



LOXAM - 2024 THIRD QUARTER RESULTS

“Good performance spurs our Free Cash Flow”

Paris - November 27, 2024

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

Third quarter highlights

- Revenue of €665 million, up by 3.5% versus Q3 2023
- EBITDA of €263 million, up by 5.9%, with a strong margin of 39.5%
- Gross capex at €78 million, reduced by 45% versus Q3 2023
- Positive Free Cash Flow at €102 million
- Leverage ratio down to 4.41x

Business highlights

- Successful delivery of services for the Olympic and Paralympic Games

Gérard Déprez, Chairman and CEO of LOXAM commented:

“In a stable global market, we are very satisfied to have delivered another good result for the third quarter with a continuous growth of our revenue and EBITDA.

In Q3 2024, we benefited from the exceptional stimulus of the Paris Olympics, with France recording an 11% revenue growth. LOXAM has successfully delivered its services for the Olympic and Paralympic games and has provided outstanding turn-key solutions in temporary energy and accommodation. On the business side, the excellence of our customer service was again distinguished by the Customer Service of the Year award for the 8th year in a row.

The Rest of the World division continued to perform well with the good contribution of the Middle East, Baltics and Southern European countries and newly acquired companies. In the Nordics, where the residential construction market continues to be affected, we are pursuing our cost cutting initiatives.

During the quarter, our margin increased significantly, underlying the effectiveness of our strategy to adapt our costs to local market activity.

This continuing good performance has contributed to generate a positive free cash flow of €150 million since the beginning of the year, strengthening our financial position with a leverage ratio down to 4.41x.

Going forward, as we do not anticipate any change in the construction market in Europe, we will therefore pursue our financial discipline.”

KEY FIGURES (in millions of euros)

	<u>Q3 2023</u>	<u>Q3 2024</u>	<u>Change</u>	<u>9M 2023</u>	<u>9M 2024</u>	<u>Change</u>
Revenue						
France	253.7	281.5	10.9%	775.7	809.7	4.4%
Nordic countries	177.5	167.1	-5.9%	523.2	506.8	-3.1%
Rest of the world	211.9	216.8	2.3%	590.7	632.6	7.1%
Total Revenue	643.1	665.4	3.5%	1,889.6	1,949.0	3.1%
EBITDA						
France	94.4	109.7	16.2%	290.9	309.7	6.5%
Nordic countries	64.6	56.7	-12.2%	165.8	152.6	-7.9%
Rest of the world	88.9	96.0	8.0%	236.8	261.2	10.3%
Total EBITDA	247.9	262.5	5.9%	693.4	723.5	4.3%
EBITDA margin						
France	37.2%	39.0%	1.8 pts	37.5%	38.2%	0.7 pt
Nordic countries	36.4%	34.0%	-2.5 pts	31.7%	30.1%	-1.6 pts
Rest of the world	42.0%	44.3%	2.3 pts	40.1%	41.3%	1.2 pts
Total EBITDA margin	38.6%	39.5%	0.9 pt	36.7%	37.1%	0.4 pt
Profit from ordinary operations	85.3	96.7	13.4 %	224.2	216.4	-3.5 %
Free Cash-Flow	10.2	101.9	n.a	(81.6)	150.0	n.a
Gross capex ^(a)	143.2	78.3	-45%	453.2	241.0	-47%

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

REVENUE

LOXAM's Q3 2024 consolidated revenue amounted to €665 million, representing an increase of 3.5% compared to Q3 2023. LOXAM continued to benefit from its diversified customer base with non-residential construction segments driving the growth, such as civil engineering, events and renovation.

Revenue from activities in France increased by 10.9% during Q3 2024 to €282 million, driven by the Olympic Games, where specialist activities reported a strong growth in power and the modular activities.

Nordic countries continued to be affected by the declining residential construction market, revenue decreased by 5.9% during the quarter.

The Rest of the World division reported a 2.3% revenue increase, driven by Southern Europe, the Middle East, the Baltic countries and the contribution of Brazilian activities.

EBITDA

During the third quarter of 2024, EBITDA increased by 5.9% compared to Q3 2023, to €263 million, with EBITDA margin reaching 39.5%, an improvement of 0.9 points. Excluding fleet capital gains, the EBITDA margin increased by 0.7 points at 37.6%.

France generated EBITDA of €110 million, with an EBITDA margin up by 1.8 points to 39.0%, due to revenue growth, while containing its operating costs.

In Nordic countries, EBITDA margin decreased by 2.5 points. Cost reduction initiatives are still on-going.

In the Rest of the World division, EBITDA reached €96 million. The EBITDA margin increased by 2.3 points to 44.3%, due to price increases in our growing countries.

FINANCIAL INCOME AND EXPENSES

Net financial expense of €60 million increased by €12 million compared to Q3 2023 because of higher interests and provisions on foreign exchanges. Cash interest expenses increased by €5 million because of higher interest rates.

CASH FLOW AND DEBT

Cash flow from operations increased to €186 million for the 3rd quarter, despite higher financial expenses. After capex, free cash flow rose to €102 million for the same period.

Over the first nine months of 2024, total free cash flow amounted to €150 million. Net debt reduced by €124 million to €4,220 million at end of September 2024. Since December 31, 2023, the net debt to EBITDA ratio decreased from 4.59x to 4.41x.

BUSINESS OUTLOOK

For the months ahead, we do not expect a recovery in public spending, and as a result, we will continue to pursue our policy of cost control and adapting our capex to the renewal of our fleet. We anticipate continuing to generate positive free cash flow, increasing our liquidity position.

LOXAM is continuing to evaluate the optimization of its capital structure in the context of decreasing interest rates.

FINANCIAL CALENDAR

Publication of Q4 and financial year 2024 results on March 11, 2025 (after market close) and conference call on March 12, 2025.

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.

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.