



REXEL

CAPITAL MARKETS DAY

Powering Up Rexel to the next level

Strategic update

JUNE 7TH, 2024



A step change that has created a powerful growth platform...

- ▶ Technological tools (digital, data, automatization, AI)
- ▶ Wide array of value-added services
- ▶ Strengthened North American platform
- ▶ Cash generation and agile cost control culture

... giving us confidence in a new uplift in profitable growth

- ▶ Addressing the most profitable opportunities in a fast-expanding world
- ▶ Taking selective advantage of the numerous megatrends reshaping our market
- ▶ Continuing to leverage all profitability drivers
- ▶ Using M&A as a value-creation driver

Continuing Rexel's transformation to deliver upgraded medium-term targets

Agenda for today

1



**Rexel's journey:
Faster, stronger, better**

2



Our winning formula

3



Our next frontier

4



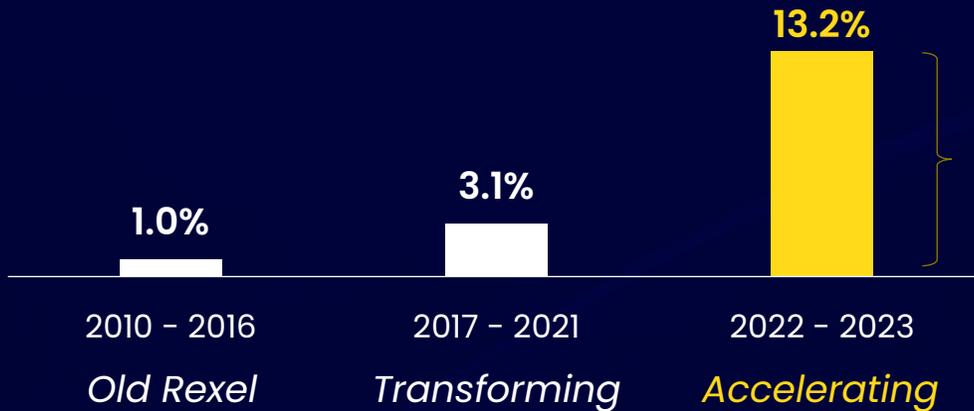
Our medium-term ambition

CHAPTER 1

Rexel's journey: Faster, stronger, better

FASTER – Sales growth accelerating

SALES GROWTH



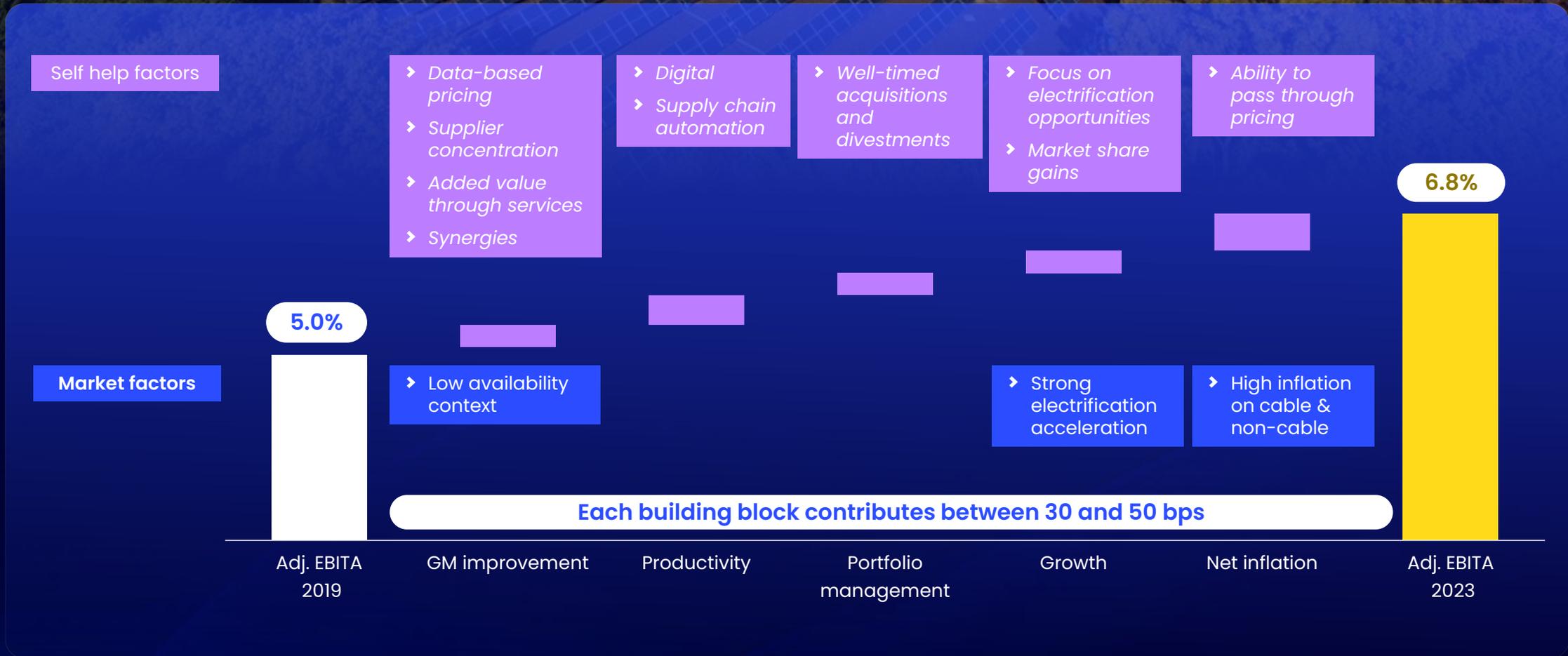
ALL LEVERS CONTRIBUTED TO 2022-2023 SALES GROWTH

- ~1% "Core" volume
- ~2% Electrification volume
- ~6% Price inflation pass-through
- ~4% M&A growth engine

FASTER – Record sales with a more focused portfolio



STRONGER – EBITA step change thanks to transformation



EBITA MARGIN UPLIFT ACHIEVED MAINLY THROUGH SELF-HELP PROGRAMS

STRONGER – Delivering substantial value creation

⚡ ROCE EVOLUTION (2016–2023)



📊 KEY DRIVERS

- 📈 Operational efficiency improvement
- 🔄 Asset turnover increase
- ⚙️ Optimized capital structure
- ⚖️ Strict financial criteria in M&A

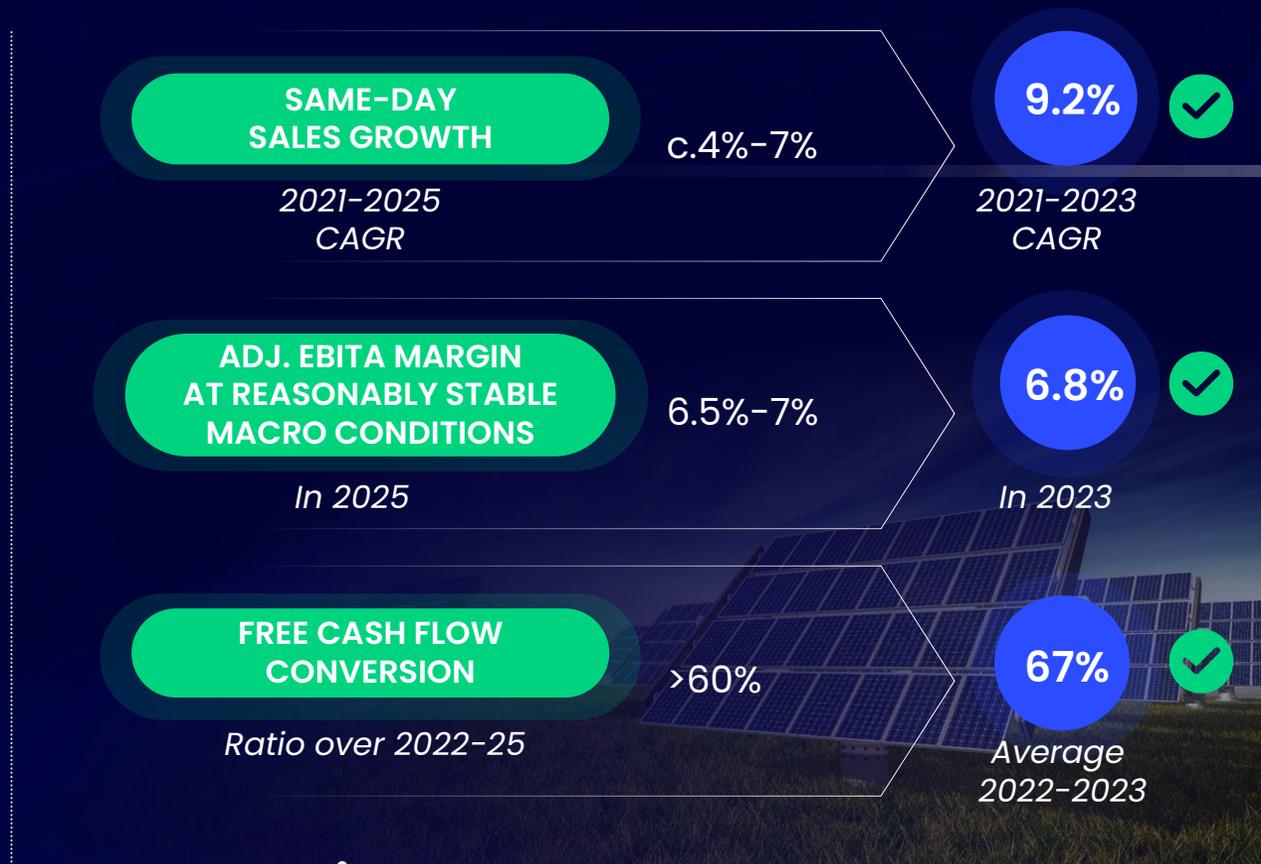
Note*. Capital Employed restated from LBO step up (€1.3bn in 2016 becoming €1.0bn in 2023)

BETTER – Consistently delivering on financial goals

🌱 FULL-YEAR GUIDANCE

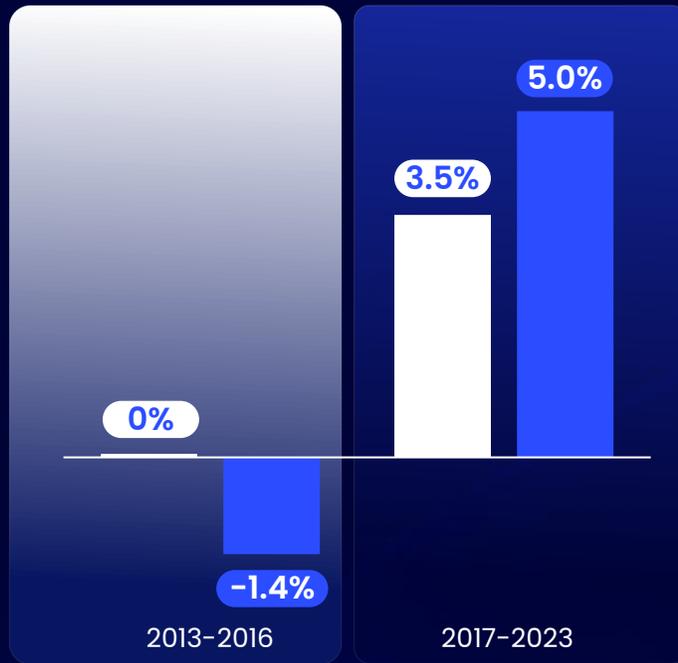


⚡ ON TRACK TO ACHIEVE POWER UP 2025 OBJECTIVES



BETTER – Gaining market share with increased exposure to accelerating market trends

vs. the market



■ Peers* average growth (organic) ■ Rexel sales growth (AD)

vs. competitors



Source: internal analysis and public market data

Note*. Average peers according to our business mix: Rockwell (industrial automation), Schneider, ABB, Legrand (ED players), Nexans (cable manufacturers) & Signify (Lighting)

CHAPTER 2

Our winning formula

CHAPTER 2

Our winning formula



Engaged and customer-oriented teams



Tech-driven in our operations



Adding value to our customers with services



Truly committed to sustainability



Value-creating M&A

Differentiation

CHAPTER 2

Our winning formula

 Engaged and customer-oriented teams

 Tech-driven in our operations

 Adding value to our customers with services

 Truly committed to sustainability

 Value-creating M&A

Growing with **engaged and customer-oriented teams**



Engaged teams



Participation

+11pts vs 2022



Engagement

+1pts vs 2022



Strategy & customer-oriented teams



"I believe my company is environmentally responsible"

+3pts vs 2022



"My company has a clear vision"

stable vs 2022



"My company operates with integrity in its dealings"

stable vs 2022



"My company is truly customer-oriented"

stable vs 2022

Upskilling, reskilling and developing **our talent**



Training all our employees

98%
employees trained in
2023

30 hours
minimum training per
employee per year



Upskilling for future challenges

Skill UP
REXEL LEARNING HUB

New learning hub for
27,000 employees

2,000+
training sessions on
strategic topics:
digitalization, electrification,
sustainability



Developing our leaders

Global Talent
& Leadership Programs

 **Axelerate**
93% top executives trained

Mentoring programs for
150+ managers
per year

CHAPTER 2

Our winning formula



Engaged and customer-oriented teams



Tech-driven in our operations



Adding value to our customers with services



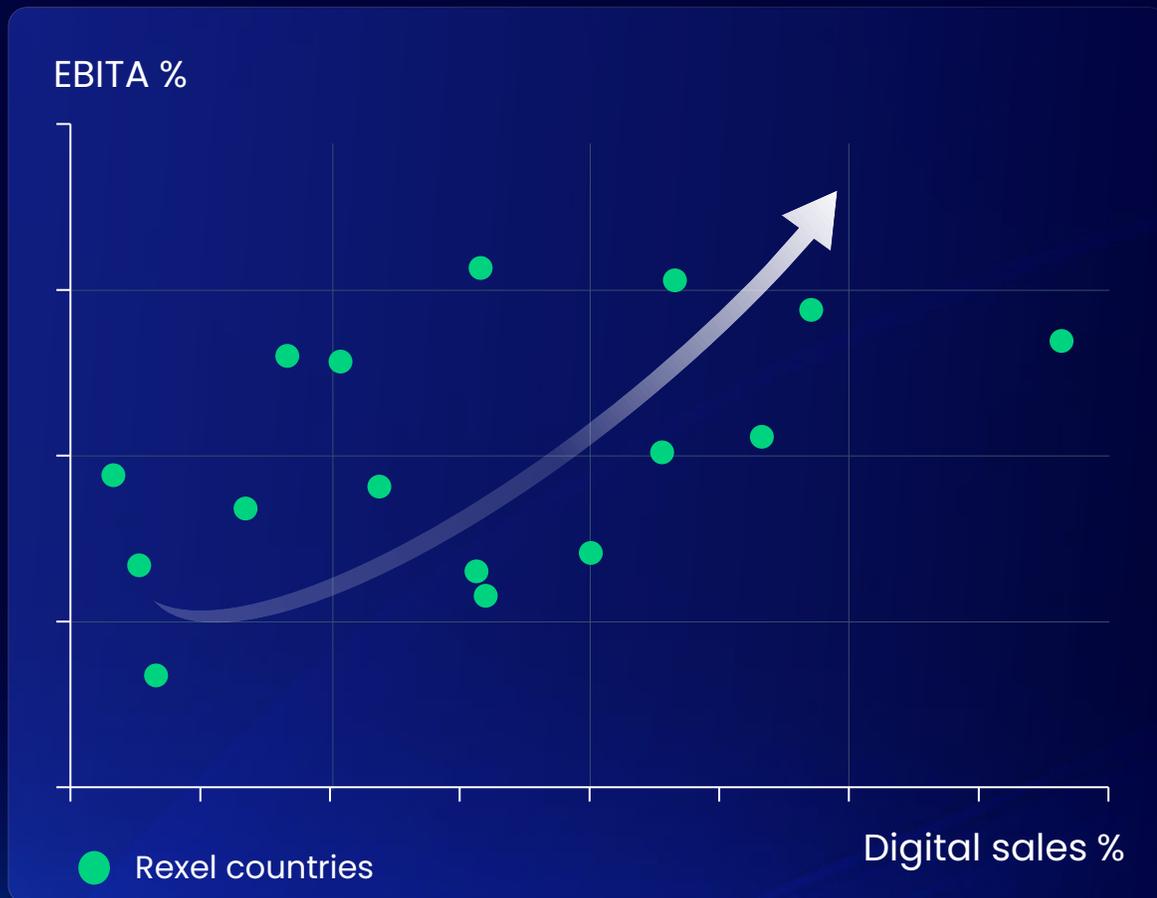
Truly committed to sustainability



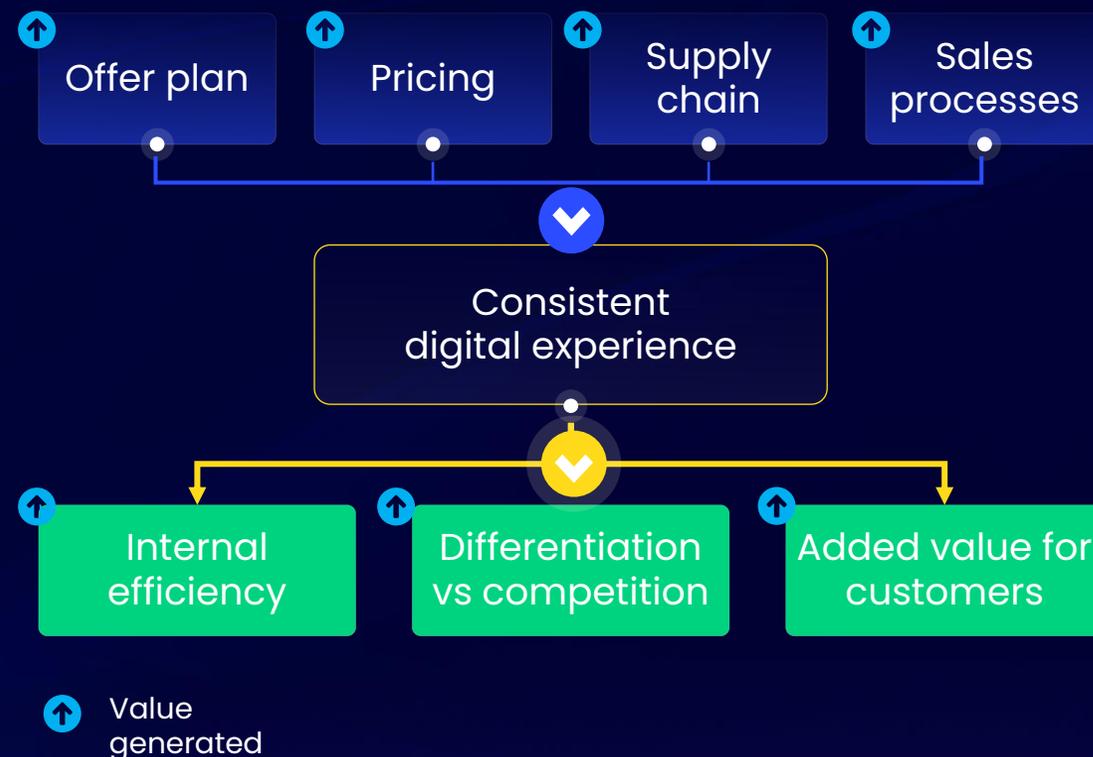
Value -creating M&A

Growth of digital sales will **continue to drive further value**

Countries with high digital sales perform better



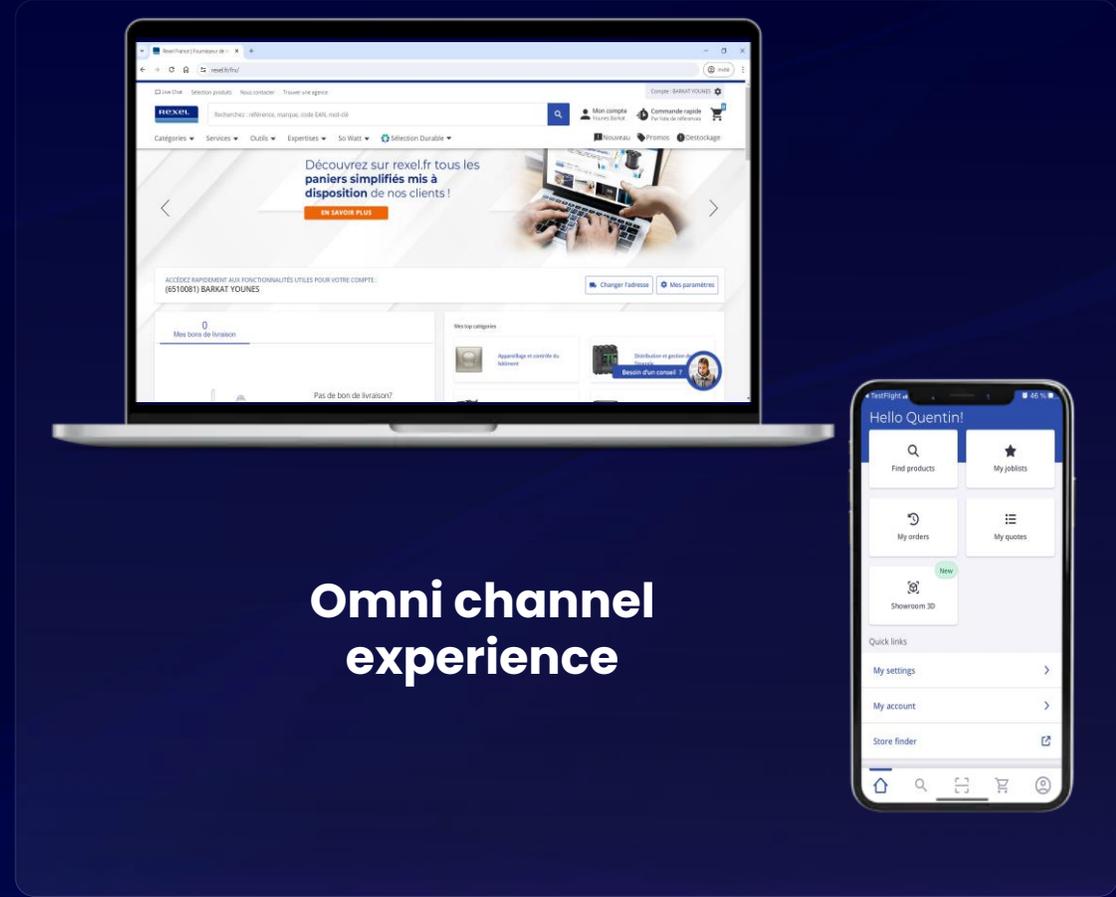
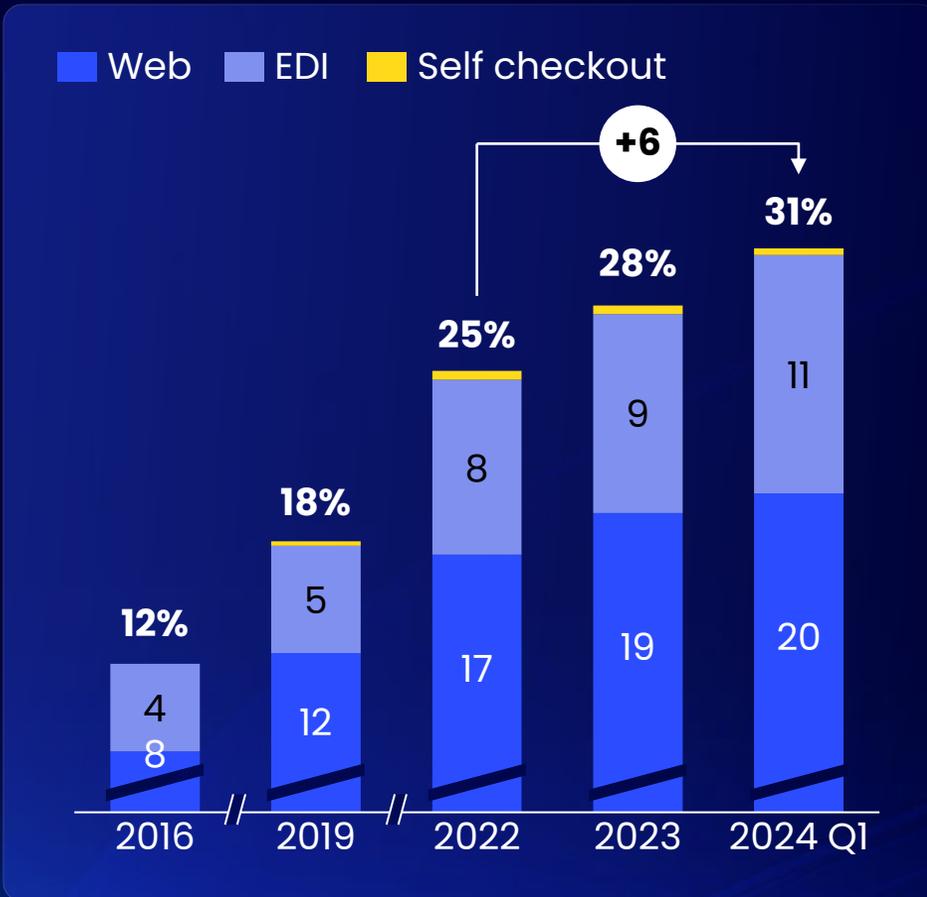
Digital benefits Rexel in several ways



Taking digital to the next level: From **31% today to 50% in medium term**

 **Global digital penetration rate %**
Total digital penetration

 **Our medium-term target: 50% digital sales**



Past AI investments are **paying off**, GenAI for future impact



Predictive AI: Seeing the value of algorithms built in 2019 by in-house team



Commercial efforts prioritization

up to **+1%** additional sales due to churn reduction



Inventory optimization

up to **+3%** additional branch sales



AI-based pricing

75% of sales with advanced pricing
30% of sales with AI



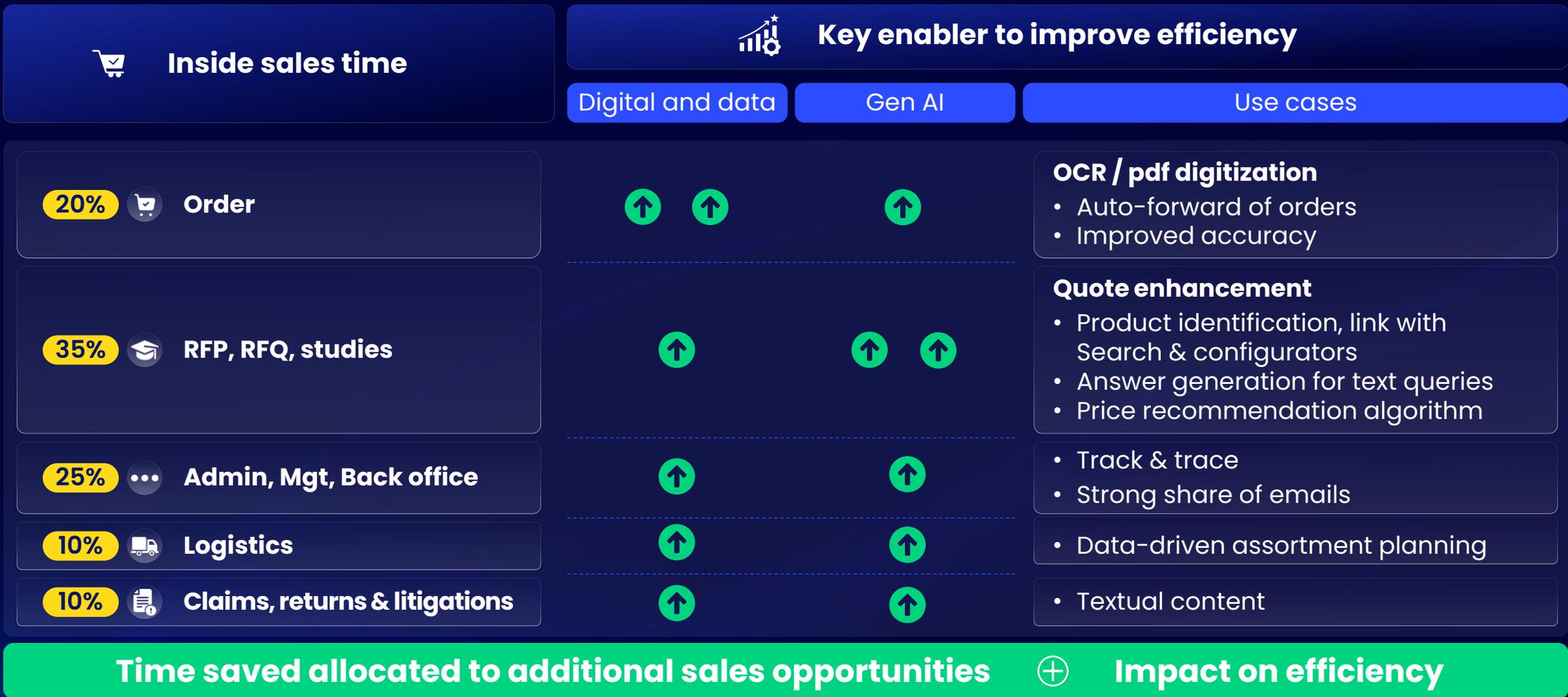
Generative AI: Gain speed and effectiveness

Internal efficiency:
RFP / product data

Customer satisfaction:
chatbots

Employee experience:
Rexel GPT

Digital enabling more efficiency on key functions, **GenAI acting as a booster** – example of inside sales process



A growing, **increasingly tech-driven** supply chain



Faster customer service,
esp. in metropolitan
areas



Consolidation of
supplier offer plan



**More productive
operations**



Enabler for **future growth**
in **low market share areas**



Key achievements



8 new DCs since last CMD



of which
5 automated



+190 robots
(to reach 325 in total)



Medium-term target
15+ automated DCs
500+ robots



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Engaged and customer-oriented teams



Tech-driven in our operations



Adding value to our customers with services



Truly committed to sustainability



Value-creating M&A

Our **customer needs** have **evolved**



BEFORE

Easy product **order & delivery/pick-up**



Efficient **stock management**



Omni-channel & efficient experience for end-customer



The **right pricing**



Our **customer needs** have **evolved**

2 new challenges

Scarcity of **qualified labor**

Complex needs of **end-customers**



Before

Easy product **order & delivery/pick-up**



Efficient **stock management**



Omni-channel & efficient experience for **end-customer**



The **right pricing**



Our **customer needs** have **evolved**

2 new challenges

Scarcity of **qualified labor**

Complex needs of **end-customers**

Easy product **order & delivery / pick-up**

Efficient **stock management**

Omni-channel & efficient experience for **end-customer**

The **right pricing**

+ **'Expert solutions'** for electrification markets

+ Training & support for **electrification markets**

+ Tools to **demonstrate efficiency** gains & ROI of investments

+ **'Sustainable'** product alternatives



Before



Now



A rich portfolio of services tailored to customers' new needs

Basic services

Level 0

- ✓ Mandatory 'minimum' services

Basic logistics



Payment terms & credit management



Basic procurement solutions
(EDI, punch out, mail2EDI)



Must-have services

Level 1

- ✓ Increased **customer stickiness**
- ✓ Reinforced **pricing power**

Customized logistics



Inventory & storage management



Cable cutting



Training and certification



NEW
Express green delivery



NEW
Rentals



Recycling



Maintenance



Advanced services

Level 2

- ✓ Attract new customers
- ✓ Increase cross-selling
- ✓ Generate additional revenues

Advanced financial services



Process modernization



NEW

Integration



NEW

Environmental impact optimization



NEW

On-demand maintenance



NEW

Energy efficiency in buildings

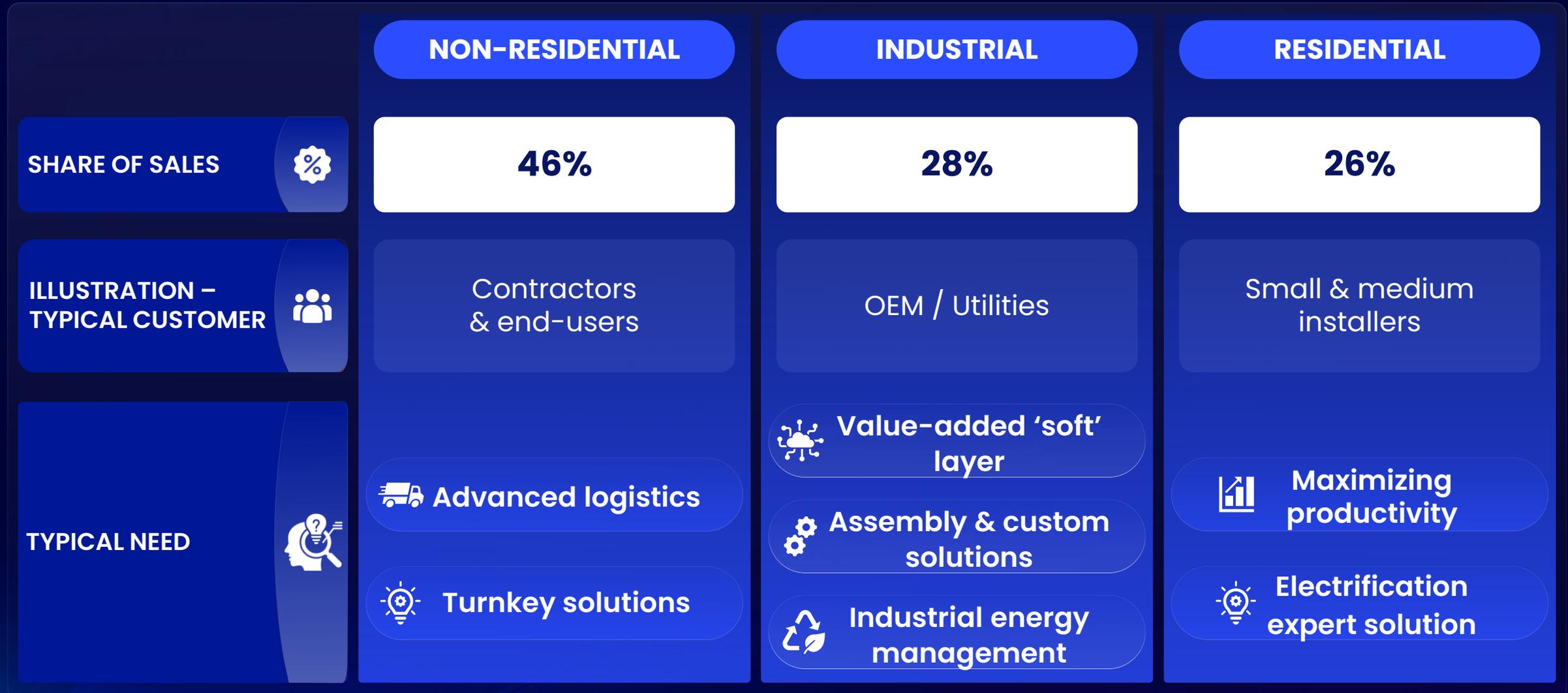


NEW

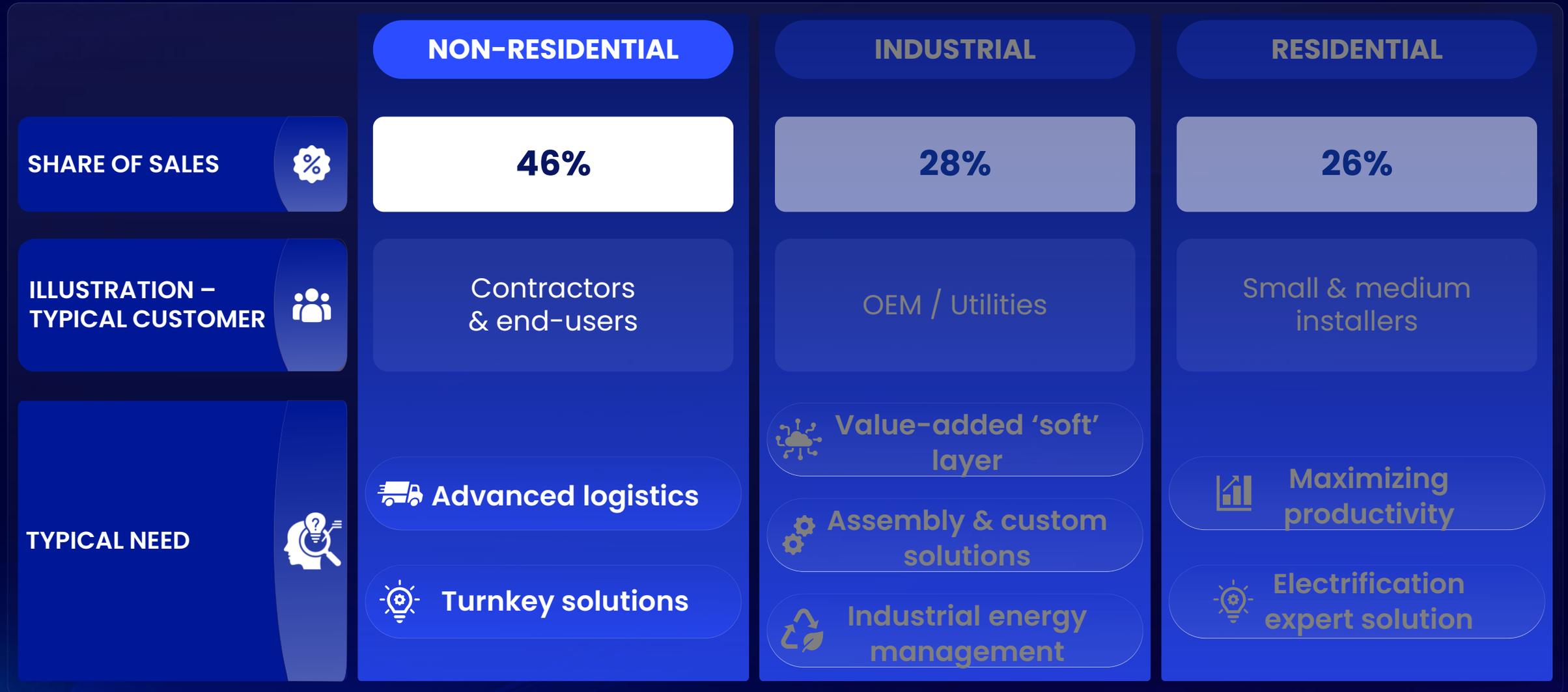
Cybersecurity



We serve **three customer categories** with **different needs**



Adding value to our **non-residential** customers



Our **non-residential clients** in a nutshell

What a typical project looks like



Sydney Airport

- › Airport renovation including lighting retrofit



LOXAM

Rental company for construction professionals

- › Energy efficiency projects



Datacenters

- › Electrical equipment for Facebook datacenters in Covington



A growing opportunity



€8.7bn

2023 Rexel sales

€90bn

2023 adressable market

Efficient logistics solutions and end-user services



Providing advanced logistics solutions



FlexSet assembly

- › **Ready-to-order** Schneider low-voltage **FlexSet** switchboards, ensuring timely delivery of critical equipment



50%
lead time
reduction



BMS pre-configuration

- › **Customized Building Management Systems kits** for installers : definition, pre-configuration and enrollment of solutions toward energy efficiency



90%
time saved
for
installers



Perforex services

- › **Pre-assembly services & kitting delivery** as a compilation of cabinet-equipment and components

20%
time saved
for
installers



Turnkey solutions



Lighting retrofit with **Capitol light**

- › **Sustainable lighting design & retrofit** projects

5,500
retrofits
completed
(since
2006)



Energy efficiency with **OPEN**

- › **Audit & analyze energy consumption** data to achieve greater **energy efficiency & comply with regulations**



€45m
direct &
indirect
revenues
(FR, 2023)



Planning, design & building of **reliable wireless network installations**

- › **Partnership with Senpro.IT** for design, planning & building of reliable & efficient WLAN networks

4 000
clients





FlexSet case study | Assembling custom switchboards

OUR CUSTOMERS' CHALLENGE



I need a distributor able to **customize** switchboards to my specific needs with **minimum lead times**



REXEL'S SOLUTION



Mayer assembles **engineered-to-order** Schneider low-voltage **FlexSet** switchboards

REXEL'S ADDED VALUE

Flexibility

Custom designs based on client needs

Reduced lead times

from months to weeks (emergencies)

Scalable

2 UL-certified assembly locations



50%

Lead time reduction

PARTNERING WITH





BMS case study | Definition, pre configuration and enrollment of plug & play BMS¹ solutions

OUR CUSTOMERS' CHALLENGE



I need a distributor able to provide **plug & play and simple BMS solutions** to minimize preparation **times**.



REXEL'S SOLUTION

Rexel **defines, preconfigures and enrolls BMS** solutions

REXEL'S ADDED VALUE

Solution expertise

Selection, definition and certification

Installation optimisation

from weeks to days

Relationship with partners

Full integration with partners' platforms



90%

time saved for installers



95%

after sales demand

PARTNERING WITH



SIEMENS



OPEN case study | Helping customers in their energy transition

OUR CUSTOMERS' CHALLENGE



I need to **improve** my building's **energy efficiency** to comply with the **Tertiary decree**



REXEL'S SOLUTION



Online platform which helps **end-users** improve **energy efficiency** & adapt to **regulations**

REXEL'S ADDED VALUE

Automated energy audit

Compliance with Tertiary decree
data gathering & progress monitoring

Support in financing
(Easy CEE service)



€34m

Direct & indirect revenues (YTD 2024)

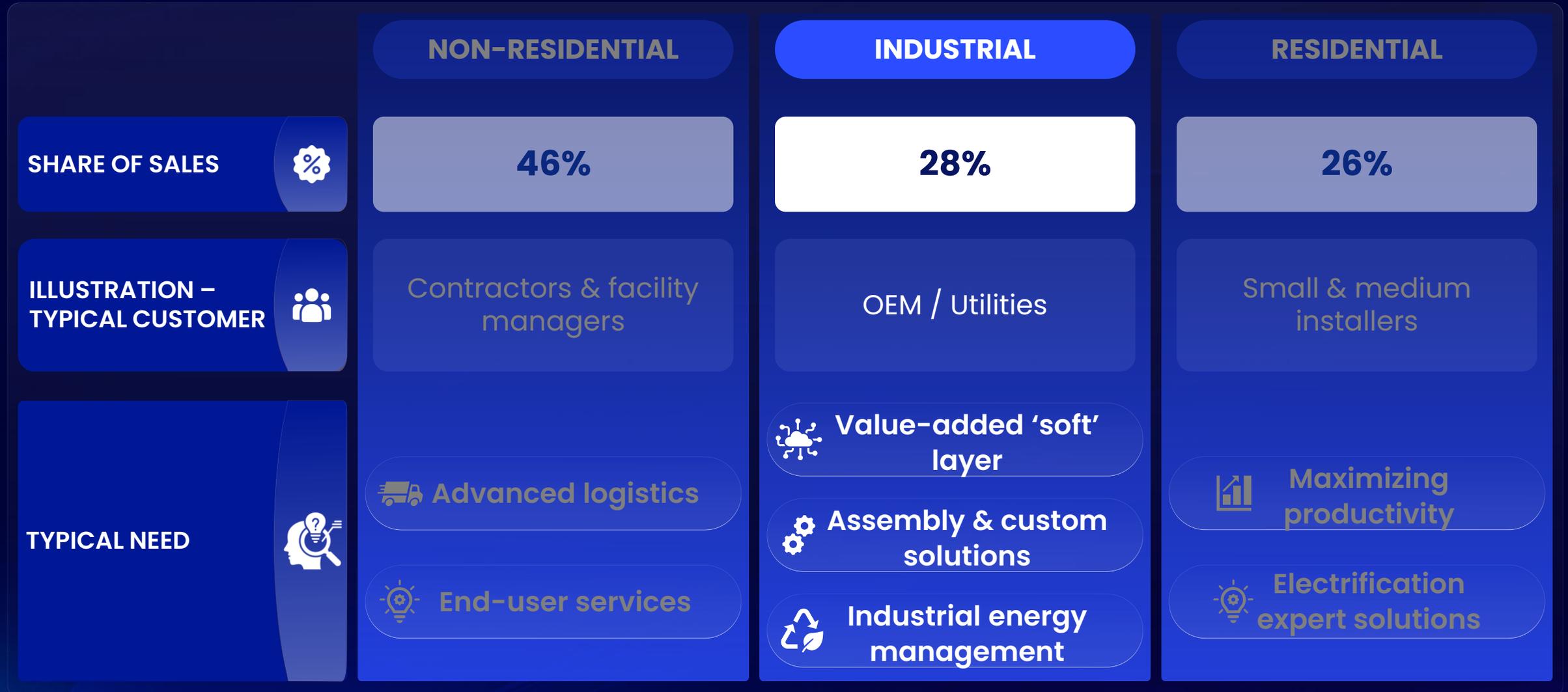
CLIENT EXAMPLES

CENTRAKOR



Gamm vert

Adding value to our **industrial** clients



Our **industrial** clients in a nutshell

What a typical project looks like



Hydro site modernization

- › Energy production installed base evaluation to **modernize automation equipment**



Automotive assembly line

- › Modernization of **automotive production line, functional analysis**, integration of **automated systems**



Vegetable canning factory

- › Modernization of production line automation resulting in enhanced **machine reliability & product quality**

A growing opportunity



€5.5bn

2023 Rexel sales

out of

€80bn

addressable market



Software, custom solution & energy efficiency for our clients



Value-added 'soft' layer



Cybersecurity assessment

- › Assessment of vulnerabilities to cyber threats and bug prevention



Digital twins

- › Digital twins for industrial customers to dynamic simulations



Assembly & custom solutions



Custom control panels with Litetec

- › Custom solutions for electrical, control and automation applications



Kitting & assembly for Vinci

- › Special manufacturing of the cabinets (Drilling and EDF color)



Industrial energy management



Energy efficiency with Rexel Austria

- › Energy Efficiency competence center dedicated to industrial customers



Luminaire retrofiting

- › Installation of retrofit customized LEDs for a power plant





Cybersecurity case study | Building resilience for our industrial customers



OUR CUSTOMERS' CHALLENGE



I need support to **spot the vulnerabilities** in my industrial systems and **strengthen my cybersecurity**



REXEL'S SOLUTION

Help **assess vulnerabilities** to cyber threat and **implement defenses**

REXEL'S ADDED VALUE

Industry focused **cyber teams**

Understanding of **operational technology environments**

Partnerships with industry-focused cybersecurity players



Rexel's digital demonstrator



CLIENT EXAMPLES



Litetec case study | Building custom control panels



OUR CUSTOMERS' CHALLENGE



I do not want my operations team to lose time **designing & assembling custom control panels**



REXEL'S SOLUTION



Building **custom solutions** for **electrical, control and automation applications**

REXEL'S ADDED VALUE

Custom solutions design
(Basic panels to complex PLC controllers)

Access to leading suppliers
Schneider, Rittal



50+

clients served in 2023

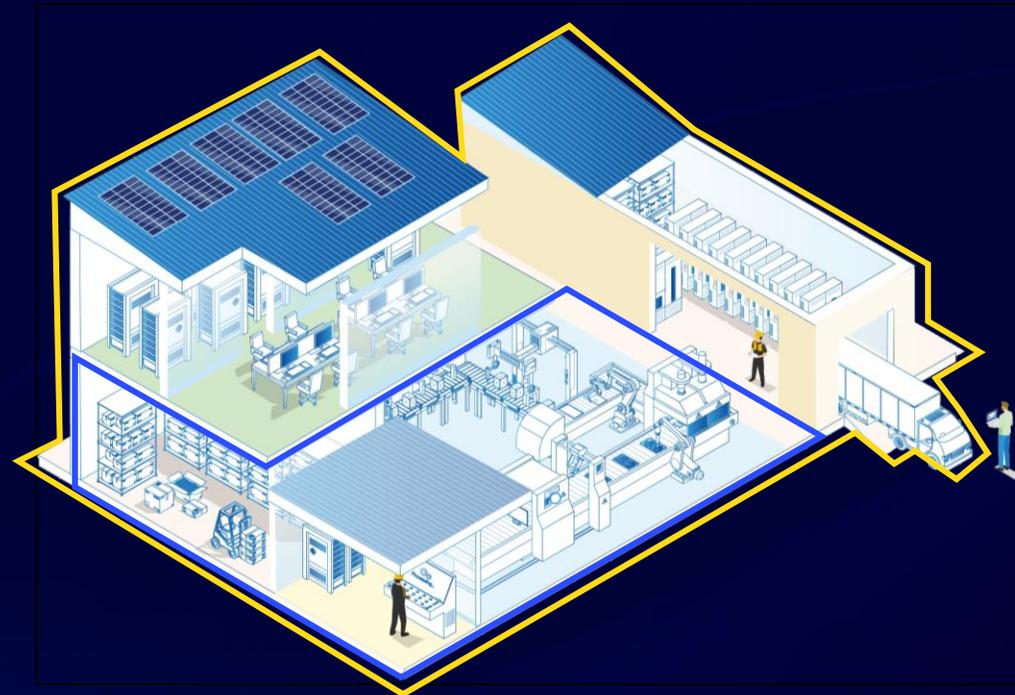
CLIENT EXAMPLES



FROM infrastructure work TO advanced tech & services

BEFORE

- › Focus on the **production process area**
- › **Industrial automation & control** solutions
- › **Core industry services** (Audit, Training, Inventory management)



TODAY

- › Addressing the **entire industrial infrastructure**
 - › **Energy efficient** (BEMS)
 - › **Decarbonated** (EV / PV)
 - › **Protected** (electronic security)
- › **Advanced industrial automation technologies**
- › **Advanced industrial services**
 - › Predictive / computerized maintenance
 - › Retrofit / Modernization
 - › Cybersecurity audits
 - › Etc.

REXEL Austria case study | Enabling customers on energy efficiency

OUR CUSTOMERS' CHALLENGE



I want to **monitor** my **energy consumption** & identify **savings**



REXEL'S SOLUTION

REXEL Austria's **energy efficiency competence center** helps implement energy efficiency solutions

REXEL'S ADDED VALUE

One-stop shop
hardware, integration, financing, etc.

Regulatory compliance
with EU taxonomy regulation

Partnerships
with leading hardware providers



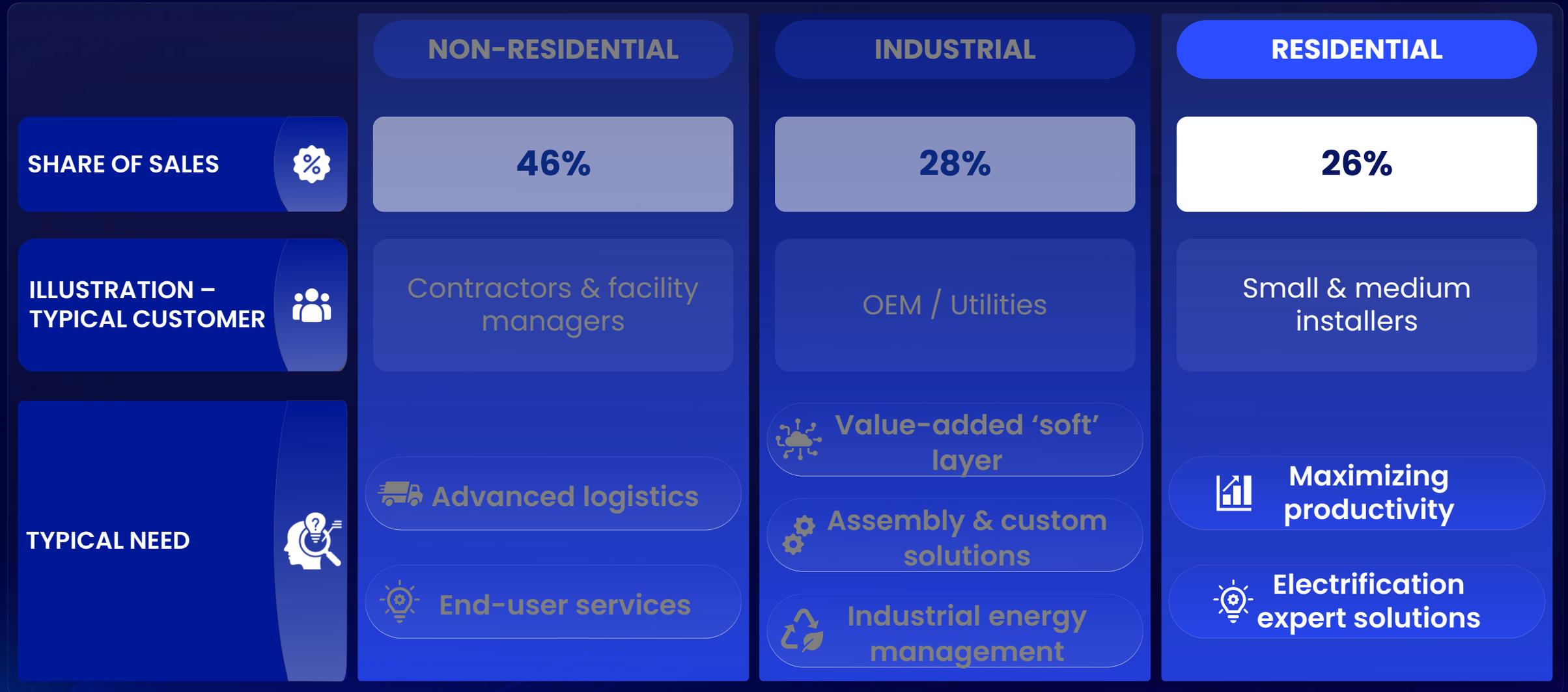
>50%
Energy savings

CLIENT EXAMPLES

ewe



Adding value to our **residential** clients



Our **residential** clients in a nutshell

What a typical project looks like



Residential apartments

- › **Building renovation, including** installation of heat pumps and smart thermostats



Eco-sustainable lodges

- › **Construction project for a luxury lodge incl. smart home & energy storage solutions**



Individual houses

- › **Full renovation** including lighting, heating, electrical equipment

A growing opportunity



€5bn

2023 Rexel sales

out of a

€50bn

adressable market

Time-saving solutions & electrification expertise



Maximizing productivity



ESABORA & Comtech: Business enablers



› **Software** to help installers efficiently **manage** their **business**



12k

Esabora users



SAFIR: Simplifying access to subsidies

› **Support for professionals** to benefit from state subsidies for energy renovation projects

200

registered installers



Electrification expert solutions



pvXpert: designing solar installations



› **Web-based software** for PV project planning and profitability modelling



17k

projects



MAVISUN: Kitting & installing residential PV

› **Design & sizing** of **PV projects** and **solar solutions**

300k

installed kits with small installers



WASCO College: Electrifying heating

› **Upskilling installers to propose energy efficiency audit & building electrification**

5,100

Clients enrolled



Click for detailed case study

Esabora case study | Simplifying customers' day-to-day

OUR CUSTOMERS' CHALLENGE



I need a **software** to help me **save time on administrative tasks**



REXEL'S SOLUTION



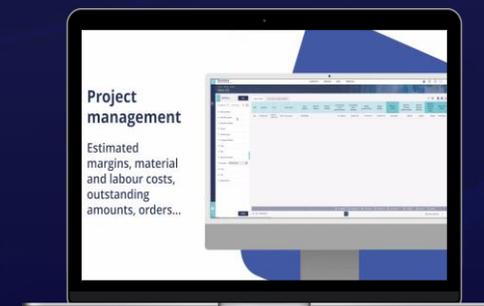
Software solutions to help installers efficiently **manage their business**

REXEL'S ADDED VALUE

Fast & easy admin
through automated processes

Data
Client / supplier data in one platform

Easy purchasing
direct link to Rexel webshop



12k
Esabora users

pvXpert case study | Supporting clients in PV system planning & calculation

OUR CUSTOMERS' CHALLENGE



I need help to design PV panel installations & model profitability



REXEL'S SOLUTION



Web-based software for **planning & calculating** a PV system

REXEL'S ADDED VALUE

Fast & easy planning

c. 20 min instead of multiple site visits

Advanced modeling
of profitability

Easy purchasing:
direct link to Rexel webshop



+17k
projects



>300
active pvXpert users

Growing the share of clients purchasing **advanced services**



Benefits for Rexel

-  **Our customers are eager for services**
 - › To improve their efficiency
 - › To help them address new opportunities
-  **This trend plays to Rexel's strengths and represents a further opportunity**
 - › More **customer satisfaction**
 - › More **stickiness**
 - › Expand **market share**
 - › **Incremental turnover** for the most differentiated services

CHAPTER 2

Our winning formula



Engaged and customer-oriented teams



Tech-driven in our operations



Adding value to our customers with services



Truly committed to sustainability



Value-creating M&A

Sustainability is becoming increasingly important to our customers

**MEET REQUIREMENTS OF
THEIR CLIENTS**



TENDERING

**REACH THEIR
SUSTAINABILITY
OBJECTIVES**



**ADDRESS GROWING
REGULATION**



Truly committed to sustainability:

Drive change by helping customers make choices



**Sustainable
Selection**
by REXEL

Since October 2023

100,000

products

19

countries

1

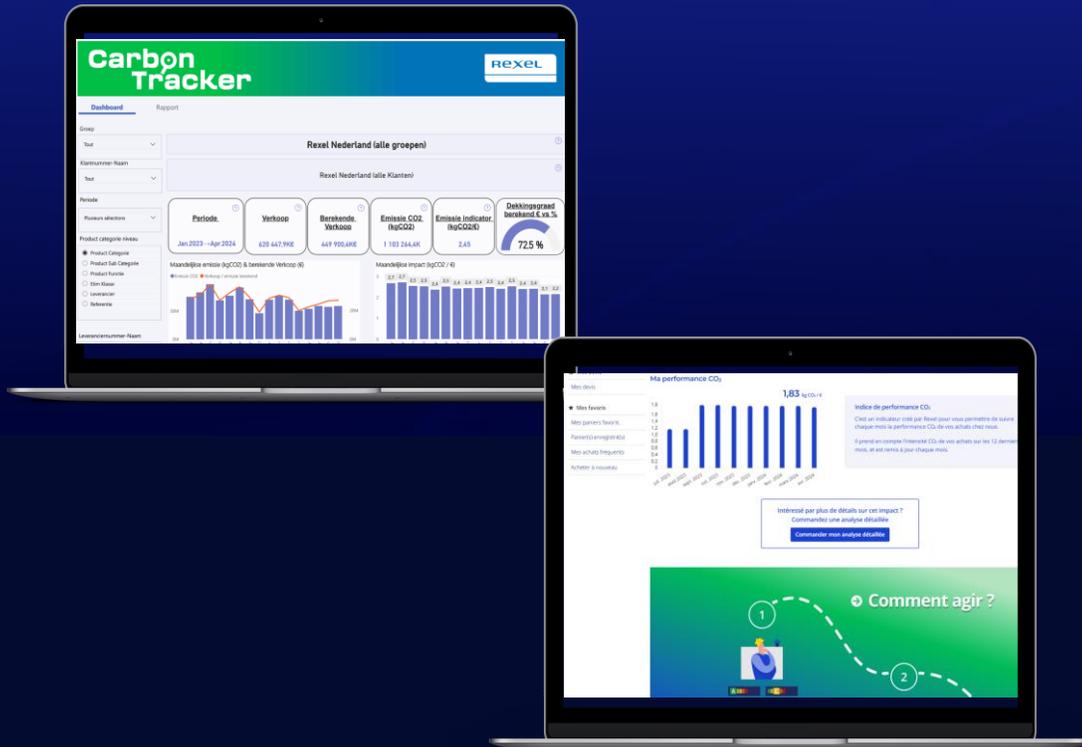
label

Truly committed to sustainability:

Provide services to measure and compare

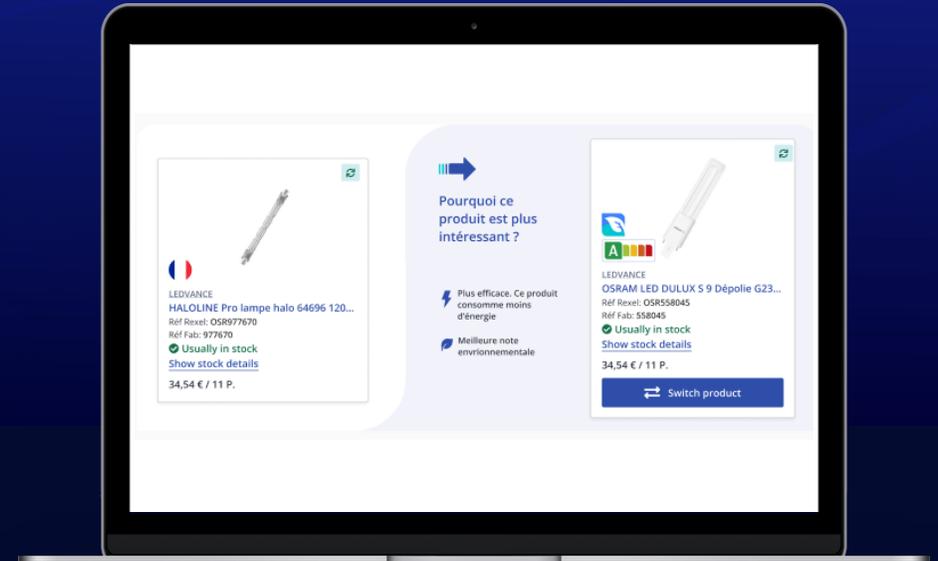
Carbon tracker/“My CO₂ Impact”

→ Share CO₂ data with customers



ECOBOOST

→ Score products



Truly committed to sustainability: Pioneer in sustainable partnerships



Nexans
ELECTRIFY THE FUTURE



Circular business model example with Nexans copper recycling

52 tons of copper recovered in 2023

Truly committed to sustainability:

Engage our organization from top to bottom

Motivate & retain

84%
employees trained
on climate change

86%
employees consider we are
environmentally
responsible

Organize & challenge

17
sustainable leaders
in countries

1
dedicated Board
committee

Incentivize & assess

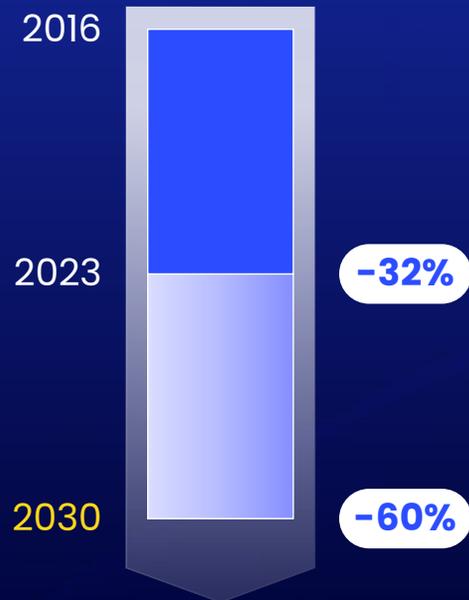
4
LTI KPIs

25%
of CEO's variable
compensation

3
Sustainability -Linked bonds

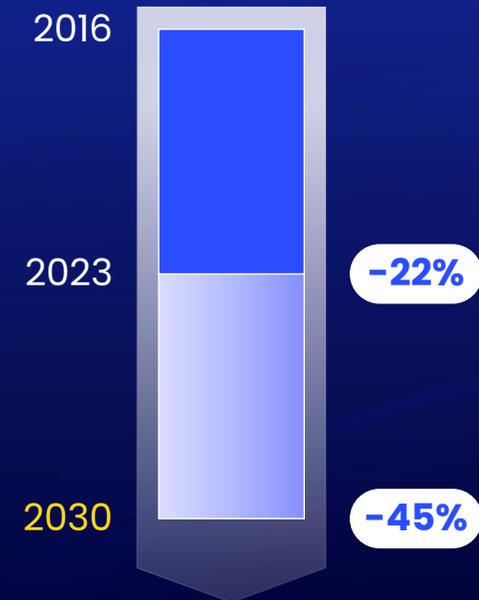
Truly committed to sustainability: On track to meet our commitments

Scopes 1&2



Transition plans by country to 2030

Scope 3 – Use of products sold



Operationalization of Scope 3 roadmaps

Dedicated action plans for the challenging last mile

Truly committed to sustainability:

A pioneering industry leader



Sole "Net Zero" electrical distributor

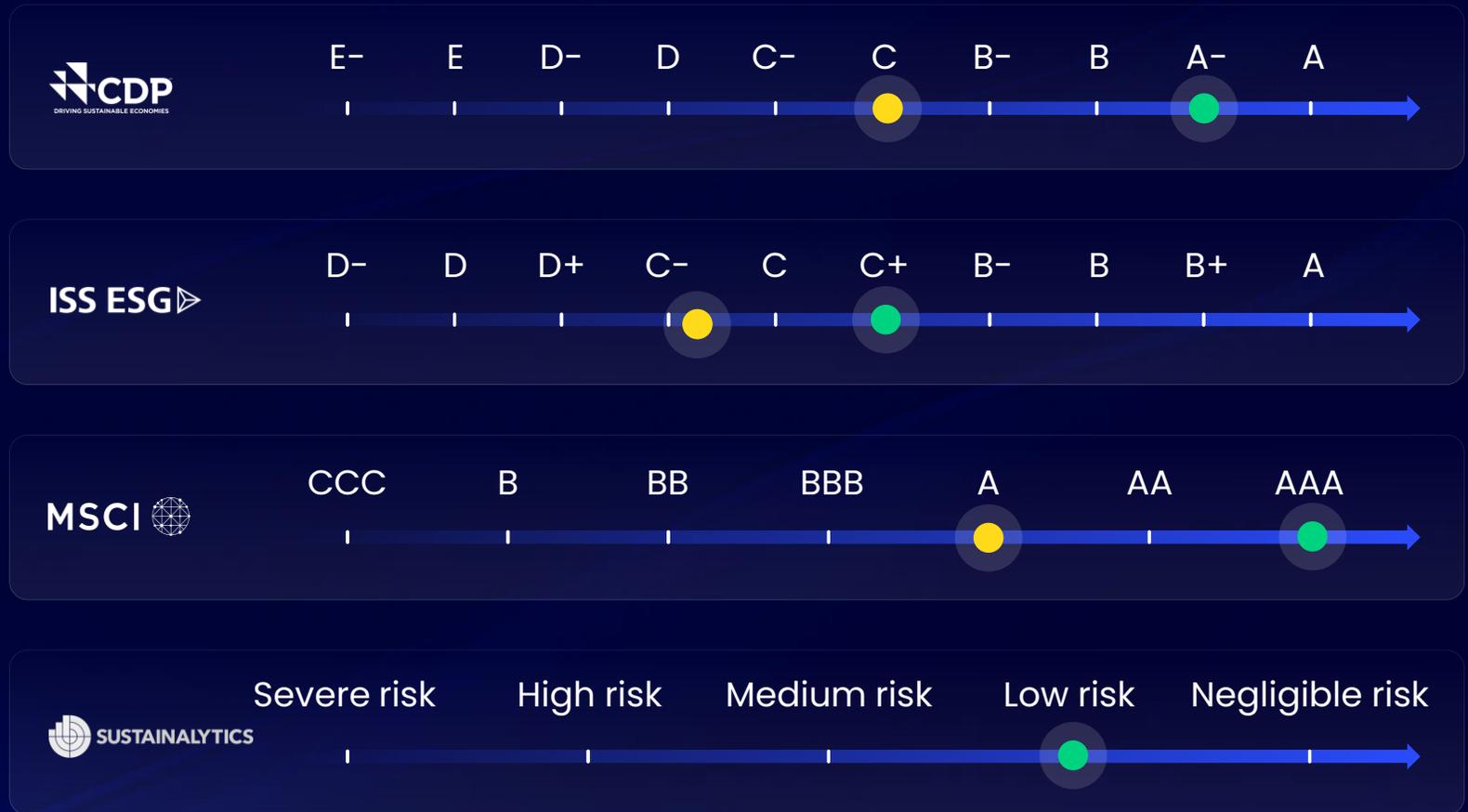


SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

● 2023 sector average

● 2023 Rexel performance



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Tech-driven in our operations



Adding value to our customers with services



Truly committed to sustainability



Value-creating M&A

Accelerating our strategy through M&A in a **consistent and value-creating way**



Rexel brings...

Consolidation

- Digital
- Data-based tools
- Back-office optimization
- International best practices
- Critical mass with vendors

Adjacencies

- Digital
- Data-based tools
- Global coverage



Acquired company brings...

- Local reputation & relationships
- Best practices (services)

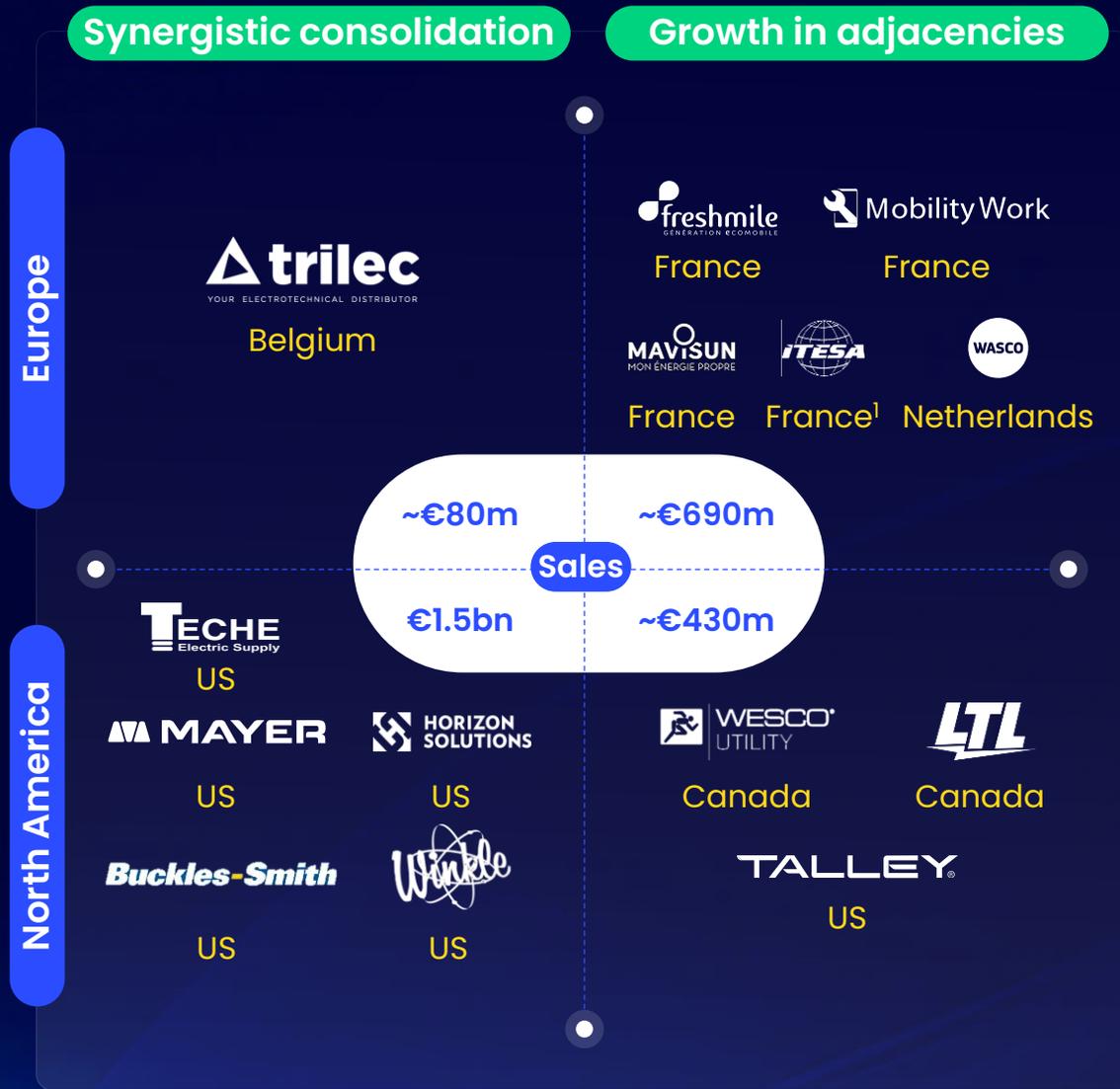
- Expertise
- Established name in a new field
- Relationship with new suppliers
- Different & replicable offering

And in all cases...

- Good company and talents
- Shared values
- Value -creating business plan

 Key success factors

Excellent **M&A track record** since 2021



- 14 transactions** since 2021
- 4% contribution** to sales growth 21-23 CAGR
- c. 6x EV/EBITDA multiple** based on 2023 figures
- Delivering **> 11% ROCE** in 2023*

Note*. Despite several being still in integration phase / Excluding H2 2023 acquisitions, ROCE > 14%

1. The completion of this transaction remains subject to France antitrust approval and customary closing conditions

CHAPTER 3

Our electrifying future

Secular acceleration trends are here to stay



Medium-term electrification trends **fully confirmed**



New supporting trends **emerging every year**



2023-2024 unusual "**roller coaster**" years on a fast-growing trend



Expanding opportunities from electrification of everything



Agility and **selectivity** key to success



Different ways in Europe and North America

⚡ Studies confirm medium-term **electrification trend**

Net Zero ambition reshaping energy landscape

ENERGY TRANSITION

% of **renewables** in energy supply



DECARBONIZATION

% of **electricity** in final energy consumption mix



GRID MODERNIZATION

Avg. global yearly **grid investments**



Electrification trend already strong and set to continue



Illustration in Europe: New installations (million units)



Residential
PV

1.0m
2020

+9%

2.2m
2030



Heat
pumps

1.5m
2020

+11%

4.2m
2030



Home &
work EV
stations

0.7m
2020

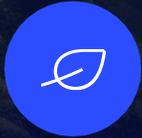
+26%

7.8m
2030

CAGR 2020-2030



Electrification trend **supported by strong drivers**



NET ZERO AGENDA

› States & corporates are taking commitments to reach Net Zero



ENERGY TRANSITION STIMULUS PLAN

› Large public investments unlocked to achieve Net Zero



REGULATION ON ELECTRIFICATION

› Regional/Country regulations drive electrification



ELECTRIFICATION PAYBACK

› Electrification penetration driven by attractive payback

Illustrated by clear country targets



COP27 (2022): limit global warming to 1.5°C



EU Green Deal (2020): €1tn investment over 10 years



RE2020 ban on natural gas heating in France



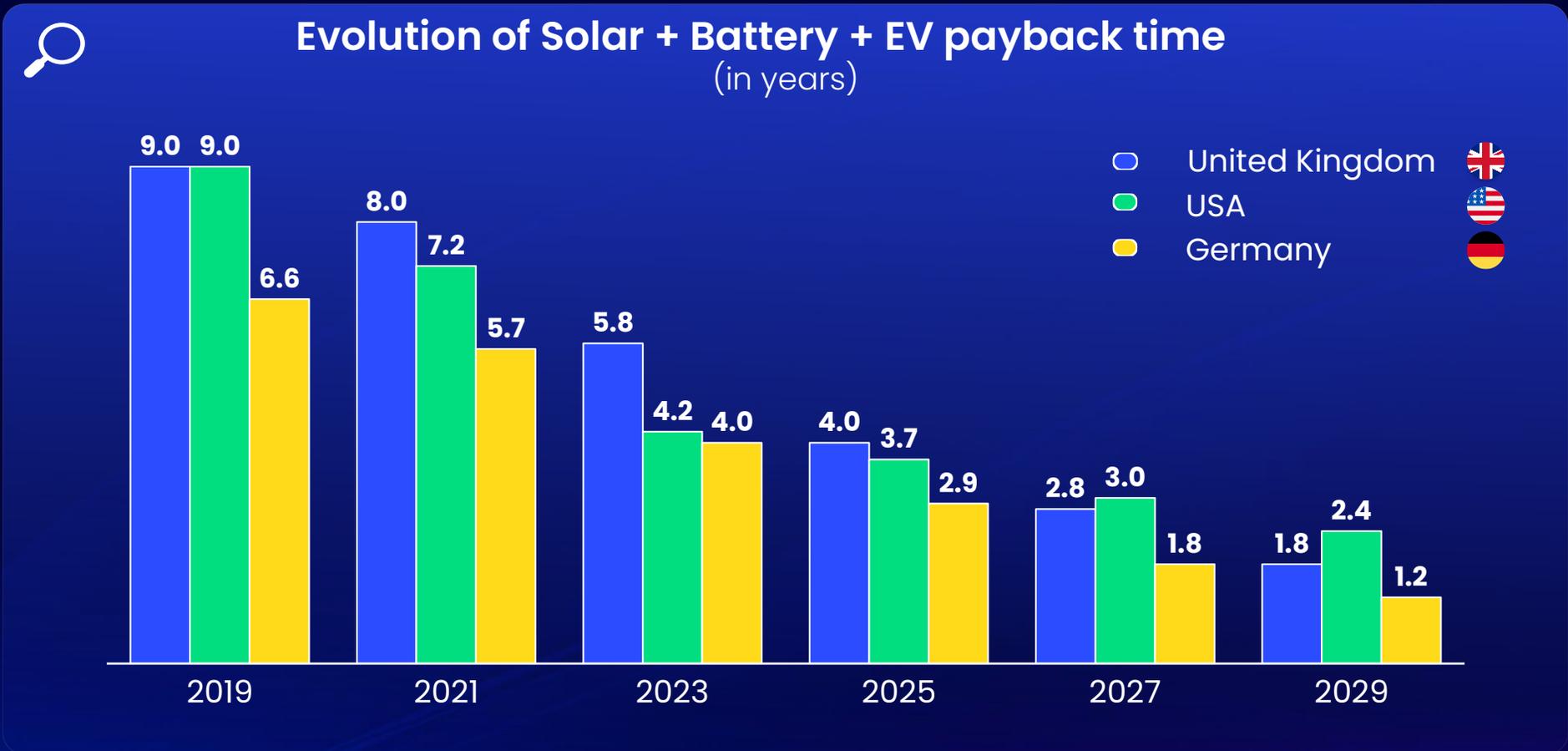
4-5 year payback time for PV + battery + EV



Zoom in next slide

⚡ Attractive payback drives electrification

Economic payback calculations will become an increasingly important driver beyond **regulation stimulus & Net Zero agenda**



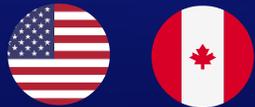


New supporting trends **open further opportunities,** especially in North America

Reshoring critical industries

\$930bn

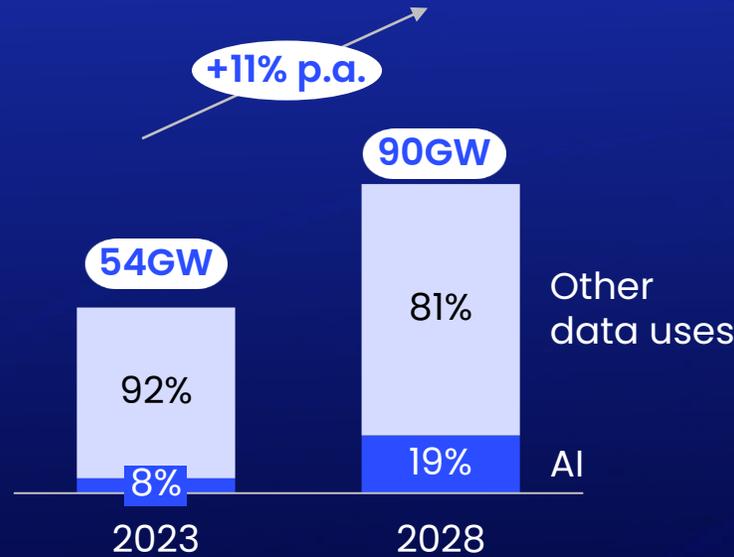
Cumulated **mega-projects** since Jan. 2021 (EV battery, semiconductors, healthcare)



x3
normal run rate



Exponential growth of data center workload



x2

share of AI in **data center workload**



Increased investments in electricity grids

Global investment in grid modernization



\$10.5bn

US grid modernization federal funding (2021)

Expanding opportunities from **acceleration** of **electrification** of everything

⚡ Rexel's addressable market¹ 2023

📊 Our strategy



Electrification is opening brand new growth areas

- EV charging solutions
- Renewable energies solutions
- Electrical HVAC solutions



Some existing adjacent markets are also accelerating

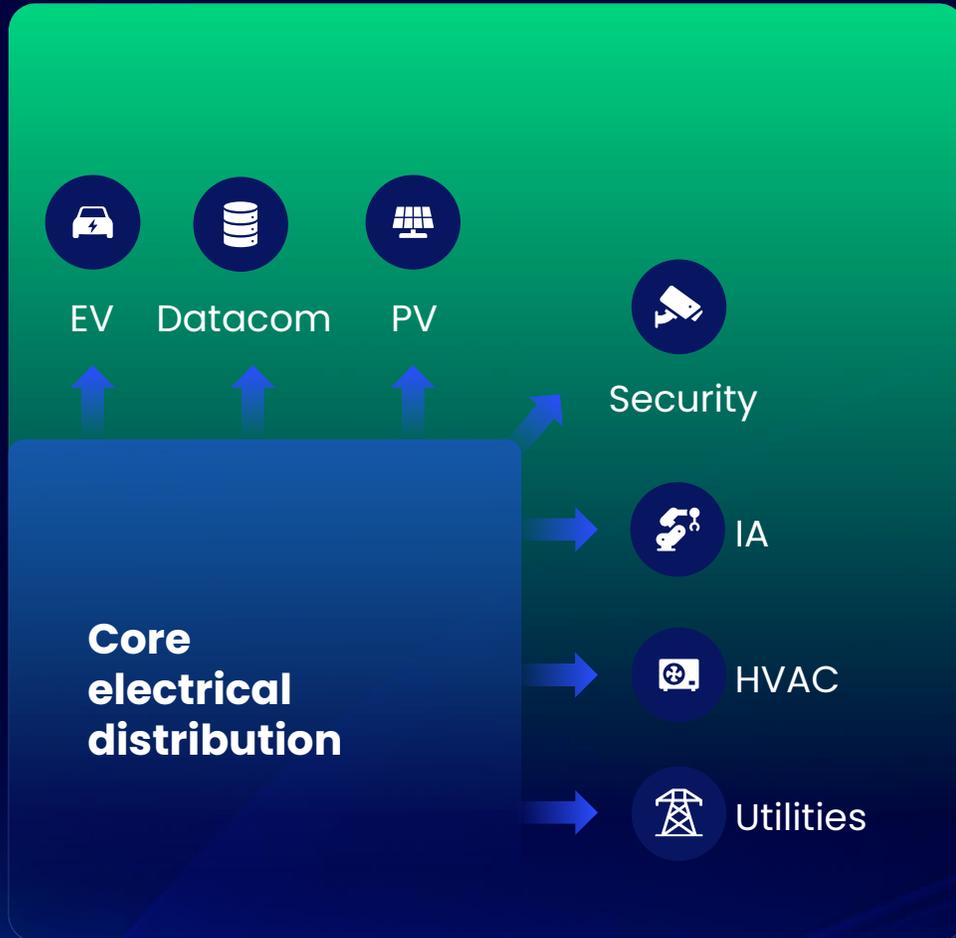
- Datacom
- Industrial automation
- Utilities

(1) Addressable market : Distributor market in Rexel's countries

Sources: LCP Delta, Solar Power EU, BSRIA, MSI Reports



Diversified but selective growth strategy in **'acceleration' markets, agility & selectivity is key**



Focus on the right **'acceleration'** subsegments / countries

- › Growth potential
- › Synergies with core (in particular common customers)



Choose the right entry point

- › Organic growth when possible
- › Acquisitions when necessary
 - › Quality and reputation of the acquired company
 - › Price vs. synergies



Ambition to **be present on multiple attractive opportunities** to deliver regular growth, as **"acceleration" markets can experience stop-and-go**



This strategy is **becoming a reality** – with **different priorities** in **Europe vs. North America**



- Datacom:** Develop through M&A in a mission-critical but not overpriced space
- Utilities:** Build a complete service offer, including testing of safety equipment
- Industrial Automation:** Develop industrial service offer to our customer
- PV:** Propose products & design solutions in Europe & USA
- EV:** cross-sell products & configuration solutions to non-resi clients in Europe & USA
- HVAC:** Bring a one-stop offer to our customers as energy transition accelerates
- Security:** Consolidate our leadership in an attractive, specialist market



In 2023, 'acceleration businesses' represent almost **one-third** of Rexel's business

	FY23 sales	Mid-term growth	Synergies	Add-on	Key countries
 Industrial automation	€2,350m	++	+++	+++	  
 HVAC	€1,300m ¹	+	++	++	 
 Photovoltaic solutions	€1,100m	+	+++	++	 
 Datacom & Security	€1,000m	++	++	+++	 
 Utilities	€120m	+++	+	+	
 EV charging solutions	€200m	+++	+++	+++	 
Total	~€6,100m c. 32% of total				

Legend: + ++ +++
 Moderate High Very High

1. Including WASCO pro-forma

Synergies including “add-on” effect are important, especially in select countries / segments

Cross-selling synergies

Client examples



› Selling **PV design software** (PVXpert) as well as hardware to residential clients



› **Energy renovation** project for Loxam, including basic electrical equipment and **EV charging** turnkey solution



› **PLC automation system modernization** project (incl. software) for long-term electrical client NASA



‘Add-on’ effect driving incremental sales

10% incremental sales



› Solar PV **‘Balance of systems’**: wiring, switches, mounting system...

15%-20% incremental sales



› EV and PV **electrical installation revamping** (circuit protection)

10% incremental sales



› **EV & Industrial Automation** services & software

Case study: Datacom market in North America



Fast-growing market influenced by:



Value-accretive acquisitions in North America

Mobile data usage
(TMB)

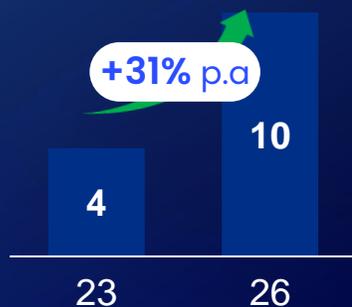


Synergies with existing Rexel customers



- › Power management in datacenters
- › Common or coordinated installers on many projects

US market cellular demand
(EB / month)



Successful build-up for Rexel in North America



Acquisition of TALLEY: Building our presence in the datacom business in the US

Rexel

TALLEY
You Connect the World. We Make it Easy.™

A unique opportunity for Rexel in the US



A recognized player with a strong reputation



\$9bn

Addressable market



>300

Additional suppliers in portfolio



Reinforced our exposure to the fast-growing data usage trends

Value-accretive for Rexel US



FY 24 sales

\$360m
(est.)



Fully synergized multiple

~7X
EBITDA



Attractive transaction multiple

Accretive to EPS in year 1

Value creation in year 2

Strong potential for synergies



Building critical mass effect



Expanding geographical coverage across US regions



Leveraging Rexel's customer base & projects



Adding electrification to Talley's customer basket

Case study: Utilities market in Canada

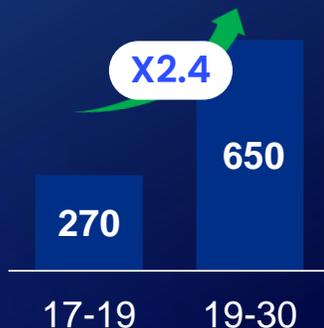


Fast-growing market influenced by:

Strong increase of electricity consumption



Grid investment mega-projects



Value-accretive acquisitions in Canada



Building on established success factors

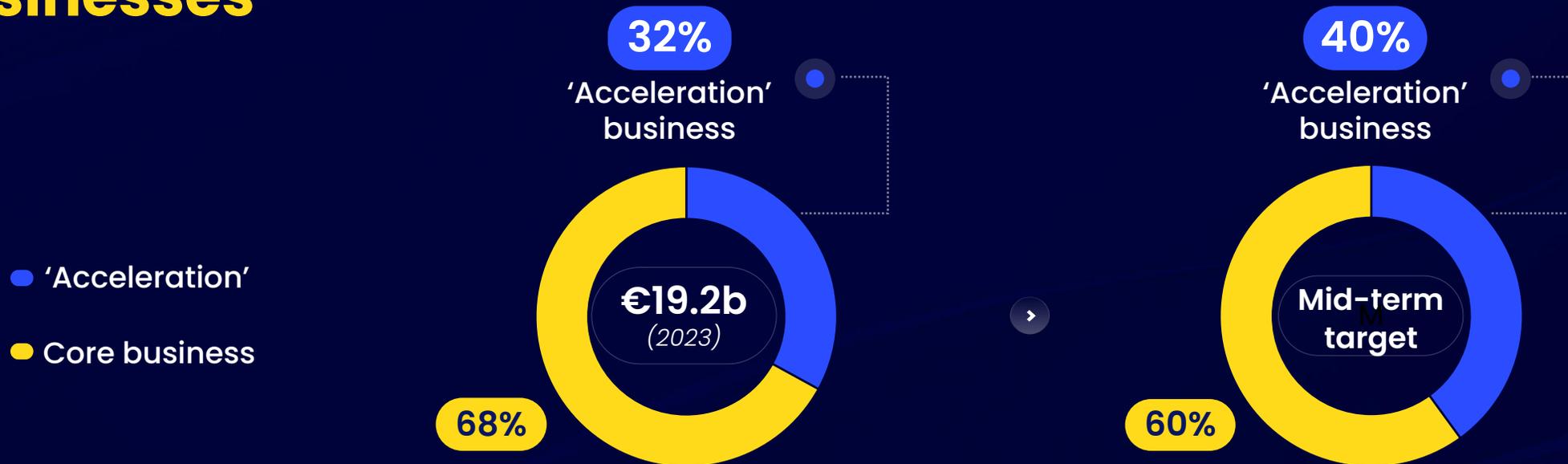
- ▶ Strong relationship with Utilities suppliers
- ▶ Differentiated added value services (safety, repair, maintenance)



Successful build-up for Rexel in Canada



Medium-term target: **Towards 40%** of sales in **'acceleration businesses'** REXEL

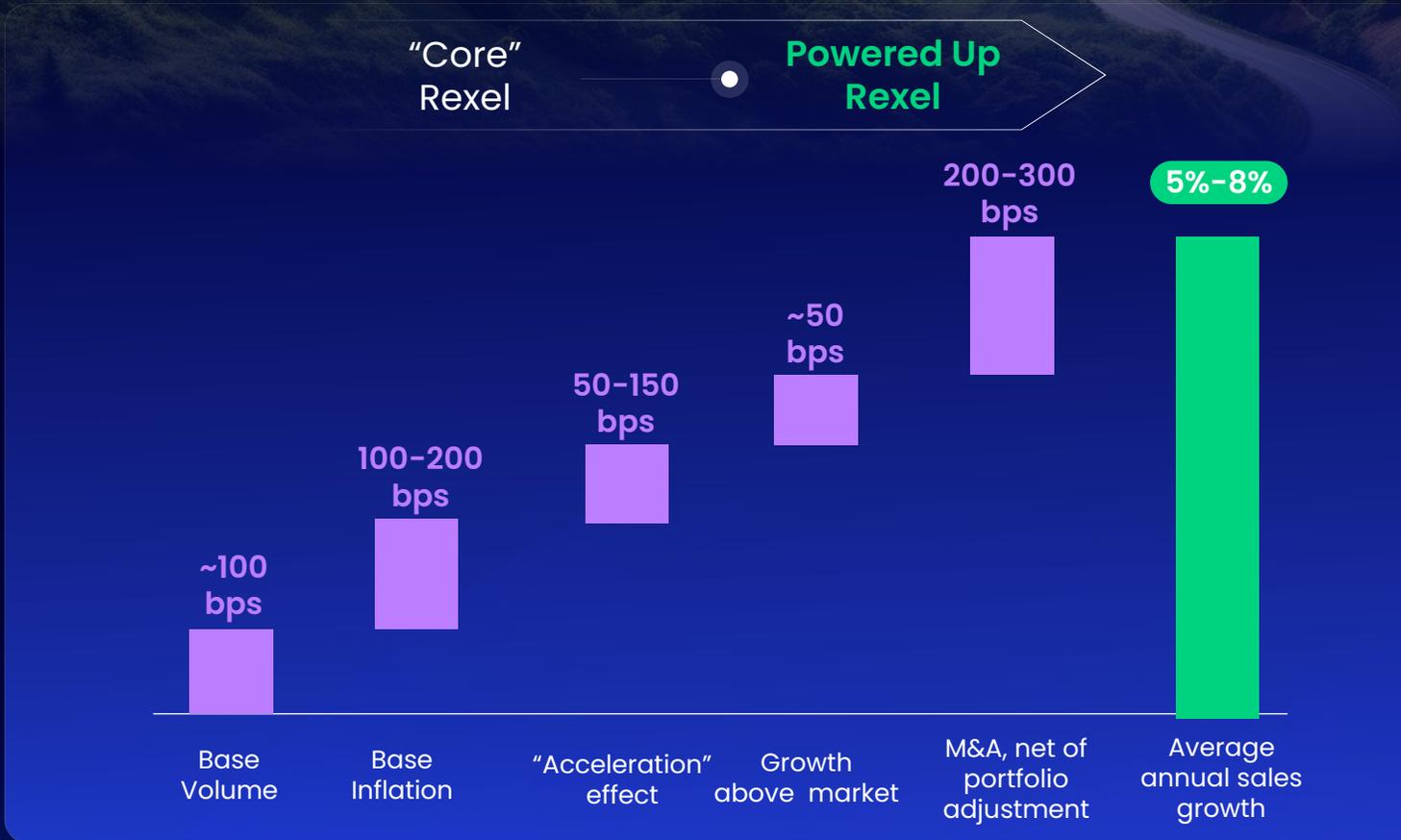


CHAPTER 4

Our medium-term ambition

Delivering mid-to high-single digit sales growth potential in the medium-term

How ?



"Acceleration" categories continuing to contribute

- › Increased impact over the period
- › 2023 an outlier, 2024 as well



Confident in our ability to exceed market growth

- › Services
- › Digital and AI



Making M&A part of our regular value-creation levers

- › Multiple opportunities
- › Selective criteria

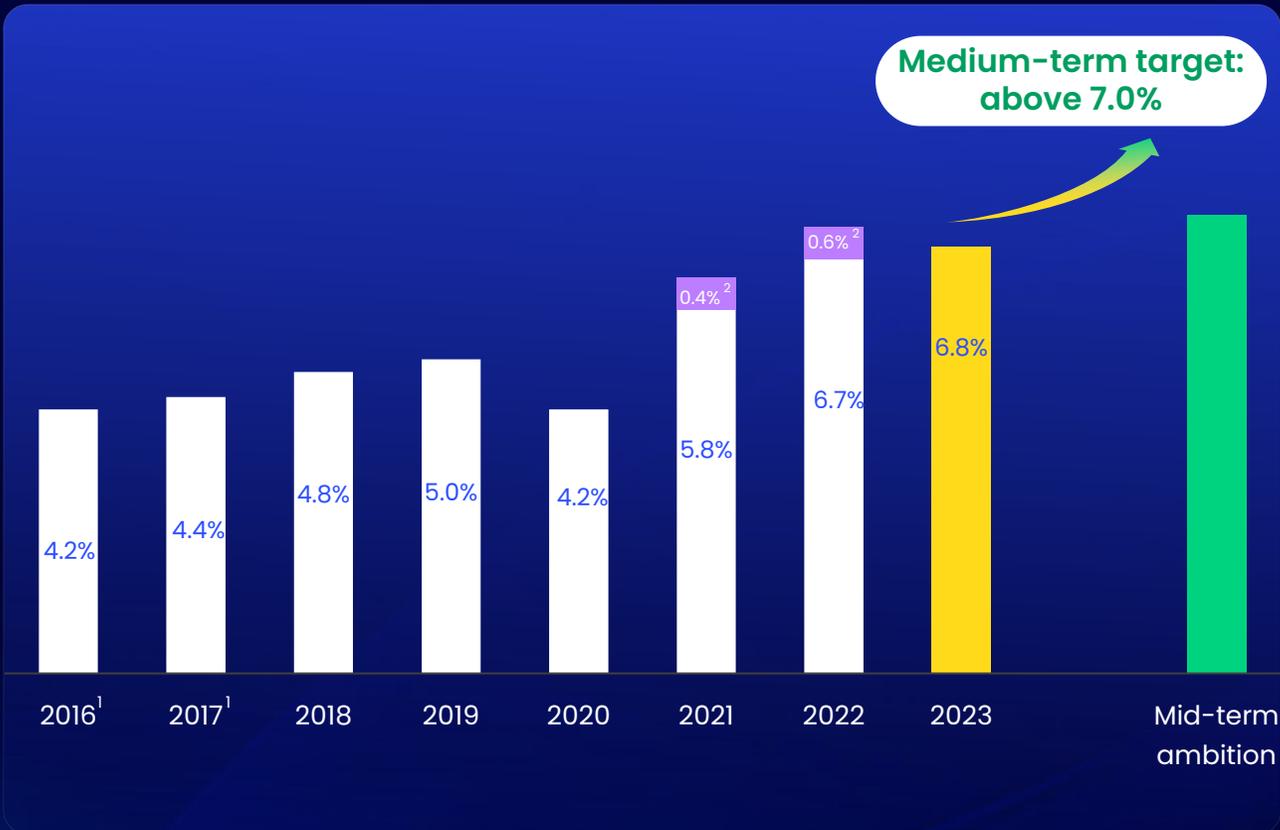


Accelerating with time

- › 2024, a transition year

Maintaining an adjusted EBITA margin structurally **above** historical trends

Adj. Ebita margin (%) excl. one-off



How ?

Further improvement potential across the board

- › Efficiency from digital, automatization and AI
- › Higher margin services and solutions sales
- › Data driven processes including pricing
- › Synergies from acquisitions
- › Turnaround of low profitability countries

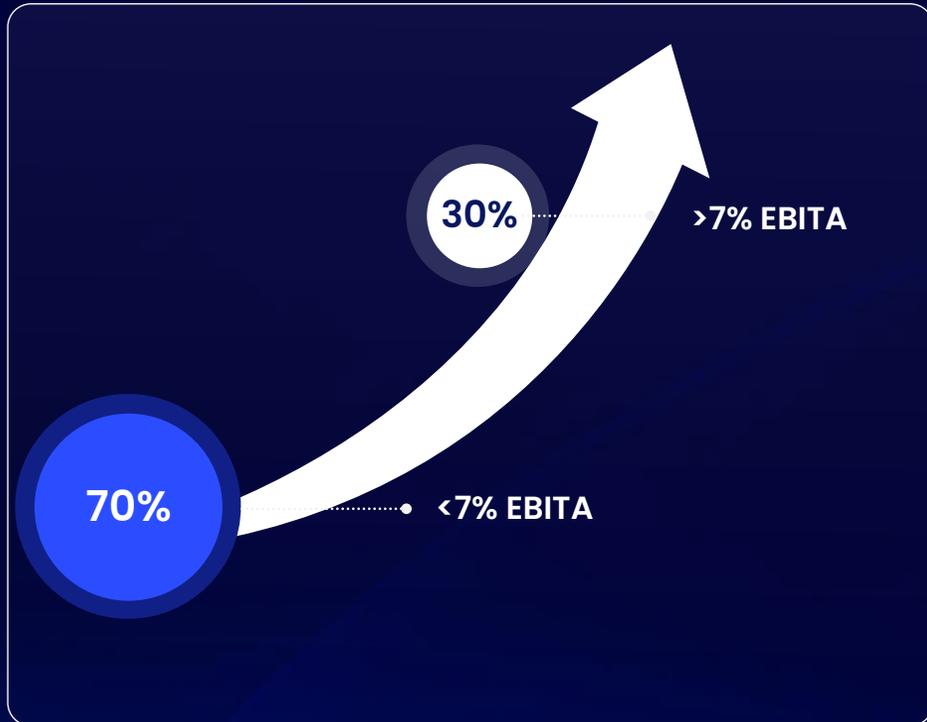
Controlled reinvestment in our differentiation factors

- › Expertise
- › Services
- › Digital and AI
- › Competitiveness when necessary

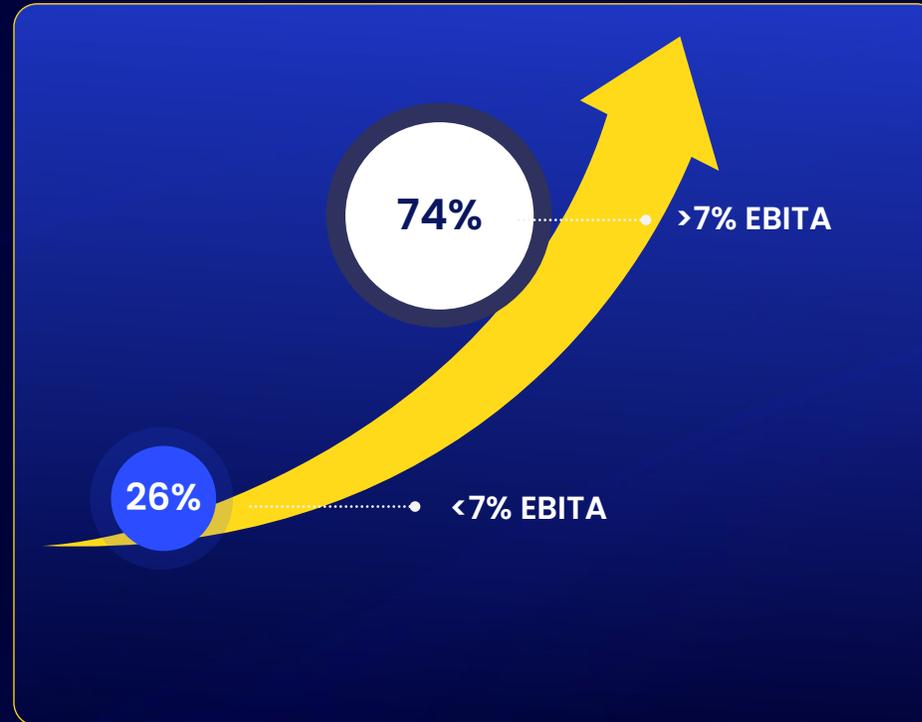
Overall potential for further appreciation

Country-by-country action plans in place

FY 2019



FY 2023



Stabilize and further improve

Continue turnaround

On track to **successfully improve lower-profitability** countries

📊 Six countries at low single digit profitability...



HOW TO DELIVER:

Transforming sales growth to EBITA % improvement

🔍 **Set & execute productivity targets**

👥 **Embark teams**

🔄 **Streamline operations**

📶 **Leverage digital**

📊 ... with high potential to improve EBITA



➤ **Geographic expansion**

➤ Development of **advanced services**



➤ **Supply chain improvement**

➤ Deployment of **AI solutions**

➤ **Digital sales** growth to +25%

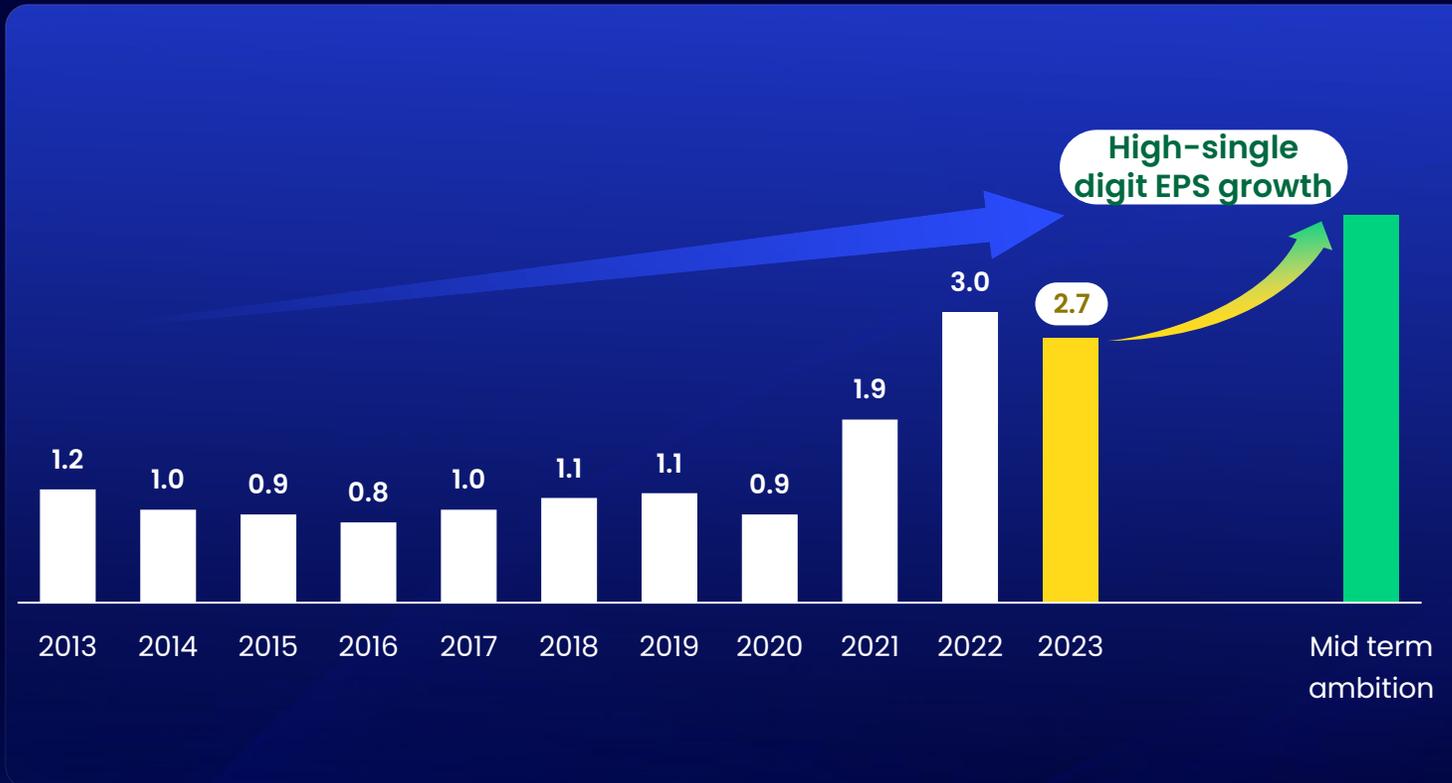
**Above
200 bps
Improvement
potential in
each country**

USA progressing towards **excellence**



Delivering **enhanced EPS growth**

⚡ ADJUSTED EPS¹ (€ PER SHARE, 2013-23)



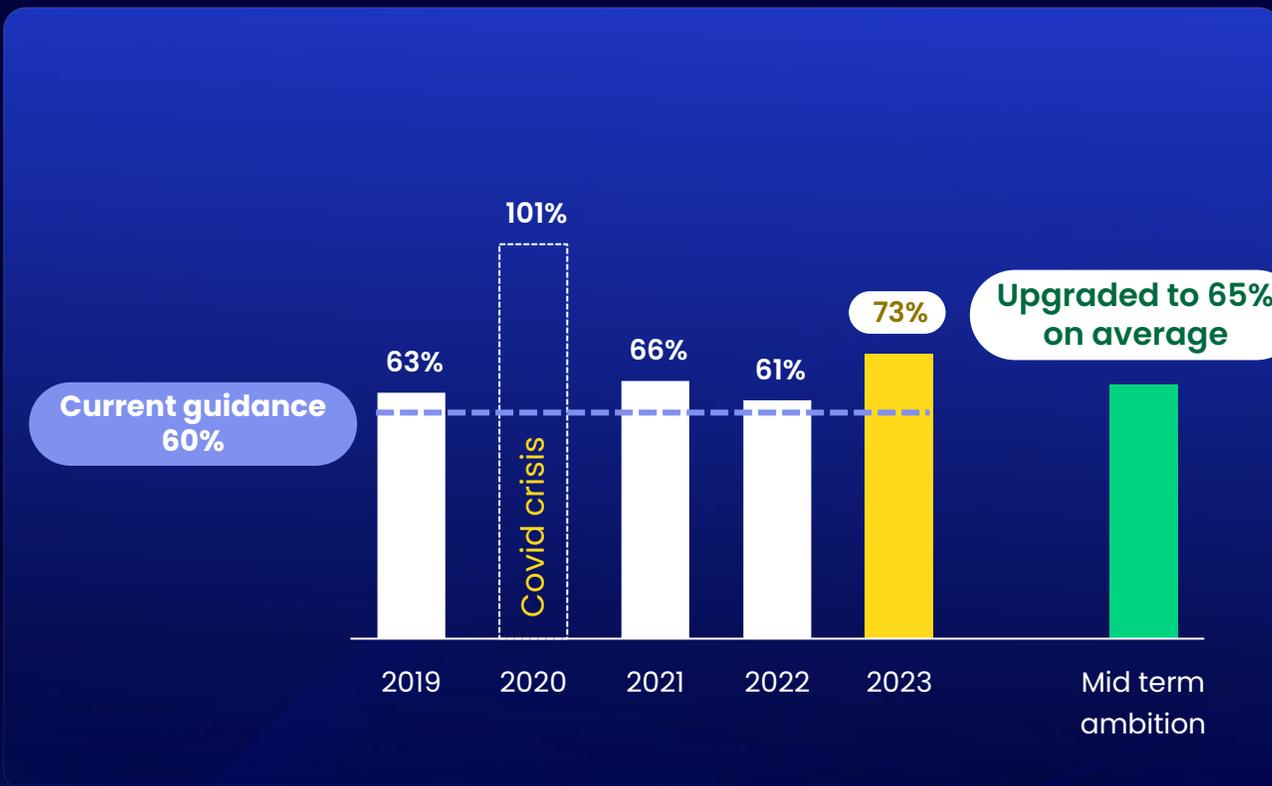
📊 How ?

- 📈 Accelerated organic growth
- 💰 Regular M&A sales growth contribution
- 📊 Improved Adjusted Ebita margin
- 🤝 Synergies from acquisitions
- 📉 Below the line discipline
- ⚙️ Deleveraging and share buyback impacts

Note 1. Based on IBES analyst's estimates

Upgrading **medium-term Free Cash Flow** ambition

FREE CASH FLOW CONVERSION¹ (% , 2019-23)



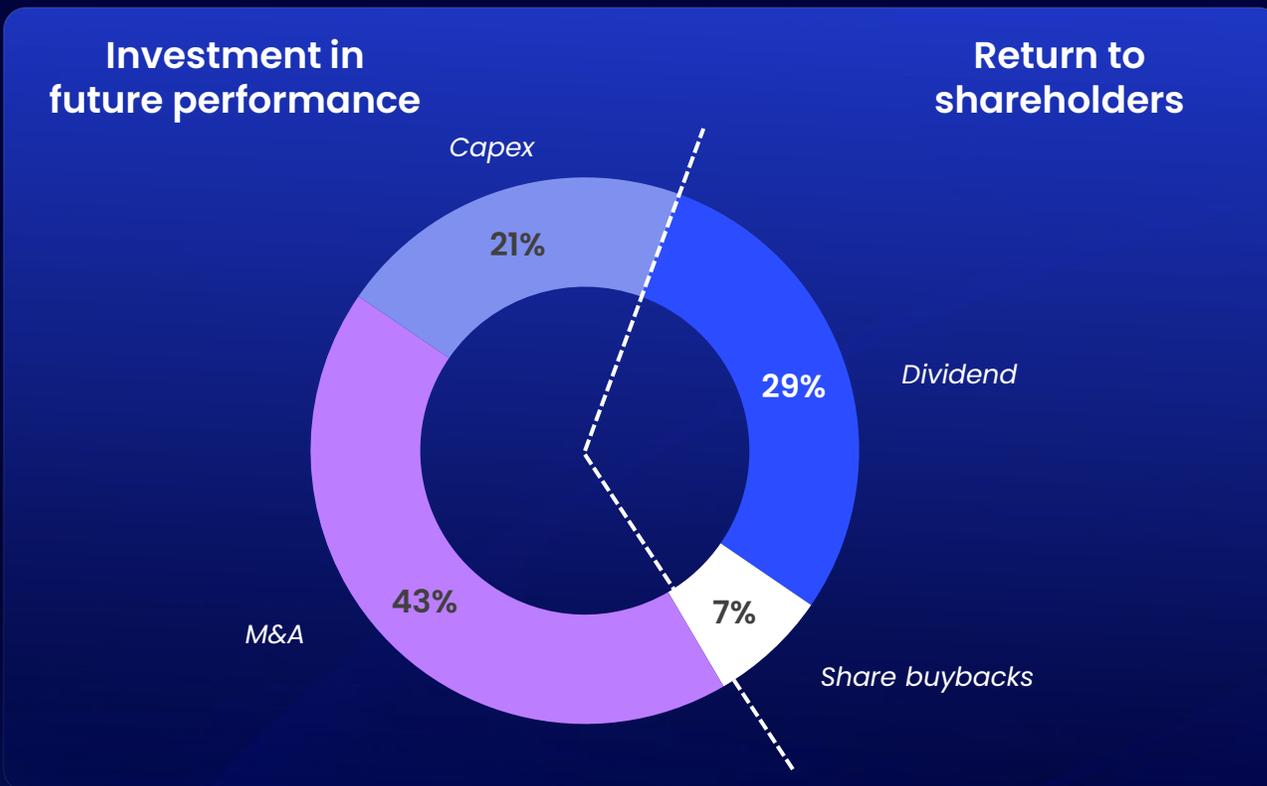
How ?

- Strong and resilient FCF generation
- Disciplined Working Capital management
- Tight capex management

Note 1. EBITDA after leases into FCF before interest and taxes

Maintaining a **well-balanced use of cash**

2019–2023 free cash flow use



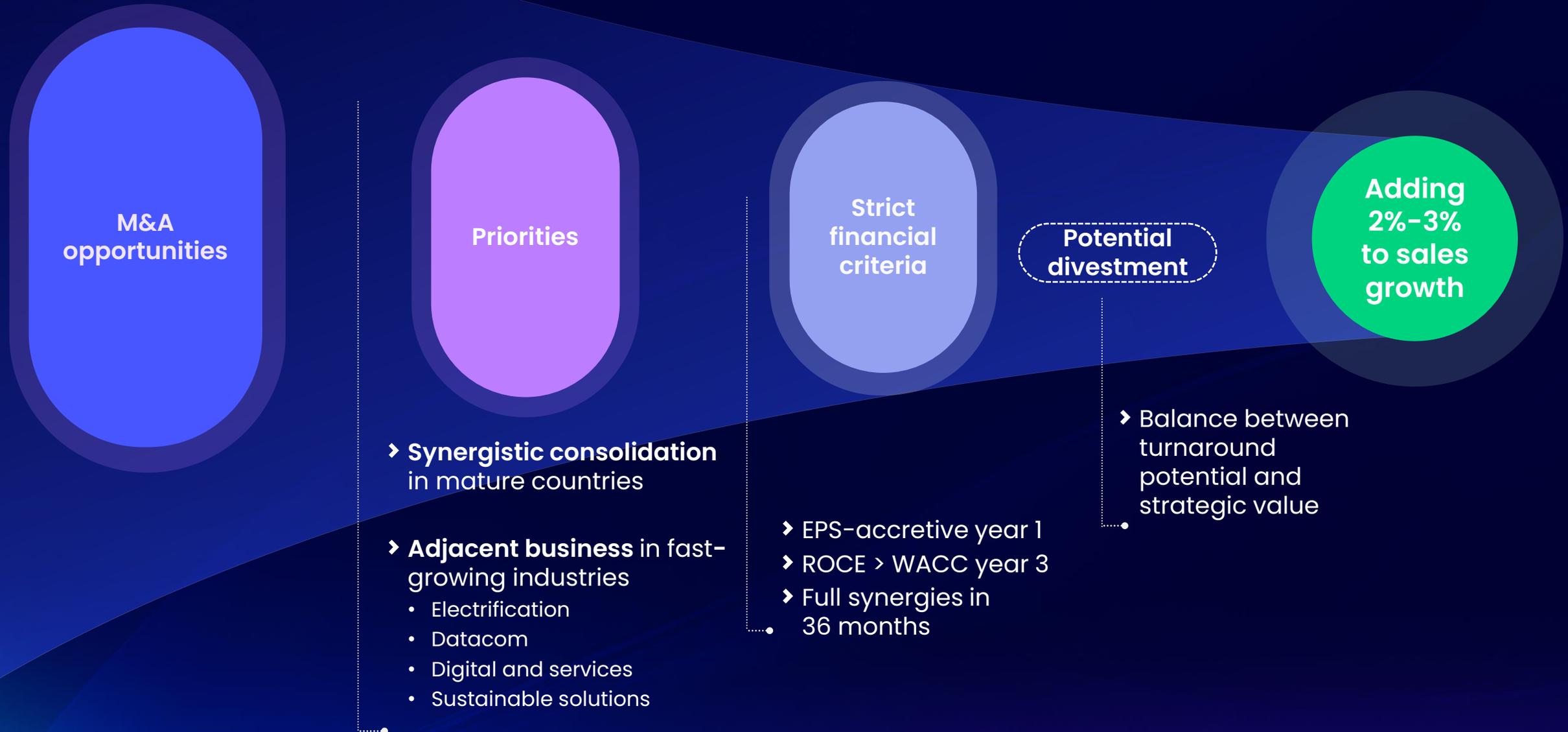
Medium-term guidelines

-  Dividend payout ratio: at least 40%¹
-  Share buybacks: 50M€–150 M€ per year€
-  Capex: growing in line or slower than top line
-  M&A: adding 2% to 3% of additional top line growth
-  Net financial debt / EBITDA_{aL}² leverage objective around 2.0x

Note 1. % of Recurring Net Income

Note 2. EBITDA after leases

M&A as a consistent **value-creation lever with US a priority**



Maintaining a **consistent dividend policy**

⚡ DIVIDEND PER SHARE (€) & PAYOUT RATIO (%)



📊 KEY DRIVERS

- 🏆 Long-term track record above 40%
- 🕒 Dividend x3 vs 2016
- 💰 Dividend paid exclusively in cash

Key takeaways

Delivering continued value to our shareholders in the medium term

Levers

Progress **digital** to 50%

Leverage **AI for productivity and sales**

Continue our **logistics** optimization path

Accelerate value-added **services**

Fully leverage all the relevant **secular acceleration trends**

Use value-creating **M&A** to enhance our positioning

Maintain a high **engagement** level

Lead the way in **sustainability**

Ambition

SALES GROWTH

- Sales growth potential of between 5% and 8%, with targeted M&A representing between 2% and 3%

EBITA MARGIN

- Above 7.0%

CASH FLOW TRANSFORMATION

- An average conversion rate of 65%

EPS GROWTH

- High-single digit

Q&A

Disclaimer

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 15% 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.

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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).