



## **LOXAM - 2021 SECOND QUARTER RESULTS**

- **STRONG BUSINESS RECOVERY IN Q2,**
- **ENHANCED FINANCIAL STRUCTURE**

**Paris - August 31<sup>st</sup>, 2021**

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Loxam, Europe's leading equipment rental company to professionals, published today its financial statements for the second quarter of 2021.

### **Second quarter highlights**

- Revenue of €547 million, up by 26.4% versus Q2 2020
- EBITDA of €197 million up by 24.1% with a margin of 36.0%
- Positive recurring free cash flow of €62 million
- Acquisitions of JM Trykluft (Denmark) and MaskinSlussen (Sweden)

### **Half year highlights**

- Revenue of €1,044 million, up by 12.6% (11% at constant perimeter and FX)
- EBITDA of €364 million up by 17.8% with a margin of 34.9%
- High level of liquidity of the Group : €570 million of cash on the balance sheet.
- Net debt / proforma LTM EBITDA ratio at 4.63x, down by 0.4x during H1 2021
- As at July 29<sup>th</sup> 2021, issuance of a new €345 million Revolving Credit Facility replacing the current €75 million facility

Gérard Déprez, Chairman and CEO of LOXAM commented:

*"After a first quarter still affected by local restrictions, the results of our second quarter show the rebound of our business with a sharp increase of our revenue and EBITDA, above expectations. Revenue in France jumped by 49,1% thanks to lifting of restrictions and to the increase in demand from every segment. In the Nordic countries, ongoing restrictions continued to impact revenue performance. Apart from this region, our International Division strongly recovered.*

*The observed return to a standard delivery pace in Q2 will enable the Group to take advantage of the construction sector rebound.*

*I am pleased to announce the acquisition of JM Trykluft in Denmark and MaskinSlussen in Sweden. These two bolt-on acquisitions in the Nordics will enable the Group to reinforce its position and profitability in the region.*

*At last, we are very satisfied with the terms and conditions of the new €345 million Revolving Credit Facility signed in July, which will give additional flexibility to Loxam and illustrates the renewed confidence of the financial community in the Group's strategy and business model."*

## KEY FIGURES (in millions of euros and post IFRS 16 unless otherwise indicated)

	Q2 2020	Q2 2021	Change	H1 2020	H1 2021	Change
<b>Revenue</b>						
France	158.7	236.7	49.1%	353.8	457.3	29.2%
Nordic countries <sup>(1)</sup>	159.9	161.0	0.6%	316.3	304.5	-3.7%
Rest of the world	114.6	149.9	30.8%	257.2	282.6	9.9%
<b>Total Revenue</b>	<b>433.3</b>	<b>547.5</b>	<b>26.4%</b>	<b>927.4</b>	<b>1,044.4</b>	<b>12.6%</b>
<b>EBITDA<sup>(2)</sup></b>						
France	68.9	89.1	29.4%	129.7	168.5	29.9%
Nordic countries	50.3	48.0	-4.6%	92.2	88.5	-4.0%
Rest of the world	39.8	60.2	51.1%	87.2	107.0	22.7%
<b>Total EBITDA</b>	<b>159.0</b>	<b>197.3</b>	<b>24.1%</b>	<b>309.1</b>	<b>364.0</b>	<b>17.8%</b>
<b>EBITDA margin</b>						
France	43.4%	37.7%	-5.7pts	36.7%	36.9%	0.2pts
Nordic countries	31.4%	29.8%	-1.6pts	29.1%	29.1%	0.0pts
Rest of the world	34.8%	40.2%	5.4pts	33.9%	37.9%	4.0pts
<b>Total EBITDA margin</b>	<b>36.7%</b>	<b>36.0%</b>	<b>-0.7pts</b>	<b>33.3%</b>	<b>34.9%</b>	<b>1.5pts</b>
<b>EBIT</b>	<b>21.2</b>	<b>67.0</b>	<b>n.a</b>	<b>29.6</b>	<b>105.5</b>	<b>n.a</b>
Recurring Free Cash-Flow (pre-IFRS 16)	82.5	61.7	-25.2%	150.0	76.9	-48.7%
Gross capex	43.4	102.4	+136%	98.3	158.7	+61.4%

(1) Nordic countries consists in the Denmark, Norway, Sweden and Finland.

(2) 2020 has been restated following IFRS Interpretations Committee decision on lease term in France with a retroactive effect as from January 1, 2019.

## REVENUE

LOXAM's consolidated revenue increased by 26.4% to €547.5 million during Q2 2021, reflecting a robust start to the year and also helped by a favorable comparable base, as Q2 2020 was the quarter most impacted by the pandemic in all geographies.

Revenue of activities in France was up by 49.1% during the second quarter to €237 million accelerating after a robust Q1 21, and coming back to its pre-crisis level.

Outside of France, revenue for the Nordic countries reached €161 million, reflecting an increase of 0.6% year-over-year. At constant perimeter and exchange rates, revenue of the Nordic countries decreased of 4.5% as some countries continued to suffer of fewer or delayed projects because of local restrictions. During the same period, the rest of the world experienced a strong rebound of 30.8% with €150 million of revenue. Most of the countries were favorably impacted by the rebound.

## EBITDA

During the second quarter, EBITDA increased by 24.1% to €197.3 million thanks to the revenue increase and improved operating efficiencies. The EBITDA margin remained high at 36.0%. At constant perimeter and FX, EBITDA increased by 21.8%.

France posted an increase of 29.4% to €89.1 million at a normal level. Last year EBITDA benefitted from government support. The EBITDA margin stood at 37.7%.

Nordic countries reported a 4.6% decrease of EBITDA (-10.1% at constant perimeter and FX), preserving a resilient EBITDA margin at 29.8%.

For other countries, EBITDA increased by 51.1% to €60.2 million, and the EBITDA margin increased

by 5.4 pts to 40.2% thanks to continued cost control which ensured a high conversion of its revenue into EBITDA.

## **FINANCIAL INCOME**

Net financial expense at €37.7 million decreased by €1.4 million during the second quarter compared to last year, mainly due to the gross debt decrease (debt buy back and debt repayment).

## **CASH FLOW AND INDEBTEDNESS**

Recurring free cash flow at €62 million is benefitting from the EBITDA increase. The liquidity of the Group remained high with €570 million of cash on the balance sheet.

Net debt amounted to €3,667 million as of June 30, 2021, which represented a net debt to EBITDA leverage ratio of 4.63x, decreasing by 0.31x during the second quarter.

## **CAPEX**

In order to take advantage of the economic recovery, our capex program has been increased and equipment purchase orders have been placed. However, given the pick up in demand for new equipment in 2021 and the shortage of spare parts, the delivery lead time is increasing.

## **FINANCING**

On 29<sup>th</sup> of July 2021, the Group has signed a new €345 million five-year senior secured Revolving Credit Facility replacing the €75 million facility maturing in February 2022. This facility has been designed and negotiated in order to support Loxam's liquidity and growth. The leverage ratio has been capped at 7.5x. It benefits from a security package similar to the one of the previous RCF. ESG linked provisions may be included in the documentation within 12 months from the signing.

The facility was undrawn at its issuance and remains undrawn at this date.

## **BUSINESS OUTLOOK FOR H2**

In the light of our H1 performance and within the current favourable business environment, expected H2 revenue should be higher than H2 2020 revenue.

This is conformed by the deliveries of capital expenditures in H2 and the contribution from bolt-on acquisitions. Considering the high level of liquidity, an optimization our capital structure could be contemplated. Hence, we will monitor closely the attractiveness of the market for a possible refinancing of our bonds.

## **FINANCIAL CALENDAR**

Publication of Q3 2021 results on November 23, 2021 (after market close) and conference call on November 24, 2021.

## INVESTOR CONTACTS

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## ABOUT LOXAM

The Loxam Group is the leading equipment rental company in Europe with consolidated revenue of €1,989 million in 2020 and 10,800 employees. The Group is the 4th largest player in the world with a network of approximately 1,050 branches over 30 countries on four continents.

## FORWARD-LOOKING STATEMENTS

This document includes “forward-looking statements” about LOXAM and its subsidiaries (the “Group”), including in relation to its strategy, plans or intentions. These statements may also address management’s expectations regarding the Group’s business, growth, future financial condition, results of operations and prospects. These forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, the Group’s actual results may differ materially from those that management expected. The Group has based these forward-looking statements on its current views and assumptions about future events. While it believes that these assumptions are reasonable, it is very difficult to predict the impact of known factors, and, of course, it is impossible to anticipate all factors that could affect the Group’s actual results. All forward-looking statements are based upon information available to management on the date of this document. Investors are cautioned not to place undue reliance on such forward-looking statements.