



## **LOXAM – 2024 SECOND QUARTER RESULTS**

**“Good performance in 2<sup>nd</sup> Quarter benefited from cost cutting”**

**Paris – August 29<sup>th</sup>, 2024**

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

### **Second quarter highlights**

- Revenue of €664 million, up by 3.3% compared to Q2 2023
- EBITDA of €256 million, up by 7.4% compared to Q2 2023
- Gross Capex at €77 million, reduced by 56% versus Q2 2023
- Positive Free Cash Flow at €51 million
- Leverage ratio down to 4.59x

### **Half year highlights**

- Revenue of €1,284 million, up by 3.0%
- EBITDA of €461 million up by 3.5% with a margin of 35.9%
- Gross Capex at €163 million, down by 48% versus H1 2023
- Positive Free cash Flow at €48 million

Gérard Déprez, Chairman and CEO of LOXAM, commented:

*“Good results in Q2 demonstrate the effectiveness of the strategy implemented by LOXAM at the end of 2023, which saw the Group adapting its cost structure to market conditions, reducing its capex and limiting its M&A activity.*

*LOXAM posted a satisfactory growth of 3% for the 2<sup>nd</sup> quarter, thanks to good revenue in France with preparations for the Olympic & Paralympic Games and continued growth in the Rest of the World division. Cost management and last year acquisitions allowed LOXAM to generate an EBITDA growth of 7.4% for the quarter.*

*I am also pleased that the group succeeded in generating a positive free cash flow of €51 million, an improvement of €82 million over Q2 2023. As a result, the leverage ratio went back to 4.59x at the end of June.*

*On the business side, we are honoured to have been part of the incredible success of the Paris Olympic Games, delivering the highest level of service in technical and operational supports. In that respect, I am personally proud of the hard work and commitment showed by our teams in completing particularly challenging projects.*

*When it comes to the end of 2024, we remain confident in our roadmap and our progressive deleveraging.”*

## KEY FIGURES (in millions of euros)

	<u>Q2 2023</u>	<u>Q2 2024</u>	<u>Change</u>	<u>H1 2023</u>	<u>H1 2024</u>	<u>Change</u>
<b>Revenue</b>						
France	266.0	274.3	3.1%	522.0	528.2	1.2%
Nordic countries	178.4	174.4	-2.2%	345.7	339.7	-1.7%
Rest of the world	198.1	215.1	8.5%	378.9	415.7	9.7%
<b>Total Revenue</b>	<b>642.5</b>	<b>663.8</b>	<b>3.3%</b>	<b>1 246.5</b>	<b>1,283.6</b>	<b>3.0%</b>
<b>EBITDA</b>						
France	104.2	112.1	7.6%	196.5	199.9	1.8%
Nordic countries	52.9	53.7	1.4%	101.2	95.9	-5.2%
Rest of the world	81.1	90.1	11.1%	147.9	165.1	11.7%
<b>Total EBITDA</b>	<b>238.2</b>	<b>255.9</b>	<b>7.4%</b>	<b>445.5</b>	<b>461.0</b>	<b>3.5%</b>
<b>EBITDA margin</b>						
France	39.2%	40.9%	1.7 pt	37.6%	37.9%	0.2 pt
Nordic countries	29.7%	30.8%	1.1 pt	29.3%	28.2%	-1.0 pt
Rest of the world	40.9%	41.9%	1.0 pt	39.0%	39.7%	0.7 pt
<b>Total EBITDA margin</b>	<b>37.1%</b>	<b>38.6%</b>	<b>1.5 pt</b>	<b>35.7%</b>	<b>35.9%</b>	<b>0.2 pt</b>
<b>EBIT</b>	<b>83.0</b>	<b>80.2</b>	<b>-3.4%</b>	<b>138.9</b>	<b>119.7</b>	<b>-13.8%</b>
Free Cash-Flow	(31.4)	50.6	n.a	(91.8)	48.1	n.a
Gross capex <sup>(a)</sup>	175.9	76.9	-56%	310.0	162.6	-48%

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

## REVENUE

LOXAM's Q2 2024 consolidated revenue amounted to €664 million, representing an increase of 3.3% compared to Q2 2023, in a context of continuing contracting construction sector in Europe.

Our activity was supported by the good level of infrastructure projects and civil engineering works globally, and renovation works for some countries.

Revenue from business activities in France increased by 3.1% during the second quarter to €274 million, thanks to the preparation of the Olympic games. In that respect, Specialists reported strong growth in Power and Event activities.

Conditions in the new housing market continued to affect Nordic countries, where revenue declined by 2.2%.

The Rest of the World division increased by 8.5%, thanks to the integration of the Brazilian acquisitions and market conditions that remained good in Southern Europe, Brazil and the Middle East.

## EBITDA

During the second quarter, EBITDA increased by 7.4% to €256 million with the EBITDA margin up by 1.5 point to 38.6%. This satisfying performance reflects the Group's strict discipline on operational costs, specifically on staff charges, which were reduced by 3% at Group level.

France generated an EBITDA of €112 million, with an EBITDA margin reaching 40.9%. France managed to reduce its cost base during the quarter by more than 3%, thanks to reduction in both staff charges and other operational costs.

EBITDA in the Nordics increased by 1.4% to €54 million despite the declining construction markets. Nordic countries have applied a strict cost reduction policy, which saw staff costs reducing by 6% and other operational costs declining by 4%. As a result, the EBITDA margin gained 1.1 point to 30.8% vs 29.7% in Q2 2023.

In the Rest of the World, EBITDA reached €90 million. Thanks to the acquisitions, the EBITDA margin increased by 1 point at 41.9%.

## FINANCIAL INCOME

Net financial expenses for the second quarter increased by €19 million to €61.5 million, impacted by higher interest costs and mark to market foreign exchange provision for €8 million.

## CASH FLOW AND DEBT

During the second quarter, the free cash flow amounted to €51 million, improving by €82 million in comparison to Q2 2023, fuelled by EBITDA increase and lower capex level. At the same time, the net financial debt reduced by €13 million compared to the previous quarter.

Consequently, the net debt to LTM pro forma EBITDA ratio reduced to 4.59x on June 30, 2024.

## BUSINESS OUTLOOK FOR 2024

Our business in France will continue to benefit from the set-up of the 2024 Paris Olympic & Paralympic Games in Q3.

We anticipate that the construction market in Europe will remain lackluster for the rest of the year but should not deteriorate further, except in the Nordics.

In this context, we will pursue our efforts to adapt our fixed costs and manage capex spending to market conditions.

## FINANCIAL CALENDAR

Publication of Q3 2024 results on November 27<sup>th</sup>, 2024 (after market close) and conference call on November 28<sup>th</sup>, 2024.

## INVESTOR CONTACTS

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## **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.