



# 9M 2024

+4% organic growth driven by Electrification  
Set for a robust year

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Jean-Christophe Juillard, Deputy CEO & CFO

October 30, 2024 – Paris



# Safe Harbour

This presentation contains forward-looking statements which are subject to various expected or unexpected risks and uncertainties that could have a material impact on the Company's future performance.

Readers are also invited to visit the Group's website where they can view and download Nexans' Universal Registration Document, which includes a description of the Group's risk factors.

NB: any discrepancies are due to rounding.

## **INVESTOR RELATIONS:**

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# Main highlights

## 9M GROUP SALES ORGANIC GROWTH



**+4.0%**

9M 2024 vs 9M 2023  
standard sales org. growth

## ACCELERATION IN ELECTRIFICATION IN Q3 2024



**+7.9%**

Q3 2024 vs Q3 2023  
Electrification org. growth

## FRAME-AGREEMENTS AND BACKLOG VISIBILITY



**€6.2Bn**

Generation & Transmission  
adjusted backlog end of Sep 2024

## HIGH VOLTAGE & LOW-CARBON MEDIUM VOLTAGE CABLES INVESTMENTS



**€90M**

in High Voltage  
(Belgium and France)

**€15M**

in Medium Voltage  
(France)

## COPPER PRODUCTION AND RECYCLING CAPACITY ADDITION



**€90M**

investment in Lens rodemill  
(France)

## GHG REDUCTION TARGETS APPROVED BY THE SBTi<sup>(1)</sup>

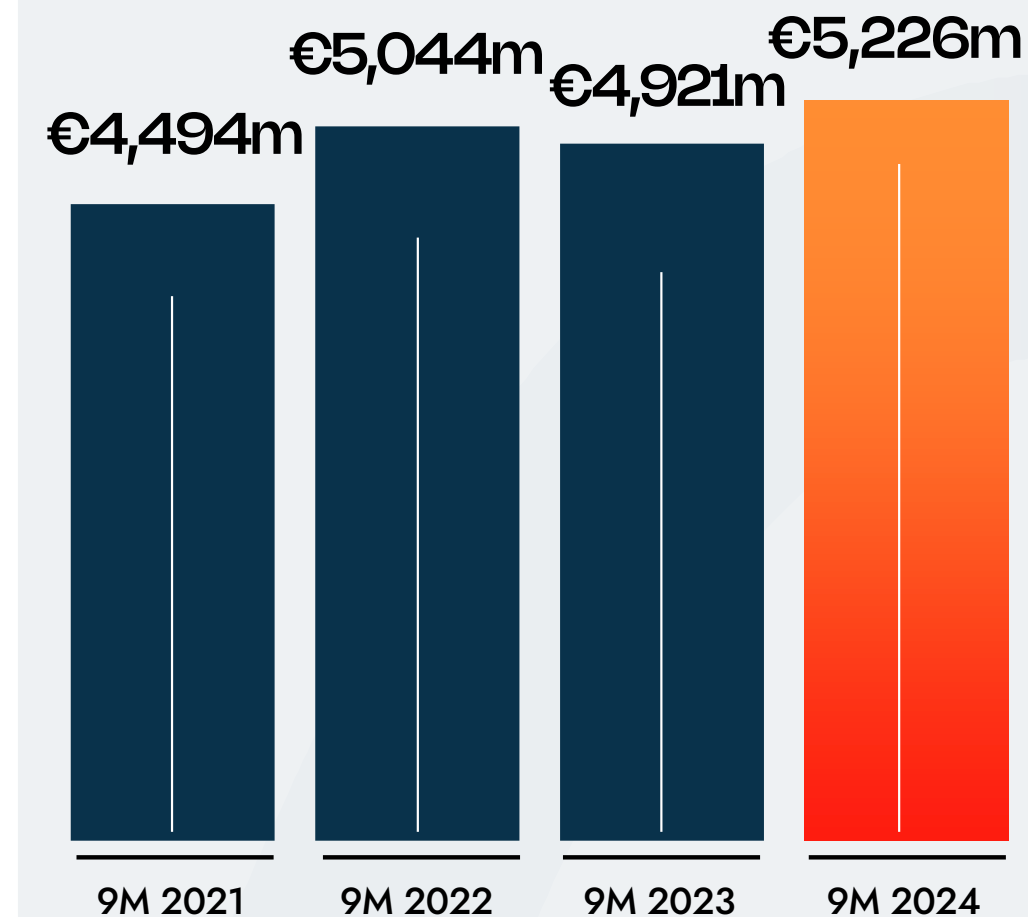


**Net-Zero**

By 2050 targets

## GROUP

Standard Sales (€m)



(1) Science Based Targets initiative.



# Scaling new heights in copper recycling capacities

## Leading the way in the circular economy



### STRATEGIC INVESTMENT AGREEMENT WITH CONTINUUS PROPERZI

STATE-OF-THE-ART REFINING METHOD USING UP TO 100% OF RECYCLED METAL, WHILE OPTIMIZING WATER AND ENERGY CONSUMPTION

**+50%**

WIRE ROD PRODUCTION CAPACITIES AT THE LENS (FRANCE) PLANT

**€90M**

INVESTMENT AT THE LENS (FRANCE) PLANT

**By 2026**

DELIVERY DATE



# Growing manufacturing capacities

## Keep pace with increasing electricity demand



**HIGH VOLTAGE**

Construction of a new, 53-meter tower for the insulation of onshore cables for the production of 525kV onshore cables necessary to support the TenneT frame agreement.



**MEDIUM VOLTAGE**

Expand production of low-carbon medium-voltage cables to support growth in France and in Western Europe. Installation of two new latest-generation production lines.

**CAPEX**

**€90M**

**€15M**

**LOCATION**

CALAIS

CHARLEROI EREMBODEGEM

BOURG-EN-BRESSE

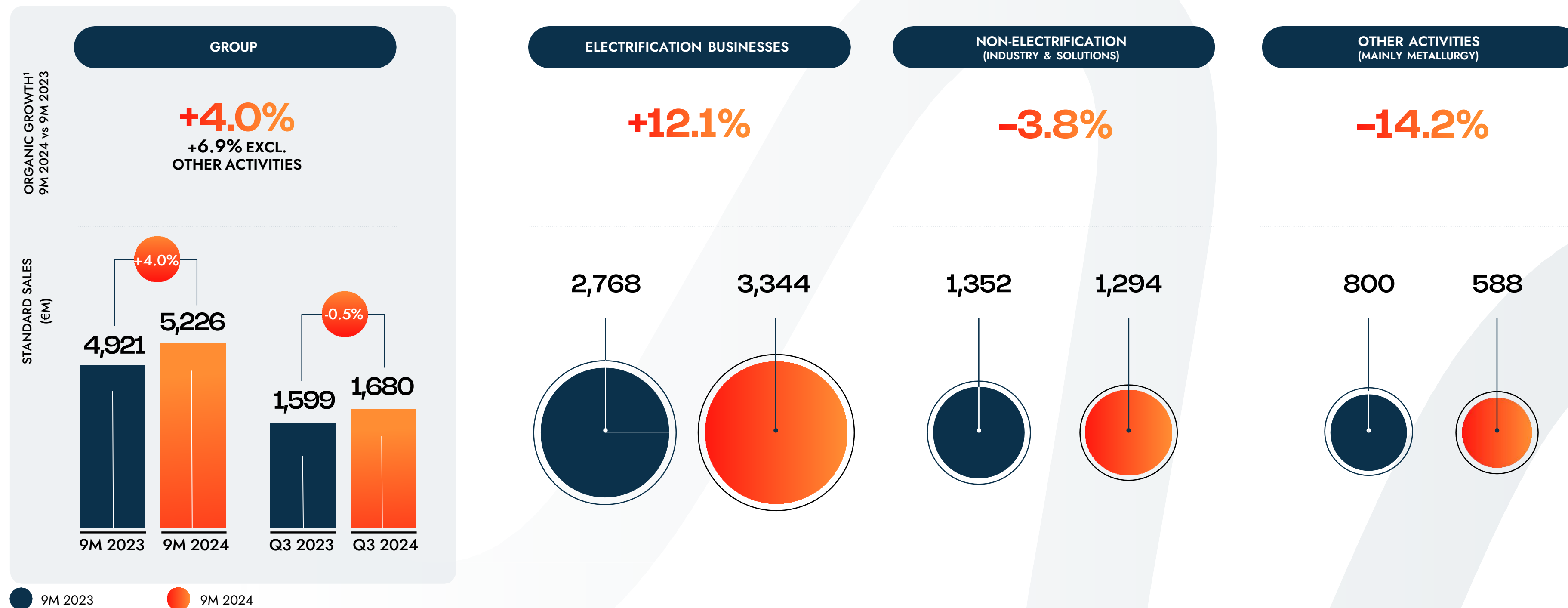
**DELIVERY**

2026

H1 2025 - H1 2026

# +4.0% org. in 9M 2024

## Continuous strength in Electrification



(1) Organic growth at constant scope and currency.

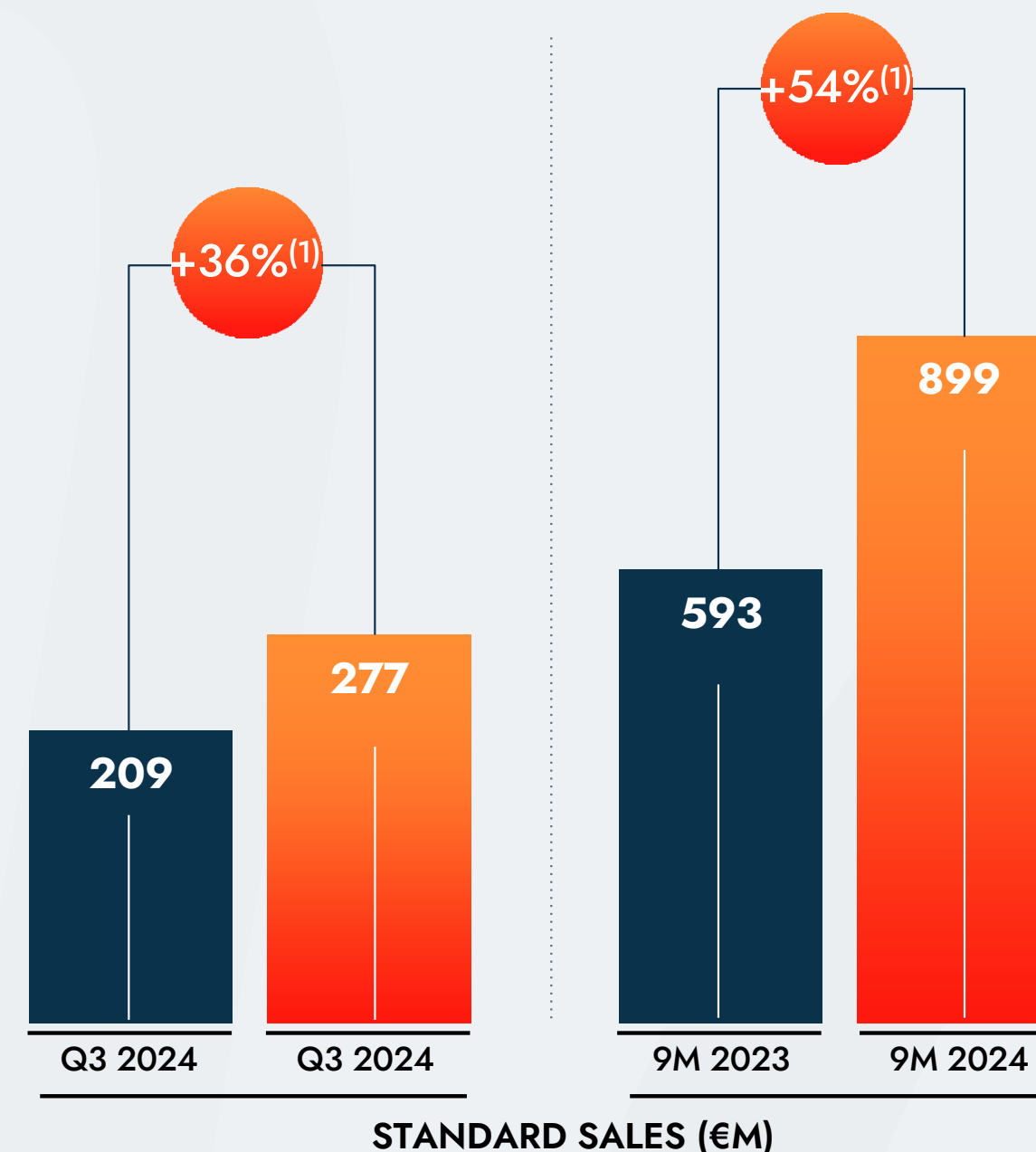
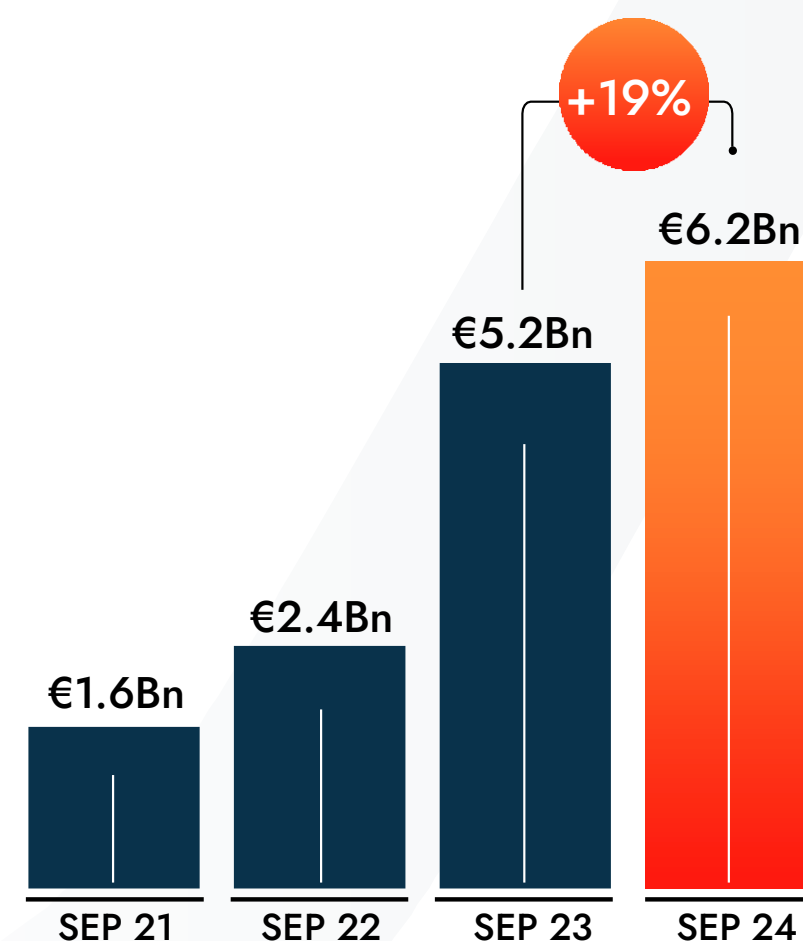
# Generation & Transmission

## Early strategic investment supporting growth

Robust topline growth in 9M 2024 thanks to the ramp up of the new capacity in Halden (Norway), which doubled XLPE technology capacities. Installation campaigns, Great Sea Interconnector execution and IMR<sup>(2)</sup> works contributed to sales growth in Q3 2024.

Backlog strengthened in Q3 by Orkney Transmission Link final award. Final agreement between Greece and Cyprus for the Great Sea Interconnector contract signed end of September, waiting for the final notice to proceed.

### GENERATION & TRANSMISSION ADJUSTED BACKLOG



(1) Organic growth at constant scope and currency.

(2) Inspection, Maintenance and Repair.



# Distribution Selective approach

Revenue growth in 9M 2024 supported by value and sustained positive demand driven by secular trends.

Europe improved year-on-year supported by new frame-agreements and renewable projects, despite the reduced level of activity stemming from the consolidation of our manufacturing facilities in Finland in Q3.

Asia Pacific region rebounded on strong renewable and grid projects in countries like Australia and New Zealand.

Strong underlying market environment in the Americas, however the growth rate was impacted by destocking and the timing of large order booking.

## INNOVATION FROM PRODUCTS TO SOLUTIONS



LAUNCH OF THE  
« SOLAR POWER » OFFER

A new integrated, low-carbon solution to support the development of photovoltaic parcs

**~10%** Costs savings from CAPEX and OPEX

**-35 to -50%** CO<sub>2</sub> emissions reduction thanks to low carbon cable



(1) Organic growth at constant scope and currency.



# Usage

## Sustained performance focus

North America (Canada) back to growth supported by a lower base effect and solid demand in industrials markets in Q3.


Europe suffered from lower volumes from softer macroeconomic conditions in some countries and destocking in Q3.

South America benefited from good demand in Brazil and Chile, while destocking in Columbia.

Africa boosted by a robust recovery in Morocco, offsetting the subdued demand in Turkey.

Absolute numbers reflecting contribution of La Triveneta Cavi starting June 2024.

### INNOVATION FROM PRODUCTS TO SOLUTIONS



**LAUNCH OF  
CABLELOOP SERVICE**

**800 T**  
used cable collected  
by 2025

A unique recycling and recovery tailor-made service for cable offcuts serving circular economy



(1) Organic growth at constant scope and currency.

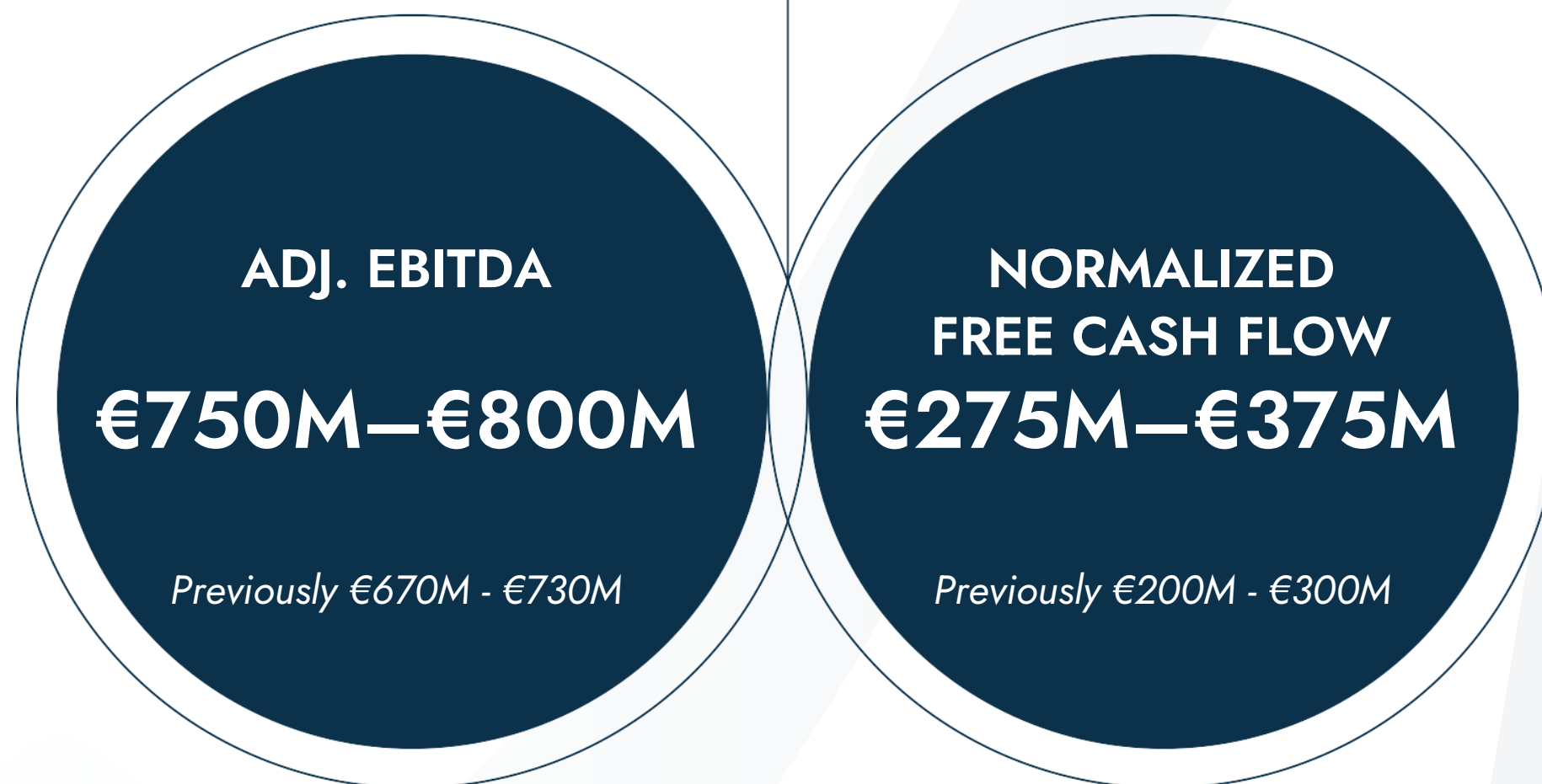


# 2024 Guidance confirmed

## As updated in July

### OVERALL GROUP

Including La Triveneta Cavi contribution<sup>(1)</sup>



(1) La Triveneta Cavi expected to add around €40M to 2024 EBITDA.



#### TAILWINDS

- Continuation of buoyant market demand, supported by global megatrends in electrification
- Transformation and value-added solutions to support structural profitability improvements
- Execution and development of high-voltage investments and projects without major disruptions

#### HEADWINDS

- Geopolitical and economic environment remains uncertain
- Seasonality, short-term visibility and demand moderation from elevated levels in some residential segments
- Execution of legacy contracts with dilutive margins





# CAPITAL MARKETS DAY

November 13, 2024  
Starting 8:00 AM GMT  
London

REGISTER IN PERSON

WEBCAST



# US INVESTORS DAY

November 20, 2024  
Starting 9:00 AM EST  
New York City



# Impact of foreign exchange and consolidation scope

## Sales at standard metal prices

|                                     | 9M 2023      | Currency   | Organic Growth | Scope      | 9M 2024      | Organic growth % |
|-------------------------------------|--------------|------------|----------------|------------|--------------|------------------|
| <b>ELECTRIFICATION</b>              | <b>2,768</b> | <b>14</b>  | <b>337</b>     | <b>226</b> | <b>3,344</b> | <b>+12.1%</b>    |
| → Generation & Transmission         | 593          | (11)       | 316            | -          | 899          | +54.3%           |
| → Distribution                      | 889          | (2)        | 14             | 22         | 923          | +1.6%            |
| → Usage                             | 1,286        | 26         | 7              | 203        | 1,522        | +0.5%            |
| <b>NON-ELECTRIFICATION</b>          | <b>1,352</b> | <b>(6)</b> | <b>(51)</b>    | <b>-</b>   | <b>1,294</b> | <b>-3.8%</b>     |
| <b>TOTAL EXCL. OTHER ACTIVITIES</b> | <b>4,120</b> | <b>7</b>   | <b>286</b>     | <b>226</b> | <b>4,639</b> | <b>+6.9%</b>     |
| → Other activities                  | 800          | (9)        | (94)           | (110)      | 588          | -14.2%           |
| <b>TOTAL GROUP</b>                  | <b>4,921</b> | <b>(2)</b> | <b>192</b>     | <b>116</b> | <b>5,226</b> | <b>+4.0%</b>     |



## Quarterly sales by segment

| In €M   | Q1 2024       |                |                                     | Q2 2024       |                |                                     | Q3 2024       |                |                                     |
|---|---------------|----------------|-------------------------------------|---------------|----------------|-------------------------------------|---------------|----------------|-------------------------------------|
|   | Current Sales | Standard Sales | YoY Organic growth % <sup>(1)</sup> | Current Sales | Standard Sales | YoY Organic growth % <sup>(1)</sup> | Current Sales | Standard Sales | YoY Organic growth % <sup>(1)</sup> |
| <b>ELECTRIFICATION</b>                                    | <b>1,190</b>  | <b>1,025</b>   | <b>+6.7%</b>                        | <b>1,454</b>  | <b>1,221</b>   | <b>+21.3%</b>                       | <b>1,358</b>  | <b>1,099</b>   | <b>+7.9%</b>                        |
| → Generation & Transmission                               | 264           | 257            | +33.9%                              | 371           | 365            | +95.0%                              | 284           | 277            | +36.2%                              |
| → Distribution  | 345           | 303            | +3.4%                               | 389           | 332            | +1.6%                               | 344           | 288            | -0.1%                               |
| → Usage   | 581           | 465            | -2.5%                               | 695           | 524            | +4.7%                               | 730           | 533            | -0.7%                               |
| <b>NON-ELECTRIFICATION<br/>(Industry &amp; Solutions)</b> | <b>480</b>    | <b>447</b>     | <b>+0.3%</b>                        | <b>484</b>    | <b>443</b>     | <b>-3.3%</b>                        | <b>443</b>    | <b>404</b>     | <b>-8.4%</b>                        |
| <b>TOTAL EXCL. OTHER ACTIVITIES</b>                       | <b>1,670</b>  | <b>1,472</b>   | <b>+4.7%</b>                        | <b>1,938</b>  | <b>1,664</b>   | <b>+13.3%</b>                       | <b>1,801</b>  | <b>1,503</b>   | <b>+2.5%</b>                        |
| → Other activities  | 302           | 220            | -8.2%                               | 314           | 191            | -15.7%                              | 273           | 177            | -19.4%                              |
| <b>TOTAL GROUP</b>  | <b>1,971</b>  | <b>1,692</b>   | <b>+2.8%</b>                        | <b>2,252</b>  | <b>1,854</b>   | <b>+9.4%</b>                        | <b>2,074</b>  | <b>1,680</b>   | <b>-0.5%</b>                        |

Standard: Copper standard price at €5,000/t and Aluminum standard price at €1,200/t.

(1) Organic growth on Standard sales at constant scope and currency.



# Nexans at a glance

## A global player of the energy transition

2023

**€6.5BN**  
STANDARD SALES

**28,500**  
PEOPLE

**41**  
COUNTRIES

### ELECTRIFICATION BUSINESSES



GENERATION & TRANSMISSION



DISTRIBUTION



USAGE



OTHER (MAINLY METALLURGY & RECYCLING)



NON-ELECTRIFICATION

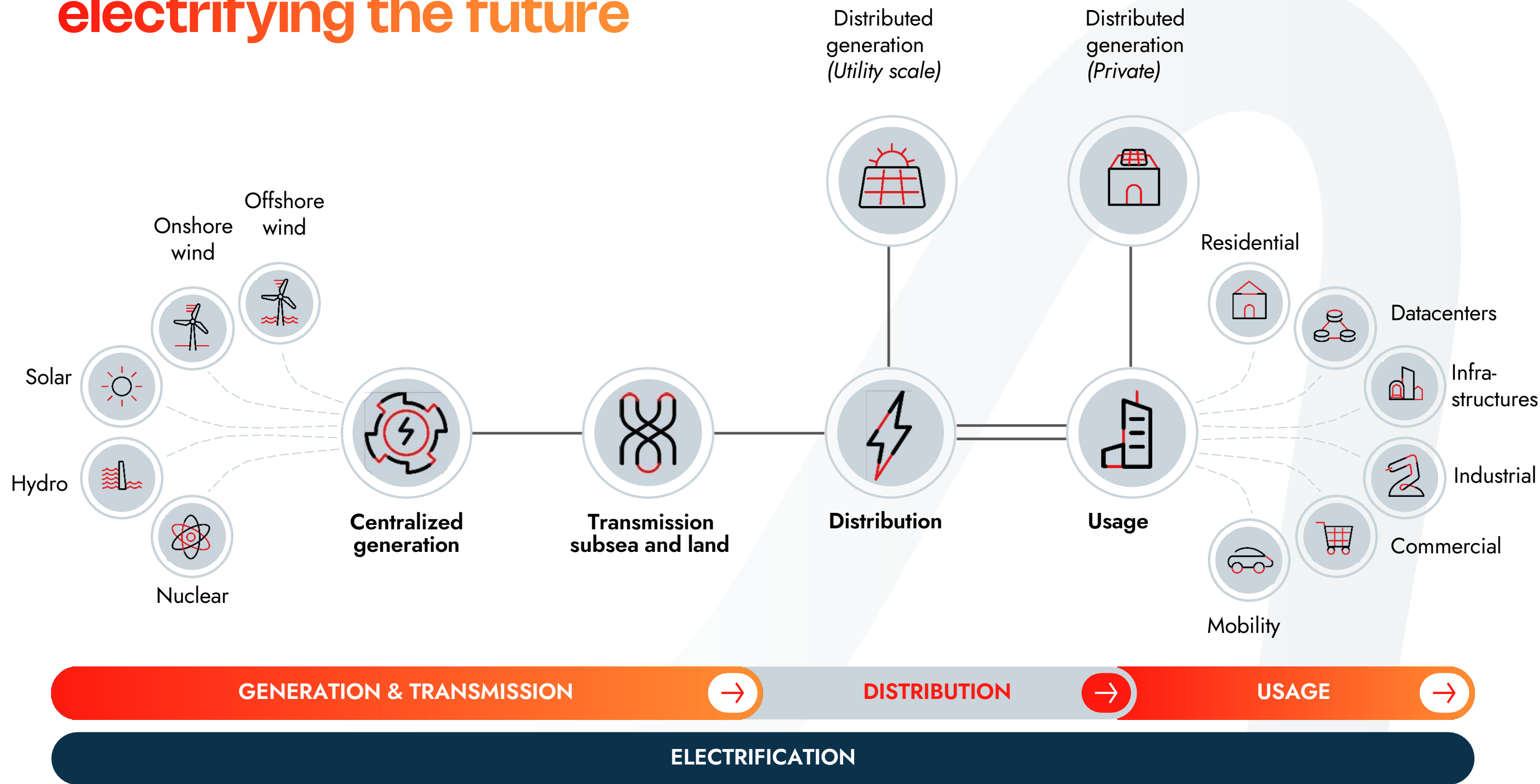
**OUR PURPOSE**  
WE ELECTRIFY THE FUTURE

**OUR VALUES**  
DEDICATED PIONEERS UNITED

**OUR PROMISE**  
SCALE-UP TO STEP-UP



# Our strategy electrifying the future



**+20%**  
DEMAND FOR ELECTRICITY  
WORLDWIDE BY 2030

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**~80%**  
OF THE ADDITIONAL  
GENERATION CAPACITY TO  
BE ROLLED OUT BY 2040 WILL  
COME FROM RENEWABLE  
ENERGY SOURCES

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**31%**  
SHARE OF ELECTRICITY  
IN TOTAL FINAL ENERGY  
CONSUMPTION BY 2040

Source: Roland Berger 2019 studies and IEA



# The urgency of Electrification

The beginning of a demand super cycle comparable to the 1950-1970's

## CABLE MARKETS FORECAST

### NET-ZERO TRANSITION

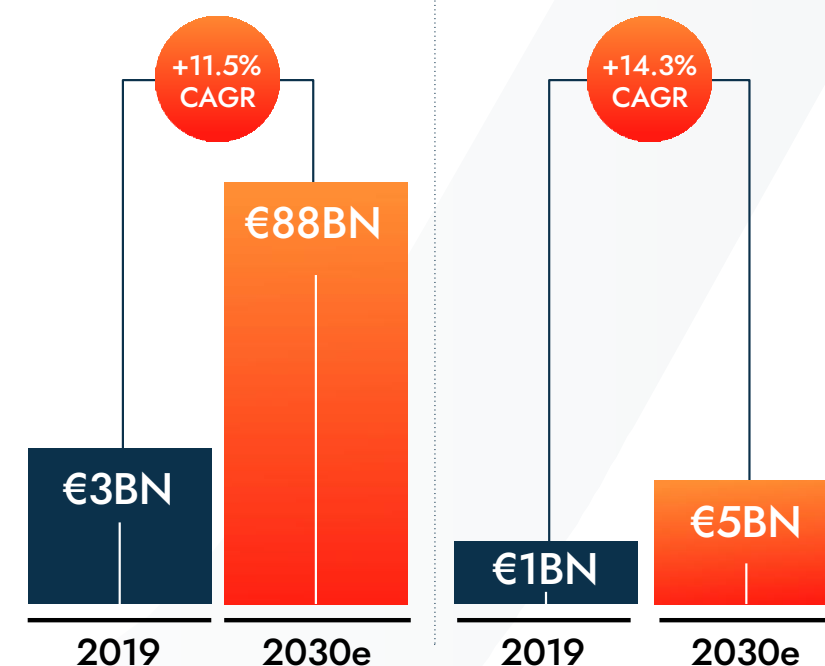
- Shift from fossil fuel to renewables
- Bring energy from generation area to consumption area



Generation



Transmission



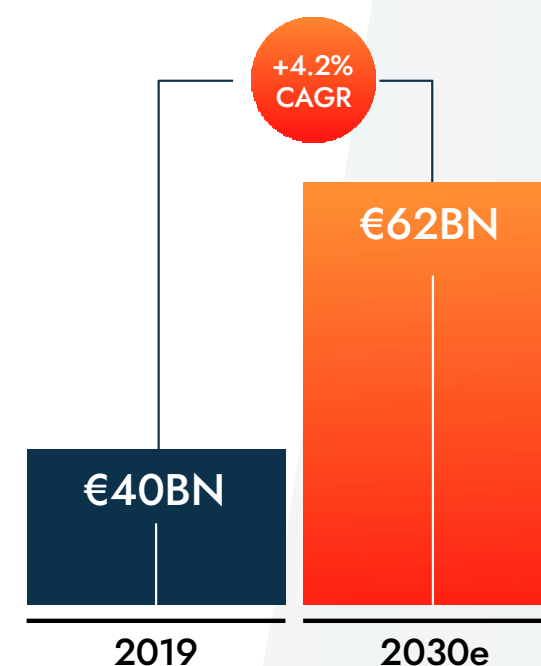
HIGH VOLTAGE CABLES AND SERVICES

### GRID RENEWAL & STRENGTHENING

- Replace and monitor ageing grids to avoid blackouts
- Cope with demand through smart grids, digital asset management and superconducting cables



Distribution



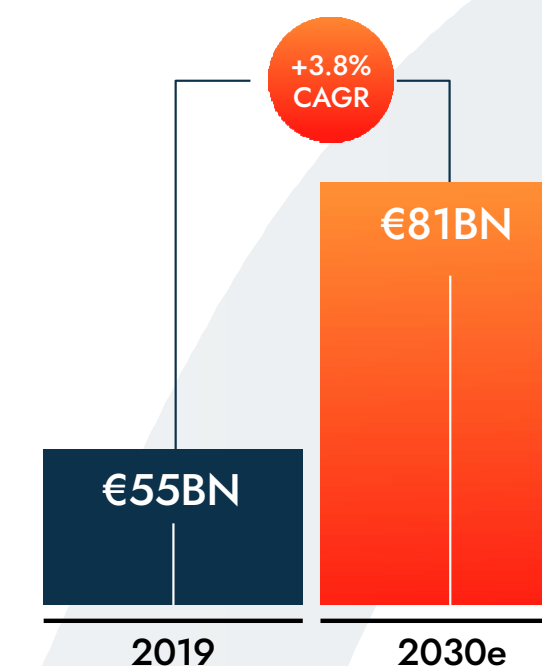
MEDIUM VOLTAGE CABLES, ACCESSORIES AND SERVICES

### SMART & SAFE BUILDINGS

- Supply renovation wave and smart buildings
- Ensure customer safety and contain spread of fire



Usage

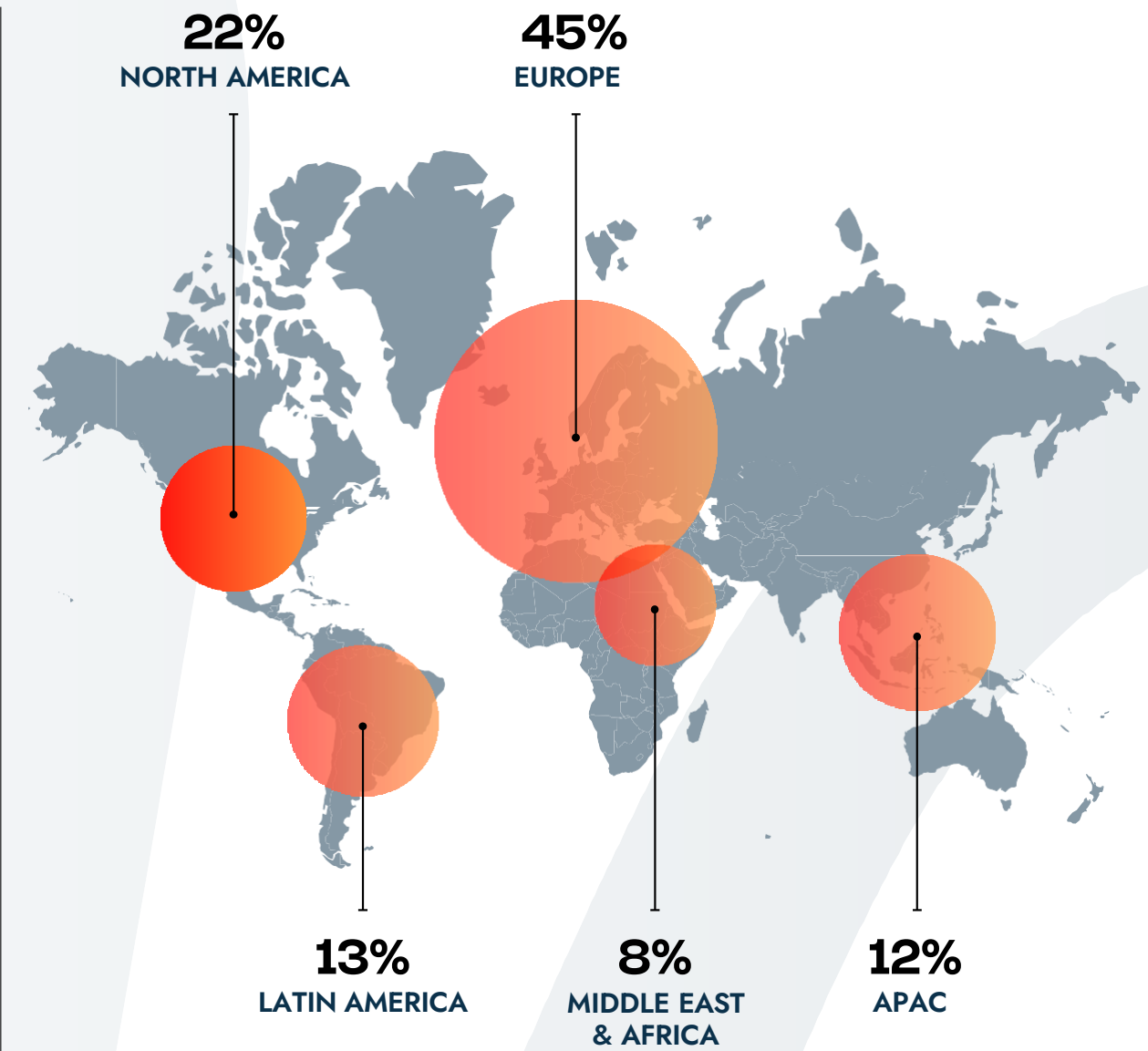
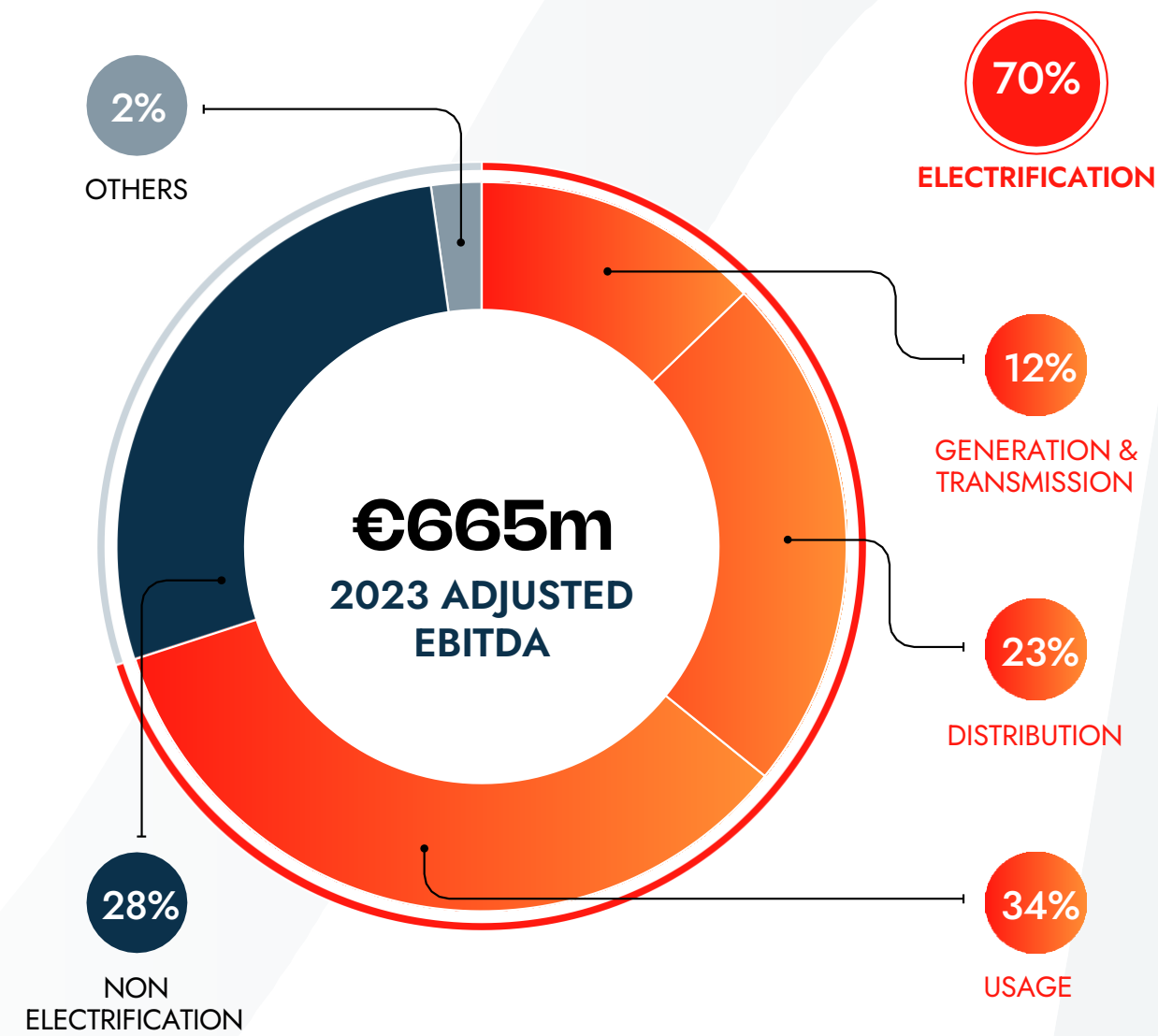
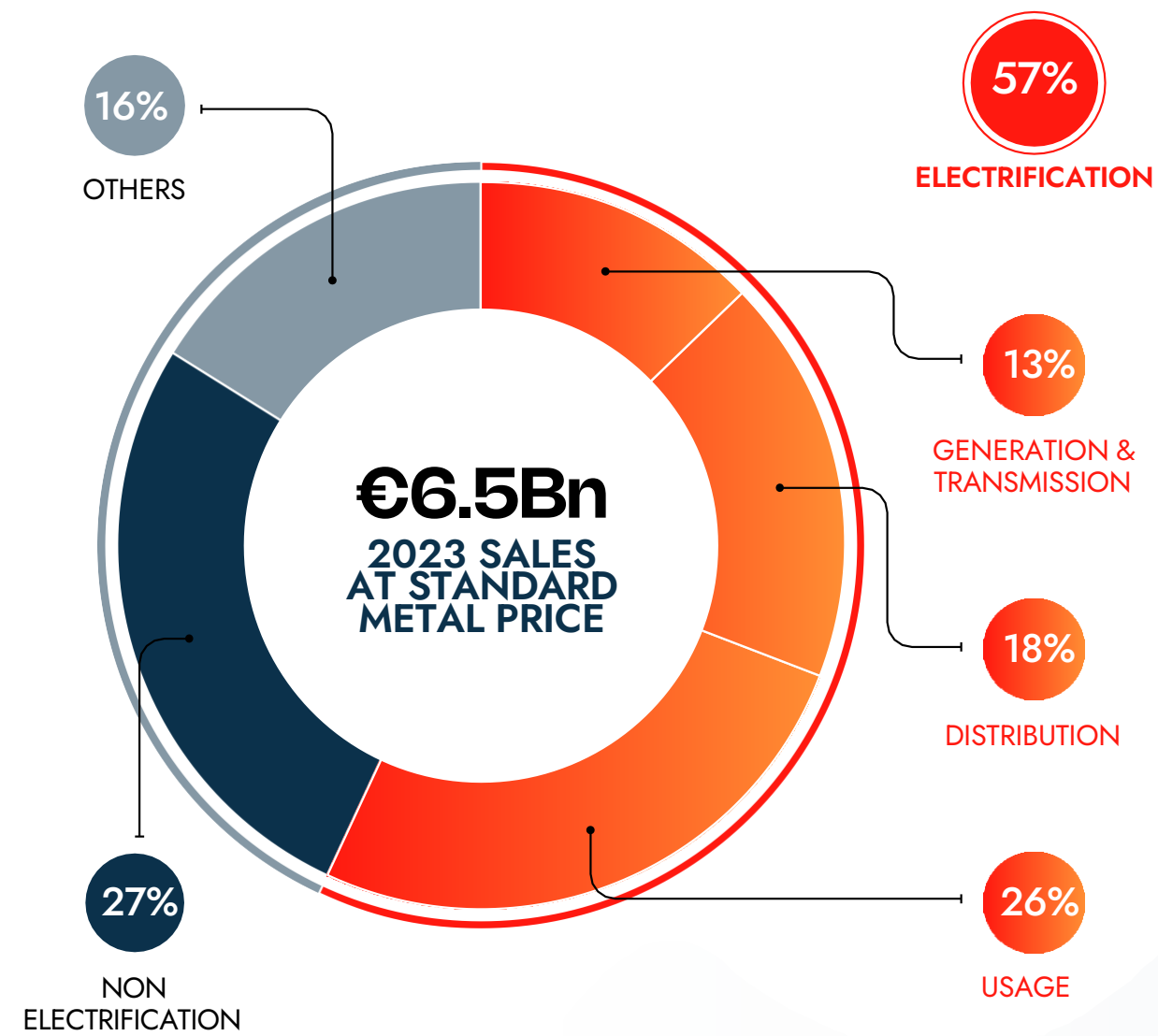


LOW VOLTAGE CABLES, ACCESSORIES AND SERVICES

Source: Roland Berger 2019 studies



# Diversified end-markets and balanced geographic footprint



% SALES AT STANDARD METAL PRICES, EXCLUDING AUTO-HARNESS AND GENERATION & TRANSMISSION



## Glossary

**Adjusted Generation & Transmission backlog:** Backlog adjusted for secured but not yet implemented Subsea, Land and Special Telecom contracts.

**Adjusted EBITDA:** Starting 2023, Nexans consolidated adjusted EBITDA is defined as operating margin before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) other specific operating items which are not representative of the business performance.

**Free Cash Flow (FCF):** FCF is determined based on EBITDA restated for the net change in sales of goods held for resale, as well as sales of goods and services deriving from the Group's provisions including pensions/other post-employment benefits and other non-cash items. It includes net changes working capital, capital expenditures net of disposal proceeds, other investing cash-in/out but excluding those related to the sale/purchase of shares in a company with a change in consolidation method, restructuring cash-out, financial interest paid and income tax paid.

**Organic growth:** Standard sales growth as a percentage of prior-year standard sales. Organic growth is a measure of growth excluding the impact of changes in the scope of consolidation and changes in exchange rates.

**Sales at constant/standard metal prices:** Sales figures based on a standard price for copper and aluminum in order to neutralize the effect of fluctuations in non-ferrous metal prices and therefore measure the underlying sales trend. Starting on January 1, 2020, these references are set at 5,000 euros per metric ton for copper and 1,200 euros per metric ton for aluminum and are then converted into the currencies of each unit, thus taking into account the specific economic conditions of the units.

**Sales at current metal prices:** Net sales (at current metal prices) represent revenue from sales of goods held for resale, as well as sales of goods and services deriving from the Group's main activities, for which consideration has been promised in contracts drawn up with other customers.

**Strategic capex:** Strategic capital expenditures correspond to the investment in the Halden (Norway) and Charleston (United States) plants, as well as cable-laying vessels in the Generation & Transmission segment.