Financial report

First half 2024

REXEL

a world of energy

Société Anonyme (corporation)
with share capital of € 1,508,675,000
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FIRST HALF 2024

FINANCIAL REPORT

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This document is a free translation from French to English of Rexel's original financial information for the year ended June 30, 2024 and is provided solely for the convenience of English speaking readers. In the event of any ambiguity or discrepancy between this unofficial translation and the original financial information for the year ended June 30, 2024, the French version will prevail.

I. Interim Management report

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1. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Rexel was incorporated on December 16, 2004. Shares of Rexel were admitted to trading on the Eurolist market of Euronext Paris on April 4, 2007. The group consists of Rexel and its subsidiaries (herein after referred to as “the Group” or ”Rexel”).

The activity report is presented in euros and all numbers are rounded to the nearest tenth of a million, except where otherwise stated. Totals and sub-totals presented in the activity report are first computed in thousands of euros and then rounded to the nearest tenth of a million. Thus, the numbers may not sum precisely due to rounding.

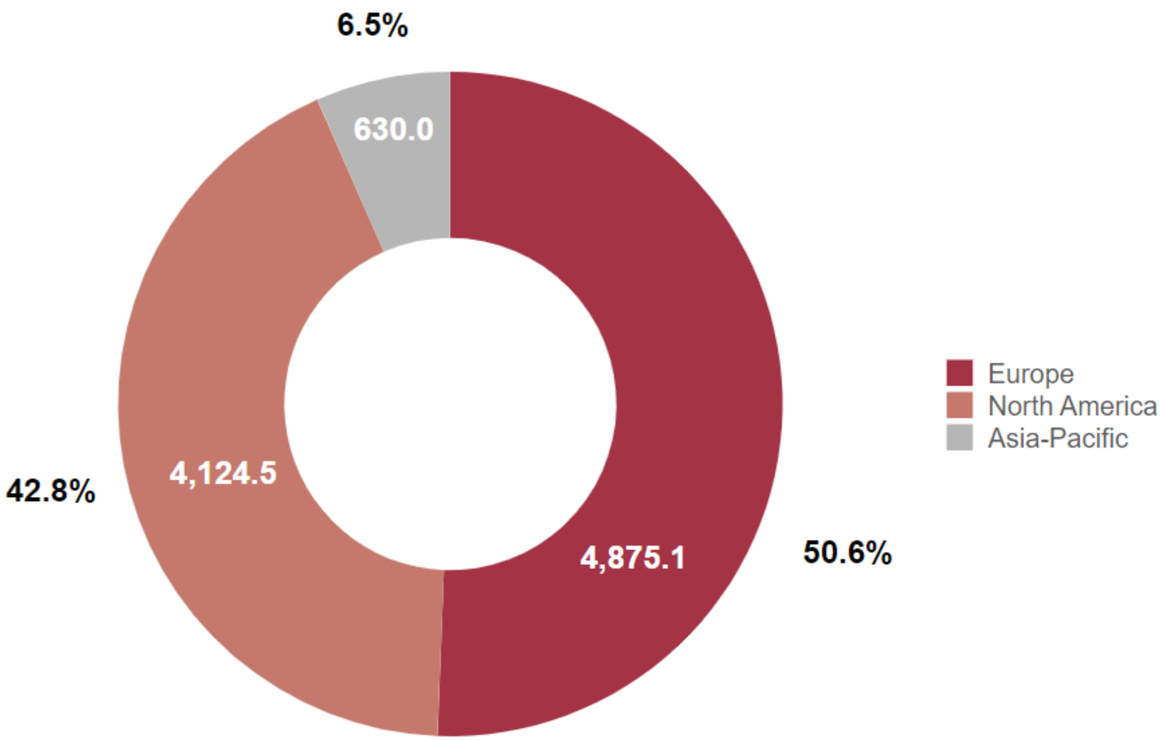
The activity report analyses the financial results, liquidity and financial resources of the Group for the period ended June 30, 2024.

1.1 FINANCIAL POSITION OF THE GROUP

1.1.1 Group Overview

Rexel is a worldwide expert in the professional distribution of low and ultra-low voltage electrical products. The Group operates in three geographic areas: Europe, North America and Asia-Pacific. This geographic segmentation is based on the Group’s financial reporting structure.

In the first half of 2024, the Group recorded consolidated sales of €9,629.7 million in the following geographies:



The Group’s activities in Europe (50.6% of Group sales) are in France (38.3% of the region's sales), the United Kingdom, Germany, Sweden, Switzerland, Belgium, Austria, the Netherlands, Finland, Ireland, Italy, Slovenia and Luxembourg.

The Group’s activities in North America (42.8% of Group sales) are in the United States and Canada representing 82.0% and 18.0% of region's sales.

The Group’s activities in Asia-Pacific (6.5% of Group sales) are in Australia (46.3% of the region's sales), China (38.9%), New Zealand and India.

1.1.2 Significant events of the reporting period

In June 2024, Rexel closed the acquisition of Talley, one of the leading distributors of wireless infrastructure products and solutions in the United States.

1.1.3 Seasonality

Despite the low impact of seasonality on sales, changes in the Group's working capital requirements lead to variations in cash flows over the course of the year. As a general rule, the Group's EBITA and cash flows are the strongest in the fourth quarter while relatively lower in the three other quarters.

1.1.4 Impact of changes in copper price

The Group is indirectly exposed to fluctuations in copper price in connection with its distribution of cable products. Cables represent approximately 15% of Group's sales and copper accounts for approximately 60% of the composition of cables. This exposure is indirect since cable prices also reflect suppliers' commercial policies and the competitive environment of markets the Group operates in. Changes in copper price have an estimated "recurring" and "non-recurring" effect on the Group's performance, assessed as part of the monthly internal reporting process of the Rexel Group:

- The recurring effect related to the change in copper-based cable prices corresponds to the change in the value of the copper included in the sales price of cables from one period to another. This effect mainly relates to sales;
- 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 such inventory has been rebuilt (direct effect on gross profit). In practice, 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, where appropriate, by the non-recurring portion of changes in distribution and administrative expenses (principally the variable portion of compensation of sales personnel, which accounts for approximately 10% of the change in gross profit).

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

1.1.5 Comparability of the Group's operating results and adjusted EBITA

The Group undertakes acquisitions and disposals that may alter its scope of consolidation from one period to another. Currency exchange rates may also fluctuate significantly. In addition, the number of working days in each period also has an impact on the Group's consolidated sales. Lastly, the Group is exposed to fluctuations in copper price. For these reasons, a comparison of the Group's reported operating results over different periods may not provide a meaningful comparison of its underlying business performance. Therefore, in the analysis of the Group's consolidated results presented below, financial information is also restated to give effect to the following adjustments.

Effects of acquisitions and disposals

The Group adjusts its prior year results to give effect of the acquisitions & disposals of the current year. Generally, the Group includes the results of an acquired company in its consolidated financial statements at the date of the acquisition and ceases to include the results of a divested company at the date of its disposal. To neutralize the effects of acquisitions and disposals on the analysis of its operations, the Group compares the results of the current year against the results of the preceding financial year, as if the preceding financial year had the same scope of consolidation for the same periods as the current year.

Accordingly, the comparable results of the first half of 2023 have been mainly adjusted for:

Acquisitions	Operating segment	Effective date	Adjusted period
Wasco	Europe	September 1, 2023	January 1, 2023 - June 30, 2023
Talley	USA	June 1, 2024	June 1, 2023 - June 30, 2023
Disposals	**Operating segment**	**Effective date**	**Adjusted period**
Norwegian business	Europe	February 28, 2023	January 1, 2023 - February 28, 2023

Effects of exchange rate fluctuations

Fluctuations in currency rates against the euro affect the value of the Group's sales, expenses and other balance sheet items as well as the income statement. By contrast, the Group has relatively low exposure to currency transaction risk, as cross-border transactions are limited. To neutralize the currency translation effect on the comparability of its results, the Group restates its comparative period results at the current year's exchange rates.

Non-recurring effect related to changes in copper price

To analyze the financial performance on a constant adjusted basis, the estimated non-recurring effect related to changes in copper-based cable prices, as described in paragraph 1.1.4 Impact of changes in copper price above, is excluded from the information presented for both the current and the previous periods. Such information is referred to as "adjusted" throughout this activity report.

Effects of different numbers of working days in each period on sales

The Group's sales in a given period compared with another period are affected by the number of working days, which changes from one period to another. In the analysis of its consolidated sales, the Group neutralizes this effect by proportionally adjusting the comparative sales number of the comparative period to match with the current period's number of working days. No attempt is made to adjust any line items other than sales for this effect, as it is not considered relevant.

Accordingly, in the following discussion of the Group's consolidated results, some or all of the following information is provided for comparison purposes:

- **On a constant and actual number of working days basis**, which means excluding the effect of acquisitions and disposals and the effect of fluctuations in exchange rates. Such information is used for comparison of sales;
- **On a constant and same-day basis,** which means on a constant basis (as described above) and restated for the effect of different numbers of working days in each period. Such information is used only for comparisons related to sales; and
- **On a constant basis**, adjusted, which means on a constant basis (as described above) and adjusted for the estimated non-recurring effect related to changes in copper-based cable prices. Such information is used for comparisons of gross profit, distribution and administrative expenses, and EBITA. This information is not generated directly by the Group's accounting systems but is an estimate of comparable data in accordance with the principles explained above.

The Group uses the “EBITA” and “Adjusted EBITA” measures to monitor its performance. Neither EBITA nor Adjusted EBITA is an accepted accounting measure under IFRS. The table below reconciles reported operating income before other income and other expenses to Adjusted EBITA on a constant basis.

	PERIOD ENDED JUNE 30	
(in millions of euros)	**2024**	**2023***
Operating income	**576.8**	**660.0**
Other Income & expenses	5.6	25.1
Amortization of the intangible assets [(1)]	14.0	10.5
Changes in scope of consolidation	—	30.6
Foreign exchange effect	—	(0.3)
EBITA	**596.4**	**725.9**
Non-recurring copper effect	(22.2)	6.8
Adjusted EBITA	**574.2**	**732.6**

(*) on a constant basis.

(1) Amortization of the intangible assets recognized as part of the allocation of the purchase price of acquisitions.

Rexel also uses the recurring net income measure to determine the level of dividends to be distributed according to its dividend policy: Rexel has committed to pay dividends representing at least 40% of the recurring net income. The table below presents the reconciliation of net income with recurring net income:

	PERIOD ENDED JUNE 30	
(in millions of euros)	**2024**	**2023**
Net income (as reported)	**353.0**	**428.4**
Non-recurring copper effect	(22.2)	6.8
Other expense & income	5.6	25.1
Tax impact of the items above and other non-recurring tax effects	4.4	(5.1)
Recurring Net Income	**340.8**	**455.1**

1.2 COMPARISON OF FINANCIAL RESULTS AS OF JUNE 30, 2024 AND AS OF JUNE 30, 2023

1.2.1 Rexel Group's consolidated financial results

The following table sets out Rexel's consolidated income statement for the first half of 2024 and the first half of 2023, in millions of euros and as a percentage of sales.

In addition, the table below sets out the net effect of acquisitions and disposals and the effect of exchange rate fluctuation on prior year comparative figures. This table also presents comparable data adjusted for copper price fluctuation according to paragraph 1.1.4.

	PERIOD ENDED JUNE 30			PERIOD ENDED JUNE 30		
	2024	**2023**	Δ %	**2024**	**2023***	Δ %
	Reported			**Adjusted for copper one-off**		
(in millions of euros)						
Sales	**9,629.7**	**9,763.0**	**(1.4)%**	**9,629.7**	**10,025.3**	**(3.9)%**
Same-day basis						*(3.5)%*
Gross profit	2,426.4	2,516.5	(3.6)%	2,404.0	2,586.8	(7.1)%
as a % of sales	*25.2 %*	*25.8 %*		*25.0 %*	*25.8 %*	
Operating expenses	*(1,646.3)*	*(1,651.2)*	*(0.3)%*	*(1,646.1)*	*(1,681.8)*	*(2.1)%*
Depreciation	*(183.7)*	*(169.8)*	*8.2 %*	*(183.7)*	*(172.3)*	*6.6 %*
Distribution and administrative expenses before amortization of intangible assets	(1,830.0)	(1,821.0)	0.5 %	(1,829.8)	(1,854.1)	(1.3)%
as a % of sales	*(19.0)%*	*(18.7)%*		*(19.0)%*	*(18.5)%*	
EBITA	**596.4**	**695.5**	**(14.3)%**	**574.2**	**732.6**	**(21.6)%**
as a % of sales	***6.2 %***	***7.1 %***		***6.0 %***	***7.3 %***	
Amortization of intangible assets (1)	(14.0)	(10.5)	33.4 %			
Other income and expenses	(5.6)	(25.1)	(77.6)%			
Operating income/(loss)	**576.8**	**660.0**	**(12.6)%**			
Net financial expenses	(96.0)	(75.7)	26.9 %			
Pre tax income/(loss)	**480.8**	**584.3**	**(17.7)%**			
Income taxes	(127.8)	(155.9)	(18.0)%			
Effective tax rate	26.6 %	26.7 %				
Net income/(loss)	**353.0**	**428.4**	**(17.6)%**			

(*) on a constant basis.

(1) Amortization of the intangible assets recognized as part of the allocation of the purchase price of acquisitions.

Sales

In the first half of 2024, Rexel's consolidated sales amounted to €9,629.7 million, as compared to €9,763.0 million in the first half of 2023.

On a reported basis, sales were down 1.4% year-on-year, including:

- A positive net scope effect of €273.6 million (2.8% of the first half of 2023 sales) resulting from:
  - The acquisitions of Wasco in the Netherlands (in September 2023), and Talley in the United States (in June 2024);
  - the disposals of businesses in Norway (in February 2023).
- A negative currency effect of €11.2 million (0.1% of the 2023 sales).

On a constant and actual number of working days basis, sales decreased by 3.9%.

The table below summarizes the impact on sales evolution of the number of working days, changes in scope and in currency effects:

	Q1	Q2	PERIOD ENDED JUNE 30,2024
Growth on a constant and same-days basis	(4.6)%	(2.4)%	(3.5)%
Number of working days effect	(1.5)%	0.5 %	(0.5)%
Growth on a constant and actual-day basis (1)	***(6.0)%***	***(1.9)%***	***(3.9)%***
Changes in scope effect	2.2 %	3.4 %	2.8 %
Foreign exchange effect	(0.5)%	0.3 %	(0.1)%
Total scope and currency effect	***1.7 %***	***3.7 %***	***2.7 %***
Growth on a reported basis	**(4.5)%**	**1.8 %**	**(1.4)%**

(1) Growth on a constant basis and actual number of working days compounded by the scope and currency effects

On a constant and same-day basis, sales decreased by 3.5%, driven by selling price decrease by 1.5% and volume decrease by 2.0%. The pricing environment for non-cable products was down 0.6% mainly due to deflation and more specifically solar panels across geographies, piping in North America and industrial automation in China.

By geography area, North America decreased by 1.0%, Europe decreased by 5.7% and Asia-Pacific decreased by 1.6%.

Sales of electrification products represented 22.5% of Group's sales in the first half of 2024, down 160 bps as compared to the first half of 2023.

Digital sales representing 31.2% of Group sales in the first half of 2024, as compared to 28.4% in the first half of 2023, on a constant basis.

Gross profit

In the first half of 2024, gross profit amounted to €2,426.4 million, down 3.6%, on a reported basis, as compared to €2,516.5 million in the first half of 2023.

In the first half of 2024, on a constant basis, adjusted gross margin stood at 25.0% down 84 bps as compared to last year.

Distribution & administrative expenses before amortization of intangible assets

In the first half of 2024, distribution and administrative expenses before amortization of intangible assets amounted to €1,830.0 million, up 0.5% on a reported basis, as compared to €1,821.0 million in the first half of 2023 and down 1.3% on a constant and adjusted basis.

Distribution and administrative expenses before amortization of intangible assets represented 19.0% of sales in the first half of 2024 as compared to 18.5% of sales in the first half of 2023.

EBITA

In the first half of 2024, EBITA stood at €596.4 million, down 14.3%, on a reported basis as compared to the first half of 2023.

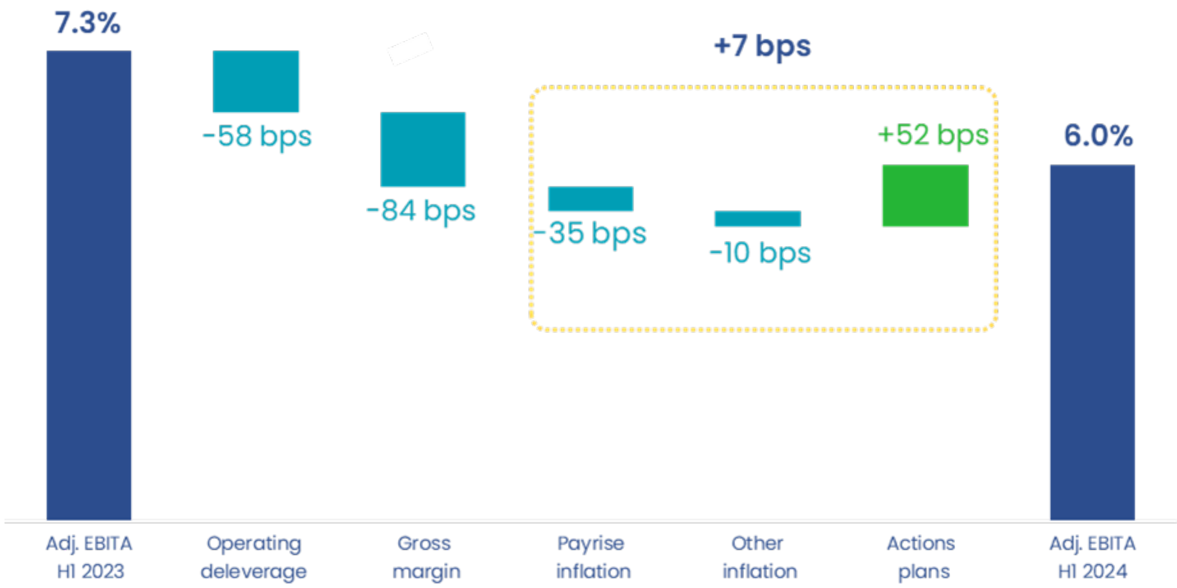
In the first half of 2023, EBITA included a stable currency effect of €(0.3) million and a positive 4.4% scope effect of €30.6 million.

On a constant basis, adjusted EBITA stood at €574.2 million down 21.6% compared to the first half of 2023. Adjusted EBITA margin decreased from 7.3% in the first half of 2023 to 6.0% in the first half of 2024. In a context of more challenging environment, it represents a resilient performance helped by the decrease of 1.3% of the distribution and administrative expenses before amortization of intangible assets.

More specifically, the evolution on a comparable base, can be explained as follows:

- An operating leverage of -58 bps reflecting the 3.9% sales decline in actual days.
- A gross margin at 25.0%, down 84 bps versus the first semester 2023 which was exceptionally high (boosted by +5.7% selling price increase in non-cable products in the first semester 2023).
    - On par with the exit rate of 2023 (gross margin at 25.2% in the second semester 2023).

- An active operating expenses management, with our own actions offsetting the inflation impact :
  - An operating expenses inflation impact of -45 bps due to overall inflation of +2.3%, including +3.9% from wage increases and +1.3% from other operating expenses.
  - A positive impact from our action plans of +52 bps, including cost savings and productivity initiatives in the first semester 2024.



Other income and expenses

In the first half of 2024, other expense and income represented a net loss of €5.6 million, consisting mainly of:

- €6.0 million acquisition costs;
- €5.2 million restructuring and integration costs; and
- €6.8 million gain on lease agreement termination (€4.0 million) and gain on tangible & intangible asset disposals (€2.8 million).

In the first half of 2023, other income and expenses represented a net loss of €25.1 million, consisting mainly of:

- €13.5 million disposal loss of the Norwegian business;
- €7.0 million of acquisition related costs including Wasco and Buckles-Smith; and
- €4.2 million of restructuring and integration costs.

Operating Income

In the first half of 2024, operating income amounted to €576.8 million, down 12.6%, on a reported basis, as compared to €660.0 million in the first half of 2023.

Net financial expenses

Net financial expenses were €96.0 million in the first half of 2024 (€75.7 million in the first half of 2023), out of which €30.9 million of interests on lease liabilities (€26.7 million in the first half of 2023).

Excluding interests on lease liabilities, net financial expenses stood at €65.1 million in the first half of 2024, up €16.1 million year-on-year reflecting higher interest rates and Gross Debt.

Effective interest rate of the gross financial debt stood at 4.26% (3.38% in June 2023) up 88 bps year-on-year.

Income tax

Income tax expense decreased to €127.8 million from €155.9 million in the first half of 2023 mainly resulting from lower pre-tax income.

Effective tax rate stood at 26.6% in the first half of 2024 (26.7% in the first half of 2023).

Net income

Net income stood at €353.0 million in the first half of 2024 (€428.4 million in the first half of 2023).

Recurring net income stood at €340.8 million in the first half of 2024, down 25.1% due to EBITA decrease.

1.2.2 Europe (50.5% of Group sales)

	PERIOD ENDED JUNE 30			PERIOD ENDED JUNE 30		
	2024	2023	Δ %	2024	2023*	Δ %
(in millions of euros)	**Reported**			**Adjusted for copper one-off**		
Sales	**4,875.1**	**4,925.1**	**(1.0)%**	**4,875.1**	**5,189.1**	**(6.1)%**
Same-day basis						*(5.7)%*
Gross profit	1,305.8	1,366.0	(4.4)%	1,295.7	1,430.1	(9.4)%
as a % of sales	*26.8 %*	*27.7 %*		*26.6 %*	*27.6 %*	
Operating expenses	*(897.4)*	*(886.7)*	*1.2 %*	*(897.2)*	*(918.1)*	*(2.3)%*
Depreciation	*(102.1)*	*(91.4)*	*11.7 %*	*(102.1)*	*(94.4)*	*8.2 %*
Distribution and administrative expenses before amortization of intangible assets	(999.6)	(978.1)	2.2 %	(999.3)	(1,012.5)	(1.3)%
as a % of sales	*(20.5)%*	*(19.9)%*		*(20.5)%*	*(19.5)%*	
EBITA	**306.3**	**387.9**	**(21.0)%**	**296.4**	**417.6**	**(29.0)%**
as a % of sales	*6.3 %*	*7.9 %*		*6.1 %*	*8.0 %*	

(*) on a constant basis

Sales

In the first half of 2024, sales in Europe amounted to €4,875.1 million, down 1.0% on a reported basis, as compared to €4,925.1 million in the first half of 2023, including:

- A positive foreign exchange currency effect of €17.1 million (0.3% of the first half of 2023 segment sales), mainly due to the appreciation of the British pound against the euro; and
- A net positive effect of change in scope of €246.9 million (5.0% of the first half of 2023 segment sales) mainly due to the acquisition of Wasco in the Netherlands.

On a constant and actual-day basis, sales decreased by 6.1%, including a 40 bps negative calendar effect.

On a constant and same-day basis, sales decreased by 5.7% as compared to the first half of 2023.

Sales performance was driven by a negative volume contribution of 4.1% on a high comparable base from solar activity, and a negative price effect of 1.6%. A sequential improvement occurred in the second quarter driven by easier base effect on electrification.

Digital sales represented 42.3% of Europe sales in the first half of 2024 (up 393 bps year-on-year).

The table below highlights the main contributors to the segment sales:

	PERIOD ENDED JUNE 30	
	2024	Δ %
(in millions of euros)	**Reported**	**Same days**
Europe	**4,875.1**	**-5.7%**
France	1,869.0	-1.8%
DACH*	1,137.9	-5.4%
Benelux	813.7	-10.9%
Nordics	416.1	-12.9%
United Kingdom	409.2	-4.9%

*Germany, Austria and Switzerland

In **France**, sales performance decreased slightly by 1.8% resulting from a challenging market environment mitigated by market share gain. The demand in HVAC remained impacted by the lack of visibility on regulation and difficult base effect, mitigated by a positive momentum on Solar.

In **DACH** and **Nordics**, sales decrease reflected the demand normalization in solar panels. Both regions benefited from a sequential improvement in the second quarter notably driven by easier base effect.

In **UK**, sales growth decreased by 4.9%, or down a limited 2.9% restated for the contribution of a large public project with the Department of Education in 2023. The new automated distribution center, opened in mid 2023, allowed gain market shares.

Gross profit

In the first half of 2024, on a constant basis, adjusted gross profit decreased by 9.4%.

Adjusted gross margin decreased by 98 bps to 26.6% of sales reflecting a more competitive environment and deflation on solar panels, while more traditional products face slight inflation.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of intangible assets decreased by 1.3% in the first half of 2024, representing 20.5% of sales in the first half of 2024 as compared to 19.5% in the first half of 2023.

EBITA

On a reported basis, EBITA amounted to €306.3 million, down 21.0% as compared to €387.9 million in the first half of 2023, including a positive scope effect of €27.7 million, and a positive foreign exchange currency impact of €0.8 million.

On a constant basis, adjusted EBITA decreased by 29.0% and adjusted EBITA margin stood at 6.1% of sales, down 197 bps as compared to the first half of 2023.

1.2.3 North America (42.8% of Group sales)

(in millions of euros)	PERIOD ENDED JUNE 30 Reported 2024	2023	Δ %	PERIOD ENDED JUNE 30 Adjusted for copper one-off 2024	2023*	Δ %
Sales	**4,124.5**	**4,176.0**	(1.2)%	**4,124.5**	**4,194.8**	(1.7)%
Same-day basis						*(1.0)%*
Gross profit	1,007.3	1,025.9	(1.8)%	995.0	1,035.8	(3.9)%
as a % of sales	*24.4 %*	*24.6 %*		*24.1 %*	*24.7 %*	
Operating expenses	*(655.0)*	*(659.0)*	*(0.6)%*	*(655.0)*	*(661.1)*	*(0.9)%*
Depreciation	*(58.5)*	*(55.3)*	*5.8 %*	*(58.5)*	*(55.3)*	*5.9 %*
Distribution and administrative expenses before amortization of intangible assets	(713.5)	(714.4)	(0.1)%	(713.5)	(716.4)	(0.4)%
as a % of sales	*(17.3)%*	*(17.1)%*		*(17.3)%*	*(17.1)%*	
EBITA	**293.7**	**311.6**	**(5.7)%**	**281.4**	**319.5**	**(11.9)%**
as a % of sales	*7.1 %*	*7.5 %*		*6.8 %*	*7.6 %*	

(*) on a constant basis

Sales

In the first half of 2024, sales in North America amounted to €4,124.5 million, down 1.2%, on a reported basis, as compared to €4,176.0 million in the first half of 2023, including:

- A negative foreign exchange currency effect of €8.0 million (0.2% of the 2023 segment sales), due to the depreciation of the Canadian dollar against the euro; and
- A positive effect of change in scope of €26.7 million (0.6% of the 2023 segment sales), linked to the acquisition of Talley in the US.

On a constant and same-day basis, sales decreased by 1.0% as compared to the first half of 2023.

Sales performance was driven by a positive volume contribution of 0.2% and a positive price effect of 0.3% on non-cable products, offset by a negative 1.5% price effect on cable products.

Digital sales represented 21.2% of North America's sales, up 198 bps year-on-year.

The table below highlights the segment sales by contributor:

(in millions of euros)	PERIOD ENDED JUNE 30 2024 Reported	Δ % Same days
North America	**4,124.5**	**(1.0)%**
United States	3,380.6	(1.3)%
Canada	743.9	0.3 %

In the **United States**, sales was driven by resilience in non-residential and industrial automation offsetted by lower traditional products in industrial buildings.

In **Canada**, sales benefited from strong performance driven by project activity in non-residential and specific industrial segments contributed positively, while Industrial automation was resilient.

Gross profit

On a constant basis, adjusted gross profit decreased by 3.9% and adjusted gross margin decreased by 57 bps to 24.1% of sales reflecting slight deflation on notably solar panels and piping.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of intangible stood at 17.3% of sales in the first half of 2024, was broadly stable as compared to 17.1% in the first half of 2023.

EBITA

As a result, EBITA amounted to €293.7 million, down 5.7%, on a reported basis, as compared to €311.6 million in the first half of 2023, including a negative foreign exchange currency impact of €0.6 million, offsetting by a positive scope effect of €3.0 million.

On a constant basis, adjusted EBITA decreased by 11.9% from the first half of 2023 and adjusted EBITA margin stood at 6.8% of sales, down 79 bps as compared to the first half of 2023.

1.2.4 Asia - Pacific (6.5% of Group sales)

	PERIOD ENDED JUNE 30			PERIOD ENDED JUNE 30		
	2024	2023	∆ %	2024	2023*	∆ %
(in millions of euros)		**Reported**			**Adjusted for copper one-off**	
Sales	**630.0**	**661.8**	**(4.8)%**	**630.0**	**641.4**	**(1.8)%**
Same-day basis						*(1.6)%*
Gross profit	113.3	124.5	(9.0)%	113.3	120.8	(6.3)%
as a % of sales	*18.0 %*	*18.8 %*		*18.0 %*	*18.8 %*	
Operating expenses	*(88.7)*	*(96.2)*	*(7.8)%*	*(88.7)*	*(93.4)*	*(5.0)%*
Depreciation	*(13.1)*	*(13.2)*	*(1.2)%*	*(13.1)*	*(12.9)*	*1.6 %*
Distribution and administrative expenses before amortization of intangible assets	(101.8)	(109.5)	(7.0)%	(101.8)	(106.3)	(4.2)%
as a % of sales	*(16.2)%*	*(16.5)%*		*(16.2)%*	*(16.6)%*	
EBITA	**11.5**	**15.1**	**(23.8)%**	**11.5**	**14.6**	**(21.4)%**
as a % of sales	*1.8 %*	*2.3 %*		*1.8 %*	*2.3 %*	

(*) on a constant basis

Sales

In the first half of 2024, sales in Asia-Pacific amounted to €630.0 million, down 4.8%, on a reported basis, as compared to €661.8 million in the first half of 2023, including a negative foreign exchange currency effect of €20.4 million (3.1% of the first half of 2023 segment sales), mainly due to the depreciation of the Australian dollar and the yuan against the euro.

On a constant and same-day basis, sales decreased by 1.6% compared to the first half of 2023.

Sales performance included a positive volume contribution of 0.8% with a strong recovery in the second quarter and a negative price effect of 2.4%.

Digital sales represented 10.4% of Asia-Pacific sales (up 323 bps year-on-year).

The table below highlights the main contributors to the segment sales:

	PERIOD ENDED JUNE 30	
	2024	∆ %
(in millions of euros)	**Reported**	**Same days**
Asia - Pacific	**630.0**	**(1.6)%**
Australia	291.6	2.9 %
New Zealand	48.6	(11.1)%
China	245.4	(5.4)%
India	44.5	4.0 %

In **Australia**, sales were driven by residential and commercial end-markets. The country further focus on Digital sales with the 20% threshold almost reached in the second quarter. Backlog remained solid, leveraging improved customer services.

In **China**, sales were down 5.4% mostly due to the temporary oversupply situation, and a sharp recovery in the second quarter reflecting the more favorable volume trend in industrial automation.

In other countries :

New-Zealand sales were down 11.1% in a difficult macroeconomic environment.

India sales were boosted by the industrial market, mitigated in the second quarter by the general election that took place during 6 weeks.

Gross profit

In the first half of 2024, on a constant basis, adjusted gross profit decreased by 6.3% and adjusted gross margin was down 86 bps to 18.0% of sales reflecting deflation on industrial automation products in China.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of intangible assets decreased by 4.2% compared to the first half of 2023, now representing 16.2% of sales, down 41 bps as compared to the first half of 2023.

EBITA

As a result, in the first half of 2024, EBITA amounted to €11.5 million, down 23.8%, on a reported basis, as compared the previous year.

On a constant basis, adjusted EBITA decreased by 21.4% from the first half of 2023 and adjusted EBITA margin decreased by 45 bps to 1.8% of sales.

1.2.5 Other operations

	PERIOD ENDED JUNE 30		
(in millions of euros)	**2024**	**2023**	Δ %
Sales	—	—	—
Gross profit	—	—	—
Operating expenses	(5.2)	(9.2)	(44.0)%
Depreciation	(10.0)	(9.8)	1.5 %
EBITA	**(15.1)**	**(19.0)**	**(20.5)%**

In the first half of 2024, these expenses decreased to €15.1 million from €19.0 million in the first half of 2023, due to lower unallocated centrally-hosted projects.

2. LIQUIDITY AND CAPITAL RESOURCES

2.1 CASH FLOW

The following table sets out Rexel's cash flow statement for the first half of 2024 and the first half of 2023 together with a reconciliation of free cash flow before and after interest and income tax paid.

	PERIOD ENDED JUNE 30		
(in millions of euros)	**2024**	**2023**	Δ
Operating cash flow before interest and taxes	740.4	827.0	*(86.6)*
Financial interest on borrowings paid [(1)]	(58.9)	(44.4)	*(14.5)*
Income tax paid	(159.2)	(184.2)	*25.0*
Operating cash flow before change in working capital	**522.3**	**598.4**	***(76.1)***
Change in working capital requirements	(227.5)	(402.7)	*175.2*
Net cash flow from operating activities	**294.9**	**195.7**	***99.1***
Net cash flow from investing activities	**(392.5)**	**(139.7)**	***(252.8)***
o.w. Operating capital expenditures [(2)]	*(56.9)*	*(74.5)*	*17.6*
Net cash flow from financing activities [(3)]	**(420.1)**	**(192.3)**	***(227.8)***
Net cash flow	**(517.7)**	**(136.3)**	***(381.4)***
Operating cash flow before interest and taxes	740.4	827.0	*(86.6)*
Repayment of lease liabilities	(120.5)	(107.6)	*(13.0)*
Change in working capital requirements	(227.5)	(402.7)	*175.2*
Operating capital expenditures	(56.9)	(74.5)	*17.5*
Free cash flow before interest and taxes	**335.5**	**242.3**	***93.2***
Financial interest on borrowings paid	(58.9)	(44.4)	*(14.4)*
Income tax paid	(159.2)	(184.2)	*25.0*
Free cash flow after interest and taxes	**117.4**	**13.6**	***103.8***

(1) Excluding interest on lease liabilities.

(2) Net of disposals.

(3) Including lease liabilities repayment.

2.1.1 Cash flow from operating activities

Cash flow from operating activities was an inflow of €294.9 million in the first half of 2024 compared to €195.7 million in the first half of 2023.

- Operating cash flow before interest, income tax and changes in working capital requirements decreased from €827.0 million in the first half of 2023 to €740.4 million in the first half of 2024 as a result of lower EBITA.
- Financial interest paid stood at €58.9 million in the first half of 2024, up from €44.4 million in the first half of 2023 reflecting higher interest rates and, the issuance in September 2023 of €400 million sustainability-linked senior notes.
- Income tax paid decreased by €25.0 million from €184.2 million in the first half of 2023 to €159.2 million in 2024 thanks to a lower profit before tax.
- Change in working capital requirements accounted for an outflow of €227.5 million in the first half of 2024, as compared to a €402.7 million in the first half of 2023:
  - Net inventories contributed for a €43.4 million outflow (€193.2 million in the first half of 2023);
  - Net trade receivables contributed for a €315.9 million outflow (€317.6 million in the first half of 2023);
  - Net trade payables contributed for a €209.5 million inflow (€256.6 million in the first half of 2023); and
  - Change in non-trade working capital represented an outflow of €77.6 million (€148.5 million in the first half of 2023).

Working capital requirements

	As of JUNE 30	
	2024	**2023**
Working capital requirements as a % of sales [1] at comparable basis	14.1 %	13.8 %
of which Trade Working capital	15.3 %	15.2 %
	Number of days	Number of days
Net inventories	57.9	59.7
Net trade receivables	48.1	46.4
Net trade payables	51.8	53.3

(1) Working capital requirements, end of period, divided by last 12-month sales.

As a percentage of sales over the last 12 months, on a constant basis, working capital requirements accounted for 14.1% as of June 30, 2024, a 29 bps deterioration as compared to June 30, 2023.

2.1.2 Cash flow from investing activities

Cash flow from investing activities consisting of acquisitions and disposals of fixed assets, as well as financial investments, amounted to a €392.5 million outflow in the first half of 2024, as compared to €139.7 million outflow in the first half of 2023.

	PERIOD ENDED JUNE 30	
(in millions of euros)	**2024**	**2023**
Acquisitions of operating fixed assets	*(58.3)*	*(62.2)*
Proceed from disposal of operating fixed assets	*3.2*	*0.2*
Net change in debts and receivables on fixed assets	*(1.8)*	*(12.5)*
Net cash flow from capital expenditures	**(56.9)**	**(74.5)**
Acquisition of subsidiaries, net of cash acquired	*(335.6)*	*(194.2)*
Proceeds from disposal of subsidiaries, net of cash disposed of	—	*130.7*
Net cash flow from financial investments	**(335.6)**	**(63.5)**
Net change in long-term investments	**0.1**	**(1.8)**
Net cash flow from investing activities	**(392.5)**	**(139.7)**

Acquisitions and disposals of operating fixed assets

Acquisitions of operating fixed assets, net of disposals, accounted for an outflow of €56.9 million in the first half of 2024, as compared to €74.5 million in the first half of 2023.

In the first half of 2024, gross capital expenditures represented 0.6% of sales and stood at €58.3 million (€62.2 million in the first half of 2023) mostly to support the digital transformation, as well as the supply chain modernization and the renovation of distribution network.

Acquisitions and disposals of subsidiaries

Net cash flow from financial investments accounted for an outflow of €335.6 million in the first half of 2024, reflecting the acquisitions of Talley (US), and for a smaller amount Mavisun (France).

In the first half of 2023, net cash flow from financial investments accounted for an outflow of €194.2 million mainly in connection with the acquisition of Buckles-Smith (USA) and LTL (Canada) and the inflow of €130.7 million from the divestment of the Norwegian business.

2.1.3 Cash flow from financing activities

In the first half of 2024, net cash flow from financing activities represented a net cash outflow of €420.1 million, mainly resulting from the:

- €357.2 million dividend distribution;
- €49.6 million share buy-back programs;
- €120.5 million lease liabilities repayment;

Partly offset by :

- higher recourse to credit facilities, commercial papers and other borrowings of €110 million.

In the first half of 2023, net cash flow from financing activities represented a net cash outflow of €192.3 million, mainly resulting from the:

- €107.6 million lease liabilities repayment;
- €362.3 million dividend distribution;
- €42.3 million share buy-back programs; and
- Partly offset by higher recourse to commercial papers, and other financial borrowings for €305.2 million.

2.2 SOURCES OF FINANCING

In addition to the cash from operations, the Group's main sources of financing are bond issuances, securitization programs and multilateral credit lines. As of June 30, 2024, Rexel's consolidated net debt amounted to €2,669.4 million, up €707.9 million as compared to December 31, 2023, consisting of the following items:

	As of JUNE 30 2024			As of DECEMBER 31 2023		
(in millions of euros)	CURRENT	NON CURRENT	TOTAL	CURRENT	NON CURRENT	TOTAL
Senior notes	—	1,368.6	1,368.6	—	1,370.1	1,370.1
Securitization	—	1,258.5	1,258.5	—	1,183.5	1,183.5
Bank facilities	69.9	50.2	120.0	52.4	50.2	102.6
Commercial paper	84.9	—	84.9	34.9	—	34.9
Medium term notes	65.5	—	65.5	49.9	—	49.9
Bank overdrafts and other credit facilities	69.8	—	69.8	93.5	—	93.5
Accrued interests	9.8	—	9.8	9.6	—	9.6
Less transaction costs	(2.7)	(11.7)	(14.3)	(2.0)	(10.8)	(12.8)
Total financial debt and accrued interest	**297.3**	**2,665.6**	**2,962.8**	**238.3**	**2,592.9**	**2,831.3**
Cash and cash equivalents			(416.9)			(912.7)
Accrued interest receivable			(3.1)			(4.1)
Debt hedge derivatives			31.2			29.6
Debt related to acquisitions			95.4			17.4
Net financial debt			**2,669.4**			**1,961.5**

As of June 30, 2024, the Group’s liquidity amounted to €934.0 million (€1,470.6 million at December 31, 2023), consisting of the following items:

(in millions of euros)	JUNE 30 2024	DECEMBER 31 2023
Cash and cash equivalents	416.9	912.7
Bank overdrafts	(69.8)	(93.5)
Commercial paper	(84.9)	(34.9)
Medium term notes	(65.5)	(49.9)
Undrawn Senior credit agreement	700.0	700.0
Bilateral facilities	37.4	36.2
Liquidity	**934.0**	**1,470.6**

Senior Credit Facility Agreement

On January 23, 2024, Rexel early terminated its €850 million revolving credit facility agreement, initially dated March 15, 2013, subsequently amended – the latest being dated 29 June 2023 and expiring on January 2025.

Concurrently, Rexel entered into a new revolving credit facility agreement for an aggregate amount of €700 million with the same group of core banks. This facility has a maturity date on January 22, 2029 which can be extended by one or two years at the option of Rexel. It bears interest at a rate in reference to (i) Euribor, (ii) a margin ranging from 0.30% to 1.40% depending on Rexel’s rating by S&P and Moody’s and (iii) other costs such as commitment or utilization fee.

This facility is subject to a covenant based on the leverage ratio to be maintained below 3.50x as of June 30 and December 31 of each year. The leverage ratio, as calculated under the terms of the new revolving credit facility agreement stood at 1.92x as of June 30, 2024 (1.26x as of June 30, 2023).

As of June 30, 2024, Rexel's ratings by the financial rating agencies were as follows:

Rating agency	Moody's	Standard & Poor's
Long-term rating	Ba1	BB+
Short-term rating	-	B
Outlook	Stable	Stable

3. PENDING ACQUISITION

Rexel announced in the first quarter of 2024 it has reached an agreement to acquire Itesa, a leading distributor of security solutions in France.

Itesa is well positioned with a network of 15 branches in France and generated turnover of €78 million in 2023 through a strong presence in the alarm and video segments, accounting for close to 75% of its sales.

The transaction remains subject to the French competition authority and is expected to close in the second semester.

4. OUTLOOK

In a more complex environment, notably marked by political uncertainties and a more competitive market, **Rexel confirms its guidance,** with same-day sales growth and adjusted Ebita margin expected in the lower end of the initial range[1] :

- Stable to slightly positive same-day sales growth, with a high comparable base in H1
- Adjusted EBITA[2] margin between 6.3% and 6.6%
- Free cash flow conversion[3] above 60%

1 At comparable scope of consolidation and exchange rates

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

3 FCF Before interest and tax/EBITDAaL

5. EVENTS AFTER THE REPORTING PERIOD

On July 2, Rexel issued a Schuldschein agreement for €200 million with 2 tranches:

- €80 million maturing July 2, 2027
- €120 million maturing July 2, 2029.

On July 10, 2024, the Group acquired Electrical Supplies Inc., an electrical distributor based in the US. Electrical Supplies Inc. generating a yearly turnover of $55 million.

II. Consolidated financial statements as of June 30, 2024

(unaudited[1])

1. The condensed consolidated interim financial statements as of June 30, 2024, have been subjected to a limited review by Rexel's statutory auditors. The statutory auditors' review report on 2024 half year information is presented after the condensed consolidated interim financial statements.

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Consolidated Statement of Profit or Loss (unaudited)

(in millions of euros)	Note	FOR THE PERIOD ENDED JUNE 30, 2024	2023
Sales	4	**9,629.7**	**9,763.0**
Cost of goods sold		(7,203.3)	(7,246.4)
Gross profit	5	**2,426.4**	**2,516.5**
Distribution and administrative expenses	6	(1,844.0)	(1,831.4)
Operating income before other income and expenses		**582.4**	**685.1**
Other income	7	6.8	0.9
Other expenses	7	(12.4)	(26.0)
Operating income		**576.8**	**660.0**
Financial income		10.2	4.3
Interest expense on borrowings		(61.3)	(40.7)
Other financial expenses		(44.9)	(39.3)
Net financial expenses	8	**(96.0)**	**(75.7)**
Net income before income tax		**480.8**	**584.3**
Income tax	9	(127.8)	(155.9)
Net income		**353.0**	**428.4**

Portion attributable:			
to the equity holders of the parent		*351.9*	*428.4*
to non-controlling interests		*1.1*	—
Earnings per share:			
Basic earnings per share (in euros)	10	*1.17*	*1.42*
Fully diluted earnings per share (in euros)	10	*1.17*	*1.42*

The accompanying notes are an integral part of these consolidated interim financial statements.

Consolidated Statement of Comprehensive Income (unaudited)

(in millions of euros)	Note	FOR THE PERIOD ENDED JUNE 30, 2024	2023
Net income		**353.0**	**428.4**
Items to be reclassified to profit or loss in subsequent periods			
Net gain / (loss) on net investment hedges		6.1	6.0
Income tax		(1.6)	(1.6)
Net gain / (loss) on net investment hedges, net of tax		**4.5**	**4.5**
Foreign currency translation adjustment		55.4	(67.8)
Income tax		(1.4)	4.2
Foreign currency translation adjustment, net of tax		**54.0**	**(63.6)**
Net gain / (loss) on cash flow hedges		0.2	(1.5)
Income tax		(0.1)	0.4
Net gain / (loss) on cash flow hedges, net of tax		**0.1**	**(1.1)**
Items not to be reclassified to profit or loss in subsequent periods			
Net gain/ (loss) on remeasurements of net defined benefit liability	13	19.1	14.6
Income tax		(0.1)	0.6
Net gain/ (loss) on remeasurements of net defined benefit liability, net of tax		**18.9**	**15.2**
Other comprehensive income / (loss) for the period, net of tax		**77.6**	**(45.0)**
Total comprehensive income / (loss) for the period, net of tax		**430.6**	**383.3**
Portion attributable:			
to the equity holders of the parent		*429.5*	*383.3*
to non-controlling interests		*1.1*	—

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Balance Sheet (unaudited)

(in millions of euros)		AS OF JUNE 30,	AS OF DECEMBER 31
ASSETS	**Note**	**2024**	**2023**
Goodwill		4,113.1	3,722.3
Intangible assets		1,482.3	1,482.0
Property, plant and equipment		355.2	354.5
Right-of-use assets		1,293.2	1,232.5
Long-term investments		58.1	73.1
Deferred tax assets		67.3	67.2
Total non-current assets		**7,369.1**	**6,931.6**
Inventories		2,495.7	2,386.4
Trade accounts receivable		3,029.3	2,623.8
Current tax assets		34.6	23.4
Other accounts receivable		762.3	771.7
Cash and cash equivalents	15.1	416.9	912.7
Total current assets		**6,738.9**	**6,718.0**
Total assets		**14,108.0**	**13,649.6**

(in millions of euros)		AS OF JUNE 30,	AS OF DECEMBER 31
EQUITY AND LIABILITIES	**Note**	**2024**	**2023**
Share capital		1,508.7	1,503.6
Share premium		583.2	589.0
Reserves and retained earnings		3,474.1	3,438.4
Total equity attributable to equity holders of the parent		**5,566.0**	**5,531.1**
Non-controlling interests		4.8	0.1
Total equity		**5,570.8**	**5,531.1**
Interest bearing debt (non-current part)	15.1	2,665.6	2,592.9
Lease liabilities (non-current part)	14	1,193.8	1,140.5
Net employee defined benefit liabilities	13	135.8	158.7
Deferred tax liabilities		300.4	295.3
Provisions and other non-current liabilities	12	163.4	86.0
Total non-current liabilities		**4,458.9**	**4,273.4**
Interest bearing debt (current part)	15.1	287.5	228.7
Accrued interest	15.1	9.8	9.6
Lease liabilities (current part)	14	230.8	221.4
Trade accounts payable		2,566.8	2,299.3
Income tax payable		14.9	33.9
Other current liabilities		968.4	1,052.2
Total current liabilities		**4,078.2**	**3,845.1**
Total liabilities		**8,537.2**	**8,118.5**
Total equity and liabilities		**14,108.0**	**13,649.6**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Cash Flows (unaudited)

(in millions of euros)		FOR THE PERIOD ENDED JUNE 30,	
CASH FLOWS FROM OPERATING ACTIVITIES	**Note**	**2024**	**2023**
Operating income		576.8	660.0
Depreciation, amortization and impairment of assets and assets write off		197.7	180.3
Employee benefits		(9.9)	(12.9)
Change in other provisions		(1.6)	(0.5)
Other non-cash operating items		8.4	26.9
Financial interest paid on borrowings		(58.9)	(44.4)
Interest on lease liabilities	14	(30.9)	(26.7)
Income tax paid		(159.2)	(184.2)
Operating cash flows before change in working capital requirements		**522.3**	**598.4**
Change in inventories		(43.4)	(193.2)
Change in trade receivables		(315.9)	(317.6)
Change in trade payables		209.5	256.6
Change in other working capital items		(77.6)	(148.5)
Change in working capital requirements		***(227.5)***	***(402.7)***
Net cash from operating activities		**294.9**	**195.7**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of tangible and intangible assets		(60.1)	(74.7)
Proceeds from disposal of tangible and intangible assets		3.2	0.2
Acquisitions of businesses or affiliates, net of cash acquired	3.1	(335.6)	(194.2)
Proceeds from disposal of businesses or affiliates, net of cash disposed of		—	130.7
Change in long-term investments		0.1	(1.8)
Net cash from investing activities		**(392.5)**	**(139.7)**
CASH FLOWS FROM FINANCING ACTIVITIES			
(Purchase) / Disposal of treasury shares		(52.1)	(41.3)
Net change in credit facilities, commercial papers, other financial borrowings	15.2	55.1	305.3
Net change in securitization	15.2	54.6	13.6
Repayment of lease liabilities	14	(120.5)	(107.6)
Dividends paid	11	(357.2)	(362.3)
Net cash from financing activities		**(420.1)**	**(192.3)**
Net (decrease) / increase in cash and cash equivalents		**(517.7)**	**(136.3)**
Cash and cash equivalents at the beginning of the period	15.1	912.7	895.4
Effect of exchange rate changes on cash and cash equivalents		21.9	2.8
Cash and cash equivalents at the end of the period	15.1	**416.9**	**761.9**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Changes in Equity (unaudited)

(in millions of euros)

FOR THE PERIOD ENDED JUNE 30, 2023	NOTE	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION	CASH FLOW HEDGE RESERVE	REMEASUREMENT OF NET DEFINED BENEFIT LIABILITY	**TOTAL ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT**	NON-CONTROLLING INTERESTS	**TOTAL EQUITY**
Balance at January 1, 2023		**1,517.1**	**1,015.8**	**2,716.8**	**126.4**	**16.9**	**(111.2)**	**5,281.8**	**0.1**	**5,281.9**
Net income		—	—	428.4	—	—	—	428.4	—	428.4
Other comprehensive income		—	—	—	(59.1)	(1.1)	15.2	(45.0)	—	(45.0)
Total comprehensive income for the period		**—**	**—**	**428.4**	**(59.1)**	**(1.1)**	**15.2**	**383.3**	**—**	**383.3**
Cash dividends	11	—	(362.3)	—	—	—	—	(362.3)	—	(362.3)
Allocation of free shares and free shares cancelled		—	(10.0)	10.0	—	—	—	—	—	—
Share-based payments		—	—	13.1	—	—	—	13.1	—	13.1
Disposal of subsidiaries		—	—	(0.7)	51.2	—	0.7	51.2	—	51.1
(Purchase) / Disposal of treasury shares		—	—	(41.5)	—	—	—	(41.5)	—	(41.5)
Balance at June 30, 2023		**1,517.1**	**643.5**	**3,126.2**	**118.4**	**15.8**	**(95.3)**	**5,325.6**	**0.1**	**5,325.7**

FOR THE PERIOD ENDED JUNE 30, 2024	NOTE	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION	CASH FLOW HEDGE RESERVE	REMEASUREMENT OF NET DEFINED BENEFIT LIABILITY	**TOTAL ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT**	NON-CONTROLLING INTERESTS	**TOTAL EQUITY**
Balance at January 1, 2024		**1,503.6**	**589.0**	**3,448.3**	**100.8**	**4.2**	**(114.8)**	**5,531.1**	**0.1**	**5,531.1**
Net income		—	—	351.9	—	—	—	351.9	1.1	353.0
Other comprehensive income		—	—	—	58.6	0.1	18.9	77.6	—	77.6
Total comprehensive income for the period		**—**	**—**	**351.9**	**58.6**	**0.1**	**18.9**	**429.5**	**1.1**	**430.6**
Cash dividends	11	—	—	(357.2)	—	—	—	(357.2)	—	(357.2)
Allocation of free shares, net of forfeitures		5.1	(5.8)	0.7	—	—	—	—	—	—
Share-based payments		—	—	14.7	—	—	—	14.7	—	14.7
(Purchase) / Disposal of treasury shares		—	—	(52.1)	—	—	—	(52.1)	—	(52.1)
Acquisition of non controlling interests		—	—	—	—	—	—	—	3.7	3.7
Balance at June 30, 2024		**1,508.7**	**583.2**	**3,406.4**	**159.3**	**4.3**	**(95.9)**	**5,566.0**	**4.8**	**5,570.8**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Accompanying Notes (unaudited)

1. General information

Rexel was incorporated on December 16, 2004. Shares of Rexel were admitted to trading on the Eurolist market of Euronext Paris on April 4, 2007. The group consists of Rexel SA and its subsidiaries (hereafter referred to as “the Group” or “Rexel”).

The Group, headquartered in Paris, France, is mainly involved in the business of the distribution of low and ultra-low voltage electrical products to professional customers. It serves the needs of a large variety of customers and markets in the fields of construction, industry, and services. The product offering covers electrical installation equipment, conduits and cables, lighting, security and communication, climate control, tools, renewable energies and energy management, and white and brown goods. The principal markets in which the Group operates are in Europe, North America (the United States and Canada) and Asia-Pacific (mainly in China, Australia and New Zealand).

2. Significant account policies

2.1 Statement of compliance

The condensed consolidated interim financial statements (hereafter referred to as “the condensed financial statements”) cover the period from January 1 to June 30, 2024. They have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and are also compliant with the standards of the IASB in force as of June 30, 2024. In particular, they have been prepared in accordance with IAS 34, relating to Interim Financial Reporting. In accordance with the aforementioned standard, only a selection of explanatory notes is included in these condensed financial statements. These notes must be read in conjunction with the Group’s consolidated financial statements prepared for the financial year closed on December 31, 2023, and included in the Universal Registration Document filed with the Autorité des Marchés Financiers on March 11, 2024 under number D.24-0096.

IFRS as adopted by the European Union can be consulted on the European Commission’s website (http://ec.europa.eu/internal_market/accounting/ias/index_en.htm).

These condensed financial statements were authorized for issue by the Board of Directors on July 29, 2024.

2.2 Basis of preparation

The condensed financial statements as of June 30, 2024, are presented in euros and all values are rounded to the nearest tenth of a million, unless otherwise stated. Totals and sub-totals presented in the consolidated financial statements are first computed in thousands of euros and then rounded to the nearest tenth of a million. Thus, the numbers may not sum precisely due to this rounding.

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed frequently, and thus the effect of changes in accounting estimates is accounted for from the date of the revision.

The accounting policies applied in these interim financial statements are consistent with those applied in the Group's consolidated financial statements as at and for the year ended December 31,2023, with the exception of the new standards, amendments and interpretations effective as of 1 January 2024. The Group has not yet early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the interim condensed financial statement of the Group:

- Classification of Liabilities as Current or Non-Current (amendments to IAS1) clarify the classification as current or non current of debt or other financial liabilities subject to a covenant;

- International Tax Reform — Pillar Two Model Rules (Amendments to IAS 12);
- Lease liability in sale and leaseback (amendments to IFRS16);
- Supplier Finance Arrangements (amendments to IAS7 and IFRS7).

3. Changes in Group structure

3.1 Business combination

Talley (United States)

As of June 3, 2024, the Group acquired 100% shares of Talley Inc., a leading distributor of wireless infrastructure products and solutions in the United States, strongly reinforcing its exposure to the fast-growing data usage trends. Talley operates 11 warehouses and generated annual sales of c. €333 million.

The consideration transferred amounts to €431.5 million, including an earn out recognized as a financial debt at its fair value for €77.0 million.

As part of the purchase price allocation, the Group recognized a preliminary goodwill of €358.6 million. The valuation of other intangible assets is in progress.

Mavisun (France)

In 2023, the Group acquired 51% interest in Mavisun, a French photovoltaic solutions distribution company. This investment has been consolidated as of January 1, 2024. In 2023, this investment was presented under the line item "Other long term investment" for €14.1 million.

Purchase price allocation analysis

The table below shows the purchase price allocation to identifiable assets acquired and liabilities assumed for the entities acquired in 2024:

(in millions of euros) **Net assets acquired and consideration transferred**	TOTAL
Right-of-use assets	34.6
Other fixed assets	0.9
Other non current assets	0.7
Current assets	98.9
Net financial debt	18.8
Other non current liabilities	(4.0)
Lease liabilities	(34.6)
Current liabilities	(38.7)
Net asset acquired (except goodwill acquired)	**76.7**
Goodwill acquired	369.1
Consideration transferred	**445.9**
Cash acquired	(18.8)
Deferred payments	(77.0)
2023 payment for acquisition of a subsidiary consolidated in 2024	(14.4)
Net cash paid for acquisitions in 2024	**335.6**

Acquired entities contributed for circa €47.7 million to the sales and €5.6 million to the EBITA from their acquisition date until the reporting date as of June 30, 2024. On an annual basis, sales of acquired entities represented circa €385 million.

3.2 Pending acquisitions

Rexel announced in the first quarter of 2024 it has reached an agreement to acquire Itesa, a leading distributor of security solutions in France.

Itesa is well positioned with a network of 15 branches in France and generated turnover of €78 million in 2023 through a strong presence in the alarm and video segments, accounting for close to 75% of its sales.

The transaction remains subject to the French competition authority and is expected to close in the second semester.

4. Segment reporting

Segment information is presented by geographic segment (Europe, North America and Asia-Pacific) consistently with the Group's management reporting structure.

The Group’s financial reporting is reviewed monthly by the Chief Executive Officer and the Chief Financial Officer acting together as Chief operating decision maker within the meaning of IFRS 8 "Operating Segments".

Sales and EBITA by operating segment for the period ended 2024 is as follows:

First half of 2024 SALES (in millions of euros)

by operating segment

First half of 2024 EBITA (in millions of euros)

by operating segment

(in millions of euros)

	2024					
FOR THE PERIOD ENDED JUNE 30,	EUROPE	NORTH AMERICA	ASIA-PACIFIC	**TOTAL OPERATING SEGMENTS**	CORPORATE OVERHEAD AND OTHER RECONCILING ITEMS	**TOTAL GROUP**
Warehouse sales	4,680.6	2,650.4	610.9	**7,942.0**	—	**7,942.0**
Direct sales	325.7	1,498.1	19.7	**1,843.5**	—	**1,843.5**
Rebates, discount and services	(131.2)	(24.0)	(0.6)	**(155.8)**	—	**(155.8)**
Sales to external customers	**4,875.1**	**4,124.5**	**630.0**	9,629.7	**—**	9,629.7
EBITA [(1)]	306.3	293.7	11.5	**611.5**	(15.1)	**596.4**
AS OF JUNE 30,						
Working capital	1,239.5	1,230.6	203.1	**2,673.1**	72.0	**2,745.1**
Goodwill	2,129.0	1,889.6	94.5	**4,113.1**	—	**4,113.1**

(in millions of euros)

	2023					
FOR THE PERIOD ENDED JUNE 30,	EUROPE	NORTH AMERICA	ASIA-PACIFIC	**TOTAL OPERATING SEGMENTS**	CORPORATE OVERHEAD AND OTHER RECONCILING ITEMS	**TOTAL GROUP**
Warehouse sales	4,712.0	2,737.7	643.0	**8,092.7**	—	**8,092.7**
Direct sales	353.5	1,463.0	18.8	**1,835.3**	—	**1,835.3**
Rebates, discount and services	(140.4)	(24.7)	—	**(165.1)**	—	**(165.1)**
Sales to external customers	**4,925.1**	**4,176.0**	**661.8**	9,763.0	**—**	9,763.0
EBITA [(1)]	387.9	311.6	15.1	**714.5**	(19.0)	**695.5**
AS OF DECEMBER 31,						
Working capital	1,062.0	1,114.7	186.9	**2,363.6**	60.4	**2,423.9**
Goodwill	2,135.0	1,493.6	93.7	**3,722.3**	—	**3,722.3**

(1) EBITA is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

The reconciliation of EBITA with the Group's consolidated net income before tax breakdown as follows:

	FOR THE PERIOD ENDED JUNE 30,	
(in millions of euros)	2024	2023
EBITA	**596.4**	**695.5**
Amortization of intangible assets recognized upon allocation of the acquisition price of acquired entities	(14.0)	(10.5)
Other income and other expenses	(5.6)	(25.1)
Net financial expenses	(96.0)	(75.7)
Net income before tax	**480.8**	**584.3**

The reconciliation of the total allocated assets and liabilities with the Group's consolidated total assets is presented in the following table:

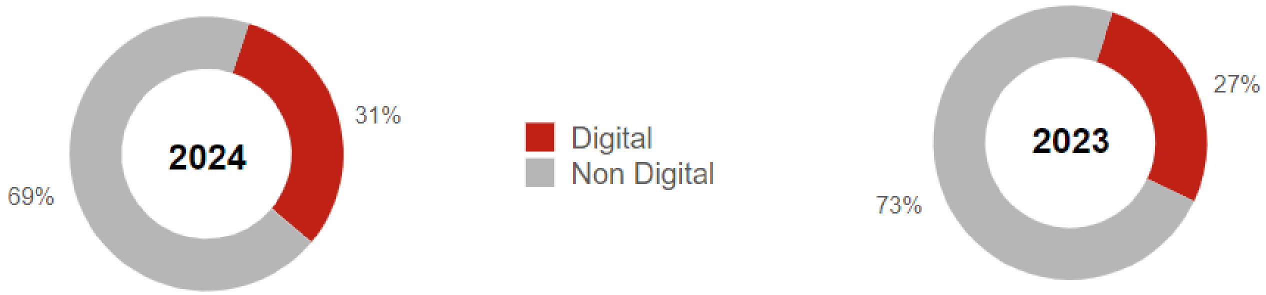
	AS OF JUNE 30,	AS OF DECEMBER 31,
(in millions of euros)	2024	2023
Working capital	2,745.1	2,423.9
Goodwill	4,113.1	3,722.3
Total allocated assets & liabilities	**6,858.2**	**6,146.2**
Liabilities included in allocated working capital	3,535.2	3,351.3
Other non-current assets	3,188.7	3,142.1
Deferred tax assets	67.3	67.2
Current tax assets	34.6	23.4
Other current assets	3.9	4.9
Derivatives	3.1	1.8
Cash and cash equivalents	416.9	912.7
Group total assets	**14,108.0**	**13,649.6**

5. Gross profit

Domestic and digital sales for the half year were as follows:

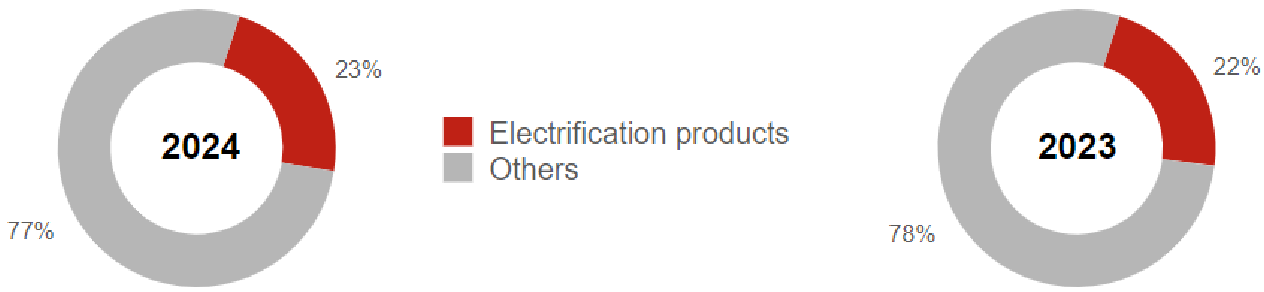
Domestic Sales

Digital Sales*



*Web, Self-checkout (Scan & Go) and EDI (Electronic Data Interchange) solutions sales.

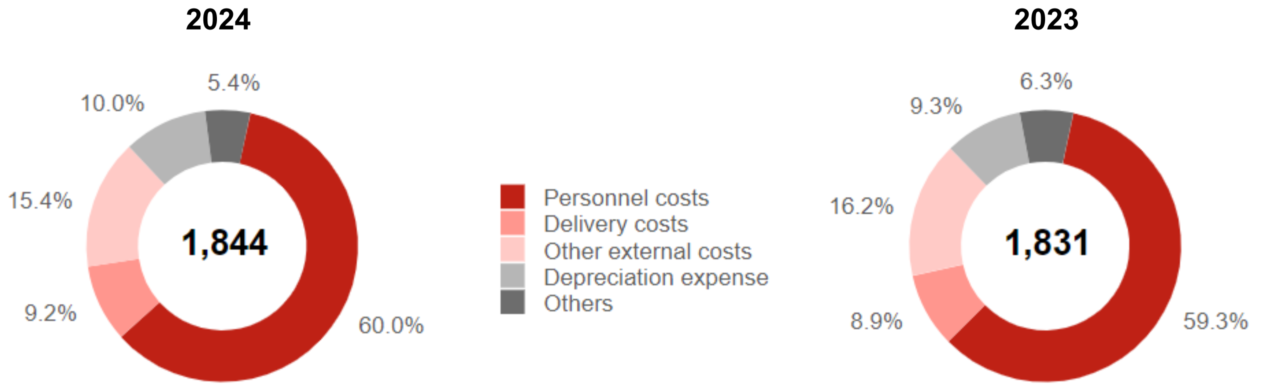
Electrification products Sales*



*Solar, Electric charging infrastructure, HVAC (heating, ventilation and air conditioning) and Industrial Automation

6. Distribution & administrative expenses

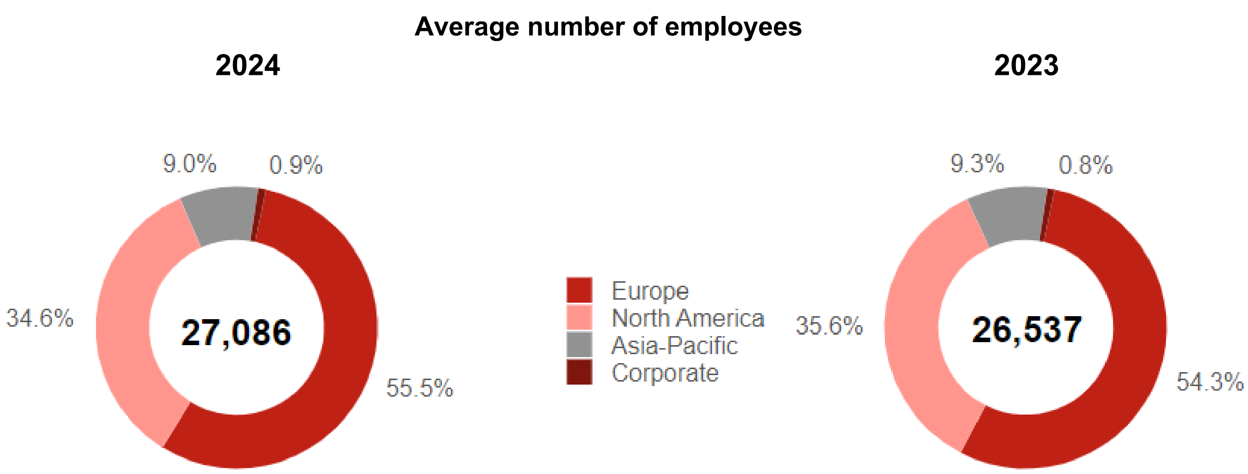
Distribution and administrative expenses for the half year were as follows:



(in millions of euros)		FOR THE PERIOD ENDED JUNE 30, 2024	2023
Personnel costs		(1,107.1)	(1,086.1)
Delivery costs		(169.6)	(162.1)
Other external costs	(1)	(284.6)	(297.2)
Depreciation expense	(2)	(183.7)	(169.8)
Building and occupancy costs		(82.0)	(82.9)
Amortization of intangible assets recognized upon the allocation of the acquisition price of acquired entities		(14.0)	(10.5)
Bad debt expense		(3.0)	(22.7)
Total distribution and administrative expenses		**(1,844.0)**	**(1,831.4)**

(1) Including IT Maintenance costs of €69.0 million and professional fees of €39.6 million in 2024 (respectively €69.0 million and €41.1 million in 2023).

(2) Including depreciation expense of right-of-use assets of €125.0 million in 2024 (€113.4 million in 2023).



Group average number of employees breakdown as follows:

	FOR THE PERIOD ENDED JUNE 30,	
	2024	2023
Europe	15,041	14,402
North America	9,355	9,453
Asia-Pacific	2,443	2,459
Total operating segments	**26,839**	**26,314**
Corporate	247	223
Group average number of employees	**27,086**	**26,537**

Increase in Group average number of employees mainly reflected the effect of the acquisitions in Europe in 2023.

Share-based payments

On April 30, 2024, Rexel entered into a free share plan amounting to a maximum of 2,022,660 shares. According to this plan, the beneficiaries will be eligible to receive Rexel shares three years after the grant date (April 30, 2027) with no subsequent restrictions.

The actual delivery of these bonus shares is subject the following vesting conditions:

Plan	Performance shares plan	Restricted shares plan	**TOTAL**
Vesting conditions	Three-year service condition from grant date and performance conditions based on financial and ESG targets as well as Rexel share market performance	Three-year service condition from grant date without any performance conditions	
Delivery date	April 30, 2027	April 30, 2027	
Share fair value at grant date April 30, 2024	*20.04*	*21.84*	***20.34***
Maximum number of shares granted on April 30, 2024	**1,681,580**	**341,080**	**2,022,660**

7. Other income & other expenses

		FOR THE PERIOD ENDED JUNE 30,	
(in millions of euros)		2024	2023
Gains on disposal of fixed assets		2.8	0.1
Gain on lease terminations	(1)	4.0	0.2
Other operating income		—	0.6
Total other income		**6.8**	**0.9**
Restructuring costs	(2)	(3.9)	(4.2)
Integration costs		(1.3)	—
Disposal loss of Norwegian business		—	(13.5)
Acquisition-related costs	(3)	(6.0)	(7.0)
Other		(1.3)	(1.3)
Total other expenses		**(12.4)**	**(26.0)**

(1) In 2024, mainly gain on lease early termination in the US.

(2) In 2024, transformation plans mainly in the United-Kingdom.

(3) In 2024, mainly costs associated with the acquisition of Talley (mainly costs associated with the acquisition of Wasco in 2023).

8. Net financial expenses

(in millions of euros)		FOR THE PERIOD ENDED JUNE 30, 2024	2023
Interest income on cash and cash equivalents		8.6	2.9
Interest income on receivables and loans		1.5	1.4
Financial income		**10.2**	**4.3**
Interest expense on financial debt (stated at amortized cost)	(1)	(61.3)	(46.0)
Interest gain / (expense) on interest rate derivatives		0.3	5.4
Change in fair value of interest rate derivatives through profit and loss		(0.3)	(0.2)
Interest expense on borrowings		**(61.3)**	**(40.7)**
Foreign exchange gain (loss)		*0.4*	*1.4*
Change in fair value of exchange rate derivatives through profit and loss		—	*0.1*
Net foreign exchange gain (loss)		0.4	1.4
Net financial expense on employee benefit obligations		(4.5)	(4.4)
Interest on lease liabilities		(30.9)	(26.7)
Others	(2)	(9.8)	(9.5)
Other financial expenses		**(44.9)**	**(39.3)**
Net financial expenses		**(96.0)**	**(75.7)**

(1)Mainly due to interest and services charges on senior notes for 21,1m€ in 2024 (vs 10,6m€ in 2023) and interest expenses on securitizations and factoring for 35,7m€ (vs 28,6m€ in 2023).

(2) Mainly interests on derecognized trade receivables.

9. Income tax

Income tax expense for an interim period is calculated based on the average estimated tax rate for the 2024 financial year to the interim income before taxes. The effective tax rate for the period ending June 30, 2024, is 26.6% (26.7% for the period ended June 30, 2023).

As of June 30, 2024, the impact of Pillar 2 rules on the Group tax expense is unsignificant.

10. Earnings per share

Information on the earnings and number of ordinary and potential dilutive shares included in the calculation is presented below:

	FOR THE PERIOD ENDED JUNE 30,	
	2024	**2023**
Net income attributed to ordinary shareholders (in millions of euros)	**351.9**	**428.4**
Weighted average number of issued common shares adjusted for non-dilutive potential shares (in thousands)	300,493	302,247
Basic earnings per share (in euros)	**1.17**	**1.42**
Dilutive potential shares (in thousands)	1,043	—
Weighted average number of common shares adjusted for dilutive potential shares (in thousands)	301,536	302,247
Fully diluted earnings per share (in euros)	**1.17**	**1.42**

11. Dividends

Dividends are deducted from equity in the period where the distribution is approved by the annual shareholders' meeting.

	FOR THE PERIOD ENDED JUNE 30,	
	2024	**2023**
Dividends per share (in euros)	1.20	1.20
Dividends paid in cash through share premium distribution (in millions of euros)	357.2	362.3

12. Provisions and other non-current liabilities

(in millions of euros)		AS OF JUNE 30, **2024**	AS OF DEC.31, **2023**
Provisions		25.9	27.2
Derivatives	(1)	33.8	32.9
Debt related to acquisitions	(2)	95.4	17.4
Other non-current liabilities	(3)	8.3	8.4
Provisions and other non-current liabilities		**163.4**	**86.0**

(1) Of which €31.7 million fair value hedge derivatives on senior notes as of June 30, 2024 (€30.0 million as of December 31, 2023).

(2) Linked to Talley and Mavisun.

(3) Including employee profit sharing related payables in France in the amount of €8.3 million (€8.4 million as of December 31, 2023).

13. Post-employment and long-term benefits

As of June 30, 2024, the major Group's defined benefit plan obligations were adjusted including pension plans in Canada, Switzerland and the United Kingdom. The impacts of actuarial changes were estimated based on a sensitivity analysis that considered changes in discount rates and differences between actual and expected plan asset performance.

For the period ended June 30, 2024, remeasurement of pension and post-retirement benefits accounted for a gain of 19.1 million before tax that was recognized in other comprehensive income (14.6 million for the period ended June 30, 2023). This gain resulted mainly from changes in discount rates as of June 30, 2024, such as presented below:

Discount rate (in %)	**As of June 30, 2024**	**As of Dec 31, 2023**	**As of June 30, 2023**
The United Kingdom	5.25	4.50	5.25
Canada	4.90	4.60	4.90
Switzerland	1.25	1.25	1.75

14. Lease liabilities

Set out below are the movements of lease liabilities during the period:

(in millions of euros)	2024	2023
As of January 1,	**1,361.9**	**1,243.1**
Change in scope	34.6	11.6
Additions	129.2	139.0
Interest expenses	30.9	26.7
Payments	(151.4)	(134.3)
Currency translation adjustment	19.4	(13.8)
As of June 30,	**1,424.6**	**1,272.3**

Set out below are the amounts recognized in profit or loss for the periods ended June 30, 2024, and 2023:

	FOR THE PERIOD ENDED JUNE 30,		
(in millions of euros)	2024	2023	**Statement of Profit and Loss classification**
Depreciation of right-of-use assets	(125.0)	(113.4)	Depreciation expenses (note 6)
Interest on lease liabilities	(30.9)	(26.7)	Other financial expenses (note 8)
Rent on short term and low-value assets leases	(9.4)	(9.5)	
Net gain on lease termination	4.0	0.2	Other income (note 7)
Total amount recognized in P&L	**(161.3)**	**(149.5)**	

15. Financing and financial risk management

15.1 Net financial debt

As of June 30, 2024, Rexel's consolidated net debt stood at €2,669.4 million, consisting of the following items:

		As of June 30, 2024			As of December 31, 2023		
(in millions of euros)		CURRENT	NON CURRENT	TOTAL	CURRENT	NON CURRENT	TOTAL
Senior notes		—	1,368.6	1,368.6	—	1,370.1	1,370.1
Securitization		—	1,258.5	1,258.5	—	1,183.5	1,183.5
Bank facilities		69.9	50.2	120.0	52.4	50.2	102.6
Commercial paper		84.9	—	84.9	34.9	—	34.9
Medium term notes		65.5	—	65.5	49.9	—	49.9
Bank overdrafts and other credit facilities		69.8	—	69.8	93.5	—	93.5
Accrued interests	(1)	9.8	—	9.8	9.6	—	9.6
Less transaction costs		(2.7)	(11.7)	(14.3)	(2.0)	(10.8)	(12.8)
Total financial debt and accrued interest		**297.3**	**2,665.6**	**2,962.8**	**238.3**	**2,592.9**	**2,831.3**
Cash and cash equivalents				(416.9)			(912.7)
Accrued interest receivable				(3.1)			(4.1)
Debt hedge derivatives	(2)			31.2			29.6
Debt related to acquisitions	(3)			95.4			17.4
Net financial debt				**2,669.4**			**1,961.5**

(1) Of which accrued interests on Senior Notes for €7.1 million as of June 30, 2024 (€7.2 million as of December 31, 2023).

(2) Debt hedge derivatives include fair value hedge interest rate derivatives and foreign exchange derivatives designated as hedge of financial debt.

(3) Accounted in provisions and other non-current liabilities (note 12).

15.1.1 Senior notes

Main components of existing senior notes are detailed as follows:

				CARRYING AMOUNT	
(in millions of euros)	NOMINAL AMOUNT	DUE DATE	NOMINAL INTEREST RATE	AS OF JUNE 30, **2024**	AS OF DEC 31, **2023**
2021 Sustainability linked senior notes (November)	600.0	December 2028	2.125 %	600.0	600.0
2021 Sustainability linked senior notes (May)	400.0	June 2028	2.125 %	368.6	370.1
2023 Sustainability linked senior notes (September)	400.0	September 2030	5.250 %	400.0	400.0
TOTAL	1,400.0			**1,368.6**	**1,370.1**

15.1.2 Securitization programs

Rexel runs several on-going securitization programs which enable it to obtain financing at a lower cost than issuing bonds or incurring bank loans.

The specific characteristics of Rexel Group's securitization programs vary depending on the country. The relevant subsidiaries remain responsible for the collection of receivables once assigned. These receivables are assigned to special-purpose entities operating with no action required by the subsidiaries. The special purpose vehicles obtain the financing required to purchase these receivables, notably through the issuance of short-term debt instruments such as French, US, or Canadian commercial paper, which is rated by rating agencies.

Securitization programs are subject to certain covenants concerning the quality of the trade receivables portfolio including dilution (ratio of credit notes to eligible receivables), delinquency and default criteria (aging ratios measured respectively as overdue and doubtful receivables to eligible receivables). As of June 30, 2024, Rexel had satisfied all of these covenants. All the programs are on-going programs and therefore are not subject to seasonality other than seasonality arising in the ordinary course of business.

Information with respect to Rexel's securitization programs including the off-balance sheet programs is provided in the table below:

	AS OF JUNE 30,			AS OF JUNE 30,	AS OF DEC 31,	
	COMMITMENT	AMOUNT OF RECEIVABLES ASSIGNED	AMOUNT DRAWN DOWN	2024	2023	MATURITY
MAIN PROGRAMS	*(in millions of currency)*			*(in millions of euros)*		
France	€360.0	€471.3	€356.0	356.0	360.0	12/16/2026
Europe (excl. France)	€219.0	€339.1	€215.9	215.9	217.3	7/19/2025
United States - on balance sheet	US$500.0	US$834.0	US$500.0	467.1	452.5	8/3/2025
United States - off balance sheet	US$225.0	US$225.0	US$225.0	210.2	203.6	8/3/2025
Canada	CAD225.0	CAD313.7	CAD221.7	151.1	153.7	1/19/2026
Australia	AUD110.0	AUD158.2	AUD110.0	68.4	—	12/19/2026
TOTAL				**1,468.6**	**1,387.1**	
Of which:	–	on balance sheet:		1,258.5	1,183.5	
	–	off balance sheet:		210.2	203.6	

The total outstanding amount authorized for these securitization programs was €1,478.0 million and was almost totally used as of June 30, 2024.

These securitization programs pay interest at variable rates including a specific credit spread to each program.

15.1.3 Factoring arrangements

In addition to its securitization programs, Rexel has a factoring agreement in Belgium. Under this arrangement, Rexel assigns trade receivables to the factor and receives cash payment for a maximum amount of €40 million.

As a result of this arrangement, the Group transfers the credit risk, interest risk and late payment risk to the factor, and remains liable for collecting the receivable on behalf of the factor.

As of June 30, 2024, Rexel derecognized the trade receivables sold to the factor for €29.9 million (€31.4 million as of December 31, 2023). Cash collected on behalf of the factor in relation with the transferred receivables was recognized in financial liabilities for €4.9 million as of June 30, 2024 (€6.1 million as of December 31, 2023).

15.1.4 Commercial paper program

Rexel runs a €300 million commercial paper program, with fixed maturities ranging from one to six months depending on the notes, issued to diversify its investor base and minimize the cost of financing.

As of June 30, 2024, the company had €84.9 million of outstanding commercial papers (€34.9 million as of December 31, 2023).

15.1.5 Medium term notes

Starting in 2023, Rexel runs a €100 million medium term notes, with fixed maturities of at least twelve months issued to diversify its investor base and minimize the cost of financing.

As of June 30, 2024, the company had €65.5 million of outstanding medium term notes (€49.9 million as of December 31, 2023).

15.1.6 Promissory notes

In order to manage its credit risk in China, the Group discounts without recourse to various financial institutions non-matured promissory notes issued by banks ("Bank Acceptance Drafts") that are received from customers as payment of trade receivables. Rexel transfers risks and benefits associated with discounted Bank Acceptance Drafts.

As of June 30, 2024, Bank Acceptance Drafts were derecognized from the balance sheet for €73.0 million (€45.1 million as of December 31, 2023).

15.2 Change in net financial debt

As of June 30, 2024 and June 30, 2023, the change in net financial debt was as follows:

(in millions of euros)	2024	2023
As of January 1,	**1,961.5**	**1,458.4**
Net change in credit facilities, commercial papers and other financial borrowings	58.2	305.2
Transaction costs and refinancing costs	(3.1)	—
Net change in credit facilities	**55.1**	**305.2**
Net change in securitization	54.6	13.6
Net change in financial liabilities	**109.7**	**318.9**
Change in cash and cash equivalents	517.7	136.3
Effect of exchange rate changes on net financial debt	1.9	(12.6)
Effect of acquisition	—	0.7
Amortization of transaction costs	1.6	1.2
Debt related to acquisitions	77.0	—
Effect of assets held for sale classification	—	(1.6)
Other changes	—	0.2
As of June 30,	**2,669.4**	**1,901.6**

15.3 Liquidity Risk

The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its financial liabilities when they are due. The Group aims to maintain the level of its cash and cash equivalents and available credit facilities at an amount in excess of its cash outflows on financial liabilities over the next 12 months.

As of June 30, 2024, the remaining contractual cash-flows in relation to financial indebtedness and derivative instruments, including interest owed, are as follows:

	DUE WITHIN						
(in millions of euros)	One year	Two years	Three years	Four years	Five years	Thereafter	**Total**
Senior notes	—	—	—	368.6	600.0	400.0	1,368.6
Securitization	—	834.1	424.4	—	—	—	1,258.5
Others	299.9	0.1	50.0	—	—	—	350.1
Total gross financial debt before transaction costs	**299.9**	**834.2**	**474.4**	**368.6**	**600.0**	**400.0**	**2,977.1**
Interests owed in relation to financial indebtedness	124.9	120.1	61.2	48.8	33.2	25.4	413.6
Interests owed (to receive) on derivatives	5.2	8.8	7.7	7.3	—	—	29.0
Total	**430.0**	**963.1**	**543.3**	**424.7**	**633.2**	**425.4**	**3,419.7**

Senior notes are due in 2028 and 2030.

As of June 30, 2024, Group's liquidity stood at €934.0 million (€1,470.6 million as of December 2023) and exceeds the repayment obligation of its financial indebtedness due in the next twelve months. It breaks down as follows:

Group's liquidity
(in million of euros)

Revolving Credit Facility Agreement

On January 23, 2024, Rexel early terminated its €850 million revolving credit facility agreement, initially dated March 15, 2013, subsequently amended – the latest being dated June 29, 2023 and expiring on January 31, 2025.

Concurrently, Rexel entered into a new revolving credit facility agreement for an aggregate amount of €700 million with BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial, HSBC Continental Europe, ING Bank N.V. French Branch, Natixis and Société Générale as mandated lead arrangers and bookrunners. This facility expires on January 22, 2029 and can be extended by one or two years at the option of Rexel.

Other facilities

Rexel can access to a €37.4 million bilateral term loan agreement (US$ 40.0 million) with Wells Fargo Bank international which matures in June 2027. As of June 30, 2024, this facility was undrawn.

Rexel can also access to a €50.0 million facility agreement with Bank of China which matures in September 2026. As of June 30, 2024, this facility was totally drawn.

Trade accounts payables, amounting to €2,566.8 million as of June 30 2024 (€2,299.3 million as of December 2023), are due in less than one year and are funded through recurring positive free cash flow from operating activities.

16. Carrying amount and fair value of financial instruments by accounting category

As of June, 2024, the Group held the following classes of financial instruments measured at fair value:

	AS OF JUNE 30 2024		AS OF DECEMBER 31 2023		
(in millions of euros)	Carrying amount	Fair value	Carrying amount	Fair value	IFRS13 Hierarchy
Financial assets					
Hedging derivatives	8.3	8.3	9.2	9.2	Level 2
Financial Liabilities					
Senior notes	1,368.6	1,324.7	1,370.1	1,354.7	Level 1
Hedging derivatives	33.8	33.8	33.0	33.0	Level 2

IFRS hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities;
- Level 2 — Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable);
- Level 3 — Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

Valuation techniques

The foreign currency forward contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spreads between the respective currencies.

Interest rate swaps are measured using present value techniques based on observable interest yield curves. The Group also takes into account the counterparties credit risk for derivative assets or the Group's own credit risk for derivatives liabilities.

17. Seasonality

Despite the low impact of seasonality on sales, changes in the Group's working capital requirements lead to variations in cash flows over the course of the year. As a general rule, the Group's cash flows are the strongest in the fourth quarter while relatively lower in the three other quarters.

18. Contingent liabilities

For the period ended June 30, 2024, there was no significant change relating to the contingent liabilities disclosed in the financial statements as of December 31, 2023 with a material impact on Rexel's financial position or profitability.

Rexel Group is subject to legal, administrative and regulatory proceedings in the normal course of its business. A provision is recognized in the balance sheet when it is probable that an outflow of economic benefits from Rexel or one of its subsidiaries will be required to settle the obligation and when the amount can be estimated reliably.

The principal proceeding is set out below:

Antitrust investigation

On September 6, 2018, raids were performed in the offices of Rexel in relation to a judiciary investigation from the Tribunal de Grande Instance of Paris (Paris magistrate's court). This investigation, conducted with the assistance of the French Competition Authority, mainly deals with the mechanisms of price formation on the market of distribution of electrical equipment in France.

On July 4, 2022, Rexel received a statement of objections from the French Competition Authority. The Competition Authority's investigators believe that Rexel had implemented practices with some of its suppliers which purpose was allegedly to restrict its freedom to determine its resale prices. The statement of objection specifically targets the special price agreement ("dérogation") mechanism, which is a price reduction aimed at providing customers with the most competitive offer. This mechanism is a transparent practice that is known to all market players and is standard practice in the world of professional electrical equipment distribution.

As part of the judicial investigation underway, Rexel Group has been required to set aside a bank guarantee of €20 million and a cash guarantee of €48 million. This decision was a step in the procedure which in no way prejudges Rexel's guilt.

On October 26, 2023, the French Competition Authority's investigation services sent Rexel a report maintaining the objections notified to Rexel and refers to its press release on fines to list the various variables for a possible sanction. The multiplicity of variables used and the leeway of the Authority's College in this matter make it impossible at this stage to assess a possible amount of sanction. Furthermore, on January 10, 2024, Rexel submitted observations in response to this report, firmly maintaining its position that the special price agreement mechanism does not constitute an agreement with the supplier that intends to fix or has the effect of fixing Rexel's resale prices. The hearing before the French Competition Authority took place on June 4th & 5th 2024.

No provisions were recognized as of June 30, 2024.

19. Events after the reporting period

On July 2, Rexel has issued a Schuldschein agreement for €200 million with 2 tranches:

- €80 million maturing July 2, 2027,
- €120 million maturing July 2, 2029.

On July 10, 2024, the Group acquired Electrical Supplies Inc., an electrical distributor based in the US. Electrical Supplies Inc. generating a yearly turnover of $55 million.

III. Statutory auditors' report

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

PricewaterhouseCoopers Audit
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92208 Neuilly-sur-Seine Cedex

KPMG S.A.
Tour EQHO
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Statutory auditors’ review report on the interim financial information

(Period from January 1st to June 30, 2024)

Rexel S.A.

13 Boulevard du Fort de Vaux
CS 60002
75838 Paris Cedex 17

To the Shareholders,

In compliance with the assignment entrusted to us by the General Meeting of Shareholders and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Rexel SA, for the period from January 1, 2024 to June 30, 2024,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

French original signed by the statutory auditors

Paris la Défense, 30 July 2024	Neuilly-sur-Seine, 30 July 2024
KPMG S.A.	PricewaterhouseCoopers Audit
Eric Jacquet Agathe Labaquère	François Jaumain

IV. Responsibility statement

Responsibility statement for the 2024 half-year financial statements

I hereby certify that, to my knowledge, the half-year financial statements have been prepared in accordance with applicable accounting standards and give a true view of the assets, financial condition and results of operations of the company and of all of the companies included in the scope of consolidation and that the half-year report on business operations provides an accurate description of the important events which have occurred in the first six months of the financial year, the impact of these events on the financial statements, the major transactions between related parties as well as the main risks and uncertainties for the six months remaining in the financial year.

Paris, July 30, 2024

Guillaume Texier
Chief Executive Officer of Rexel