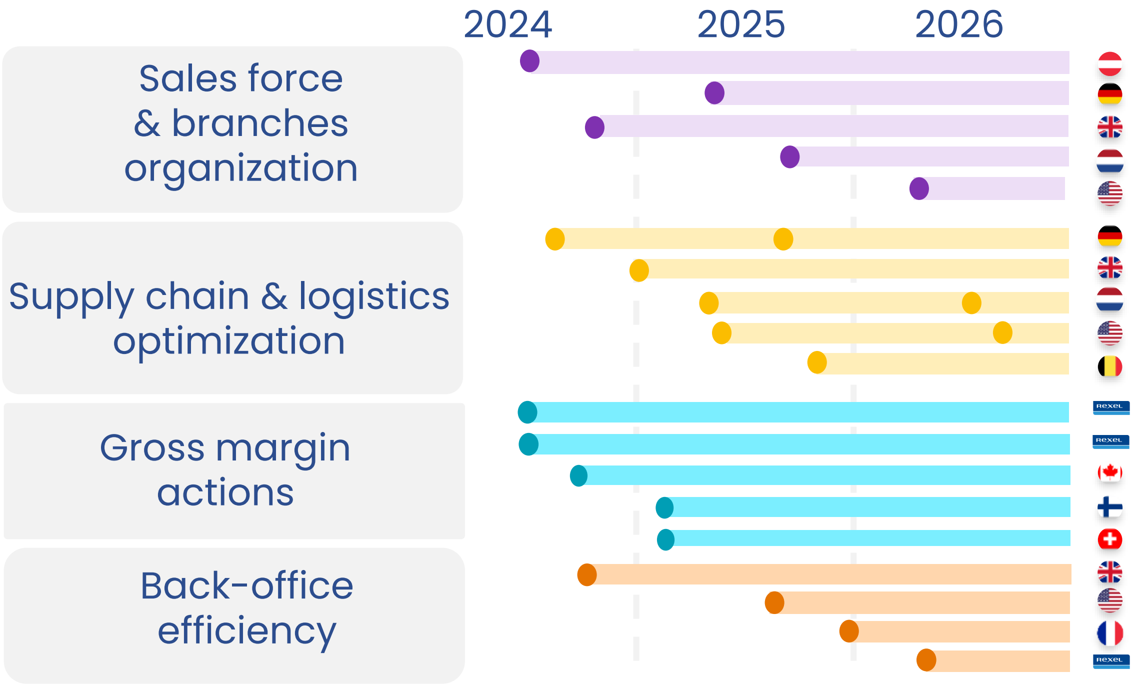
EUROPE

Key differentiation levers

- Digital offering
- Supply chain excellence
- Teams expertise and engagement
- Added value services

Active opex management and optimization actions





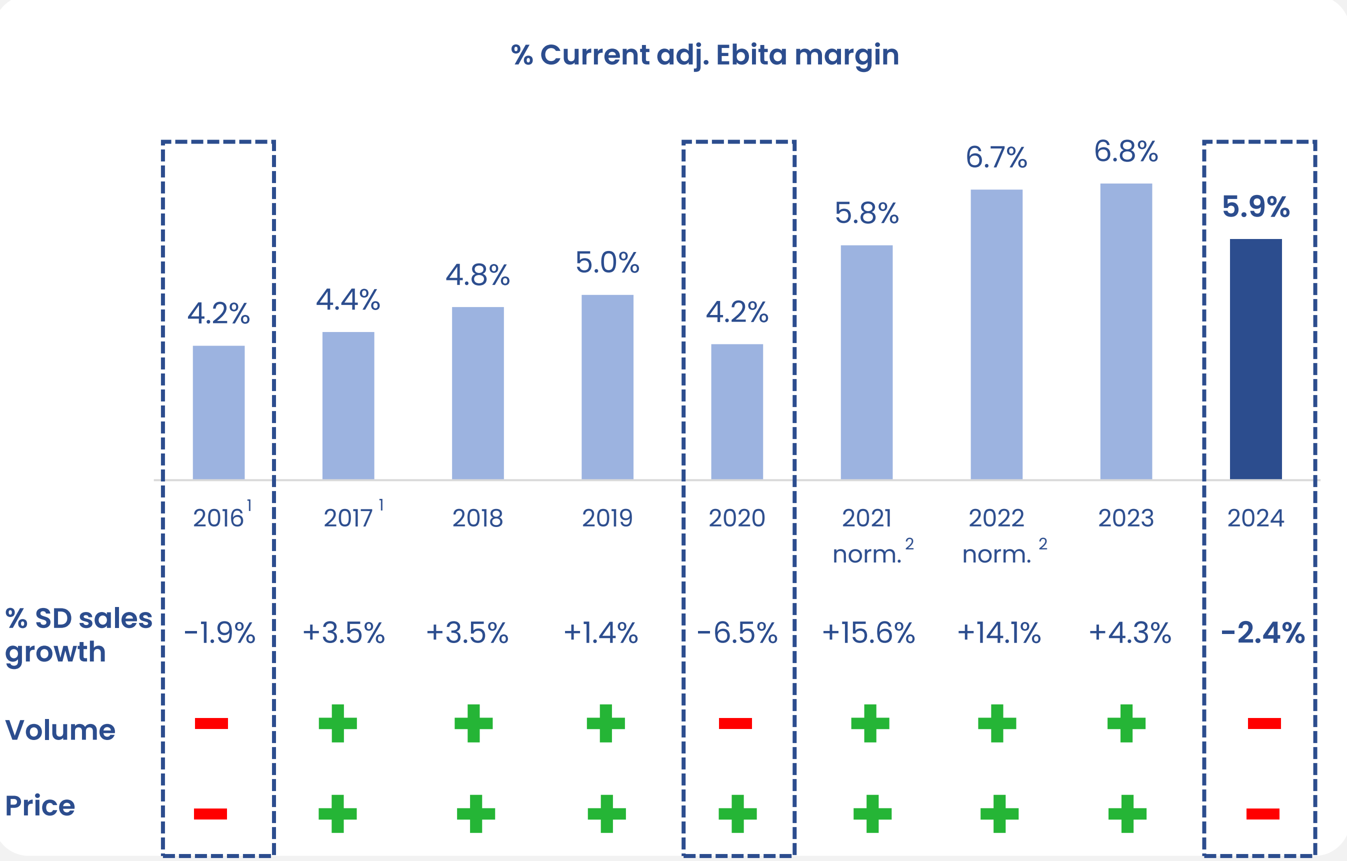
FTE reduction

- -2.7% end 2024 (vs end 2023) outpacing volume decline
- Accelerated throughout 2024 with carryover in 2025

Action plan examples

- Austria: Reorganization of sales force
- Germany: Supply-chain optimization
- UK: Branch network rationalization

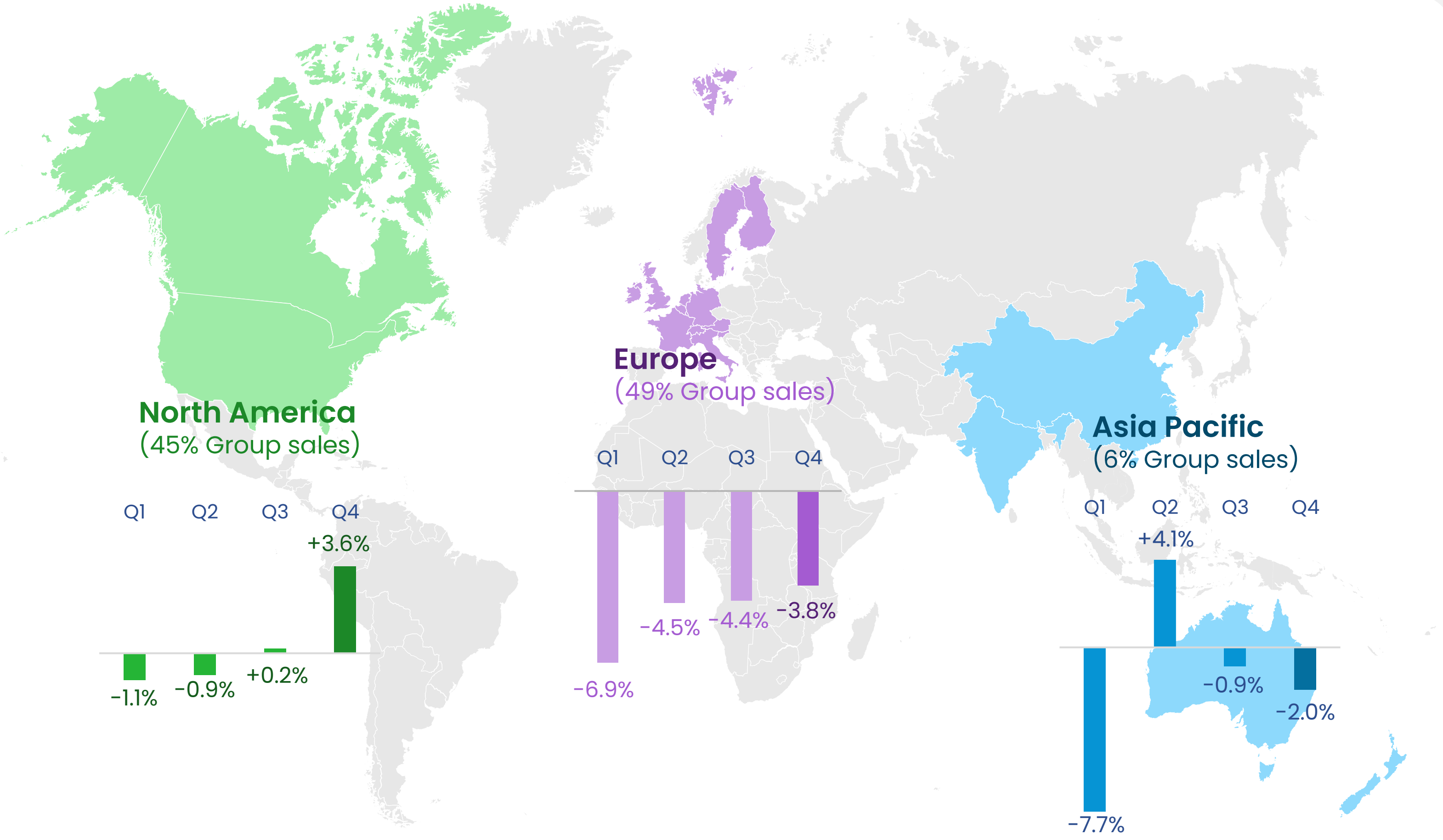
Resilient profitability reflecting group transformation



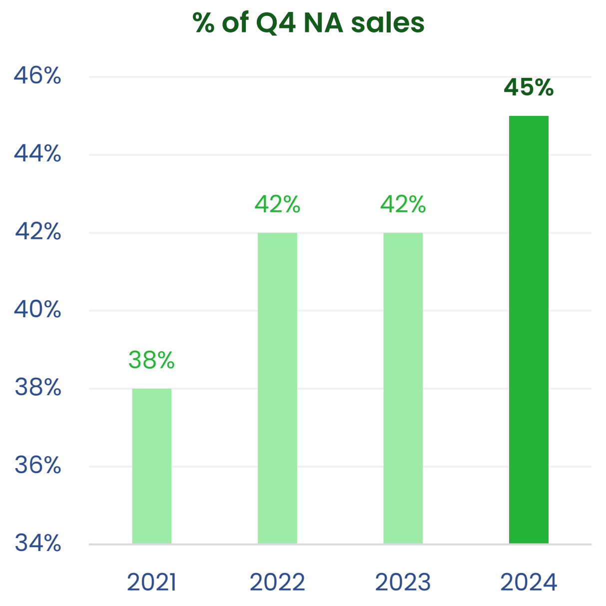
1. Pre IFRS 16
2. Restated from positive one-off effects from non-cable products inventory price inflation, net of higher performance linked bonuses for 40 and 66 bps in 2021 & 2022

Momentum built throughout the year

NB: 2024 same-day sales growth by quarter



Profitable North America platform saw sales rebound in H2

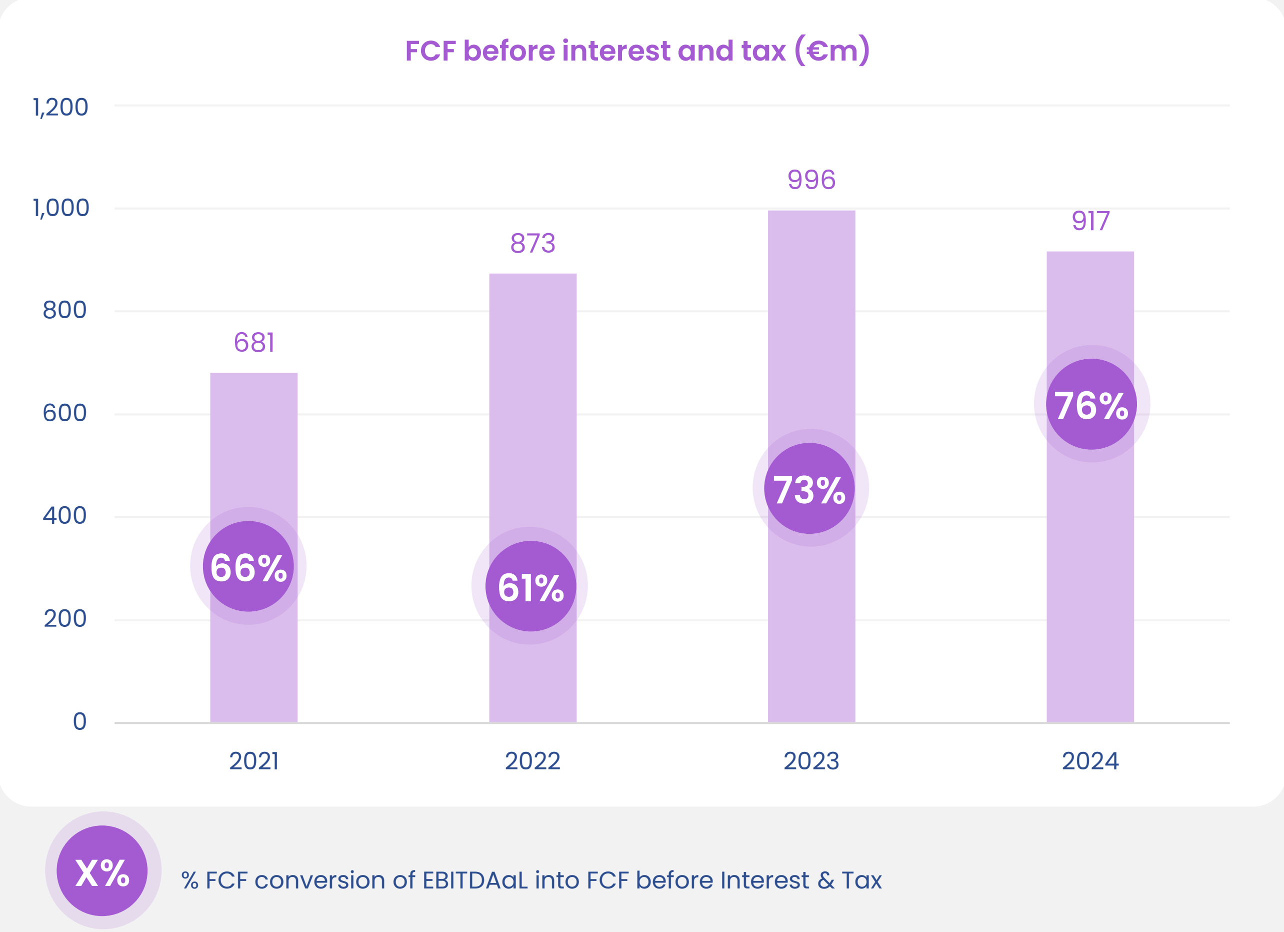


- **Acceleration** in Q4 24 vs Q3 24 driven by non-residential and industrial end-markets

- **Leveraging** our regional organization and market positioning to outgrow the market

- **North America now representing 45%** of Group sales resulting from
  - Market outperformance
  - Active value-creative acquisition strategy over the last 4 years

Record high FCF conversion



- **Disciplined capex at 0.7% of sales** in a declining topline environment

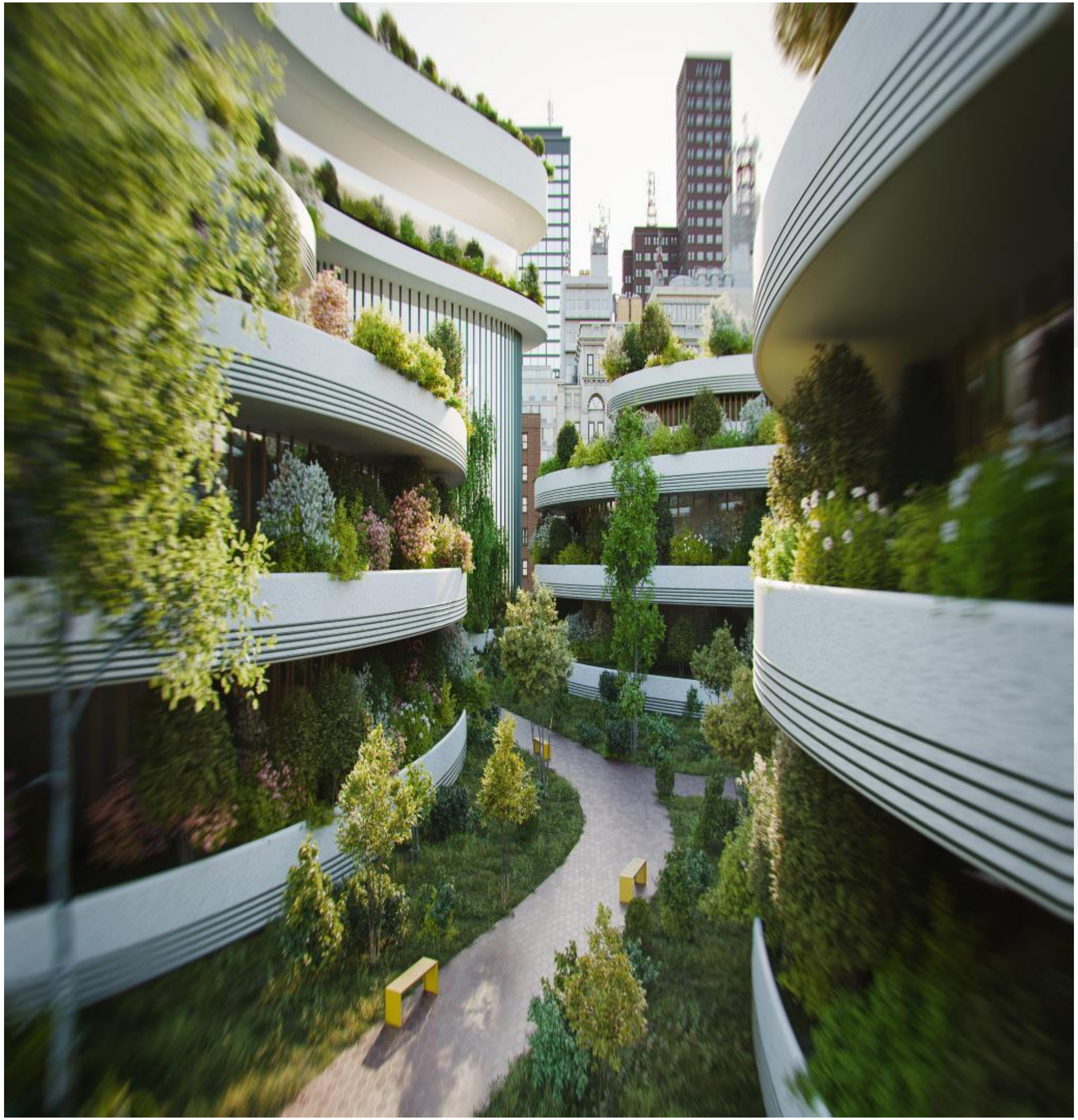
- **Active working capital management**
    - Day of Inventory reduced by 1 day
    - Strict credit management policy Improved receivables by 1 day

Results in line with revised guidance, exceeding cash conversion goal

-2.4%	5.9%	76%
Same-day sales growth -3.5% in H1, -1.3% in H2	**Current adjusted Ebita margin (%)**	**FCF before Interest and tax conversion**

FY 24 guidance

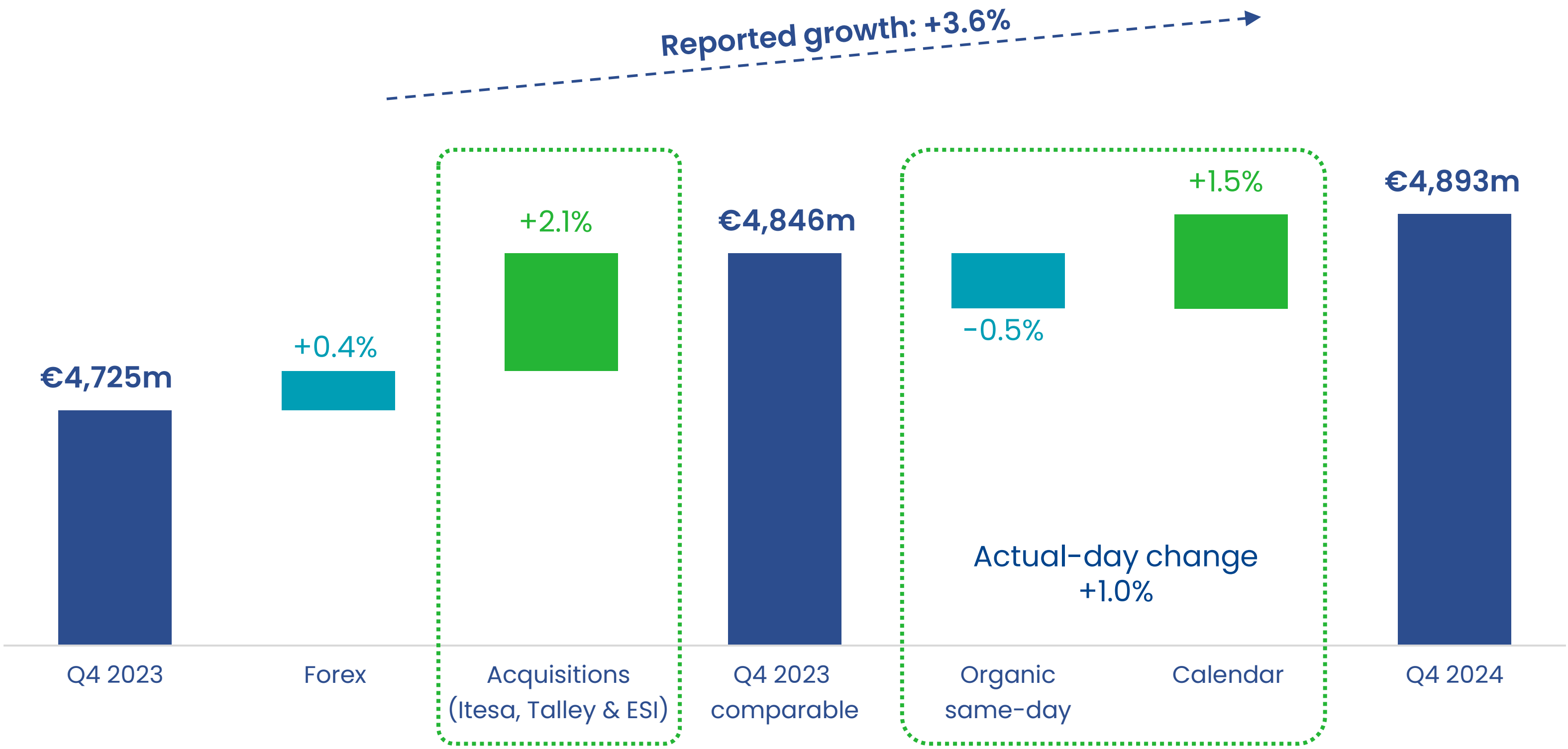
-2.5% to -2.0%	c. 5.9%	Above 65%



02

Q4 & FY 2024 Group financial review

Q4 reported sales up +3.6%, with significant M&A contribution



Volume-driven acceleration in Q4 Core ED sales

(in contrib.)	% mix 2024	Q1 2024			Q2 2024			Q3 2024			Q4 2024		
		SD sales change	o/w Price	o/w Volume	SD sales change	o/w Price	o/w Volume	SD sales change	o/w Price	o/w Volume	SD sales change	o/w Price	o/w Volume
Core ED[1]	79%	-1.8%	-1.0%	-0.7%	-0.4%	-0.6%	+0.2%	+0.3%	+0.3%	0.0%	+1.4%	+0.3%	+1.1%
Electrification	21%	-2.8%	-0.5%	-2.4%	-2.0%	-0.9%	-1.1%	-2.4%	-0.7%	-1.7%	-1.9%	-0.4%	-1.5%
Total	**100%**	**-4.6%**	**-1.5%**	**-3.1%**	**-2.4%**	**-1.5%**	**-0.9%**	**-2.1%**	**-0.4%**	**-1.7%**	**-0.5%**	**-0.1%**	**-0.4%**

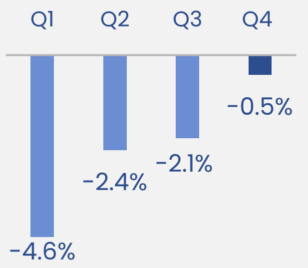
[1] *Including cable*

- Further **improvement in Core ED** business from Q3 to Q4, supported by volume
- **Electrification**, down 8.2% in Q4 24 (contributing for -190bps) in the quarter, showing **sequential improvement vs Q3 24** from both volume and price

North America rebound balanced by continued weakness in Europe

NB: 2024 same-day sales growth by quarter

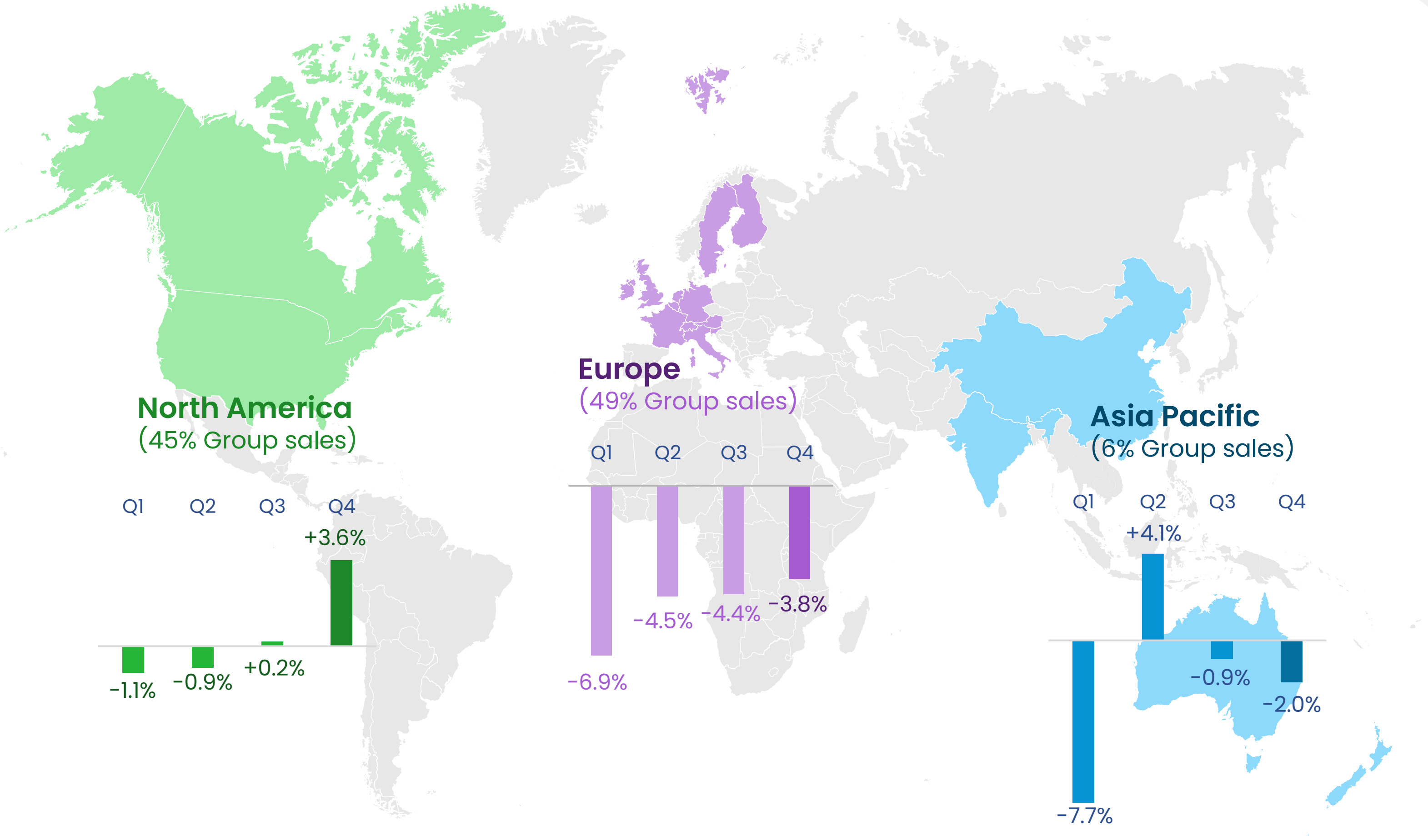
Group



Q4 24 selling price at (0.1)% with:

Non-cable:	Cable:
-0.7%	**+0.6%**

Non-cable price pressure mostly on solar products and piping in North America



Europe: gradual improvement in a muted environment

By country

- **Outperformance in France** in a declining market
  - Positive momentum in non-residential
  - Pressure on industry segment
- **Nordics slightly negative** due to lower residential and non-residential. First signs of improvement in residential in H2 24 vs H1 24
- **DACH region improved vs Q3 24** on easier base effect, in a challenging macro context
- **Market share gains in Belux**, in a persistently difficult business environment, notably in Solar
- **24 branches closed** in Q4 24 in UK, amid weak demand in all 3 end-markets

By product category

2024 SD sales change *(in contrib.)*	**Q1**	**Q2**	**Q3**	**Q4**
Core ED[1]	-2.9%	-1.1%	-1.8%	-2.1%
Electrification	-4.0%	-3.4%	-2.6%	-1.7%
Total	**-6.9%**	**-4.5%**	**-4.4%**	**-3.8%**

[1] including cable

By end-market

- Challenging **residential** segment with some **early sign of recovery** in some countries (Nordics)
- **Solar** business still impacted by **negative volume and price**

North America: H2 acceleration driven by core ED

By country/region

- **United States:**
  - **Positive growth in all three end markets** with residential up for a third consecutive quarter
  - **Acceleration** in industry and non-residential, driven by datacenters, Oil & Gas and Logistics
  - **Positive momentum** in Southeast, Northwest and Gulf Central
  - Performance of **Talley above expectations**
  - **Backlog** represents 2.5 months of sales
- **Canada:**
  - **Strong acceleration** driven by project activity, notably in the industrial and non-residential segments
  - **Favorable momentum** in mining and manufacturing
  - **Backlog** improved by 1% vs end Q3 24

By product category

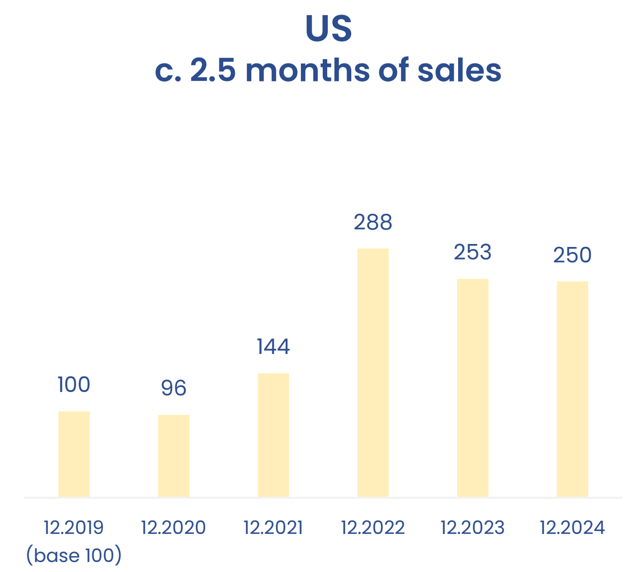
2024 SD sales change *(in contrib.)*	Q1	Q2	Q3	Q4
Core ED[1]	-0.4%	0.0%	+2.9%	+5.5%
Electrification	-0.7%	-1.0%	-2.7%	-2.0%
Total	**-1.1%**	**-0.9%**	**+0.2%**	**+3.6%**

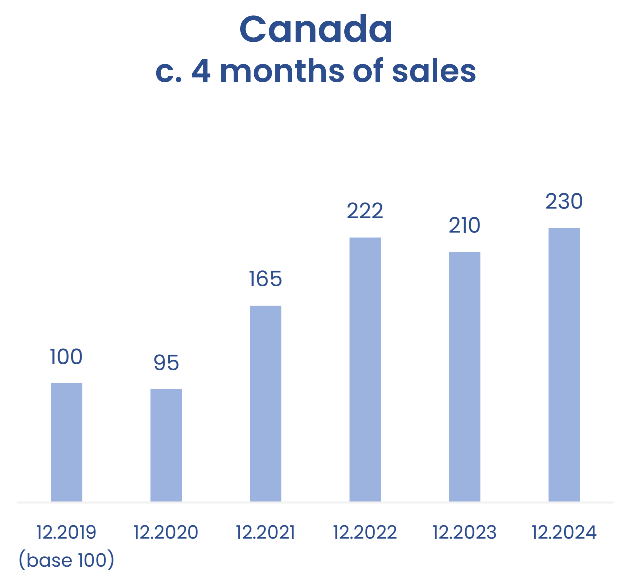
[1] including cable

By channel

- Q4 again supported by good **backlog execution,** driving project activity growth (double-digit in US)
- Acceleration versus Q3 24 driven by **non-residential and industrial** markets

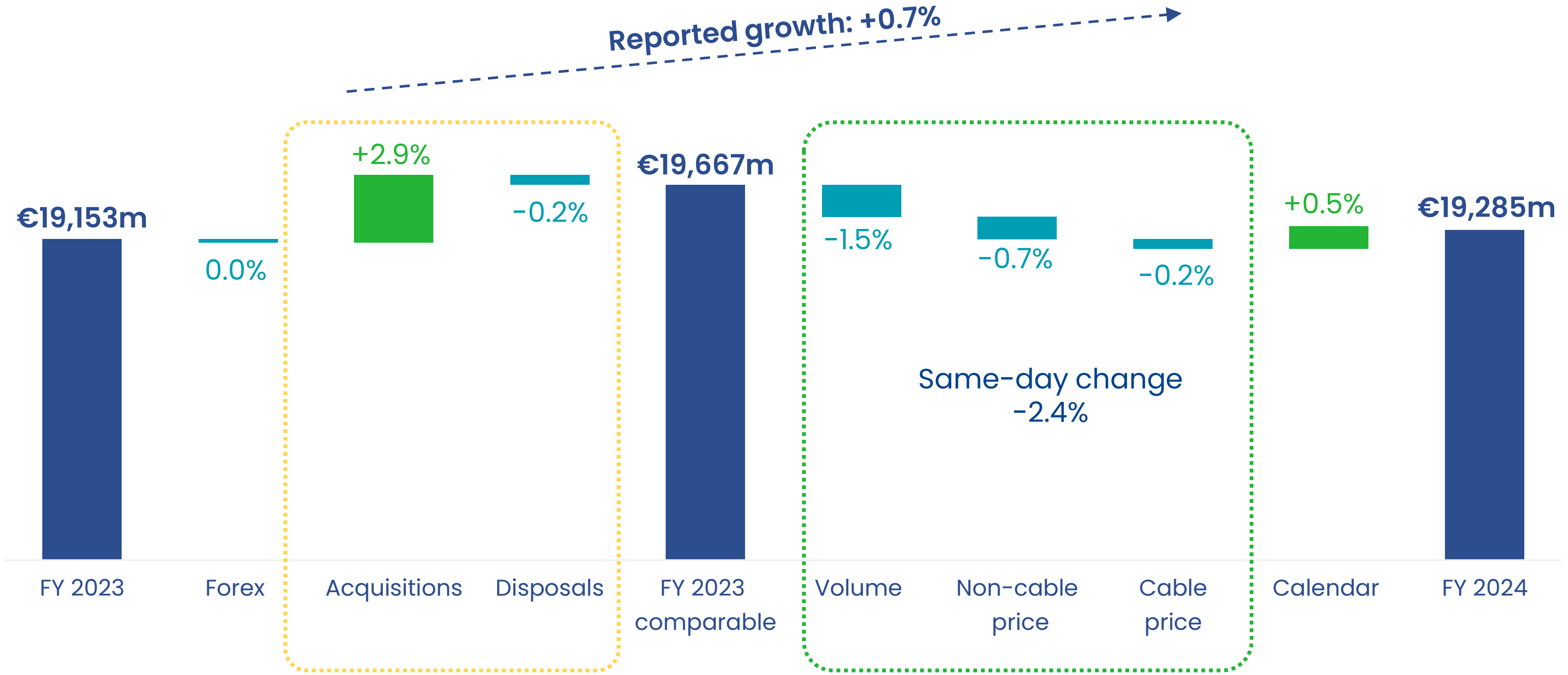
High North America backlogs reflect dynamic project activity





- High backlog level, combined with strong backlog execution and order intake
- Backlog remains well above pre-pandemic level

FY 24 reported sales up +0.7%, with significant M&A contribution



Europe

Same-day sales growth: -4.9%

Volume: -3.8% I Price: -1.1%

- Negative volume impacted by Electrification categories
- Further price deflation in Solar

North America

Same-day sales growth: +0.5%

Volume: +0.9% I Price: -0.5%

- Overall positive environment driven by volume
- Deflation impacted by piping products

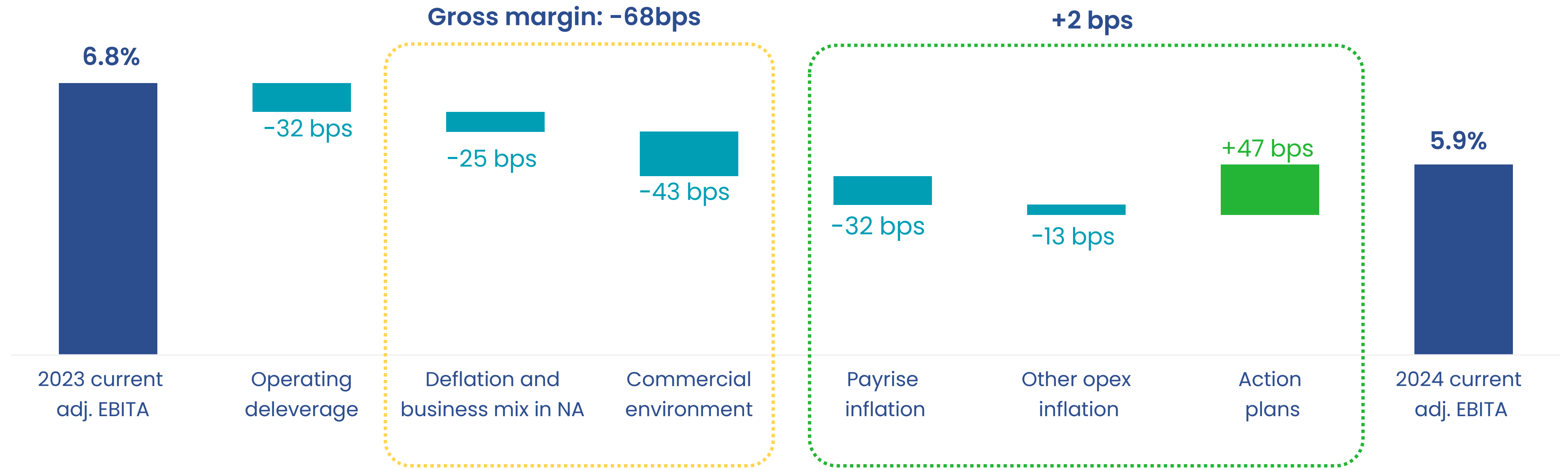
Asia-Pacific

Same-day sales growth: -1.5%

Volume: 0.0% I Price: -1.5%

- Volume flat, with contrasting country trends
- Deflation in China industrial Automation; situation normalized

Resilient FY24 adj. EBITA margin in a negative pricing environment



Europe
Current adj. EBITA margin: 5.8%
down -151bps

- GM pressure from negative sales pricing, including Solar deflation
- Opex/sales ratio impacted by negative operating leverage mitigated by structural cost initiatives

North America
Current adj. EBITA margin: 7.0%
down -42bps

- GM impacted by lower selling price increase and negative business mix (growth in project)
- Stable opex to sales ratio, reflecting active cost initiatives offsetting cost inflation

Asia-Pacific
Current adj. EBITA margin: 1.6%
down -136bps

- GM pressure in Asia and Pacific
- Stable opex to sales ratio, reflecting internal actions and credit control

2024 recurring net income at €662m

€1,132m

Current adjusted EBITA

Main P&L items

Other income & expenses

€(258)m

Incl. €124m[1] fine from French competition Authority
€55m in GW impairment
€33m in restructuring

Net financial expenses

€(208)m

Effective interest rate 4.35% (vs. 3.66% in 2023)

Income tax

€(297)m

2024 tax rate: **46.6%**

€341m

Net income
(vs €775m in 2023)

€662m

Recurring net income
(vs €823m in 2023)

[1] Decision for which Rexel lodged an appeal; to be paid in 2025

FCF conversion well above guidance

Main FCF items

€1,204m

EBITDAaL

Trade working capital

€(16)m

Stable TWCR/sales at 14.2%

Non-trade working capital

€50m

Net capex

€(126)m

Gross capex/sales at 0.7%

€917m

76% conversion

Free cash flow before interest & tax

Capital allocation balancing M&A and return to shareholders

Free cash flow
before interest & tax
€917m

€506m

Free cash flow
after interest & tax

Post-cash-out for net interest paid (€130m) & Income tax paid (€281m)

Main FCF items

Financial investment

€550m

incl. earn-out

Dividend

€357m

Share buyback

€100m

€522m

Increase in net debt

Net debt

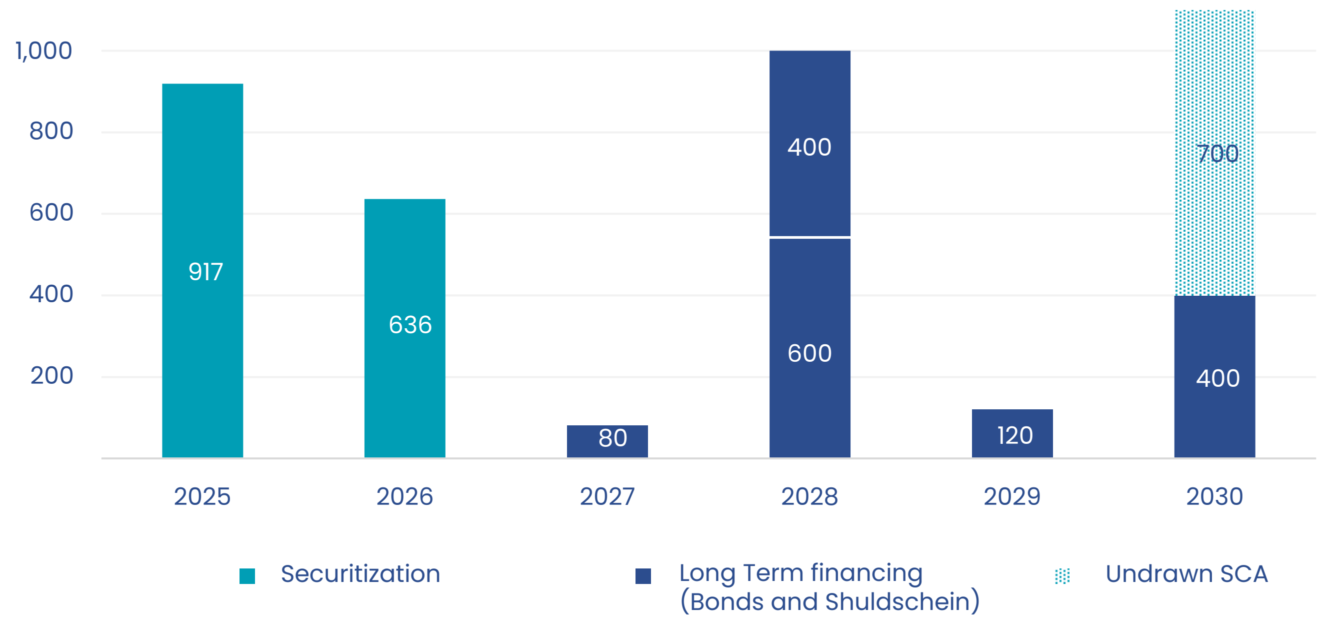
€2,484[1]m

Indebtedness ratio at 1.83x

1. Including an earn-out of €123.8m for Itesa, Talley and a put option for Mavisun

Strengthened financial structure with no short-term refinancing

Breakdown of our main debt maturity & liquidity (Dec. 31st, 2024)

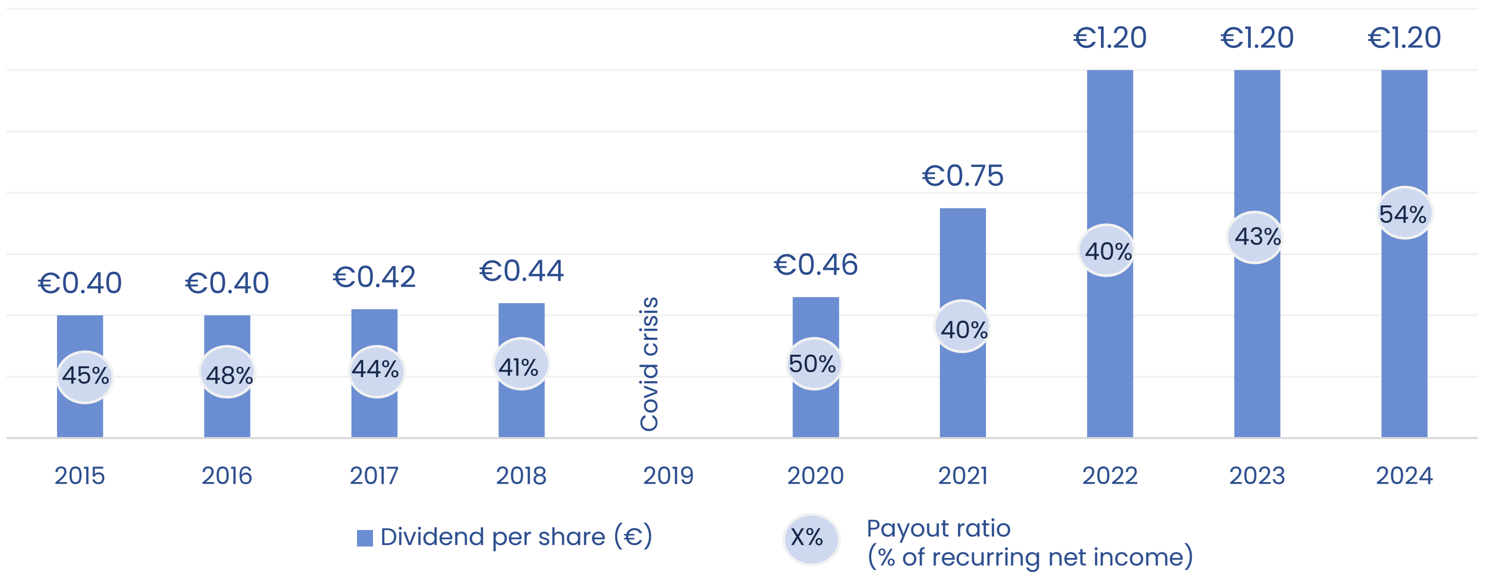


Liquidity
€1.5bn

Schuldschein issued in June 24
€200m in 2 tranches

2030
SCA maturity extended by one year

Proposed €1.20 dividend, maintaining all-time high level



54%

Payout ratio

In line with policy: ≥ 40% of Recurring Net Income

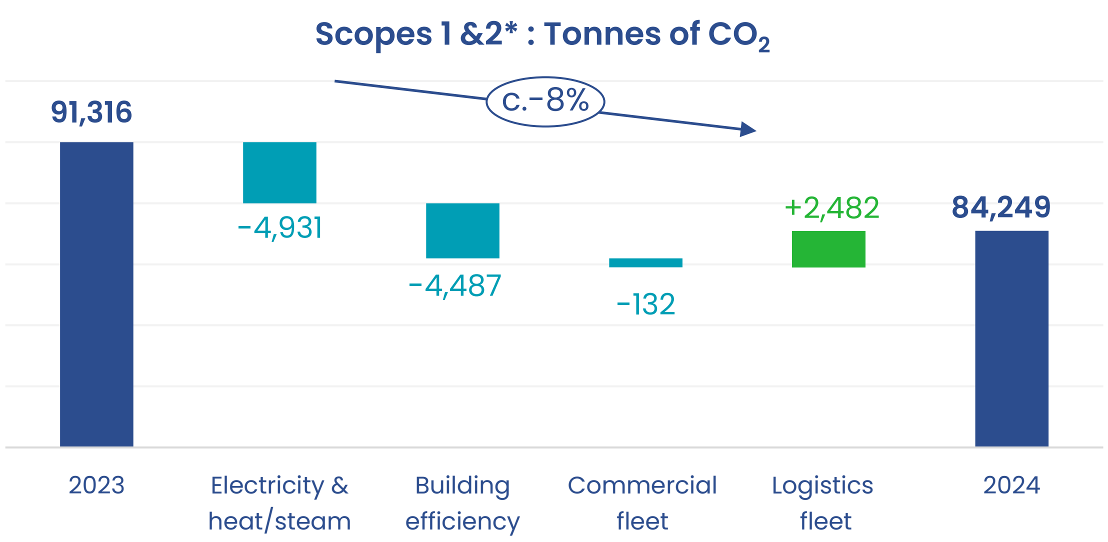
April 29, 2025

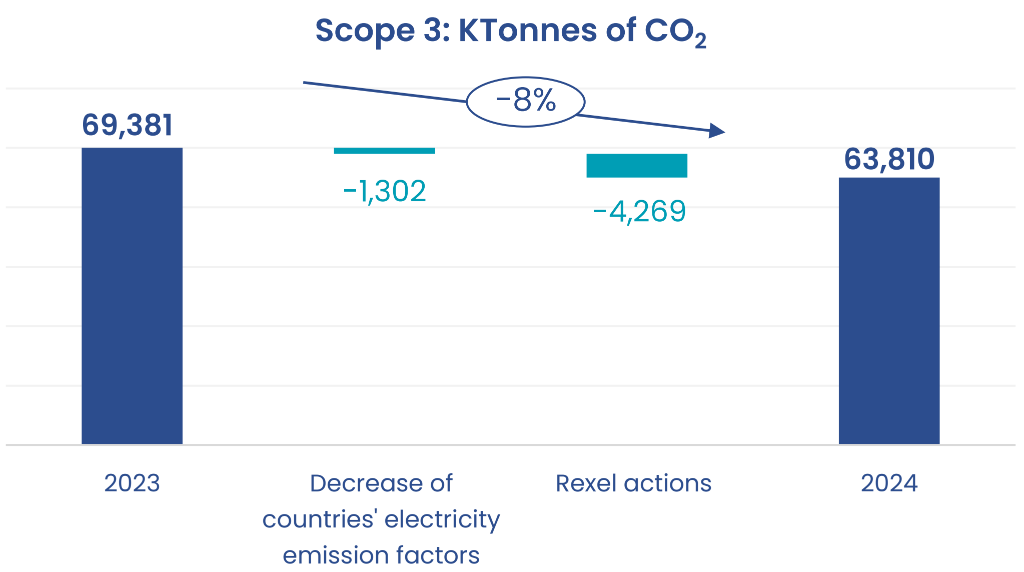
Dividend subject to AGM approval

Payable in cash on

May 16, 2025

Carbon reduction in line with our 2030 objectives





- Active reduction of our own emission through **electrification of our facilities** with renewable energy
- Well **on track to reach our 2030 ambition** to reduce Scope 1&2 by 60% (vs. 2016 base)

- SBTi-validated **Scope 3 objectives redefined** to better consider the full environment impact all along the value chain
- **Targeting 35% reduction** to newly defined Scope 3 emission by 2030 vs. 2016 ; net zero in 2050

** Excluding acquisitions completed in 2024 : Talley, Itesa and ESI*

03

Outlook

a world of energy

Gradual macro improvement expected throughout 2025

Accelerating growth in North America	• Activity potentially benefiting from increased industrial investment and reshoring	+
	• Positive trends in datacenter and in residential construction	+
Continued softness in Western Europe, notably in H1	• Positive market share gains in most countries	+
	• Residential and non-residential construction benefiting from lower interest-rate environment, with effects mostly in H2	+
	• Lack of confidence and political uncertainties	–
	• Electrification trends still weak short term, but with easier comparison base	–
Pricing environment	• Slightly supportive, with US potential tariffs impact a question mark	+

FY 2025 guidance in a subdued environment

Stable to slightly positive

Same-day sales growth

Continued weak demand in Europe offset by stronger North America

c. 6%

Current adjusted EBITA margin[1]

'Inflation gap' offset by full effect of 2024 cost savings and additional 2025 initiatives

c. 65%

Free cash flow conversion[2]

Excluding the €124m fine from the French Competition to be paid in 2025

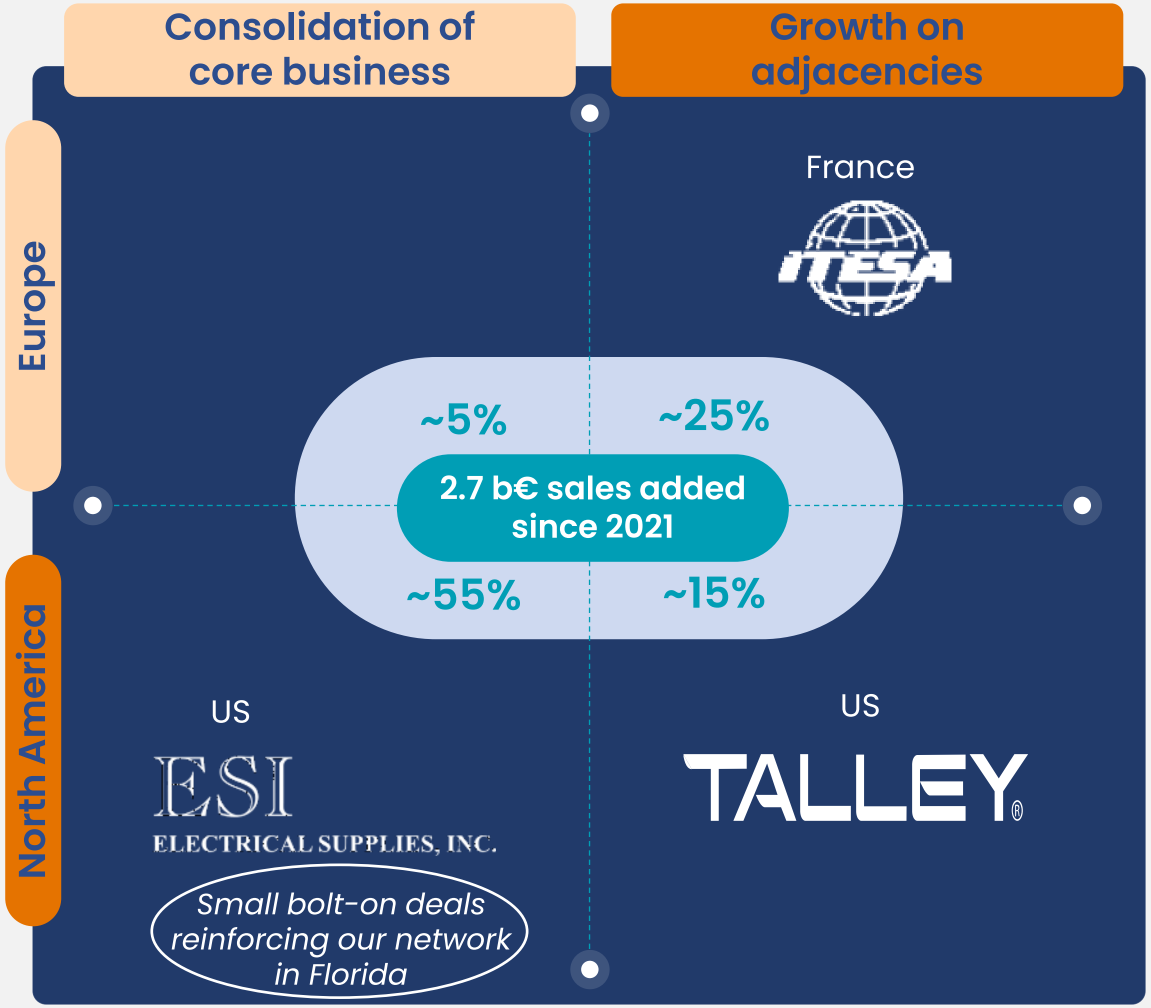
1. Excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices.
2. FCF Before Interest and Tax / EBITDAaL ; EBITDAaL: Earnings Before Interest, Taxes, Depreciation and Amortization after Leases

Medium-term ambitions confirmed

- Confirmation of electrification trends
- Focus on AI and digitalization
- Accelerating operational excellence plan
- Active M&A strategy

Same-day sales growth	5% to 8%
Current adjusted Ebita margin	> 7%
Free cash flow conversion	c. 65%

M&A a driver of sales and profitability improvement



Recent portfolio activity highlights

Talley (c. $360m of sales):
- Double-digit sales growth and high single-digit adjusted Ebita margin, well above initial ambitions
- Synergies expected at c. 3% of sales
- Rapid geographical expansion into Rexel's territories

Itesa (c. €80m of sales):
- Becoming the leader in access control and security in France
- Accelerated sales and relative profitability

New Zealand disposal (c. €95m of sales):
- Not strategic and lacking critical mass
- Dilutive to the group's profitability

Medium-term electrification trends remain very solid

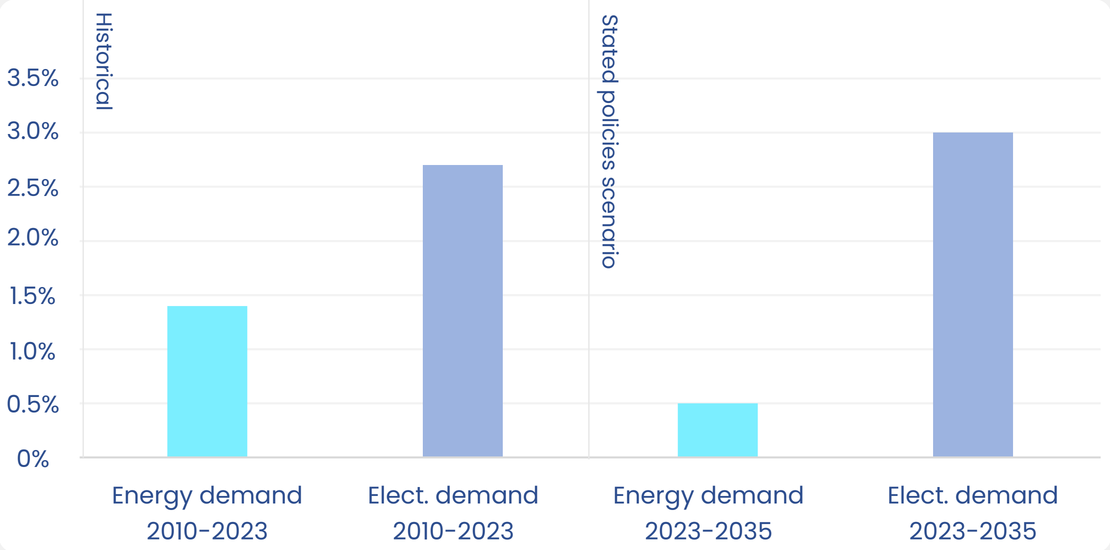
2024, a "pause year" for electrification at Rexel

- Strong negative impact of Solar after a booming 2023
- Political changes in several European countries created extended "wait and see" situation (heatpumps, PV, industrial investment)
- High interest rates and low construction activity also having an impact

Medium-term electrification outlook confirmed

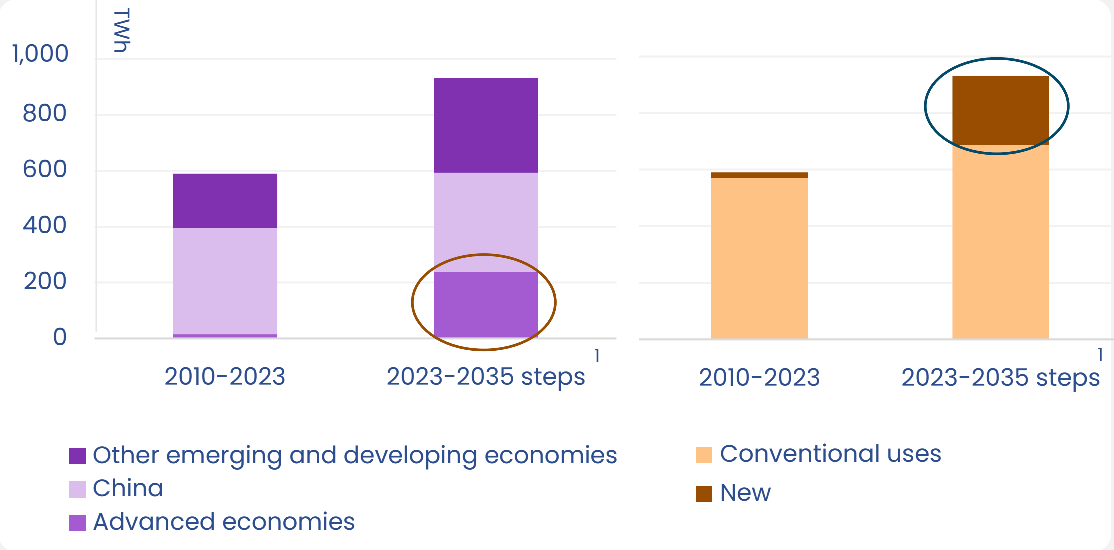
- Most recent outlooks (ex. IEA) confirm strong and multifactor electrification trends
- Sustainability agendas, rise of AI, grid modernization all pushing towards more electricity in the mix
- Electrification technologies (EV, PV, heatpumps) now having a standalone payback, boosting their adoption

Annual energy and electricity demand growth



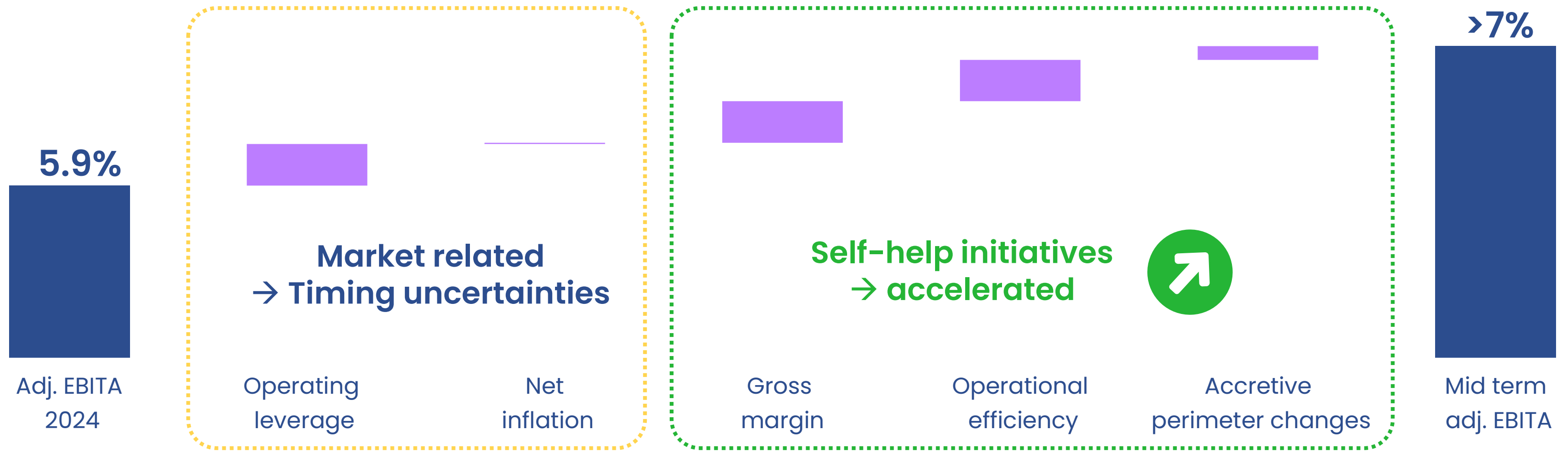
Source: IEA report, October 2024

Annual electricity demand growth by region and use



1. Stated policies scenario

Accelerating self help plans to secure our >7% midterm goal



Operating leverage

- Delayed Europe recovery
- Positive trends in North-America
- Electrification trends confirmed midterm

Net inflation

- 2024 deflation likely an outlier (Solar, commodities)
- Positive pricing dynamic expected in 2025
- Cost inflation to remain a headwind

Gross margin

- AI boosted pricing models and supplier concentration still powerful drivers of improvement
- Midterm cyclical rebound to be expected after erosion in 2024

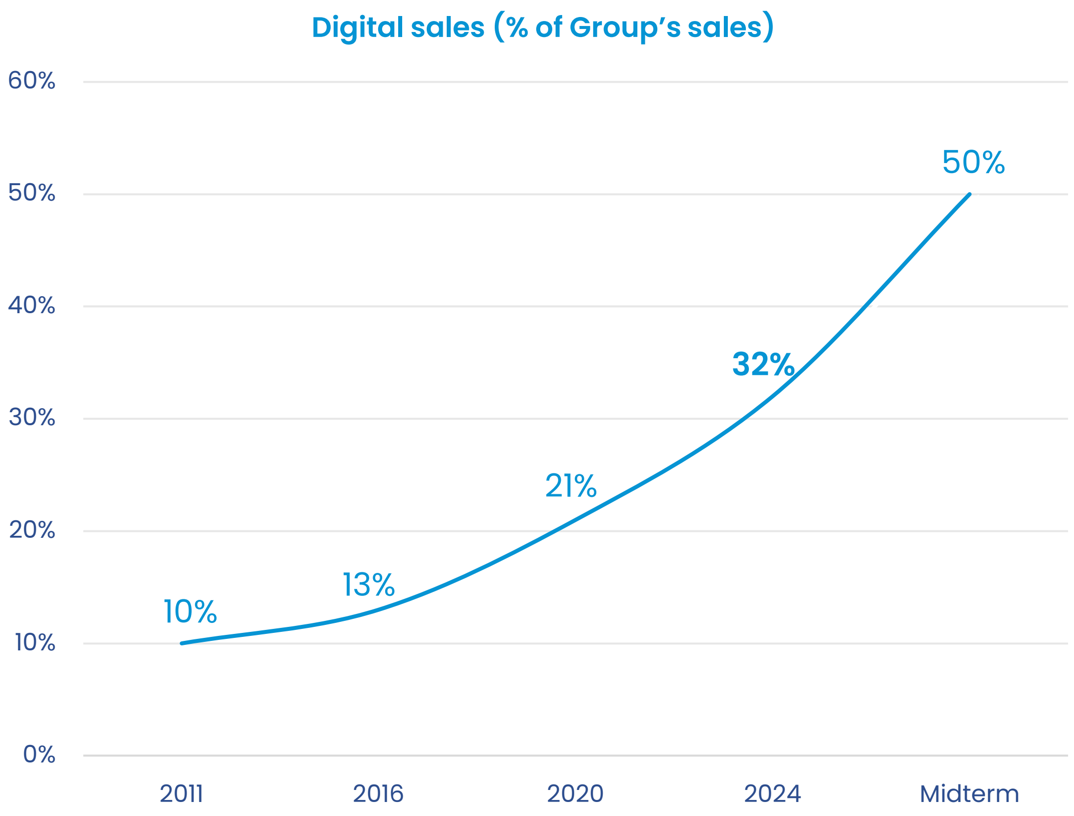
Operational efficiency

- AI opening new optimization paths
- Focus on cost savings accelerated in 2024
- Now targeting 2% to 3% productivity per year mid-term

Accretive scope changes

- Accretive acquisition potential intact
- Continued review of underperforming assets leading to potential additional divestments

Digital sales have passed a new milestone, supporting higher profitability



- Rexel is **a BtB leader in digital** with more than €6bn in FY digital sales
- Digital sales **multiplied by more than 3x** since 2011 to reach **32% of sales in Q4 2024**
- Ambition to reach **50% in the mid term**

- Europe above 40% with **three countries above 60%**
- North America **above 20%**

- **New mobile apps and search engine** deployed in 11 countries
- Continued rollout of **Email to EDI**, boosting penetration rate in China

Recent progresses on AI unlocks new efficiency potential

A sale workload ripe for improvement

- **Inside sales:**
  - Close to 50% of Rexel's workforce

40m emails

50m phone calls

35m orders or RFQ

- **20 to 30%** time dedicated to administrative tasks
- **<5%** to outbound prospection

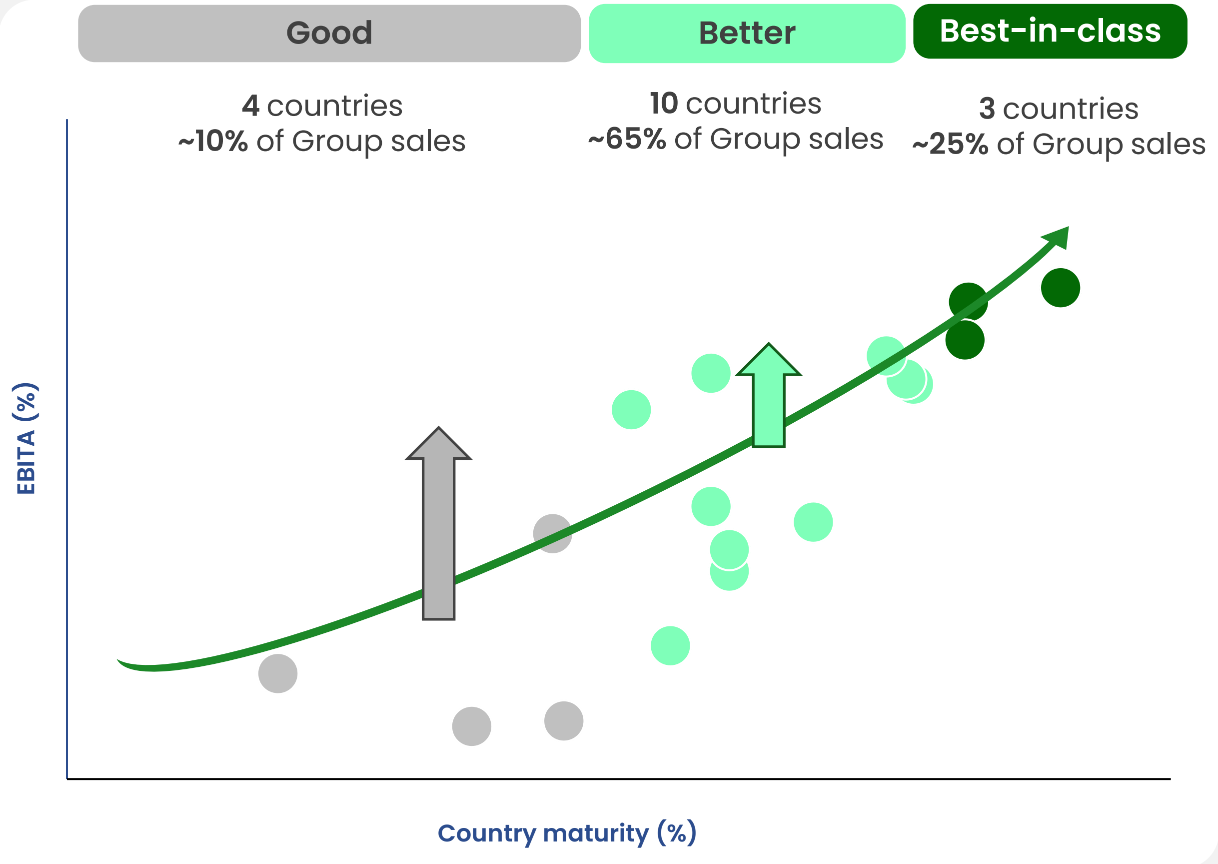
Key benefits

- **Optimize** email-based activity
- Develop **user autonomy** (self-checkout, chatbots, no-touch digital)
- increase share of wallet (churn, assortment and next best offer algorithms)
- **Automate** RFQs
- **Facilitate expertise** through AI

Instrumental in market share gain

Productivity potential >10%

Best practice-sharing to unlock sizeable profitability opportunity



Methodology: Qualitative maturity ranking based on multi-criteria analysis

- Growth criteria: advanced services, electrification categories, digital penetration, use of AI
- Operational efficiency criteria: purchasing, pricing, supply chain, back-office…

- Accelerating best practices-sharing through **clusters organization**
  - Austria-Switzerland-Germany
  - USA-Canada
  - France-UK-Ireland-Benelux-Italy
- Disseminating best practices through **13 international working groups**
  - Themes: advanced services, pricing…
  - Products/markets: PV, cable, industrial automation…
- Applying **known best practices** to “good” and “better” categories countries could lead to **material profitability improvement** at group level midterm

Concluding remarks

- 2024 performance demonstrated the strength and resilience of the "new Rexel", in a more challenging market
- In a persistently uncertain economic environment in 2025, strong action plans will help deliver solid figures, despite the cost inflation headwinds
- Encouraging momentum in late 2024 is confirmed in early 2025
- Building blocks are in place to reach our midterm goals

Disclaimer

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 16% 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 11, 2024 under number D.24-0096. 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 11, 2024 under number D.24-0096, as well as the financial statements and consolidated result and activity report for the 2023 fiscal year which may be obtained from Rexel's website (www.rexel.com).