

9M 2024 financial information

+4% organic growth driven by Electrification Set for a robust year

PRESS RELEASE

- Standard sales of €5,226 million in the first nine months of 2024, up +4.0% organically year on year and up +6.9% excluding Other activities
- Electrification businesses up +7.9% organically in the third quarter of 2024, reflecting early-bird strategic investments in the Generation & Transmission segment
- Strong adjusted backlog for Generation & Transmission, mainly subsea-driven, at €6.2 billion, up +19% compared to September 2023
- Expansion of manufacturing capacities through investments in onshore high-voltage and the production of low-carbon medium-voltage cables in France
- Strategic investment agreement in France to increase copper production and recycling capacity across Europe
- Ambitious Net-Zero 2050 climate targets approved by the Science Based Targets initiative
- Full-year 2024 guidance as updated in July 2024 confirmed
 - Adjusted EBITDA of between €750 and 800 million
 - Normalized Free Cash Flow of between €275 and 375 million
- **Capital Markets Day to be held on November 13, 2024 in London and virtually, and US investors day on November 20, 2024 in New York City**

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Paris, October 30, 2024 – Nexans, a global leader in the design and manufacturing of cable systems to power the world, announces its financial information for the first nine months of 2024. Commenting on the Group's highlights, Christopher Guérin, Nexans' Chief Executive Officer, said:

"The first nine months of 2024 have laid strong foundations for a robust financial year. Our Electrification businesses continue to drive growth, up +7.9% organically in the third quarter of 2024, showcasing that early strategic investments in Generation & Transmission are already yielding benefits.

In order to reinforce the positioning of our electrification strategy and keep pace with increasing electricity demand, we have decided to invest €90 million in onshore high-voltage capacity at our French and Belgian plants and €15 million in the production of low-carbon medium-voltage cables in France. In addition, Nexans continues to lead the way in the circular economy with a strategic investment agreement at the Lens plant, enabling the recycling of over 80,000 metric tons per year.

As we look ahead, I am confident that our continued focus on performance and strategic execution will drive long-term value for all stakeholders. At our upcoming Capital Markets Day in November, where we will further outline the initiatives that will shape Nexans' trajectory in the years to come."

CONSOLIDATED SALES BY SEGMENT

(in millions of euros) At standard metal prices Copper reference at €5,000/t	9M 2023	9M 2024	Organic growth 9M 2024 vs. 9M 2023	Organic growth Q3 2024 vs. Q3 2023
Electrification	2,768	3,344	+12.1%	+7.9%
Generation & Transmission	593	899	+54.3%	+36.2%
Distribution	889	923	+1.6%	-0.1%
Usage	1,286	1,522	+0.5%	-0.7%
Non-electrification (Industry & Solutions)	1,352	1,294	-3.8%	-8.4%
Total Group (excl. Other activities)	4,120	4,639	+6.9%	+2.5%
Other activities	800	588	-14.2%	-19.4%
Group Total	4,921	5,226	+4.0%	-0.5%

9M AND Q3 2024 HIGHLIGHTS

In the first nine months of 2024, standard sales amounted to €5,226 million, up +4.0% compared to the same period of 2023 and up +6.9% excluding Other activities, which are being scaled down in line with the Group's strategy. Third-quarter 2024 standard sales amounted to €1,680 million, down -0.5% organically and up +2.5% excluding Other activities compared to the third quarter of 2023.

The Electrification businesses (Generation & Transmission, Distribution and Usage) witnessed a strong organic sales increase of +12.1% in the first nine months thanks to (i) the ramp-up of the Halden plant (Norway) in the Generation & Transmission segment, (ii) ongoing positive demand driven by long-term trends in the Distribution segment, and (iii) a resilient Usage segment.

Non-electrification sales were down -3.8% in the first nine months of the year on account of a slowdown in the Automation business and a high base effect in the Auto-harnesses business. Other activities experienced a significant organic decrease of -14.2% compared to the first nine months of 2023 in line with the Group's strategy.

SUSTAINABILITY

As a key player in electrification, Nexans is committed to not only driving the future of power, but also to integrating and promoting sustainability and safety across all its operations and activities. Aligned with its fundamental principles and commitments to achieving Net-Zero emissions by 2050, key initiatives were implemented during third-quarter 2024:

- Nexans' ambitious Net-Zero 2050 climate objectives were approved by the Science Based Targets initiative, underscoring the company's leadership in climate action.
- The Copper Mark, an esteemed label for responsible copper production, was awarded to Nexans' foundries in Montreal, Canada, and Lens, France, highlighting the company's dedication to ethical and sustainable practices.
- In a strategic move to bolster energy efficiency, Nexans partnered with Niehoff to launch an innovative rod breakdown line at the Lens facility in France, which is projected to cut energy usage by 25%. This translates into a substantial reduction of approximately 840 tons of CO₂ emissions annually.
- In line with its target of 100% decarbonized electricity consumption by 2030, Nexans inaugurated a 1.7 MW solar farm at its Cortaillod plant in Switzerland, with over 90% of the energy generated being used onsite.

9M 2024 STANDARD SALES PER SEGMENT

| GENERATION & TRANSMISSION (17% OF TOTAL STANDARD SALES)

<i>(in millions of euros)</i>	9M 2023	9M 2024	Q3 2023	Q3 2024
Sales at current metal prices	611	919	215	284
Sales at standard metal prices	593	899	209	277
<i>Organic growth (%)</i>	-2.1%	+54.3%	+17.8%	+36.2%

Generation & Transmission **standard sales** came in at €899 million in the first nine months of 2024, up +54.3% organically compared to the first nine months of 2023, propelled by the ramp up of new capacity at the Halden plant (Norway). In the third quarter of 2024, sales were up +36.2% organically compared to the third quarter of 2023, reflecting notably robust installation campaigns, Great Sea Interconnector execution and contributions from Inspection, Maintenance and Repair (IMR) works.

Customer activity remained robust, and in line with its risk-reward selectivity approach, the segment's **adjusted backlog** reached €6.2 billion at September 30, 2024, up +19% compared to September 30, 2023. In the third quarter, Nexans secured the final contract for the pioneering electrical transmission link from the Orkney Islands in Scotland. Additionally, a definitive agreement was reached between Greece and Cyprus for the ambitious Great Sea Interconnector at the end of September. This key development represents a crucial step forward for the project, and Nexans is now anticipating the final notice to proceed with the contract.

During the third quarter, the Group unveiled a strategic €90 million investment at its facilities in France and Belgium. This investment will increase the production of advanced 525kV onshore cables meeting the requirements of the TenneT frame agreement. Progress continues apace on Nexans Electra, the company's third cable-laying vessel. This state-of-the-art vessel is set to markedly increase the company's installation capacity, effectively addressing the business's expanding backlog.

| DISTRIBUTION (18% OF TOTAL STANDARD SALES)

<i>(in millions of euros)</i>	9M 2023	9M 2024	Q3 2023	Q3 2024
Sales at current metal prices	1,026	1,077	331	344
Sales at standard metal prices	889	923	290	288
<i>Organic growth (%)</i>	+2.9%	+1.6%	+0.0%	-0.1%

Distribution sales amounted to €923 million at standard metal prices in the first nine months of 2024, up +1.6% organically, compared to the first nine months of 2023.

Europe has seen an uptick, thanks to the establishment of new frame agreements and a surge in renewable energy projects. This progress has been achieved notwithstanding the temporary dip in activity due to the consolidation of manufacturing operations in Finland during the third quarter. In France, the Group invested €15 million in late August to increase its capabilities in producing low-carbon medium-voltage cables in order to support growth in electrification requirements in France and in Western Europe. Additionally, the Group pioneered a cutting-edge solar power solution in France, designed to support the photovoltaic sector with a sustainable, low-carbon alternative.

The Asia Pacific region has witnessed a rebound primarily fueled by substantial investments in renewable energy and grid enhancement projects, especially in Australia and New Zealand.

In the Americas, the underlying market conditions have continued to exhibit strength. Despite this, the growth trajectory has moderated slightly, influenced by destocking and the timing of substantial orders.

| USAGE (29% OF TOTAL STANDARD SALES)

<i>(in millions of euros)</i>	9M 2023	9M 2024	Q3 2023	Q3 2024
Sales at current metal prices	1,704	2,006	527	730
Sales at standard metal prices	1,286	1,522	397	533
<i>Organic growth (%)</i>	-6.1%	+0.5%	-12.6%	-0.7%

Usage sales amounted to €1,522 million at standard metal prices in the first nine months of 2024, up +0.5% organically compared with the first nine months of 2023.

In North America (Canada), solid demand in industrial markets during Q3 2024 supported the Group's growth. While Europe faced headwinds with lower volumes and destocking in certain markets, South America saw strong demand in Brazil and Chile, while destocking in Columbia. In Africa, a robust recovery in Morocco offset the subdued demand in Turkey.

In a strategic move to fortify its commitment to 30% recycled copper in its products by 2030, Nexans launched CableLoop, an exclusive cable recycling and recovery service in France and across Europe. CableLoop is a pioneering, end-to-end solution that facilitates the collection of installation cable off-cuts in distributors' networks at the Group's recycling centers. Here, these materials are transformed into high-quality recycled raw materials, exemplifying the Group's dedication to circular economy principles.

The sales figures reflect the strategic acquisitions of La Triveneta Cavi as of June 1, 2024, and Reka Cables since April 2023. These acquisitions are integral to Nexans' Electrification strategy, expanding the Group's capabilities in key regions.

| NON-ELECTRIFICATION (Industry & Solutions) (25% OF TOTAL STANDARD SALES)

<i>(in millions of euros)</i>	9M 2023	9M 2024	Q3 2023	Q3 2024
Sales at current metal prices	1,459	1,406	479	443
Sales at standard metal prices	1,352	1,294	443	404
<i>Organic growth (%)</i>	+17.7%	-3.8%	+13.1%	-8.4%

In the Industry & Solutions segment, **standard sales** for 9M 2024 amounted to €1,294 million, reflecting an organic year-on-year decline of -3.8%. This was primarily attributed to a slowdown in Automation, which was partially offset by robust growth in the Shipbuilding, Nuclear and Rolling Stock markets. Auto-harnesses market remained resilient despite a high base effect from last year.

| OTHER ACTIVITIES (11% OF TOTAL STANDARD SALES)

<i>(in millions of euros)</i>	9M 2023	9M 2024	Q3 2023	Q3 2024
Sales at current metal prices	1,104	889	344	273
Sales at standard metal prices	800	588	260	177
<i>Organic growth (%)</i>	-15.5%	-14.2%	-6.0%	-19.4%

The **Other Activities** segment – corresponding for the most part to copper wire sales and corporate costs that cannot be allocated to other segments – reported **standard sales** of €588 million in 9M 2024. Standard sales were down -14.2% organically year-on-year, mainly linked to the Group's strategy to reduce copper wire external sales through tolling agreements in order to mitigate their dilutive effect.

2024 OUTLOOK

As the world continues to embrace electrification, Nexans is well-positioned to harness buoyant market demand, supported by global megatrends and the Company's commitment to delivering value-added solutions. Nexans' Generation & Transmission segment boasts a strong risk-reward adjusted backlog, ensuring solid visibility. The Group is poised to reap benefits from the expanded capacity of the Halden plant in Norway, positioning Nexans to meet the growing global demand for high-voltage solutions. Looking ahead, the Generation & Transmission business is on a trajectory of gradual improvement. This progress is contingent upon the successful execution of projects and the completion of legacy contracts. The Distribution market is entering a significant hyper cycle of investment, presenting Nexans with opportunities for growth and enhanced profitability. Despite weak demand in certain geographies within the construction sector, Nexans' Usage segment remains resilient, with strategic initiatives in place to mitigate the impact of these macroeconomic conditions.

The Group expects to achieve the following targets which were upgraded in July, excluding the impact of any non-closed acquisitions and divestments:

- Adjusted EBITDA of between €750 and €800 million (€670 - €730 million previously);
- Normalized Free Cash Flow of between €275 and €375 million (€200 - €300 million previously).

Nexans reaffirms its commitment to the 2021 Capital Markets Day targets and will continue to execute its strategic roadmap and priorities.

SIGNIFICANT EVENTS SINCE THE END OF SEPTEMBER

October 22, 2024 – Nexans signed a strategic investment agreement in France to increase its copper production and recycling capacity across Europe. With an investment of over €90 million, wire rod production capacity will increase by over 50% at the Lens plant, boosting its copper scrap recycling capacity to manage up to 80,000 metric tons per year.

The third-quarter 2024 press release and presentation slides are available in the Investor Relations Results section at [Nexans - Financial results](#).

A conference call is scheduled today at 9:45 a.m. CET. Please find below the access details:

Webcast

https://channel.royalcast.com/landingpage/nexans/20241030_1/

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Confirmation code: Nexans

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Financial calendar

November 13, 2024: Capital Markets Day, London and virtually
November 20, 2024: US investors day, New York City
February 19, 2025: Full-year 2024 earnings

About Nexans

For over a century, Nexans has played a crucial role in the electrification of the planet and is committed to electrifying the future. With approximately 28,500 people in 41 countries, the Group is paving the way to a new world of safe, sustainable and decarbonized electricity that is accessible to everyone. In 2023, Nexans generated €6.5 billion in standard sales. The Group is a leader in the design and manufacturing of cable systems and services across four main business areas: Generation & Transmission, Distribution, Usage and Industry & Solutions. Nexans was the first company in its industry to create a Foundation supporting sustainable initiatives, bringing access to energy to disadvantaged communities worldwide. The Group is recognized on the CDP Climate Change A List as a global leader on climate action and has committed to Net-Zero emissions by 2050 aligned with the Science Based Targets initiative (SBTi).

Nexans. *Electrify the Future.*

Nexans is listed on Euronext Paris, compartment A.
For more information, please visit www.nexans.com

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NB: Any discrepancies are due to rounding

This press release contains forward-looking statements which are subject to various expected or unexpected risks and uncertainties that could have a material impact on the Company's future performance.

Readers are invited to visit the Group's website where they can view and download the Universal Registration Document, which include a description of the Group's risk factors.

APPENDICES

Information by Segment

NET SALES AT CURRENT METAL PRICES

(in millions of euros)

	Q3 2024	Q3 2023	9M 2024	9M 2023
ELECTRIFICATION	1,358	1,072	4,002	3,340
Generation & Transmission	284	215	919	611
Distribution	344	331	1,077	1,026
Usage	730	527	2,006	1,704
NON-ELECTRIFICATION (Industry & Solutions)	443	479	1,406	1,459
TOTAL EXCL. OTHER ACTIVITIES	1,801	1,551	5,409	4,799
Other activities	273	344	889	1,104
GROUP TOTAL	2,074	1,895	6,298	5,904

NET SALES AT CONSTANT METAL PRICES

(in millions of euros)

	Q3 2024	Q3 2023	9M 2024	9M 2023
ELECTRIFICATION	1,099	896	3,344	2,768
Generation & Transmission	277	209	899	593
Distribution	288	290	923	889
Usage	533	397	1,522	1,286
NON-ELECTRIFICATION (Industry & Solutions)	404	443	1,294	1,352
TOTAL EXCL. OTHER ACTIVITIES	1,503	1,339	4,639	4,120
Other activities	177	260	588	800
GROUP TOTAL	1,680	1,599	5,226	4,921

IMPACT OF CHANGES IN THE SCOPE OF CONSOLIDATION AND EXCHANGE RATES ON SALES AT STANDARD NON-FERROUS METAL PRICES

(in millions of euros)

	Q3 2023	Currency	Organic growth	Scope	Q3 2024	Organic growth
ELECTRIFICATION	896	(6)	70	139	1,099	+7.9%
Generation & Transmission	209	(6)	74	-	277	+36.2%
Distribution	290	(1)	(0)	-	288	-0.1%
Usage	397	1	(3)	139	533	-0.7%
NON-ELECTRIFICATION (Industry & Solutions)	443	(2)	(37)	-	404	-8.4%
TOTAL EXCL. OTHER ACTIVITIES	1,339	(8)	33	139	1,503	+2.5%
Other activities	260	(11)	(40)	(31)	177	-19.4%
GROUP TOTAL	1,599	(19)	(7)	108	1,680	-0.5%

(in millions of euros)

	9M 2023	Currency	Organic growth	Scope	9M 2024	Organic growth
ELECTRIFICATION	2,768	14	337	226	3,344	+12.1%
Generation & Transmission	593	(11)	316	-	899	+54.3%
Distribution	889	(2)	14	22	923	+1.6%
Usage	1,286	26	7	203	1,522	+0.5%
NON-ELECTRIFICATION (Industry & Solutions)	1,352	(6)	(51)	-	1,294	-3.8%
TOTAL EXCL. OTHER ACTIVITIES	4,120	7	286	226	4,639	+6.9%
Other activities	800	(9)	(94)	(110)	588	-14.2%
GROUP TOTAL	4,921	(2)	192	116	5,226	+4.0%

GLOSSARY

Adjusted Generation & Transmission backlog:

Backlog adjusted for secured but not yet implemented Subsea, Land and Special Telecom contracts.

Adjusted EBITDA: Starting in 2023, Nexans consolidated adjusted EBITDA is defined as operating margin before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) other specific operating items which are not representative of the business performance.

Free Cash Flow (FCF): FCF is determined based on adjusted EBITDA restated for the net change in provisions including pensions/other post-employment benefits and other non-cash items. It also includes net changes working capital, capital expenditure net of disposal proceeds, other investing cash-in/out but excluding those related to the sale/purchase of shares in a company with a change in consolidation method, restructuring cash-out, change in financial interest and income tax paid.

Normalized Free Cash Flow (NFCF): Calculated as FCF excluding Strategic Capex, proceeds from the disposal of tangible assets, impact of material activity closures and assuming project tax cash-out based on the completion rate rather than termination.

Normalized Cash Conversion Ratio: Calculated as Normalized Free Cash Flow/adjusted EBITDA.

Normative net income: Normative net income corresponds to the sum of the operating margin, the cost of financial debt (net), other financial income and expenses (excluding impairment of financial assets where applicable), and the normative corporate income tax.

Operating margin: The operating margin is assessed before the impact of (i) the revaluation of the Core exposure, (ii) impairment of property, plant and equipment, intangible assets or goodwill resulting from impairment tests, (iii) the change in fair value of non-ferrous metal financial instruments, (iv) capital gains and losses on asset disposals, (v) related acquisition costs for completed

acquisitions and costs and fees related to planned acquisitions, (vi) expenses and provisions for antitrust investigations, (vii) reorganization costs, (viii) the share in net income of associates, (ix) net financial income (loss), (x) taxes and (xi) net income from discontinued operations.

Organic growth: Standard sales growth as a percentage of prior-year standard sales. Organic growth is a measure of growth excluding the impact of changes in the scope of consolidation and changes in exchange rates.

ROCE (Return on Capital Employed): ROCE is defined as 12 month Operating Margin in relation to end-of-period Operational Capital Employed, excluding the antitrust provision.

Operational Capital Employed includes operating and non-operating working capital items, intangible and tangible assets, loans and receivables, deferred taxes, reserves excluding pensions and other employee benefit reserves and restructuring reserves.

Sales at constant/standard metal prices: Sales figures based on a standard price for copper and aluminum in order to neutralize the effect of fluctuations in non-ferrous metal prices and therefore measure the underlying sales trend. Starting on January 1, 2020, these references are set at €5,000 per metric ton for copper and €1,200 per metric ton for aluminum and are then converted into the currencies of each unit, thus taking into account the specific economic conditions of the units.

Sales at current metal prices: Net sales (at current metal prices) represent revenue from sales of goods held for resale, as well as sales of goods and services deriving from the Group's main activities, for which consideration has been promised in contracts drawn up with customers.

Strategic capex: Strategic capital expenditure corresponds to the investments in the Halden (Norway) and Charleston (United States) plants, as well as a cable-laying vessels in the Generation & Transmission segment.