
Powering Up Rexel to the next level
Update on medium-term roadmap and upgraded financial targets
presented at Capital Markets Day

Rexel is hosting today from 10.15AM CEST a Capital Markets Day in Paris to present an update on its strategic roadmap and unveil its new and upgraded medium-term financial ambitions.

Over the past few years, Rexel has built a very strong foundation based on the combination of several building blocks which together constitute a winning formula:

- Tech-driven operations, making best use of digital, AI and automation
- A wide array of value-added services that greatly expand our traditional role and address our customers' most pressing challenges
- A consistent focus on sustainability
- Value-creating M&A
- Engaged associates with strong expertise and customer focus
- A track record of executing and delivering

Going forward, this solid foundation will allow Rexel to benefit from the secular trends shaping its end markets. In particular, the electrification of everything is opening broad areas of opportunities that can be addressed selectively, capitalizing on Rexel's existing strengths.

Rexel is unveiling upgraded medium-term financial targets:

- Sales growth potential of between 5% and 8%, with targeted M&A representing between 2% and 3%
- Adjusted EBITA margin above 7%
- High-single digit growth in Earnings Per Share (EPS)
- An average conversion rate of 65% of EBITDAaL into Free Cash Flow before interest and tax

These will be supported by our capital allocation priorities:

- A dividend payout of at least 40%
- Share buybacks of between 50 million euros and 150 million euros per year
- A contribution of M&A to sales of between 2% and 3%
- Annual capital expenditure progressing in line or below top line growth
- A targeted net financial debt / EBITDAaL¹ leverage ratio of around 2.0x

¹. EBITDA after leases

Guillaume Texier, CEO of Rexel, declared: “Rexel is taking today a new step to power up to the next level, building on the Power Up 2025 plan, which is well on its way to success. Over the last two years we have stepped up our game across the board. We have made a strong push on digital, AI and automation. We have enriched our portfolio through value-creating acquisitions, which have become an additional growth driver. We have also continued to raise the bar in advanced services, allowing us to deliver more value to our customers. Rexel today is stronger, faster, better. Building on this platform and the engagement of our 26,500 employees, Rexel is ideally positioned to seize the opportunities linked to the acceleration of our markets. The combination of a transformed, more resilient Rexel and an accelerating market in the medium term makes us confident we will deliver further growth in sales, profitability and value creation.”

Rexel aims to achieve these targets by focusing on two main pillars:

Building on our winning formula:

Rexel will leverage the Power Up 25 gains to continue addressing the main challenges of its customers in non-residential, industrial and residential end-markets. It notably aims to achieve 50% of its sales through digital channels (vs 28% in 2023); reach 15+ automated Distribution Centers and 500+ robots in its supply chain (vs 10 automated DCs and 325 robots today); and increase the share of customers using additional services to 70% (vs 50% today) and advanced services to 20% (vs 11% today). On the sustainability side, Rexel will continue to actively implement its ambitious carbon roadmap, approved by the SBTi Net Zero Standard, in particular through additional initiatives involving customers, suppliers and employees of Rexel.

Seizing acceleration businesses in an electrifying market:

Rexel’s growth has been supported in the past years by powerful electrification megatrends that underpin the quest for a lower-carbon world. While 2024 is a transition year facing a high comparable base, the medium-term prospects point to continued solid growth, notably in the US, driven by reshoring, grid modernization and expanding data centers. Rexel’s field has expanded with new opportunities in utilities, HVAC, security and datacom, which the Group has already begun seizing. Rexel aims to derive 40% of its sales from “acceleration” businesses in the medium-term (from 32% currently), both through organic growth and disciplined M&A, as well as continued investment to grow the North American platform.

The Capital Markets Day will begin with showcases at 8.30 AM CEST and the presentations will begin at 10:15 AM CEST. The presentation will be broadcasted live at <https://edge.media-server.com/mmc/p/qpbzp8a6/>



a world of energy

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 1,950 branches in 19 countries, with more than 26,500 employees. The Group's sales were €19.2 billion in 2023.

Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is included in the following indices: MSCI World, 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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