



LOXAM – 2024 FIRST QUARTER RESULTS

“Resilient performance in a softening market”

Paris - May 28th, 2024

LOXAM, Europe’s leading equipment rental company to professionals, published today its financial statements for the first quarter of 2024.

First quarter highlights

- Revenue of €620 million, up by 2.6% compared to Q1 2023
- EBITDA of €205 million, down by 1.1% compared to Q1 2023
- Gross Capex at €86 million, reduced by 36% versus Q1 2023
- Full redemption of the €120 million 6% Senior Subordinated Notes due 2025

Post quarter highlight

- Release of new CSR report

Gérard Déprez, Chairman and CEO of LOXAM, commented:

“With increased revenue and stable EBITDA performance during Q1 2024, LOXAM outperformed declining construction markets in Europe. Our strategy to diversify our customer base and geographies, especially in Southern Europe and Brazil, has helped LOXAM to maintain a satisfying revenue growth during the first quarter of 2024. This demonstrates our resilience and the pertinence of our strategy to continue our international development in markets where rental activity can grow. This performance has been achieved thanks to the quality of our fleet and our customer services.

Furthermore, I am very satisfied that LOXAM has been able to compensate the impact of inflation on its costs by an increase of its prices.

Thanks to a strict management policy on costs, our EBITDA margin held up well at 33% during the first quarter, while our free cash flow reached breakeven in Q1, despite the increase of financial expenses.

On the business side, we are working with excitement on the contracts we won for the forthcoming Paris Olympic & Paralympic Games. LOXAM is dedicated to make this event a reference point in order to further develop our expertise in project management of international events.

Finally, the release of our latest CSR report summarizes the big strides LOXAM has been making to become the industry reference in terms of safety performance, carbon footprint and focus on training of its staff.”

KEY FIGURES (in millions of euros)

	<u>Q1 2023</u>	<u>Q1 2024</u>	<u>Change</u>
Revenue			
France	256.0	253.8	-0.8%
Nordic countries	167.3	165.3	-1.2%
Rest of the World	180.7	200.7	11.0%
Total Revenue	604.1	619.8	2.6%
EBITDA			
France	92.3	87.8	-4.9%
Nordic countries	48.2	42.2	-12.4%
Rest of the World	66.8	75.0	12.3%
Total EBITDA	207.3	205.1	-1.1%
EBITDA margin			
France	36.1%	34.6%	-1.5 pt
Nordic countries	28.8%	25.5%	-3.3 pt
Rest of the World	36.9%	37.4%	0.4 pt
Total EBITDA margin	34.3%	33.1%	-1.2 pt
EBIT	55.9	39.4	-29%
Free Cash Flow	-60.4	-2.5	N/A
Gross Capex ^(a)	134.1	85.7	-36%

(a) Excluding Capex relating to right of use assets under IFRS 16.

REVENUE

LOXAM's Q1 2024 consolidated revenue amounted to €620 million, representing an increase of 2.6% compared to Q1 2023, outperforming the construction markets in most European countries.

Revenue from business activities in France decreased by 0.8% during the first quarter to €254 million. Generalist activity enjoyed a good level of demand from large diversified customers, while demand from small customers active in building construction and renovation declined. Specialist activities such as Power and Events performed well.

In the Nordic countries, revenue amounted to €165 million, showing a decrease of 1.2% as declining residential construction in Finland and Sweden continued to weigh on the activity. Industrial projects however, with significant demand for services, have prospered at the beginning of the year and are expected to continue throughout the year.

The Rest of the World division maintained a double-digit growth, thanks to 2023 acquisitions and good market conditions in Southern Europe, Brazil as well as in the Middle East.

EBITDA

EBITDA decreased by 1.1% to €205 million and was impacted by rising costs related to staff and provisions for bad debt, while maintenance and haulage costs were contained.

Given the seasonality of our business, we recorded lower capital gains in Q1 2024 compared to Q1 2023 when we had accelerated disposals because of the strong deliveries of Capex at that time.

In this context, LOXAM maintained a good EBITDA margin at 33%.

France generated an EBITDA of €88 million, with an EBITDA margin reaching 34.6%. Generalist division managed to keep costs flat thanks to strict staff costs measures.

EBITDA in Nordic countries dropped by 12.4% to €42 million. The EBITDA margin stood at 25.5% vs 28.8% in Q1 2023. While staff costs have been reduced or contained, subcontracting has increased to serve large industrial projects.

In the Rest of the World, EBITDA grew by a steady 12.3% and reached €75 million. The EBITDA margin stood at 37.4% and gained 0.4 points.

FINANCIAL INCOME

Net financial expenses for the first quarter were up by €13 million to €55 million as expected. The increase is due to the refinancing of our High Yield bonds and our new loans and leasing.

CASH FLOW AND DEBT

During the first quarter, the free cash flow was at breakeven point, improving by €58 million in comparison to Q1 2023. While EBITDA performance remained strong, cash generation benefitted from a reduction of Capex since 2023. On the other hand, this improvement was mitigated by higher financial expenses.

As of March 31, 2024 the liquidity of the Group amounted to €138 million on the balance sheet after the redemption of the Subordinated Notes in February. This amount excludes the undrawn €345 million RCF.

The net financial debt remained stable at €3.9 billion compared to December 31, 2023 and the net debt to LTM pro forma EBITDA ratio stood at 4.65x at March 31, 2024.

BUSINESS OUTLOOK FOR 2024

Our business in France should benefit from the set-up of the 2024 Paris Olympic & Paralympic Games.

We anticipate that the construction market in Europe will remain soft for the rest of the year, this will weigh on our price increases.

In a context of decreasing market demand, we will limit our level of capex. As a consequence, our level of debt should decrease by the end of the year.

FINANCIAL CALENDAR

Publication of Q2 2024 results on August 29th, 2024 (after market close) and conference call on August 30th, 2024.

INVESTOR CONTACTS

<u>LOXAM</u> Patrick BOURMAUD / Emmanuel Leblanc +33 (0)158 440 400 ir@loxamgroup.com	<u>FTI Consulting</u> Cosme JULIEN-MADONI +33 (0)147 036 819 loxam@fticonsulting.com
---	--

ABOUT LOXAM

LOXAM is the French and European leading equipment rental company for building and public works, industry, landscaping, event management and services. The Group is the 4th largest player in the world, with consolidated revenues of €2.6 billion in 2023, and leverages the know-how and commitment of its 12,800 employees in more than 1,130 branches over 30 countries.

Firmly committed to the energy transition in industry and construction, LOXAM has been contributing to the development of a circular economy since its creation in 1967 and has placed Corporate Social Responsibility (CSR) at the heart of its development and growth model. Its CSR strategy is supported by the European Investment Bank and has been evaluated or rated by several independent agencies as “best in class” in its industry. LOXAM is an Official Supporter of the Paris 2024 Olympic and Paralympic Games.

LOXAM

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, operational outcomes, 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 information.