

Leading the bright future of electrical distribution

Rexel

a world of energy

Q2 sales and H1 2021 earnings

28 July 2021

Half year financial report was authorized for issue by the Board of Directors held on July 27, 2021

The Rexel logo is displayed in white text on a dark blue rectangular background. The background of the entire slide is a night-time photograph of a city with illuminated buildings and a large, glowing neon sign that spells out 'REXEL' in a stylized, multi-tube font. A white bicycle icon is visible in the top right corner of the slide.

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1 Key Highlights

An excellent Q2 and H1 performance, demonstrating the strength of our model

Sales growth acceleration: Q2 21 sales +9.6% above Q2 19 (Q1 21 was +5.4% above Q1 19), **outperforming the market**

Ability to ensure business continuity in an environment impacted by lower availability of products/components

Growth driven by proximity and a pick-up in industrial demand

Increased pricing contribution in Q2 21 **with additional price increases to be announced in H2**

Same-day sales in North America are back to pre-crisis levels, with a strong pricing contribution and robust demand in proximity

Volumes in North America are still 15% below Q2 2019 level, leaving room for further recovery

Robust **5.6% Adj Ebita margin in H1 21**, leveraging our digital evolution and our focus on customer service, price management and FTE control in a recovery phase

Rapid deleveraging thanks to strong FCF, bolstering our **confidence in reaching an indebtedness ratio¹ between 1.5x and 2x** depending on M&A opportunities

Q2 21 Same-day sales growth

+32.3% vs Q2 20

Or +9.6% vs Q2 2019

NPS score in key countries

Improving

Compared to end 2020

DIGITAL SALES PENETRATION IN Q2 21

33.2% in Europe

up +44 bps

Proven agility in a disrupted market environment

Price increase acceleration



- **People management** and tools to limit potential lag in passing on price increase
- Strong focus on **price revision clause** in our contracts
- Active inventory management
- **Sales force training**

Increasing scarcity of products



- Support customers in finding **alternative choices**, leveraging our multi-banner model In the US
- Increasing **supply chain planning**
- Increasing digital interaction with suppliers
- Collaborating with suppliers on **new structural solution launches** (connected drum)

Uneven recovery in end-markets



- Allocate **adequate resources**
- **Agility in procurement** to cope with change in mix
- Increased **usage of telephone & web**
- Increased statistical **credit risk to manage**

Further market outperformance and high NPS ranking

Sharp improvement in key financial aggregates in H1 2021

SAME-DAY SALES GROWTH

+19.9% vs H1 20

Or +7.6% vs H1 19

GROSS MARGIN

25.6%

Up +99bps vs. H1 20
Up +59 bps vs H1 19

ADJUSTED EBITA MARGIN

5.6%

Up +232bps vs. H1 20
Up +99bps vs. H1 19

FCF BEFORE INTEREST & TAX

€116.3m

vs. H1 20 at €176.8m
vs. H1 19 at €(17.3)m

NET DEBT

€1,523m

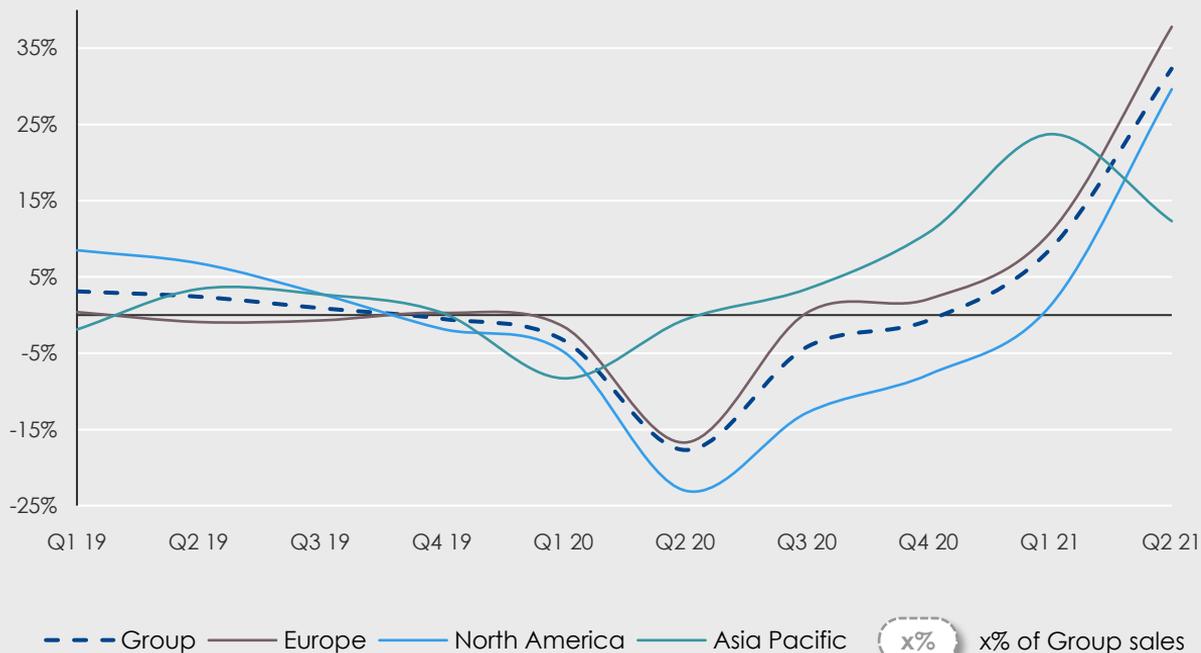
vs. €1,690m in H1 20
vs. €2,173m in H1 19

LOWEST INDEBTEDNESS RATIO SINCE IPO IN 2007

1.79x

vs. 2.59x in H1 20
vs. 2.86x in H1 19

Growth acceleration in Q2 in Europe & North America



SAME-DAY SALES GROWTH

VS. Q2 2020

VS. Q2 2019

GROUP

Q2
+32.3%

Q2
+9.6%

EUROPE

58%
Q2
+37.8%

Q2
+15.2%

NORTH AMERICA

33%
Q2
+29.6%

Q2
+0.6%

ASIA PACIFIC

9%
Q2
+12.3%

Q2
+11.6%

x% x% of Group sales

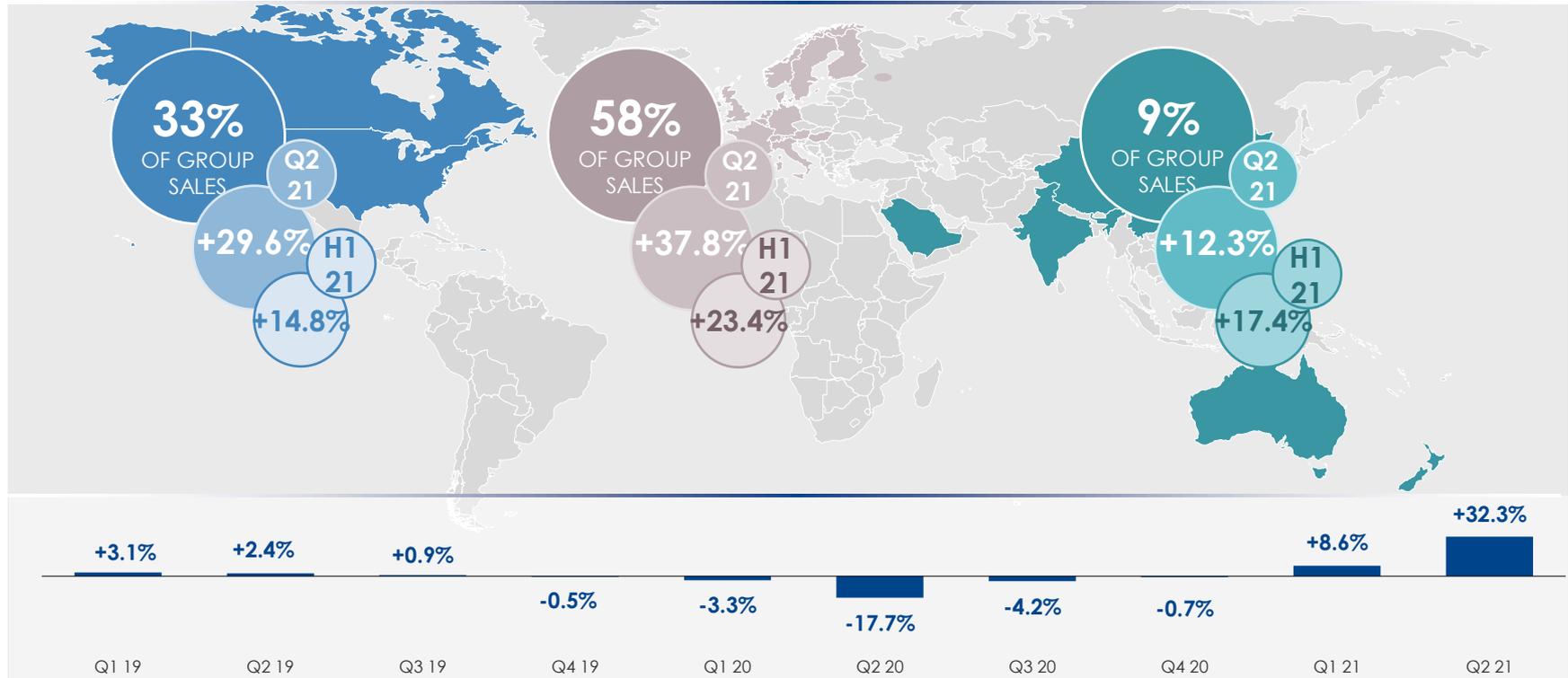


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2 H1 21 group financial review

Same-day sales evolution of +32.3% in Q2 vs Q2 20 and up +9.6% vs Q2 19

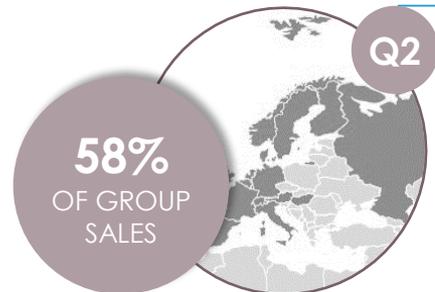


Europe: Robust volume growth in most countries versus 2019

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Sales
2,145.8 €m | Constant & same-day
+37.8% Vs Q2 2020 | **+15.2%** Vs Q2 2019



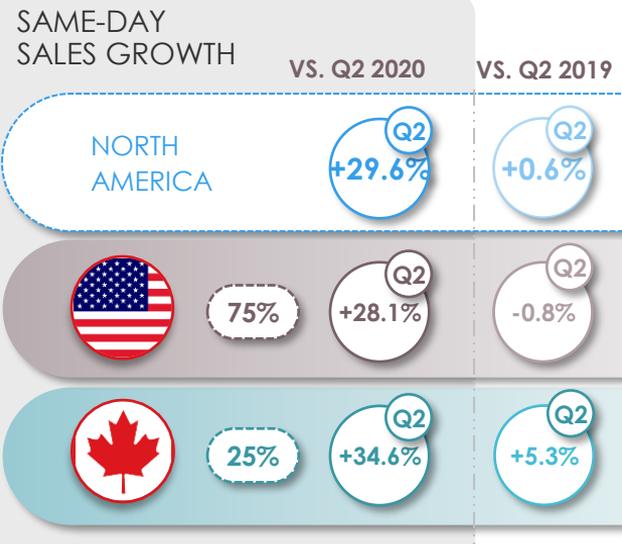
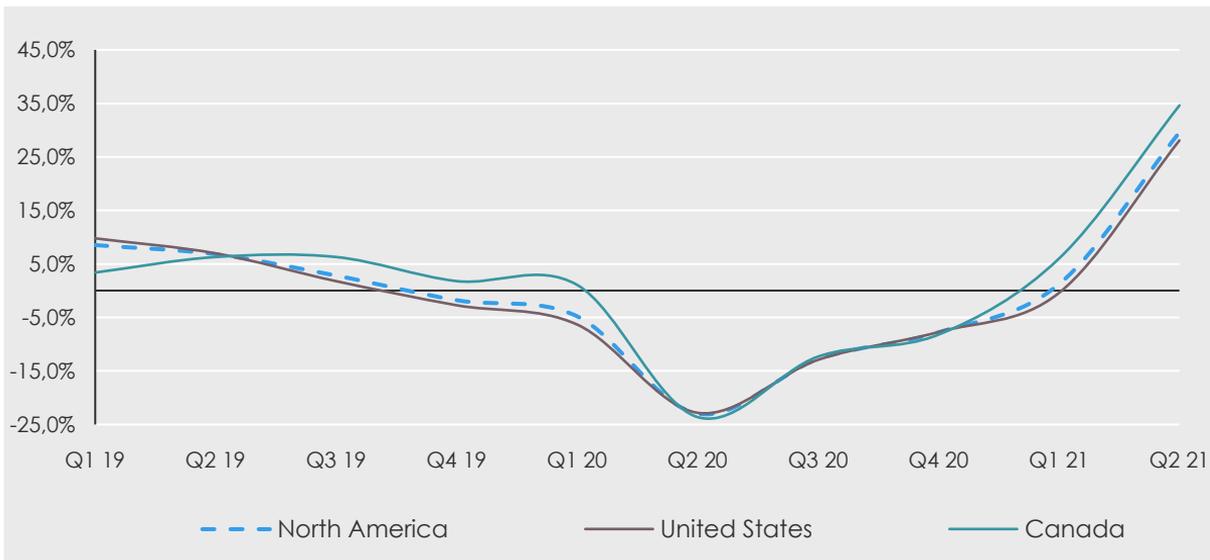
- > **France** posted solid +56.0% growth (or +17.2% vs Q2 2019), accelerating after an already robust Q1 21, fueled by market outperformance (high level of customer service from digital and availability of products) in all 3 markets
- > **Scandinavia** up +14.9% vs Q2 2019 with Sweden driven by renovation in residential, large commercial key accounts and industrial recovery. Positive trends in Finland in small C&I and Industry
- > **Benelux:** Belux (+12.4% vs Q2 19) from cable and EV products offset lower PV products (end of subsidies in Flanders). Netherlands were up +15.5% vs Q2 2019, largely driven by residential and industrial businesses.
- > **Germany:** +32.7% vs Q2 19 from strong demand in proximity business and growth acceleration in Industry (automotive and metals)
- > **UK:** Sales close to pre-crisis level (-1.6% vs Q2 19), accelerating versus Q1 driven by the residential market, while industrial and commercial remains below 2019 level. Denmark banner is up +20.7% vs Q2 19
- > **Austria** is strong at +35.6% above Q2 2019 from market share gains in well-oriented proximity market

	Weight ¹	Q2 21 vs. Q2 20 ²	Q2 21 vs. Q2 19 ²
	39%	+56.0%	+17.2%
	13%	+12.2%	+14.9%
	11%	+23.6%	+13.7%
	10%	+27.6%	+32.7%
	8%	+65.6%	-1.6%
	6%	+16.4%	+9.1%
	6%	+39.6%	+35.6%
	4%	+38.7%	-8.5%

1. x% of Europe

2. Same-day change

North America: Back to 2019 organic sales level but volumes still down 15%, leaving room for recovery



UNITED STATES

Sales up **+28.1%** in Q2 21, back to pre-crisis level (**-0.8%** compared to Q2 19), helped by favorable pricing contribution on the vast majority of products, further positive momentum in our proximity business and lower sales decline in projects business, despite greater selectivity.

CANADA

Sales grew by **+34.6%** and are now **+5.3%** above Q2 2019 level from positive pricing on cable and non-cable products as well as better commercial and residential activities, offsetting lower demand in industry, especially in the Western part of the country. Good integration of our newly acquired utility business.

US: A wealth of regional expertise, with varying trends.

4 REGIONS ABOVE Q2 19 ... :

- > **Northwest:** Inventory availability, digital tool adoption and increased service offerings translating into further market share gains. Strong demand in proximity business, especially in Northern California post-fires and in Seattle
- > **Mountain Plains:** Positive trends in commercial segments tied to investments in growing markets and improving trends in industrial (Oil & Gas activity), albeit still negative
- > **California:** Underlying business has significantly improved compared to Q1 thanks to strength in commercial activity and sales of energy-efficient products
- > **Florida:** improvement compared to Q1 largely benefiting from strong demand in residential market and improved outlook in entertainment sector

... OFFSETTING 4 REGIONS STILL BELOW Q2 19 :

- > **Southeast:** Strength in industrial segment offset by decline in commercial segment, primarily associated with headwinds in large EPC and commercial construction projects
- > **Northeast:** Sales decline vs 2019 continuing as a result of greater selectivity on larger projects. Proximity sales above 2019 level as a result of increased strategic focus
- > **Midwest:** Still below Q2 19 level (-16.3%), from continuing softness in automotive and metals markets. But signs of improvement, notably in backlog
- > **Gulf Central:** Still below Q2 19 level but 4 consecutive quarters of improvement. Industrial still down significantly, driven by decline in Oil & Gas revenues, although trends are improving

	Weight ¹	Q2 21 vs. Q2 20 ²	Q2 21 vs. Q2 19 ²
Northwest	31%	+43.4%	+29.1%
Mountain Plains	9%	+31.4%	+8.5%
California	10%	+16.6%	+4.7%
Florida	11%	+10.0%	+1.8%
Southeast	14%	+19.4%	-8.4%
Northeast	6%	+28.2%	-14.5%
Midwest	8%	+10.7%	-16.3%
Gulf Central	11%	+32.5%	-22.0%

1. x% of US ED Sales

2. Same-day change

Asia-Pacific: Strong performance above pre crisis level

Sales

338.0
€m

Constant & same-day

+12.3%
vs Q2 2020

+11.6%
vs Q2 2019



PACIFIC

- > **Australia** (+10.8% in Q2 21) Robust result in a country where vaccination rates remain low, limiting visibility on the business. It is supported by small & medium contractors, especially in residential, despite the loss of an industrial contract in mining. Price increases contributed to the positive growth

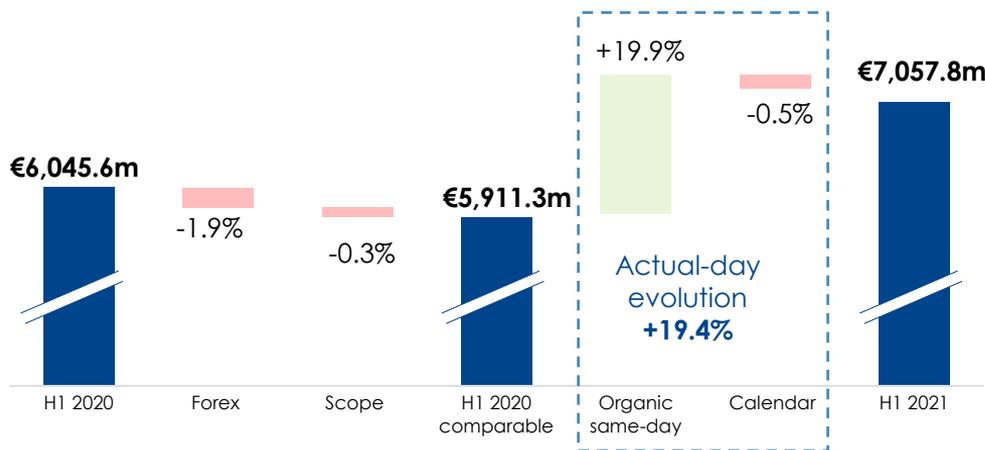
ASIA

- > Sales grew by +2.2% in **China** or +16.2% compared to Q2 19. Restated for the large aero contract which benefited 2019, our Q2 21 is up +30.9% vs Q2 19, fully in line with Q1 21 same-day sales growth, illustrating the positive momentum, notably driven by government spending in infrastructure and automation

	Weight ¹	Q2 21 vs. Q2 20 ²	Q2 21 vs. Q2 19 ²
Pacific	50%	+15.8%	+8.2%
o/w Australia		+10.8%	+9.8%
Asia	50%	+8.8%	+15.3%
o/w China		+2.2%	+16.2%

H1 21 sales: up +19.9% on a same-day basis and +16.7% on a reported basis, supported by positive pricing environment

+16.7% reported sales



Increasing copper cable price

	Q1 21	Q2 21	H1 21
Cable price increase	+20.1%	+44.2%	+31.7%
Contribution to Group's sales	+2.9%	+6.5%	+4.6%

Increasing non-cable price

	Q1 21	Q2 21	H1 21
Non-cable price increase	+2.7%	+4.2%	+3.4%
Ow. Europe	+1.8%	+1.7%	+1.7%
Ow. North America	+4.1%	+9.1%	+6.5%
Contribution to Group's sales	+2.4%	+3.6%	+2.9%

Further price increase expected in H2 21 on non-cable products while cable copper price contribution will normalize

Strong operating leverage from catch up in Gross Margin and opex management

H1 2021 (€m)	EUROPE		NORTH AM.		ASIA-PACIFIC		HOLDING	GROUP	
Sales	4,122.9	+23.6%	2,296.2	+13.2%	638.7	+16.8%		7,057.8	+19.4%
<i>Constant and same-day</i>		+23.4%		+14.8%		+17.4%			+19.9%
Gross margin	1,125.4	+25.8%	569.6	+23.4%	110.6	+13.9%		1,805.6	+24.2%
<i>% of sales</i>	27.3%	+48bps	24.8%	+204bps	17.3%	-43bps		25.6%	+99bps
Opex + depreciation	(843.5)	+11.1%	(430.2)	+8.5%	(105.2)	+13.9%	(28.5)	(1,407.4)	+11.9%
<i>% of sales</i>	-20.5%	+229bps	-18.7%	+82bps	-16.5%	+41bps		-19.9%	+133bps
Adj. EBITA¹	281.8	+107.8%	139.5	+113.6%	5.4	+13.9%	(28.5)	398.2	+103.0%
<i>% of sales</i>	6.8%	+277bps	6.1%	+285bps	0.8%	-2bps		5.6%	+232bps
<i>Group contribution (adj. EBITA¹)</i>		+170bps		+92bps		-3bps	-27bps		+232bps

EUROPE

Gross margin back to pre-crisis level at 27.3% thanks to catch up in rebates and positive country mix

Opex/sales significantly better than pre-crisis level (-20.5% of sales vs -21.4% in H1 19) notably thanks to strong volume recovery, largely offsetting provisioning of higher variable pay in 2021

NORTH AMERICA

Gross Margin benefiting from favorable business mix (Proximity vs Project), pricing initiatives and one-off effect reflecting recent price inflation on non-cable products

Opex /sales better than pre-crisis level (-18.7% of sales vs -19% in H1 19) thanks to structural measures largely offsetting full provisioning of higher variable pay in 2021

ASIA-PACIFIC

Gross margin contraction related to negative country mix (strong growth in China) **and negative banner mix in China**

Opex impacted by bad debt increase in China

A balance of temporary tailwinds and headwinds in H1



Topline:

- Volume : Cocooning effect
- Price : inflation (expecting carry-over in 2022)

Adjusted Gross Margin:

- Positive business mix driven by proximity
- One-off effect reflecting recent non-cable products price inflation
- Favorable supplier rebate scheme (volume related)

Opex:

- Travel & expenses at a low point

Topline:

- Scarcity of components, shortage of products
- Project activity under pressure

Adjusted Gross Margin:

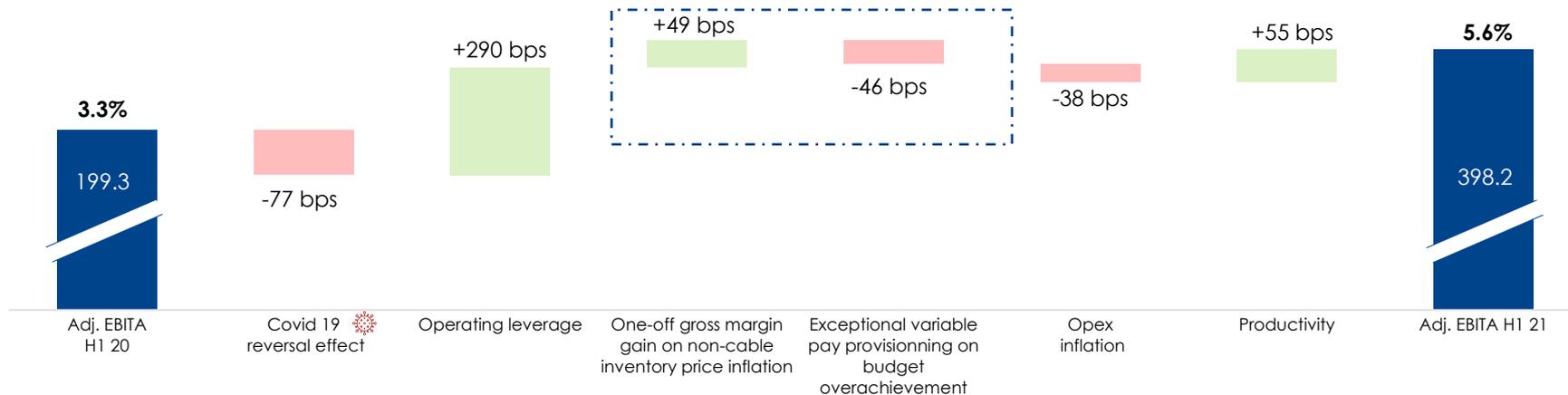
- Temporary lag in passing on price increases, mainly on cable products
- Unfavorable customer rebate scheme (volume-related)

Opex:

- All-time high bonuses and commissions
- Bad debt environment



Robust operating leverage in H1 21



Recurring net income up +192.9% in H1 2021

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(€m)	H1 2020	H1 2021	Change
EBITDA	333.8	588.2	+76.2%
% EBITDA margin	5.5%	8.3%	
Depreciation Right of Use (IFRS 16)	(88.5)	(92.8)	
Depreciation and amortization	(53.0)	(53.0)	
Reported EBITA	192.3	442.4	+130.0%

(€m)	H1 2020	H1 2021	Change
Adjusted EBITA¹ (Comparable base)	196.2	398.2	+103.0%
Currency/Scope & other	3.1		
Adjusted EBITA¹	199.3	398.2	
Non-recurring copper effect & other	(6.9)	44.3	
Reported EBITA	192.3	442.4	+130.0%
Amortization resulting from PPA	(6.6)	(3.1)	
Other income and expenses	(482.5)	(4.2)	
Operating income	(296.8)	435.1	na
Net financial expenses	(63.1)	(59.8)	
Profit before tax	(360.0)	375.3	
Income tax	(79.9)	(104.7)	
Net income	(439.8)	270.6	na
Recurring net income ²	82.5	241.7	+192.9%

- One-off effect reflecting recent cable products price inflation

- Restructuring costs for €(3.5)m in H1 21 vs. €(1.9)m in H1 2020
- H1 20 impacted by goodwill impairment for €(486)m

- Financial cost of Net Debt before one-off expenses for €(34.7)m vs. €(41.0)m in H1 2020 thanks to lower gross debt
- Interest on lease liabilities for €(20.0)m vs €(22.1)m in H1 2020
- Others including one-off cost from bond reimbursement for €5.1m in H1 2021
- Stable average effective interest rate at 2.47% (vs 2.43% in 2021)

- Income tax of €(104.7)m, implying a c.28% tax rate

1. At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices

2. Cf. details on appendix 3

Robust FCF, well above our pre crisis level from strong EBITDAaL and WC management

(€m)	H1 2020	H1 2021
EBITDA	333.8	588.2
Lease payments	(106.1)	(111.8)
EBITDA after lease (EBITDAaL)	227.7	476.4
Restructuring	(7.3)	(9.0)
Change in trade working capital	(44.2)	(327.5)
Change in non-trade working capital	62.0	28.4
Net capital expenditure	(53.1)	(48.8)
Other operating revenues & costs	(8.3)	(3.2)
Free cash-flow before I&T	176.8	116.3
Free cash flow conversion	77.7%	24.4%
Net interest paid	(35.3)	(28.5)
Income tax paid	(24.9)	(57.1)
Free cash-flow after I&T	116.6	30.7
Net financial investment	148.1	(72.2)
Dividend	-	(139.6)
Effect of currency exchange rates	(4.9)	(1.8)
Other	(4.2)	(5.2)
Net change in cash / (debt)	255.6	(188.1)
Financial Net Debt at the end of the period	1,690.3	1,523.0
Financial Net Debt / EBITDAaL	2.59x	1.79x

Good WC management in a recovery phase. Trade working capital at 14.4% of sales in H1 2021, close to its H1 2019 level

Gross capex at €45.5m representing 0.6% of sales in H1 21. On track to reach 0.9% in capex/sales in FY21

FCF before Interest and tax at €116.3m, well above H1 2019 at €(17.3)m

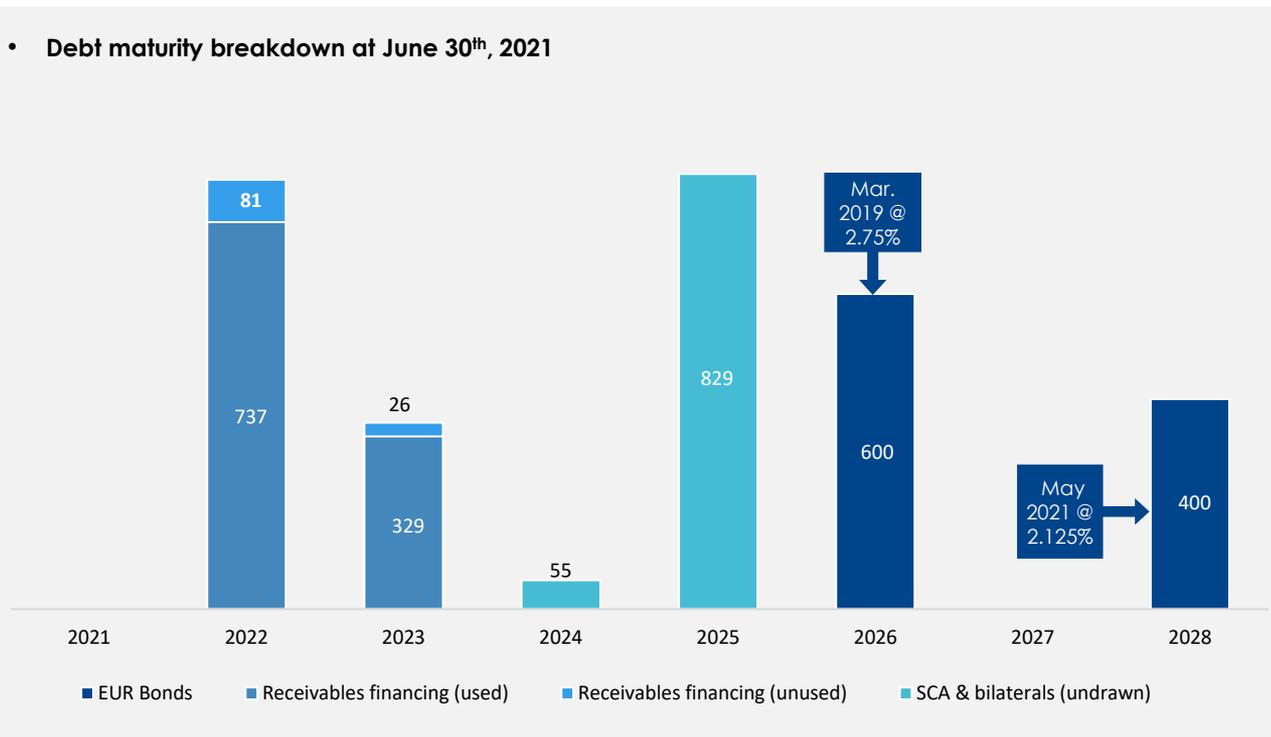
Net cash invested in the acquisition of a utility business in Canada and in Freshmile in France

Lowest half-year financial net debt since 2007

Indebtedness ratio in FY 21 to be between 1.5x and 2x, depending on M&A opportunities

Rexel was the first French non-investment grade to issue a Sustainability-Linked Bond in May 2021

- Debt maturity breakdown at June 30th, 2021



c. €1.23bn

Liquidity as of June 30, 2021

2.47% (+4bps yoy)

H1 2021 average effective interest rate on gross debt

€400m

Issuance of Sustainability-Linked Bond maturing in 2028

€500m

Full redemption of bond maturing in 2025

\$40m

Bilateral credit facility 3-year extension



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3 Outlook

Confirmation of the recently upgraded 2021 guidance



2021 outlook

Following a better-than-expected start to the year and capitalizing on robust growth drivers and the growing benefits of our digital transformation, we issued a trading update on June 29th 2021, raising our guidance for full-year 2021.

Leveraging on our continuous efforts, we target for 2021, at comparable scope of consolidation and exchange rates*:

- **Same-day sales growth of between 12% and 15%**
- **An adjusted EBITA¹ margin of circa 5.7%**
- **Free cash flow conversion² above 60%**

* Assuming no severe deterioration of the sanitary environment (Delta Variant)

Reaping the benefits of two deep transformations



- **Digital penetration above 33%** in Europe in Q2 21
- **Increased customer experience** (web personalization, customer churn, NBO, Track & Trace, Branch assortment..)
- Leaner organization with **maximized number of customer-facing employees and of products**
- Operational **excellence** during sanitary crisis and in disrupted environment
- **Boost in selling** low turnover stock

- **Sales growth outperformance** from investments in network & inventory, new regional organization and multi-banner model
- Solid **management team** in place in every region
- **Strong** opex management & improved commercial margin
- **4 regions with Adjusted EBITA above European profitability average**



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4 Appendix

Appendix 1: Q2 and H1 2021 sales and adjusted EBITA bridge

Sales bridge

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Q2	Europe	North America	Asia-Pacific	Group
Reported sales 2020	1,521.3	1,006.3	292.8	2,820.4
+/- Net currency effect	+0.8%	(6.1%)	+2.9%	(1.4%)
+/- Net scope effect	(0.5%)	+1.2%	-	+0.1%
=Comparable sales 2020	1,525.5	956.7	301.3	2,783.5
+/- Actual-day organic growth, of which:	+40.7%	+29.9%	+12.2%	+33.9%
Constant-same day excl. copper	+32.6%	+19.3%	+11.5%	+25.8%
Copper effect	+5.2%	+10.3%	+0.7%	+6.5%
Constant-same day incl. copper	+37.8%	+29.6%	+12.3%	+32.3%
Calendar effect	+2.9%	+0.3%	(0.1%)	+1.6%
= Reported sales 2021	2,145.8	1,242.8	338.0	3,726.6
YoY change	+41.1%	+23.5%	+15.5%	+32.1%
H1	Europe	North America	Asia-Pacific	Group
Reported sales 2020	3,331.3	2,182.8	531.5	6,045.6
+/- Net currency effect	+0.4%	(6.6%)	+2.9%	(1.9%)
+/- Net scope effect	(0.3%)	(0.5%)	-	(0.3%)
=Comparable sales 2020	3,336.6	2,027.9	546.8	5,911.3
+/- Actual-day organic growth, of which:	+23.6%	+13.2%	+16.8%	+19.4%
Constant-same day excl. copper	+19.8%	+7.5%	+16.7%	+15.3%
Copper effect	+3.6%	+7.4%	+0.7%	+4.6%
Constant-same day incl. copper	+23.4%	+14.8%	+17.4%	+19.9%
Calendar effect	+0.2%	(1.6%)	(0.6%)	(0.5%)
= Reported sales 2021	4,122.9	2,296.2	638.7	7,057.8
YoY change	+23.8%	+5.2%	+20.2%	+16.7%

Appendix 1: Q2 and H1 2021 sales and adjusted EBITA bridge

EBITA bridges:

From H1 20 reported adjusted EBITA as reported to H1 20 on a comparable basis

	2020 adjusted EBITA	2020 copper effect @2020 FX	2020 reported EBITA	2021 FX Impact	2021 scope impact	2020 copper effect @2021 FX	2020 comparable adjusted EBITA
Rexel Group	199.3	(6.9)	192.3	(3.8)	0.7	6.9	196.2

To comparable adjusted EBITA from H1 20 to H1 21

	2020 comparable adjusted EBITA	Organic growth	2021 adjusted EBITA	2021 copper effect	2021 reported EBITA
Rexel Group	196.2	202.0	398.2	44.3	442.4

Appendix 2: Segment reporting – Constant and adjusted basis¹

GROUP

Constant and adjusted basis (€m)	Q2 2020	Q2 2021	Change	H1 2020	H1 2021	Change
Sales	2,783.5	3,726.6	+33.9%	5,911.3	7,057.8	+19.4%
<i>on a constant basis and same days</i>			+32.3%			+19.9%
Gross profit				1,453.6	1,805.6	+24.2%
<i>as a % of sales</i>				24.6%	25.6%	99 bps
Distribution & adm. expenses (incl. depreciation)				(1,257.5)	(1,407.4)	+11.9%
EBITA				196.2	398.2	+103.0%
<i>as a % of sales</i>				3.3%	5.6%	232 bps
FTE (end of period)				22,008	24,730	+12.4%

Constant basis (€m)	H1 2020	H1 2021
Non-recurring copper effect at EBITA level	(6.9)	44.3

1. At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices. The non-recurring effect related to changes in copper-based cable prices was, at EBITA level and in €m:

Appendix 2: Segment reporting – Constant and adjusted basis¹

EUROPE

Constant and adjusted basis (€m)	Q2 2020	Q2 2021	Change	H1 2020	H1 2021	Change
Sales	1,525.5	2,145.8	+40.7%	3,336.6	4,122.9	+23.6%
on a constant basis and same days			+37.8%			+23.4%
France	514.1	832.7	+62.0%	1,171.9	1,608.6	+37.3%
on a constant basis and same days			+56.0%			+36.3%
United Kingdom	108.2	180.2	+66.5%	299.4	361.5	+20.7%
on a constant basis and same days			+65.6%			+21.7%
Germany	162.1	208.6	+28.6%	332.9	399.2	+19.9%
on a constant basis and same days			+27.6%			+20.5%
Scandinavia	253.9	288.3	+13.6%	507.0	534.9	+5.5%
on a constant basis and same days			+12.2%			+5.7%
Gross profit				894.8	1,125.4	+25.8%
as a % of sales				26.8%	27.3%	48 bps
Distribution & adm. expenses (incl. depreciation)				(759.2)	(843.5)	+11.1%
EBITA				135.6	281.8	+107.8%
as a % of sales				4.1%	6.8%	277 bps
FTE (end of period)				12,613	14,734	+16.8%

1. At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices.

Appendix 2: Segment reporting – Constant and adjusted basis¹

NORTH AMERICA

Constant and adjusted basis (€m)	Q2 2020	Q2 2021	Change	H1 2020	H1 2021	Change
Sales	956.7	1,242.8	+29.9%	2,027.9	2,296.2	+13.2%
on a constant basis and same days			+29.6%			+14.8%
United States	727.0	933.3	+28.4%	1,540.1	1,717.4	+11.5%
on a constant basis and same days			+28.1%			+13.3%
Canada	229.6	309.4	+34.7%	487.8	578.8	+18.7%
on a constant basis and same days			+34.6%			+19.6%
Gross profit				461.8	569.6	+23.4%
as a % of sales				22.8%	24.8%	204 bps
Distribution & adm. expenses (incl. depreciation)				(396.5)	(430.2)	+8.5%
EBITA				65.3	139.5	+113.6%
as a % of sales				3.2%	6.1%	285 bps
FTE (end of period)				6,799	7,364	+8.3%

1. At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices.

Appendix 2: Segment reporting – Constant and adjusted basis¹

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q2 2020	Q2 2021	Change	H1 2020	H1 2021	Change
Sales	301.3	338.0	+12.2%	546.8	638.7	+16.8%
on a constant basis and same days			+12.3%			+17.4%
China	142.8	146.0	+2.2%	221.2	271.5	+22.8%
on a constant basis and same days			+2.2%			+22.8%
Australia	126.7	139.7	+10.3%	249.8	265.2	+6.2%
on a constant basis and same days			+10.8%			+7.2%
New Zealand	20.7	30.4	+46.9%	46.0	55.1	+19.9%
on a constant basis and same days			+46.6%			+20.8%
Gross profit				97.0	110.6	+13.9%
as a % of sales				17.7%	17.3%	-43 bps
Distribution & adm. expenses (incl. depreciation)				(92.3)	(105.2)	+13.9%
EBITA				4.7	5.4	+13.9%
as a % of sales				0.9%	0.8%	-2 bps
FTE (end of period)				2,466	2,446	(0.8)%

1. At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices.

Appendix 3: Consolidated Income statement

Reported basis (€m)	H1 2020	H1 2021	Change
Sales	6,045.6	7,057.8	+16.7%
Gross profit	1,479.6	1,850.7	+25.1%
<i>as a % of sales</i>	24.5%	26.2%	
Operating expenses (excl. depreciation)	(1,145.8)	(1,262.5)	+10.2%
Depreciation	(141.5)	(145.8)	
EBITA	192.3	442.4	+130.0%
<i>as a % of sales</i>	3.2%	6.3%	
Amortization of intangibles resulting from purchase price allocation	(6.6)	(3.1)	
Operating income bef. other inc. and exp.	185.7	439.3	+136.6%
<i>as a % of sales</i>	3.1%	6.2%	
Other income and expenses	(482.5)	(4.2)	
Operating income	(296.8)	435.1	n/a
Net financial expenses	(63.1)	(59.8)	
Net income (loss) before income tax	(360.0)	375.3	n/a
Income tax	(79.9)	(104.7)	
Net income (loss)	(439.8)	270.6	n/a

Appendix 3: Adjusted EBITA bridge and recurring net income

Bridge between operating income before other income and expenses and adjusted ebita

in €m	H1 2020	H1 2021
Operating income before other income and other expenses on a reported basis	185.7	439.3
Change in scope of consolidation	0.7	—
Foreign exchange effects	(3.8)	—
Non-recurring effect related to copper	6.9	(44.3)
Amortization of intangibles assets resulting from PPA	6.6	3.1
Adjusted EBITA on a constant basis	196.2	398.2

Bridge between reported net income and recurring net income

in €m	H1 2020	H1 2021	Change
Net income (as reported)	(439.8)	270.6	n.a.
Non-recurring copper effect	6.9	(44.3)	
Other expense & income	482.5	4.2	
Financial expense		5.1	
Tax expense	32.9	6.0	
Recurring net income	82.5	241.7	+192.9%

Appendix 3: Sales and profitability by segment – reported basis

Reported basis (€m)	H1 2020	H1 2021	Change
Sales	6,045.6	7,057.8	+16.7%
Europe	3,331.3	4,122.9	+23.8%
North America	2,182.8	2,296.2	+5.2%
Asia-Pacific	531.5	638.7	+20.2%
Gross profit	1,479.6	1,850.7	+25.1%
Europe	886.4	1,151.5	+29.9%
North America	500.0	588.7	+17.7%
Asia-Pacific	93.2	110.6	+18.7%
EBITA	192.3	442.4	+130.0%
Europe	127.8	307.1	+140.2%
North America	69.6	158.5	+127.8%
Asia-Pacific	4.4	5.4	+22.2%
Other	(9.5)	(28.5)	(200.3%)

Appendix 3: Consolidated balance sheet¹

Assets (Reported basis in €m)	December 31, 2020	June 30, 2021	Liabilities (Reported basis in €m)	December 31, 2020	June 30, 2021
Goodwill	3,192.2	3,268.6	Total equity	3,794.8	4,068.2
Intangible assets	997.5	1,025.8	Long-term debt	1,915.2	1,846.2
Property, plant & equipment	253.3	246.2	Lease liabilities (non-current part)	837.0	860.0
Right-of-use assets	895.5	922.7	Deferred tax liabilities	184.1	215.8
Long-term investments	41.3	41.7	Other non-current liabilities	367.5	296.3
Deferred tax assets	29.7	33.2	Total non-current liabilities	3,303.9	3,218.4
Total non-current assets	5,409.5	5,538.3	Interest bearing debt & accrued int.	117.0	169.5
Inventories	1,511.1	1,797.2	Lease liabilities (current part)	168.7	175.3
Trade receivables	1,899.7	2,356.7	Trade payables	1,807.3	2,182.1
Other receivables	453.7	485.6	Other payables	758.0	849.2
Assets classified as held for sale	3.7	1.1	Liabilities rel. to assets held for sale	13.6	3.7
Cash and cash equivalents	685.4	487.7	Total current liabilities	2,864.5	3,379.9
Total current assets	4,553.7	5,128.3	Total liabilities	6,168.4	6,598.3
Total assets	9,963.2	10,666.5	Total equity & liabilities	9,963.2	10,666.5

¹ 1 Net debt includes Debt hedge derivatives for €(18.7)m at June 30, 2020 and for €(4.6)m at June 30, 2021. It also includes accrued interest receivables for €(1.0)m at June 30, 2020 and for €(0.5)m at June 30, 2021

Appendix 3: Change in net debt

Reported basis (€m)	H1 2020	H1 2021
EBITDA	333.8	588.2
Lease payments	(106.1)	(111.8)
EBITDAaL	227.7	476.4
Other operating revenues & costs ⁽¹⁾	(15.6)	(12.2)
Operating cash-flow	212.1	464.3
Change in working capital	17.8	(299.1)
Net capital expenditure, of which:	(53.1)	(48.8)
<i>Gross capital expenditure</i>	(53.4)	(45.5)
<i>Disposal of fixed assets & other</i>	1.7	3.9
Free cash-flow before int. & tax	176.8	116.3
<i>Free cash flow conversion (% of EBITDAaL)</i>	77.7%	24.4%
Net interest paid / received	(35.3)	(28.5)
Income tax paid	(24.9)	(57.1)
Free cash-flow after int. & tax	116.6	30.7
Net financial investment	148.1	(72.2)
Dividends paid	—	(139.6)
Net change in equity	(1.1)	2.9
Other	(3.1)	(8.2)
Currency exchange variation	(4.9)	(1.8)
Decrease (increase) in net debt	255.6	(188.1)
Net debt at the beginning of the period	1,945.9	1,334.9
Net debt at the end of the period	1,690.3	1,523.0

1. Includes restructuring outflows of:
• €9.0m in H1 2021 vs. €7.3m in H1 2020.

Appendix 4: Working capital

Constant basis	June 30,2020	June 30, 2021
Net inventories		
<i>as a % of sales 12 rolling months</i>	12.0%	13.1%
<i>as a number of days</i>	62.4	57.1
Net trade receivables		
<i>as a % of sales 12 rolling months</i>	15.0%	17.1%
<i>as a number of days</i>	49.8	48.3
Net trade payables		
<i>as a % of sales 12 rolling months</i>	13.1%	15.8%
<i>as a number of days</i>	66.0	58.1
Trade working capital		
<i>as a % of sales 12 rolling months</i>	13.8%	14.4%
Total working capital		
<i>as a % of sales 12 rolling months</i>	11.6%	12.1%

Appendix 5: Headcount and branch evolution

FTEs at end of period comparable	June 30, 2020	December 31, 2020	June 30, 2021	Year-on-Year Change
Europe	12,613	14,447	14,734	+16.8%
<i>USA</i>	5,024	5,357	5,349	+6.5%
<i>Canada</i>	1,775	1,968	2,015	+13.5%
North America	6,799	7,325	7,364	+8.3%
Asia-Pacific	2,466	2,432	2,446	(0.8%)
Other	130	179	187	+43.8%
Group	22,008	24,383	24,730	+12.4%

Branches comparable	June 30, 2020	December 31, 2020	June 30, 2021	Year-on-Year Change
Europe	1,100	1,097	1,098	(0.2%)
<i>USA</i>	383	382	378	(1.3%)
<i>Canada</i>	194	191	191	(1.5%)
North America	577	573	569	(1.4%)
Asia-Pacific	240	239	238	(0.8%)
Group	1,917	1,909	1,905	(0.6%)

Appendix 6: Calendar, scope and currency effects on sales

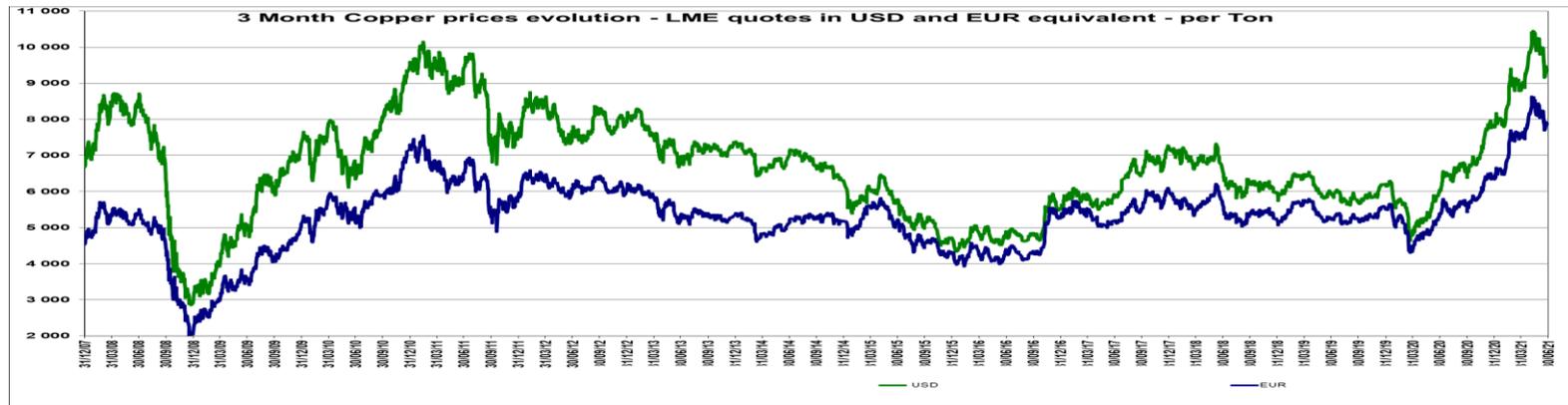
Based on the assumption of the following average exchange rates:

1 €	=	1.19	USD
1 €	=	1.49	CAD
1 €	=	1.57	AUD
1 €	=	0.86	GBP

and based on acquisitions/divestments to date, 2020 sales should take into account the following estimated impacts to be comparable to 2021 :

	Q1 actual	Q2 actual	Q3e	Q4e	FYe
Scope effect at Group level	(24.1)	3.9	3.3	2.2	(14.7)
as% of 2020 sales	(0.7)%	0.1 %	0.1%	0.1 %	(0.1)%
Currency effect at Group level	(73.4)	(40.8)	24.8	42.3	(47.1)
as% of 2020 sales	(2.3)%	(1.4)%	0.8%	1.2 %	(0.4)%
Calendar effect at Group level	(2.1)%	1.6 %	(0.1)	0.5 %	(0.1)%
Europe	(1.6)%	2.9 %	(0.1)%	0.2 %	0.1 %
USA	(3.2)%	0.3 %	—	1.5 %	(0.4)%
Canada	(1.7)%	0.1 %	—	—	(0.4)%
North America	(2.9)%	0.3 %	—	1.1 %	(0.4)%
Asia	(0.3)%	0.2 %	(0.1)%	—	—
Pacific	(1.6)%	(0.4)%	0.1 %	(0.1)%	(0.5)%
Asia-Pacific	(1.2)%	(0.1)%	—	(0.1)%	(0.3)%

Appendix 7: Historical copper price evolution



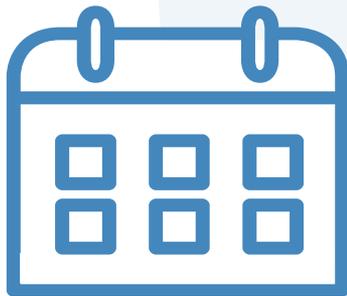
USD/t	Q1	Q2	Q3	Q4	FY
2019	6,219	6,129	5,829	5,916	6,020
2020	5,651	5,389	6,513	7,192	6,197
2021	8,492	9,691			
2019 vs. 2018	-11%	-11%	-5%	-4%	-8%
2020 vs. 2019	-9%	-12%	+12%	+22%	+3%
2021 vs. 2020	+50%	+80%			

€/t	Q1	Q2	Q3	Q4	FY
2019	5,476	5,454	5,243	5,343	5,377
2020	5,124	4,889	5,574	6,027	5,410
2021	7,052	8,048			
2019 vs. 2018	-4%	-6%	-1%	-1%	-3%
2020 vs. 2019	-6%	-10%	+6%	+13%	+1%
2021 vs. 2020	+38%	65%			

Financial Calendar

October 21, 2021

3rd quarter sales publication

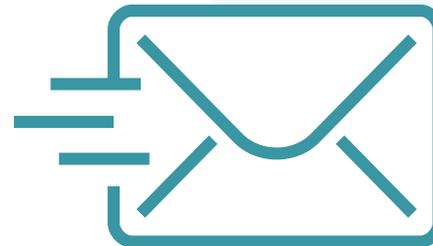


Contacts

Investors & Analysts

Ludovic Debailleux

ludovic.debailleux@rexel.com



PRESS

Brunswick - Thomas Kamm
tkamm@brunswickgroup.com
Tel: +33 1 53 96 83 92

Disclaimer

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 15% of the Group's sales and copper accounts for approximately 60% of the composition of cables. This exposure is indirect since cable prices also reflect copper suppliers' commercial policies and the competitive environment in the Group's markets. Changes in copper prices have an estimated so-called "recurring" effect and an estimated so called "non-recurring" effect on the Group's performance assessed as part of the monthly internal reporting process of the Rexel Group: i) the recurring effect related to the change in copper-based cable prices corresponds to the change in value of the copper part included in the sales price of cables from one period to another. This effect mainly relates to the Group's sales; ii) the non-recurring effect related to the change in copper-based cable prices corresponds to the effect of copper price variations on the sales price of cables between the time they are purchased and the time they are sold, until all such inventory has been sold (direct effect on gross profit). Practically, the non-recurring effect on gross profit is determined by comparing the historical purchase price for copper-based cable and the supplier price effective at the date of the sale of the cables by the Rexel Group. Additionally, the non-recurring effect on EBITA corresponds to the non-recurring effect on gross profit, which may be offset, when appropriate, by the non-recurring portion of changes in the distribution and administrative expenses.

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

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 11, 2021 under number D.21-0111, and its amendment filed with the AMF, on March 29, 2021 under number D.21-0111-A01. 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 11, 2021 under number D.21-0111, its amendment filed with the AMF, on March 29, 2021 under number D.21-0111-A01, as well as the consolidated financial statements and activity report for the 2020 fiscal year which may be obtained from Rexel's website (www.rexel.com).