Rexel
a world of energy

PRESS RELEASE
Paris, July 28, 2023

Q2 SALES & H1 2023 RESULTS

Strong start to the year - volumes supported by electrification trends
Delivering on Power Up 2025 roadmap
FY 23 guidance upgraded

→ **Strong first-half performance with solid volumes and sustained high profitability**

→ **H1 23 sales of €9,763.0m, up +8.1% on a same day basis, driven by positive volumes and prices**

- Q2 23 sales of €4,835.1m, up +6.2% on a constant and same-day basis
  - Solid volumes, up +3.3% after +4.1% in Q1
  - Positive pricing contribution from both non-cable and cable, up +2.8% but slowing sequentially, as anticipated
- Market share gains in key countries, capitalizing on operational excellence, digital and additional services offering

→ Electrification trends contributing strongly, especially in Europe – growing c. 5x times faster than the rest of the business in H1 and representing 22% of our sales

→ **H1 23 adjusted EBITA of €702.3m, implying a 7.2% adj EBITA margin up +16bps from record-high level,** restated for non-recurring items from inventory price inflation on non-cable products in H1 2022**.** This progression results from strong activity and good execution of our action plans

→ **Recurring net income in H1 23 at €455.1m, down (3.4)%, on high base effect** as 2022 earnings benefited from all-time high inflation tailwind on non-cable products

→ **Positive Free Cash Flow before interest and tax of €242.3m in H1 2023** (vs €231.6m in H1 2022). **Indebtedness ratio at 1.26x**

→ **Power Up 2025 strategic action plans now in place and delivering, resulting in higher growth, sustained high profitability and disciplined capital allocation**

→ **Acquisition of Wasco in the Netherlands, further enhancing Rexel's exposure to fast growing markets**

→ **FY 23 guidance upgraded, continued focus on our action plans to focus on growing market segments and boost profitability, in a supportive but more contrasting environment**

Guillaume TEXIER, Chief Executive Officer, said:
"I'm extremely proud of Rexel's solid performance in the first half of 2023 as it proves that the company is able to deliver very strong results even in a more uncertain economic environment. Our exposure to several fast-growing and resilient segments, notably those linked to electrification, allowed us to more than offset the softness in a limited number of end-markets. Our relentless focus on efficiency allowed us to maintain a record-high level of profitability. In addition, our refocused portfolio, with well-targeted acquisitions and divestments, is now contributing strongly to our performance. This set of results makes us very confident in our ability to reach our 2023 guidance, which has been upgraded, and puts us well on track to achieve our 2025 ambitions."

FINANCIAL REVIEW FOR THE PERIOD ENDED JUNE 30, 2023

- *Half-year 2023 financial report was authorized for issue by the Board of Directors on July 27, 2023. It has been subjected to a limited review by statutory auditors.*
- *The following terms: Reported EBITA, Adjusted EBITA, EBITDA, EBITDAaL, Recurring net income, Free Cash Flow and Net Debt are defined in the Glossary section of this document.*
- *Unless otherwise stated, all comments are on a constant and adjusted basis and, for sales, at same number of working days.*

MAIN FIGURES IN H1 2023

Key figures[1] (€m) - Actual	H1 2023	YoY change	Change excl. non recurring items
Sales on a reported basis	**9,763.0**	***+7.5 %***	***+7.5 %***
On a constant and actual-day basis		*+8.1 %*	*+8.1 %*
On a constant and same-day basis		*+8.1 %*	*+8.1 %*
Adjusted EBITA[2]	**702.3**	**(1.7)%**	
As a percentage of sales	7.2 %	-72 bps	+16bps
Reported EBITA	**695.5**	**(1.9)%**	
Operating income	**660.0**	**(3.5)%**	
Net income	**428.4**	**(6.8)%**	
Recurring net income	**455.1**	**(3.4)%**	
FCF before interest and tax	**242.3**	**+4.7 %**	
Net debt at end of period	**1,901.6**	**€90m increase**	

[1] See definition in the Glossary section of this document [2] Change at comparable scope of consolidation [3] Adjusted for non-recurring copper effect

SALES

In Q2, sales were up +2.8% year-on-year on a reported basis and up +6.2% on a constant and same-day basis.

Key figures (€m)	Q2 2023	YoY change	H1 2023	YoY change
Sales on a reported basis	**4,835.1**	**+2.8%**	**9,763.0**	**+7.5%**
On a constant and actual-day basis		*+5.2%*		*+8.1%*
On a constant and same-day basis		*+6.2%*		*+8.1%*

<u>In the second quarter, Rexel posted sales of €4,835.1m,</u> up +2.8% on a reported basis, including:

- A positive constant and same-day sales growth of +6.2%
- A negative currency effect of €(93.6) million (i.e. (2.0)% of Q2 2022 sales), mainly due to the depreciation of the US and Canadian dollars;
- A negative net scope effect of €(17.6) million (i.e. (0.4)% of Q2 2022 sales), resulting from the net effect between disposals in Europe (Rexel Spain, Portugal and Norway) and recent acquisitions (Horizon and Buckles-Smith in the US, Trilec in Belgium and to a lesser extent, LTL in Canada);
- A negative calendar effect of (1.0)%.

In Q2 2023, sales were up +6.2% on a constant and same-day basis (or +5.2% on a constant and actual-day basis), with growth well balanced between volumes and selling price increases on non-cable products in all geographies.

- More specifically, same-day sales growth of +6.2% in the quarter resulted from a +3.3% rise in volumes, an increase of +4.7% in the selling price of non-cable products and a decrease of (1.8)% on copper-based cable prices
- The four product categories related to electrification (Solar, Electric Vehicle charging infrastructure, HVAC and Industrial Automation), represented 22% of sales and grew by 16% in Q2. They grew in the quarter at c. 5x the pace of the traditional ED business, above the Power Up 2025 ambition to grow those businesses at twice the pace of the ED business
- Volumes were positive in all geographies in the quarter driven by mega trends. Volumes were up +4.4% in North America, boosted by reshoring of industrial production, and +2.4% in Europe from electrification and more specifically Solar, EV and HVAC
- The +4.7% of non-cable price increases resulted from both carry-over effect (lower than in Q1 23) and from additional selling price increases in the Q2 23. Overall, most product categories benefited from significant price increases, except conduits in North America and some industrial automation products in China. We expect to further increase prices in the second part of the year
- The (1.8)% cable price evolution reflects the lower copper price in Q2 23 compared to Q2 22.
- We posted further growth in digitalization in all three geographies, with digital sales now representing 27.7% of sales, up +295bps compared to Q2 2022. Trends were positive in Europe (37.2% of sales, an increase of +220 bps), Asia-Pacific (up +364bps, to 8.4% of sales) and North America (19.8% of sales, an increase of +346 bps) with strong progression in the US.

In H1 2023, Rexel posted sales of €9,763.0 million, up +7.5% on a reported basis. On a constant and same-day basis, sales were up +8.1%, including positive impacts from volumes of +3.7% and non-cable copper prices of +5.7%, offsetting the change in copper-based cable prices (i.e. (1.2)% vs. a positive impact of +3.1% in H1 2022).

The +7.5% increase in sales on a reported basis included:

- A negative currency effect of €(61.4) million (i.e. (0.7)% of H1 2022 sales), mainly due to the depreciation of the Canadian dollar and Swedish Krona;
- A slightly positive net scope effect of €6.4 million (i.e. 0.1% of H1 2022 sales), resulting from the acquisitions of Horizon and Buckles-Smith in the US and Trilec in Belgium as well as LTL in Canada, offsetting the disposals of businesses including Rexel Spain, Portugal and Norway;
- A neutral calendar effect.

Europe (50% of Group sales): +8.3% in Q2 and +10.5% in H1, on a constant and same-day basis

In the second quarter, sales in Europe increased by +1.2% on a reported basis, including:

- A negative currency effect of €(11.5) million, or (0.5)%, mainly due to the depreciation of the Swedish Krona against the euro;
- A negative scope effect of (4.3)%, or €(102.0) million, from the net effects between the acquisitions of Trilec in Belgium and the disposals of Rexel Spain, Portugal and Norway;
- A negative calendar effect of (2.0)%.

On a constant and same-day basis, sales were up +8.3%, including a positive volume contribution of +2.4%, and a positive price effect of +5.9% (+6.6% on non-cable products offset (0.7)% on cables)

Key figures (€m)	Q2 2023	YoY change	H1 2023	YoY change
Europe	**2,398.7**	**+8.3%**	**4,925.1**	**+10.5%**
France	944.8	+8.7%	1,918.4	+9.7%
Benelux	313.0	+9.6%	629.5	+11.0%
Germany	269.9	+13.5%	552.3	+18.0%
Nordics	232.9	+5.2%	519.5	+11.6%
UK	195.6	+2.3%	416.4	+2.5%
Switzerland	164.6	+7.9%	330.2	+8.5%

In Europe, electrification trends continue to support our growth, with our three product families (solar, EV charging infrastructure and HVAC) growing by more than +31% and representing 20% of sales and more than 60% of the same-day sales growth in the quarter (contributing for +507 bps of same-day sales growth in Europe in Q2 23)

- Sales in **France** (39% of the region's sales) posted solid +8.7% growth, further outperforming the market in Q2. The quarter was driven by double-digit progression in Industry, Commercial and HVAC end-markets and, to a lesser extent, by residential. The quarter also benefited from an acceleration in solar activity, with France adopting this alternative energy later than other European countries.
- **Benelux** (13% of the region's sales) was up +9.6%, with positive volume momentum fueled by solar.
- Sales in **Germany** (11% of the region's sales) were up +13.5%, with favorable trends in all three end-markets, continued market share gains and sustained growth in solar.
- Sales in the **Nordics** (10% of the region's sales) were up +5.2%, notably driven by a strong demand in solar, offsetting the loss of two large customers.
- In **the UK** (8% of the region's sales), sales were up +2.3%, with residential and industrial markets offset by lower growth in commercial.

North America (43% of Group sales): +4.4% in Q2 and +6.5% in H1 on a constant and same-day basis

In the second quarter, sales in North America were up +5.9% on a reported basis, including:

- A negative currency effect of (2.8)%, or €(54.9) million, due to the depreciation of the US and Canadian dollars against the euro;
- A positive scope effect of +4.2%, or €84.4 million, from the acquisition of Buckles-Smith and Horizon in the US, and, to a lesser extent, LTL in Canada;
- A neutral calendar effect.

On a constant and same-day basis, sales were up +4.4%, including +4.4% from volume growth and a neutral price effect (+3.4% on non-cable products offset (3.4)% on cables).

Key figures (€m)	Q2 2023	YoY change	H1 2023	YoY change
North America	**2,103.8**	**+4.4%**	**4,176.0**	**+6.5%**
United States	**1,722.6**	**+4.2%**	**3,427.9**	**+6.3%**
Gulf Central		+29.3%		+27.5%
California		+16.0%		+16.2%
Midwest		+5.6%		+11.8%
Florida		+3.2%		+5.9%
Mountain Plains		+2.0%		+11.9%
Southeast		+1.1%		+0.1%
Northwest		(6.3)%		(2.4)%
Northeast		(8.3)%		+0.5%
Canada	**381.2**	**+5.1%**	**748.1**	**+7.1%**

In North America, the overall good performance was driven by our capacity to capture mega trends and to enhance backlog execution.

- In **the US** (82% of the region's sales), sales were up +4.2% in Q2 2023.
  - By market, we seized the robust industrial demand driven by production reshoring and O&G segment, offsetting negative trends in residential. We also benefited from the strong resilience of our commercial activity thanks to our very diversified portfolio and the solid backlog.
  - By region, the market share gains in California & Gulf Central offset lower demand in the Northwest and Northeast.
  - By business, the growth was boosted by the project activities from good backlog execution that benefited from lower supply chain pressure.
    - The backlog at end-June 2023 remains high, still representing 3 months of sales; up 3.6% vs end Q2 22 and 2.8% below end of Q1 2.
- In **Canada** (18% of the region's sales), sales grew by +5.1% on a same-day basis, notably thanks to industrial activities and specifically Petrochemical and mining, contributing for 280bps and 40bps respectively.

Asia-Pacific (7% of Group sales): +2.6% in Q2 and +2.0% in H1 on a constant and same-day basis

In the second quarter, sales in Asia-Pacific were down (4.8)% on a reported basis, including:

- A negative currency effect of (7.8)%, or €(27.2) million, due to the depreciation of the Australian dollar and the Chinese renminbi against the euro;
- A positive calendar effect of +0.7%

On a constant and same-day basis, sales were up +2.6%.

Key figures (€m)	Q2 2023	YoY change	H1 2023	YoY change
Asia-Pacific	**332.5**	**+2.6%**	**661.8**	**+2.0%**
Australia	147.2	+4.9%	290.8	+6.9%
China	132.9	(1.2)%	270.3	(2.4)%

- In the Pacific (53% of the region's sales), sales were up +2.8% on a constant and same-day basis:
  - In **Australia** (84% of Pacific's sales), sales were up +4.9%, driven by mid-single digit growth in all three end-markets. The lower growth compared to Q1 23 is explained by the industrial segment as well as commercial to a lesser extent.
  - In **New Zealand** (16% of Pacific's sales), sales were down (7.0)% in Q2 23 as the country entered into recession, with all sectors impacted, particularly the commercial and industrial end-markets.

- In Asia (47% of the region's sales), sales were up +2.5% on a constant and same-day basis:
  - In **China** (84% of Asia's sales), sales were down (1.2)% from business selectivity, offsetting favorable trends in several verticals such as machinery, automotive or municipalities.
  - In **India** (16% of Asia's sales), sales were up +54.6% driven by improving availability of products in a favorable industrial market.

PROFITABILITY

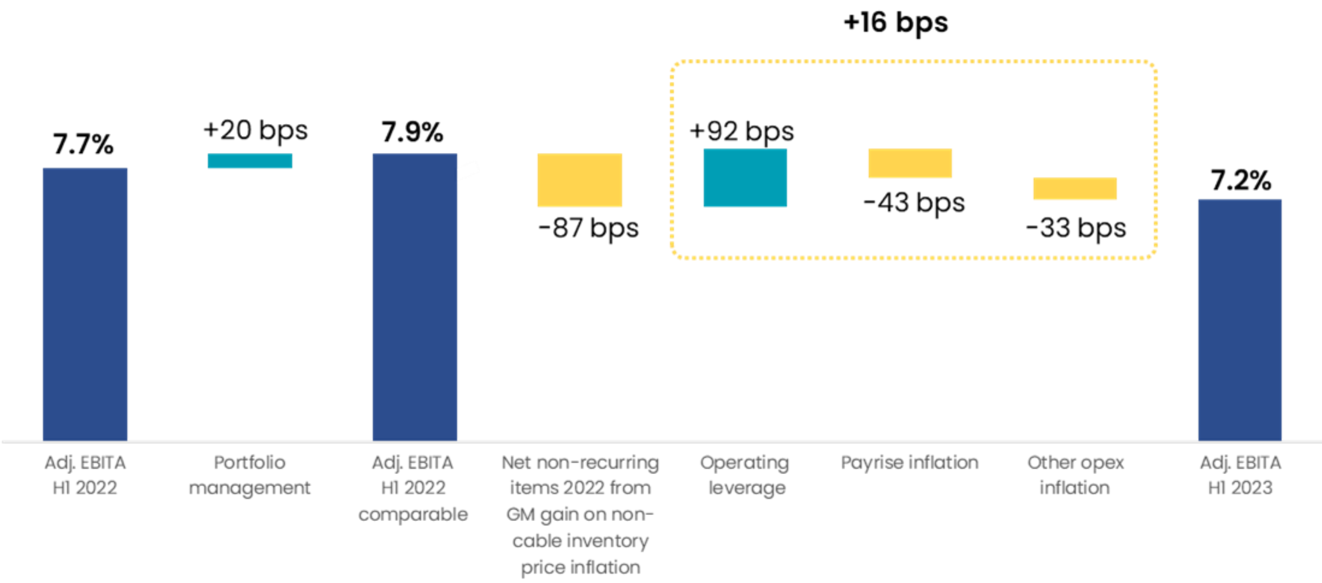
Adjusted EBITA margin at 7.2% in H1 2023, down -72 bps compared to H1 2022, or up +16bps excluding non-recurring items that benefited H1 2022

H1 2023 (€m)	Europe	North America	Asia Pacific	Group
Sales	**4,925**	**4,176**	**662**	**9,763**
On a constant and actual-day basis	*+10.2%*	*+6.7%*	*+3.0%*	*+8.1%*
On a constant and same-day basis	*+10.5%*	*+6.5%*	*+2.0%*	*+8.1%*
Adj. EBITA	**389**	**317**	**15**	**702***
% of sales	*7.9%*	*7.6%*	*2.3%*	*7.2%*
Change	*-79 bps*	*-87 bps*	*+97 bps*	*-72 bps*
Change restated for non-recurring items	**+10bps**	**+13bps**	**+101bps**	**+16bps**

*Including €(19)m for Corporate costs in H1 23

The +8.1% actual sales growth in H1 2023 translated into an adjusted EBITA margin of 7.2%.

Restated for non-recurring items from inventory price inflation on non-cable products, net of higher performance-linked bonuses in 2022, adjusted EBITA margin was up 16 bps. As detailed below, this improvement reflects robust activity coupled with our more efficient organization and action plans, which more than offset overall opex inflation:



Restated for the 87bps non-recurring items that had a positive impact in H1 22, the +16bps progression in H1 23 notably included:

- A positive operating leverage impact of +92 bps, from robust activity and active management of our internal action plans, as disclosed below in the detail by geography;
- An opex inflation impact of -76 bps due to overall inflation of +4.0%, including +5.3% from wage increases and +3.8% from other opex.

By geography:

- **Europe:**
    - Adjusted EBITA margin in H1 2023 stood at 7.9% of sales, down -79 bps, or up +10bps restated for non-recurring items. This improvement results from the implementation of our internal actions such supplier initiatives, better product mix and cost control, which more than offset opex inflation, translating into the adjusted Ebita margin improvement.

- **North America:**
    - Adjusted EBITA margin in H1 2023 stood at 7.6% of sales down -87 bps, or up +13bps restated for non-recurring items. This improvement results from the implementation of our actions such as pricing management, synergies on acquisitions, improved inventory management and productivity, which more than offset opex inflation and investment for growth translating into the adjusted Ebita margin improvement.

- **Asia-Pacific:**
    - Adjusted EBITA margin stood at 2.3% of sales, up +97 bps or up +101bps restated for non-recurring items, on better credit control leading to reduced bad debt level in H1 23.

- At **corporate level**, adjusted EBITA amounted to €(19.0) million, in line with the normative level.

As a result, adjusted EBITA stood at €702.3 million, down (1.7)% in H1 2023 and reported EBITA stood at €695.5 million (including a negative one-off copper effect of €(6.8) million), down (1.9)% year-on-year.

Focusing on the bridge from EBITDA to Reported EBITA:

- EBITDA margin was down -74 bps at 8.9%
- Depreciation of Right of Use stands at €(113.4) million
- Other depreciation and amortization stood at €(56.4) million, implying 0.58% of sales, slightly lower than the 0.62% in H1 2022.

Key figures (€m)	H1 2022	H1 2023	YoY change
EBITDA	**872.5**	**865.3**	**(0.8)%**
% EBITDA margin	*9.6%*	*8.9%*	
Depreciation Right of Use (IFRS 16)	(107.6)	(113.4)	
Other depreciation and amortization	(56.2)	(56.4)	
Reported EBITA	**708.7**	**695.5**	**(1.9)%**

NET INCOME

Net income of €428.4 million in H1 2023 and recurring net income of €455.1 million

Operating income in the half-year stood at €660.0 million, down from €683.6 million in H1 2022.

- Amortization of intangible assets resulting from purchase price allocation amounted to €(10.5) million (vs. €(5.7) million in H1 2022).
- Other income and expenses amounted to a net charge of €(25.1) million (vs. a net charge of €(19.4) million in H1 2022) and included:
    - €(13.5) million from capital losses on disposal
    - €(7.0) million of acquisition costs
    - €(4.2) million of restructuring costs (vs €(2.4) million in H1 2022)

Net financial expenses in the half-year amounted to €(75.7) million (vs. €(51.9) million in H1 2022), and can be broken down as follows:

- €(49.0) million in H1 2023 from financial costs compared to €(30.2) million in H1 2022, reflecting higher average interest rates.
    - The effective interest rate increased to 3.39% in H1 2023 compared to 2.01% in H1 2022.
- €(26.7) million from interest on lease liabilities in H1 2023 vs €(21.6) million in H1 2022.

Income tax in the half-year represented a charge of €(155.9) million (vs. €(171.9) million in H1 2022).

- Effective tax rate stood at 26.7% in H1 2023 compared to 27.2% in H1 2022, down 50bps.

Net income in the half-year was €428.4 million (vs. €459.8 million in H1 2022).

Recurring net income amounted to €455.1 million in H1 2023, down (3.4)% compared to H1 2022, on a difficult base effect as 2022 earnings benefited from a record-high inflation tailwind on non-cable products (Appendix 3).

FINANCIAL STRUCTURE

Free cash-flow before interest and tax of €242.3 million in H1 2023

Indebtedness ratio of 1.26x at June 30, 2023

In the half-year, free cash flow before interest and tax was an inflow of €242.3 million (vs. €231.6 million in H1 2022). It included:

- EBITDAaL of €731.1 million (vs €750.3 million in H1 2022), of which €(134.3) million of lease payments in H1 2023;
- An outflow of €(402.7) million from change in working capital (compared to an outflow of €(454.4) million in H1 2022). The change in trade working capital stood at €(254.2) million, combined with an outflow of €(148.5) million from the change in non-trade working capital notably explained by the cash-out of 2022 performance linked-bonuses and commissions.
  - On a constant basis, trade WCR was stable at 15.1% of sales in H1 2023 (vs 15.2% in H1 2022).
- A higher level of net capital expenditure (i.e. €(74.5) million vs. €(54.6) million in H1 2022). Gross capex represented 0.6% of sales, stable vs. H1 2022.

Below FCF before interest and tax, the cash flow statement took into account:

- €(44.4) million of net interest paid in H1 2023 (vs €(24.2) million paid in H1 2022);
- €(184.2) million of income tax paid in the half-year, compared to €(161.0) million paid in H1 2022;
- €(65.2) million of financial investment, corresponding to the net effect between cash-out for the acquisitions (€194m) and proceeds from the disposals (€131m);
- €(362.3) million of dividends paid in H1 2023 based on 2022 earnings (€1.20 per share);
- €(42.3) million of share buybacks;
- €12.6 million of positive currency effects during the half year (vs a negative €(64.4) million in H1 2022).

At June 30, 2023:

- Net financial debt increased by €90.3 million year-on-year at €1,901.6 million (vs €1,811.3 million at June 30, 2022), resulting from active capital allocation (notably €1.20 dividend payment, share buyback and M&A).
- The indebtedness ratio (Net financial debt/EBITDAaL), as calculated under the Senior Credit Agreement terms, stood at 1.26x, a stable level vs. June 30, 2022.

ON TRACK TO ACHIEVE OUR POWER UP 2025 OBJECTIVES

In June 2022, we unveiled our Power up 2025 strategy during a Capital Markets Day in Zurich. Our record 2022 results and our achievements in H1 23 put us well on track to achieve the 2022-2025 four-year objectives. That includes our financial targets as well as our business ambitions and capital allocation.

Power Up 2025	2022 achievements	H1 2023 achievements
4% to 7% organic growth over 4 years	14.1%	8.1%
6.5% to 7% adj. Ebita margin in 2025	7.3%[1]	7.2%
FCF conversion above 60% each year	61.4%	On track
40% of digital sales in 2025	24%[2] of sales	28% of sales
x3 the number of automatized DC	6[3] automated DC	7 automated DC
x2 the pace of our traditional ED business	2.1x	c. 5x
Share buyback of €400m over 4 years	17% completed	30% completed
M&A contribution to sales up to €2bn in 4 years	c. €250m completed	c. €1bn[4] completed
Divestments of between €200m & €500m of sales	c. €200m completed	c. €480m completed

1. Including 66bps of non-recurring items
2. Restated from the disposal of Norway in 2023 (25% on a reported basis)
3. Excluding the automatized DC in Norway that had been disposed
4. Including Wasco acquisition

OUTLOOK

Following a strong start to the year, we are upgrading our full-year guidance.

We now anticipate for 2023, at comparable scope of consolidation and exchange rates:

- Same-day sales growth in the upper end of the initial range (vs initial guidance of 2%-6%)
- An adjusted EBITA[1] margin of between 6.6% and 6.9% (vs initial guidance of 6.3% - 6.7%)
- Free cash flow conversion[2] above 60% (unchanged)

[1] Excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices.
[2] FCF Before interest and tax/EBITDAaL

NB: The estimated impacts per quarter of (i) calendar effects by geography, (ii) changes in the consolidation scope and (iii) currency fluctuations (based on assumptions of average rates over the rest of the year for the Group's main currencies) are detailed in appendix 6

CALENDAR

October 20, 2023	Third-quarter 2023 sales
February 15, 2024	FY 2023 results

FINANCIAL INFORMATION

First-half 2023 financial report is available on the Group's website (www.rexel.com).
A slideshow of the second-quarter sales and half-year 2023 results publication is also available on the Group's website.

ABOUT REXEL GROUP

Rexel, worldwide expert in the multichannel professional distribution of products and services for the energy world, addresses three main markets: residential, commercial, and industrial. The Group supports its residential, commercial, and industrial customers by providing a tailored and scalable range of products and services in energy management for construction, renovation, production, and maintenance. Rexel operates through a network of more than 1,900 branches in 21 countries, with more than 26,000 employees. The Group's sales were €18.7 billion in 2022.
Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is included in the following indices: CAC Next 20, SBF 120, CAC Large 60, CAC 40 ESG, CAC SBT 1.5 NR, CAC AllTrade, CAC AllShares, FTSE EuroMid, and STOXX600. Rexel is also part of the following SRI indices: FTSE4Good, Dow Jones Sustainability Index Europe, Euronext Vigeo Europe 120 and Eurozone 120, STOXX® Global ESG Environmental Leaders, and S&P Global Sustainability Yearbook 2022, in recognition of its performance in terms of Corporate Social Responsibility (CSR).
For more information, visit www.rexel.com/en.

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GLOSSARY

REPORTED EBITA (Earnings Before Interest, Taxes and Amortization) is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

ADJUSTED EBITA is defined as Reported EBITA excluding the estimated non-recurring net impact from changes in copper-based cable prices.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is defined as operating income before depreciation and amortization and before other income and other expenses.

EBITDAaL is defined as EBITDA after deduction of lease payment following the adoption of IFRS16.

RECURRING NET INCOME is defined as net income restated for non-recurring copper effect, other expenses and income, non-recurring financial expenses, net of tax effect associated with the above items.

FREE CASH FLOW is defined as cash from operating activities minus net capital expenditure.

NET DEBT is defined as financial debt less cash and cash equivalents. Net debt includes debt hedge derivatives.

APPENDIX

Appendix 1: Q2 and H1 2023 sales and adjusted Ebita bridge

SALES BRIDGE

Q2	Europe	North America	Asia-Pacific	Group
Reported sales 2022	**2,370.2**	**1,986.1**	**349.1**	**4,705.4**
+/- Net currency effect	(0.5)%	(2.8)%	(7.8)%	(2.0)%
+/- Net scope effect	(4.3)%	+4.2%	—%	(0.4)%
=Comparable sales 2022	**2,256.7**	**2,015.6**	**322.0**	**4,594.2**
+/- Actual-day organic growth, of which:	**+6.3%**	**+4.4%**	**+3.3%**	**+5.2%**
Constant-same day excl. copper	**+9.0%**	**+7.8%**	**+2.6%**	**+8.0%**
Copper effect	(0.7)%	(3.4)%	—%	(1.8)%
Constant-same day incl. copper	**+8.3%**	**+4.4%**	**+2.6%**	**+6.2%**
Calendar effect	(2.0)%	— %	+0.7 %	(1.0)%
= Reported sales 2023	**2,398.7**	**2,103.8**	**332.5**	**4,835.1**
YoY change	+1.2%	+5.9%	(4.8)%	+2.8%

H1	Europe	North America	Asia-Pacific	Group
Reported sales 2022	**4,655.0**	**3,750.7**	**677.1**	**9,082.8**
+/- Net currency effect	(0.6)%	+0.1%	(5.1)%	(0.7)%
+/- Net scope effect	(3.3)%	+4.3%	— %	+0.1%
=Comparable sales 2022	**4,470.1**	**3,915.1**	**642.6**	**9,027.8**
+/- Actual-day organic growth, of which:	**+10.2%**	**+6.7%**	**+3.0%**	**+8.1%**
Constant-same day excl. copper	**+10.7%**	**+9.1%**	**+1.9%**	**+9.3%**
Copper effect	(0.2)%	(2.6)%	+0.1%	(1.2)%
Constant-same day incl. copper	**+10.5%**	**+6.5%**	**+2.0%**	**+8.1%**
Calendar effect	(0.3)%	+0.2%	+1.0%	— %
= Reported sales 2023	**4,925.1**	**4,176.0**	**661.8**	**9,763.0**
YoY change	+5.8%	+11.3%	(2.3)%	+7.5%

EBITA BRIDGES:
FROM H1 22 REPORTED ADJUSTED EBITA TO H1 22 ON A COMPARABLE BASIS

	H1 2022 adjusted EBITA	H1 2022 copper effect @H1 2022 FX	**H1 2022 reported EBITA**	H1 2023 FX Impact	H1 2023 scope impact	H1 2022 copper effect @H1 2023 FX	**H1 2022 comparable adjusted EBITA**
Rexel Group	**703.7**	5.0	**708.7**	(2.0)	11.9	(4.3)	**714.3**

TO ADJUSTED EBITA FROM H1 22 TO H1 23

	H1 2022 comparable adjusted EBITA	Organic growth	**H1 2023 adjusted EBITA**	H1 2023 copper effect	**H1 2023 reported EBITA**
Rexel Group	**714.3**	(12.0)	**702.3**	(6.8)	**695.5**

Appendix 2: Segment reporting – Constant and adjusted basis*

** Constant and adjusted = at comparable scope of consolidation and exchange rates, excluding the non-recurring effect related to changes in copper-based cable prices and before amortization of purchase price allocation.*

The non-recurring effect related to changes in copper-based cable prices was, at the EBITA level:

Constant basis (€m)	H1 2022	H1 2023
Non-recurring copper effect at EBITA level	**4.3**	**(6.8)**

GROUP

Constant and adjusted basis (€m)	Q2 2022	Q2 2023	Change	H1 2022	H1 2023	Change
Sales	4,594.2	**4,835.1**	**+5.2%**	9,027.8	**9,763.0**	**+8.1%**
on a constant basis and same days			***+6.2%***			***+8.1%***
Gross profit				2,397.7	**2,523.2**	**+5.2%**
as a % of sales				*26.6%*	*25.8%*	*-71 bps*
Distribution & adm. expenses (incl. depreciation)				(1,683.3)	(1,820.9)	+8.2%
EBITA				714.3	**702.3**	**(1.7)%**
as a % of sales				*7.9%*	*7.2%*	*-72 bps*
FTE (end of period)				26,280	**26,747**	**+1.8%**

EUROPE

Constant and adjusted basis (€m)	Q2 2022	Q2 2023	Change	H1 2022	H1 2023	Change
Sales	2,256.7	**2,398.7**	***+6.3%***	4,470.1	**4,925.1**	***+10.2%***
on a constant basis and same days			***+8.3%***			***+10.5%***
France	897.0	**944.8**	*+5.3%*	1,762.5	**1,918.4**	*+8.8%*
on a constant basis and same days			*+8.7%*			*+9.7%*
United Kingdom	191.3	**195.6**	*+2.2%*	402.9	**416.4**	*+3.4%*
on a constant basis and same days			*+2.3%*			*+2.5%*
Germany	241.2	**269.9**	*+11.9%*	467.7	**552.3**	*+18.1%*
on a constant basis and same days			*+13.5%*			*+18.0%*
Nordics	224.6	**232.9**	*+3.7%*	464.6	**519.5**	*+11.8%*
on a constant basis and same days			*+5.2%*			*+11.6%*
Gross profit				1,269.8	**1,367.1**	**+7.7%**
as a % of sales				*28.4%*	*27.8%*	*-65 bps*
Distribution & adm. expenses (incl. depreciation)				(881.5)	(978.0)	+10.9%
EBITA				388.3	**389.1**	**+0.2%**
as a % of sales				*8.7%*	*7.9%*	*-79 bps*
FTE (end of period)				14,263	**14,512**	**+1.7%**

NORTH AMERICA

Constant and adjusted basis (€m)	Q2 2022	Q2 2023	Change	H1 2022	H1 2023	Change
Sales	2,015.6	**2,103.8**	***+4.4%***	3,915.1	**4,176.0**	***+6.7%***
on a constant basis and same days			***+4.4%***			***+6.5%***
United States	1,653.1	**1,722.6**	*+4.2%*	3,222.2	**3,427.9**	*+6.4%*
on a constant basis and same days			*+4.2%*			*+6.3%*
Canada	362.5	**381.2**	*+5.2%*	692.9	**748.1**	*+8.0%*
on a constant basis and same days			*+5.1%*			*+7.1%*
Gross profit				1,005.6	**1,031.5**	**+2.6%**
as a % of sales				*25.7%*	*24.7%*	*-99 bps*
Distribution & adm. expenses (incl. depreciation)				(674.2)	(714.4)	+6.0%
EBITA				331.4	**317.2**	**(4.3)%**
as a % of sales				*8.5%*	*7.6%*	*-87 bps*
FTE (end of period)				9,367	**9,538**	**+1.8%**

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q2 2022	Q2 2023	Change	H1 2022	H1 2023	Change
Sales	322.0	**332.5**	***+3.3%***	642.6	**661.8**	**+3.0%**
on a constant basis and same days			***+2.6 %***			**+2.0%**
China	132.3	**132.9**	*+0.4 %*	273.4	**270.3**	(1.2)%
on a constant basis and same days			*(1.2)%*			(2.4)%
Australia	140.2	**147.2**	*+5.0%*	269.8	**290.8**	+7.8%
on a constant basis and same days			*+4.9%*			+6.9%
New Zealand	29.6	**28.0**	*(5.4)%*	57.0	**56.6**	(0.7)%
on a constant basis and same days			*(7.0)%*			(2.4)%
Gross profit				122.2	**124.5**	**+1.9%**
as a % of sales				*19.0%*	*18.8%*	*-21 bps*
Distribution & adm. expenses (incl. depreciation)				(113.8)	(109.5)	(3.8)%
EBITA				8.4	**15.1**	**+79.1%**
as a % of sales				*1.3%*	*2.3%*	*97 bps*
FTE (end of period)				2,439	**2,468**	**+1.2%**

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Appendix 3: Consolidated Financial Statement

Consolidated Income Statement

Reported basis (€m)	H1 2022	H1 2023	Change
Sales	**9,082.8**	**9,763.0**	**+7.5%**
Gross profit	**2,404.6**	**2,516.5**	**+4.7%**
as a % of sales	*26.5%*	*25.8%*	
Operating expenses (excl. depreciation)	(1,532.1)	(1,651.2)	+7.8%
Depreciation	(163.8)	(169.8)	
EBITA	**708.7**	**695.5**	**(1.9)%**
as a % of sales	*7.8%*	*7.1%*	
Amortization of intangibles resulting from purchase price allocation	(5.7)	(10.5)	
Operating income bef. other inc. and exp.	**703.0**	**685.1**	**(2.6)%**
as a % of sales	*7.7%*	*7.0%*	
Other income and expenses	(19.4)	(25.1)	
Operating income	**683.6**	**660.0**	**(3.5)%**
Net financial expenses	(51.9)	(75.7)	
Share of profit / (loss) in associates	(0.1)	0.0	
Net income (loss) before income tax	**631.7**	**584.3**	**(7.5)%**
Income tax	(171.9)	(155.9)	
Net income (loss)	**459.8**	**428.4**	**(6.8)%**

Bridge between Operating Income before Other Income and Other Expenses and Adjusted EBITA

in €m	H1 2022	H1 2023
Operating income before other income and other expenses on a reported basis	**703.0**	**685.1**
Change in scope of consolidation	11.9	—
Foreign exchange effects	(2.0)	—
Non-recurring effect related to copper	(4.3)	6.8
Amortization of intangibles assets resulting from PPA	5.7	10.5
Adjusted EBITA on a constant basis	**714.3**	**702.3**

Recurring Net Income

in €m	H1 2022	H1 2023	Change
Net income (as reported)	**459.8**	**428.4**	**(6.8)%**
Non-recurring copper effect	(5.0)	6.8	
Other expense & income	19.4	25.1	
Financial expense	—	—	
Tax expense	(3.1)	(5.1)	
Recurring net income	**471.1**	**455.1**	**(3.4)%**

Sales and Profitability By Segment

Reported basis (€m)	H1 2022	H1 2023	Change
Sales	**9,082.8**	**9,763.0**	**+7.5%**
Europe	4,655.0	4,925.1	+5.8%
North America	3,750.7	4,176.0	+11.3%
Asia-Pacific	677.1	661.8	(2.3)%
Gross profit	**2,404.6**	**2,516.5**	**+4.7%**
Europe	1,311.5	1,366.0	+4.2%
North America	964.3	1,025.9	+6.4%
Asia-Pacific	128.9	124.5	(3.4)%
EBITA	**708.7**	**695.5**	**(1.9)%**
Europe	391.4	387.9	(0.9)%
North America	321.9	311.6	(3.2)%
Asia-Pacific	9.2	15.1	+63.9 %
Other	(13.8)	(19.0)	(37.6)%

Consolidated Balance Sheet[1]

Assets (reported basis in €m)	December 31, 2022	June 30, 2023
Goodwill	3,454.5	3,517.8
Intangible assets	1,167.4	1,233.4
Property, plant & equipment	306.8	315.1
Right-of-use assets	1,123.1	1,147.9
Long-term investments	66.5	70.7
Deferred tax assets	63.5	64.7
Total non-current assets	**6,181.8**	**6,349.6**
Inventories	2,275.4	2,467.9
Trade receivables	2,617.0	2,945.6
Other receivables	753.3	790.0
Assets classified as held for sale	186.8	—
Cash and cash equivalents	895.4	761.9
Total current assets	**6,727.9**	**6,965.4**
Total assets	**12,909.7**	**13,315.0**

Liabilities (reported basis in €m)	December 31, 2022	June 30, 2023
Total equity	**5,281.8**	**5,325.7**
Long-term debt	1,768.6	1,783.1
Lease liabilities (non-current part)	1,039.5	1,061.6
Deferred tax liabilities	232.4	250.5
Other non-current liabilities	243.5	225.1
Total non-current liabilities	**3,284.0**	**3,320.3**
Interest bearing debt & accrued int.	542.4	840.6
Lease liabilities (current part)	203.6	210.7
Trade payables	2,371.8	2,615.7
Other payables	1,138.5	1,001.9
Liabilities rel. to assets held for sale	87.6	—
Total current liabilities	**4,343.9**	**4,669.0**
Total liabilities	**7,627.8**	**7,989.3**
Total equity & liabilities	**12,909.7**	**13,315.0**

[1] Including:
- *Debt hedge derivatives for €46.3m at December 31, 2022 and for €42.9m at June 30, 2023; and*
- *Accrued interest receivables for €(3.5)m at December 31, 2022 and for €(3.2)m at June 30, 2023*

Change in Net Debt

Reported basis (€m)	H1 2022	H1 2023
EBITDA	**872.5**	**865.3**
Lease payments	(122.2)	(134.3)
EBITDAaL	**750.3**	**731.1**
Other operating revenues & costs(1)	(9.7)	(11.6)
Operating cash-flow	**740.6**	**719.5**
Change in working capital	(454.4)	(402.7)
Net capital expenditure, of which:	(54.6)	(74.5)
Gross capital expenditure	*(53.3)*	*(62.2)*
Disposal of fixed assets	*2.9*	*0.2*
Free cash-flow before int. & tax	**231.6**	**242.3**
Free cash flow conversion (% of EBITDAaL)	***30.9%***	***33.1%***
Net interest paid / received	(24.2)	(44.4)
Income tax paid	(161.0)	(184.2)
Free cash-flow after int. & tax	**46.4**	**13.7**
Net financial investment	7.5	(65.2)
Dividends paid	(230.1)	(362.3)
Net change in equity	(15.5)	(41.3)
Other	(4.0)	(0.6)
Currency exchange variation	(64.4)	12.6
Decrease (increase) in net debt	**(260.1)**	**(443.2)**
Net debt at the beginning of the period	**1,551.2**	**1,458.4**
Net debt at the end of the period	**1,811.3**	**1,901.6**

[1] Includes restructuring and integration outflows of:

- *€5.8m in H1 2023 vs. €2.3m in H1 2022*

Appendix 4: Working Capital Analysis

Constant basis		June 30, 2022	June 30, 2023
Net inventories			
	as a % of sales 12 rolling months	***13.4%***	***13.1%***
	as a number of days	*59.6*	*59.5*
Net trade receivables			
	as a % of sales 12 rolling months	***16.1%***	***15.4%***
	as a number of days	*47.1*	*47.0*
Net trade payables			
	as a % of sales 12 rolling months	***14.4%***	***13.4%***
	as a number of days	*55.4*	*53.5*
Trade working capital			
	as a % of sales 12 rolling months	***15.2%***	***15.1%***
Total working capital			
	as a % of sales 12 rolling months	***13.0%***	***13.8%***

Appendix 5: Headcount and branches by geography

FTEs at end of period comparable	June 30, 2022	June 30, 2023	Year-on-Year Change
Europe	**14,263**	**14,512**	**+1.7%**
USA	*7,271*	*7,397*	*+1.7%*
Canada	*2,096*	*2,141*	*+2.1%*
North America	**9,367**	**9,538**	**+1.8%**
Asia-Pacific	**2,439**	**2,468**	**+1.2%**
Other	**211**	**228**	**+8.1%**
Group	**26,280**	**26,747**	**+1.8%**

Branches	June 30, 2022	June 30, 2023	Year-on-Year Change
Europe	**1,044**	**1,043**	**(0.1)%**
USA	*460*	*459*	*(0.2)%*
Canada	*192*	*193*	*0.5%*
North America	**652**	**652**	**—%**
Asia-Pacific	**236**	**238**	**+0.8%**
Group	**1,932**	**1,933**	**+0.1%**

Appendix 6: Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

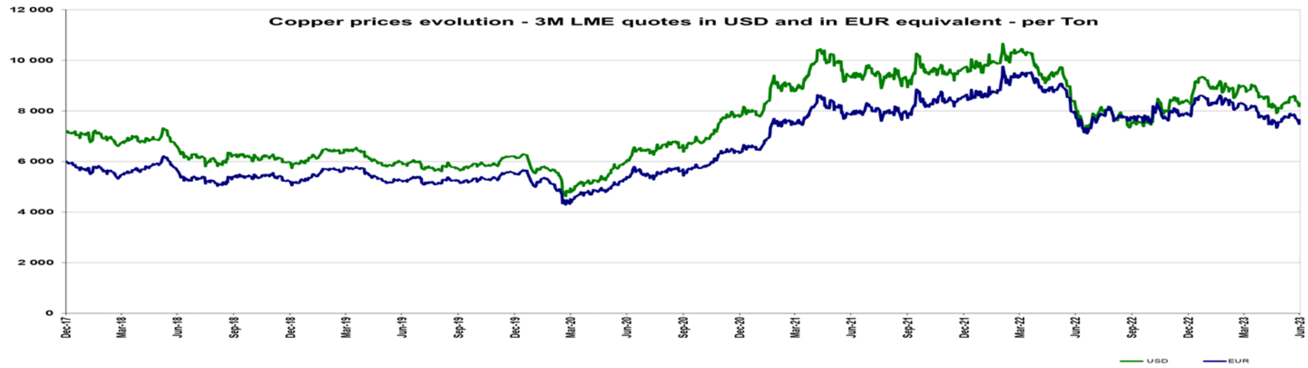
€ 1.00	=	USD 1.10
€ 1.00	=	CAD 1.47
€ 1.00	=	AUD 1.62
€ 1.00	=	GBP 0.87

and based on acquisitions/divestments to date, 2022 sales should take into account the following estimated impacts to be comparable to 2023:

	Q1	Q2	Q3e	Q4e	FYe
Scope effect at Group level	**23.9**	**(17.6)**	**(62.8)**	**(53.5)**	**(109.9)**
as % of 2022 sales	0.5%	(0.4)%	(1.3)%	(1.1)%	(0.6)%
Currency effect at Group level	**32.3**	**(93.6)**	**(264.0)**	**(208.9)**	**(534.3)**
as % of 2022 sales	0.7%	(2.0)%	(5.5)%	(4.4)%	(2.9)%
Calendar effect at Group level	**1.0%**	**(0.9)%**	**(0.8)%**	**0.4 %**	**(0.1)%**
Europe	1.4%	(2.0)%	(1.4)%	(0.3)%	(0.6)%
USA	0.1%	+0.1%	+0.2%	+1.7%	+0.5%
Canada	1.7%	+0.1%	(1.7%)	—%	—%
North America	0.5%	—%	(0.1)%	1.3%	0.4%
Asia	1.0%	+1.2%	(1.9) %	(0.2) %	—%
Pacific	1.7%	+0.4%	(0.1) %	(0.1) %	+0.4%
Asia-Pacific	1.3%	+0.7%	(1.0)%	(0.2)%	0.2%

The figures in the above table do not take into account Wasco acquisition. Assuming a closing date as of October 1st, 2023, the estimated scope effects would be +1.3% in Q4 23 and +0.0% in FY 23

Appendix 7: Historical copper price evolution



USD/t	Q1	Q2	Q3	Q4	FY
2021	8,492	9,691	9,397	9,585	9,294
2022	9,978	9,507	7,731	8,005	8,788
2023	**8,956**	**8,476**			
2021 vs. 2020	+50%	+80%	+44%	+33%	+50%
2022 vs. 2021	+18%	-2%	-18%	-17%	-5%
2023 vs. 2022	**-10%**	**-11%**			

€/t	Q1	Q2	Q3	Q4	FY
2021	7,052	8,048	7,971	8,380	7,864
2022	8,902	8,926	7,678	7,847	8,326
2023	**8,351**	**7,784**			
2021 vs. 2020	+38%	+65%	+43%	+39%	+45%
2022 vs. 2021	+26%	+11%	-4%	-6%	6%
2023 vs. 2022	**-6%**	**-13%**			

DISCLAIMER

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 19% of the Group's sales and copper accounts for approximately 60% of the composition of cables. This exposure is indirect since cable prices also reflect copper suppliers' commercial policies and the competitive environment in the Group's markets. Changes in copper prices have an estimated so-called "recurring" effect and an estimated so called "non-recurring" effect on the Group's performance assessed as part of the monthly internal reporting process of the Rexel Group: i) the recurring effect related to the change in copper-based cable prices corresponds to the change in value of the copper part included in the sales price of cables from one period to another. This effect mainly relates to the Group's sales; ii) the non-recurring effect related to the change in copper-based cable prices corresponds to the effect of copper price variations on the sales price of cables between the time they are purchased and the time they are sold, until all such inventory has been sold (direct effect on gross profit). Practically, the non-recurring effect on gross profit is determined by comparing the historical purchase price for copper-based cable and the supplier price effective at the date of the sale of the cables by the Rexel Group. Additionally, the non-recurring effect on EBITA corresponds to the non-recurring effect on gross profit, which may be offset, when appropriate, by the non-recurring portion of changes in the distribution and administrative expenses.

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

This document may contain statements of future expectations and other forward-looking statements. By their nature, they are subject to numerous risks and uncertainties, including those described in the Universal Registration Document registered with the French Autorité des Marchés Financiers (AMF) on March 9, 2023 under number D.23-0078. These forward-looking statements are not guarantees of Rexel's future performance, Rexel's actual results of operations, financial condition and liquidity as well as development of the industry in which Rexel operates may differ materially from those made in or suggested by the forward-looking statements contained in this release. The forward-looking statements contained in this communication speak only as of the date of this communication and Rexel does not undertake, unless required by law or regulation, to update any of the forward-looking statements after this date to conform such statements to actual results to reflect the occurrence of anticipated results or otherwise.

The market and industry data and forecasts included in this document were obtained from internal surveys, estimates, experts and studies, where appropriate, as well as external market research, publicly available information and industry publications. Rexel, its affiliates, directors, officers, advisors and employees have not independently verified the accuracy of any such market and industry data and forecasts and make no representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only.

This document includes only summary information and must be read in conjunction with Rexel's Universal Registration Document registered with the AMF on March 9, 2023 under number D.23-0078, as well as the financial statements and consolidated result and activity report for the 2022 fiscal year which may be obtained from Rexel's website (www.rexel.com).