

# TOGETHER IMPROVING LIVES

2024 First-quarter results

May 3, 2024



# 2024 First-quarter results

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# 1

## Highlights

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## Q1 2024 results

- Change in sales : -5.6%, i.e. -3.7% excl. FX & Russia
- Adjusted operating margin : 20.5% of sales
- Net profit attributable to the Group : 13.6% of sales

## Ongoing execution of strategic roadmap

- 3 acquisitions announced since the beginning of the year
- Net Zero SBTi commitment for 2050

## 2024 full-year targets unchanged

- Sales trend (LFL + Acquisitions) : low single digit growth
- Adjusted operating margin : 20.0% to 20.8% of sales, before acquisitions

## CMD on September 24, 2024 in London

A man with a beard and glasses, wearing a blue and white checkered shirt and a blue lanyard with an ID badge, stands in a server room. He is looking upwards and to the right, holding a tablet. The server racks are visible in the background, illuminated with blue light.

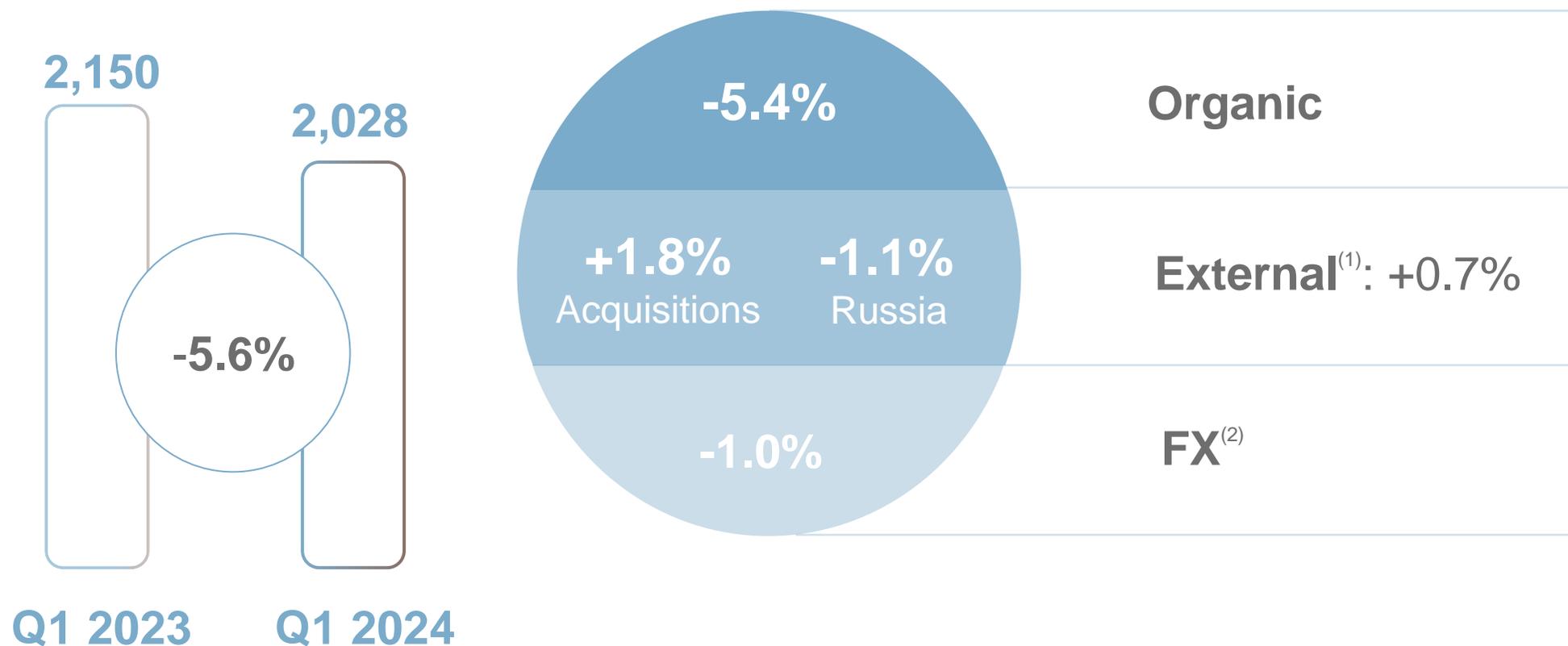
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Q1 2024 results

# Q1 2024 results

## Change in net sales

€ millions



1. Based on acquisitions made as well as the effective sale of the Group's Russian activities at October 4, 2023, the overall impact should be, in 2024, close to +1% full year, of which close to +1.5% linked to acquisitions and -0.6% to the impact of disengagement from Russia.

2. Based on the average exchange rates in April 2024 alone, the full-year exchange-rate effect on sales would be close to 0% in 2024

# Q1 2024 results

## Organic sales trends by destination

<b>EUROPE</b> 43.7% OF GROUP	<b>NORTH &amp; CENTRAL AMERICA</b> 37.4% OF GROUP	<b>REST OF THE WORLD</b> 18.9% OF GROUP
<b>-4.7%</b>	<b>-6.0%</b>	<b>-5.8%</b>

Building market still severely impacted  
 2023 high basis of comparison

**MATURE COUNTRIES -5.1%**  
 (37.8% of Group)  
 Solid resilience Italy, UK or Spain

**NEW ECONOMIES -2.4%**  
 Growth in Turkey

**UNITED STATES -6.1%**  
 (33.8% of Group)  
 Contracting markets excluding datacenters

**MEXICO & CANADA**  
 Rise in Canada  
 Sharp decline in Mexico

**ASIA-PACIFIC -5.8%**  
 (11.5% of Group)  
 Growth in India  
 Marked decrease in China

**AFRICA-MIDDLE EAST -6.5%**  
 (3.2% of Group)  
 Significant decrease in Africa  
 Robust growth in the Middle East

**SOUTH AMERICA -5.1%**  
 (4.2% of Group)  
 Rebound in Brazil

**Building market marked slowdown, as expected  
 Limited decline in revenue highlighting  
 the strength of Legrand business model and the solidity of Group market positions**

# Q1 2024 results

## Adjusted operating margin

<b>Q1 2023</b>	<b>Adjusted operating margin</b>	<b>22.2%</b>
	<p>Profitability resilience that once again demonstrates Legrand ability to protect margins in a context of declining sales, thanks to</p> <ul style="list-style-type: none"> <li>- Intact pricing power</li> <li>- Solid cost control</li> </ul>	<b>-1.6 pts</b>
<b>Q1 2024</b>	<b>Adjusted operating margin before acquisitions<sup>(1)</sup></b>	<b>20.6%</b>
	Impact of acquisitions	<b>-0.1 pts</b>
<b>Q1 2024</b>	<b>Adjusted operating margin</b>	<b>20.5%</b>

1. At 2023 scope of consolidation

# Q1 2024 results

## Net profit

### NET PROFIT ATTRIBUTABLE TO THE GROUP

**€276MM**

**13.6% of sales**

Decrease in operating profit  
Unfavorable financial result & FX  
26.0% corporate income tax rate

**EARNINGS PER SHARE €1.05 (-15.1%)**

Q1 2024 results  
Cash generation

FREE CASH FLOW

€146MM

7.2% of sales

# Q1 2024 results

## Balance sheet

### NET DEBT TO EBITDA<sup>(1)</sup> RATIO

**1.2x**

in Q1 2024

### DEBT STRUCTURE

**Net debt**

**€2.3bn**

Gross Debt >90% fixed rate  
& 4.3 years maturity

**€2.7bn available cash**



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2024 full-year targets unchanged

## 2024 full-year targets unchanged

In 2024, the Group is pursuing the profitable and responsible development laid out in its strategic roadmap.

Taking into account the world's current short-term macroeconomic outlook, with confidence in its model for creating integrated value, Legrand has set the following **full-year targets for 2024**:

- **Low single digit sales growth** (organic and through acquisitions)<sup>(1)</sup>;
- an **adjusted operating margin** before acquisitions of between **20.0%** and **20.8%** of sales;
- at least **100% CSR achievement** rate for the third and last year of its 2022-2024 roadmap.



# 4

Ongoing acquisitions strategy

# Ongoing acquisitions strategy

## Investments in buoyant segments

### ENOVATION



- **Leader in connected healthcare**
- Rotterdam, the Netherlands
- **Sales > €60mm**

### NETRACK



- **Server & network rack solutions**
- **Datacenters**
- Bengaluru, India
- **Sales ~€10mm**

NEW

### UIOT MINORITY STAKE



- **Wireless IoT smart-home**
- China
- **Innovation capabilities**

**Strengthening leadership positions in faster expanding segments**

# Ongoing acquisitions strategy

## 3 acquisitions in 2024 totaling ~€80m annual sales

MECHANICAL  
SUPPORT  
SYSTEMS



New Zealand specialist of **cable management** systems

>€10mm



Dutch **software leader** in the **connected healthcare** market

>€60mm



Indian specialist in **racks**, incl. for **datacenters**

~€10mm



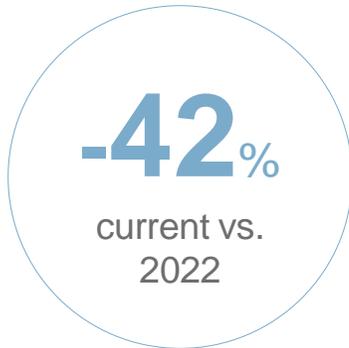
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SBTi Net Zero commitment for 2050

# SBTi Net Zero commitment for 2050

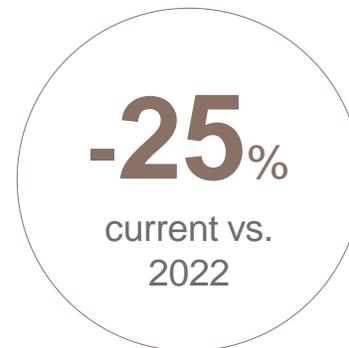
## Targets

### SCOPES 1&2 BY 2030



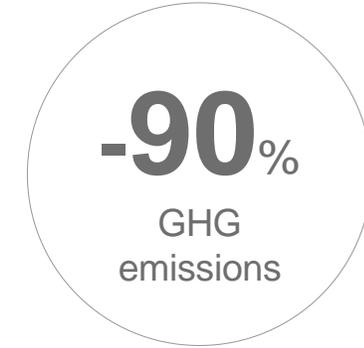
- Continued optimization of sites' **energy efficiency**, deploying Legrand's energy efficiency solutions
- **Renewable energy** deployment on sites and renewable electricity purchase
- **Fleet evolution**

### SCOPE 3 BY 2030



- Reduce impact from **purchased goods and services & products "Use phase"**
- **Eco-conception**
- **Supply chain commitment** and support towards supply chain GHG emissions reduction

### NET ZERO BY 2050



- -90% reduction of **Scopes 1,2 and 3 GHG emissions** on the entire value chain of the Group
- **Neutralizing** emissions that cannot be reduced through carbon capture



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Combined General Meeting of Shareholders  
on May 29, 2024

# Combined General Meeting of Shareholders on May 29, 2024

## Proposed change in Board of Directors composition<sup>(1)</sup>

### APPOINTMENT<sup>(1)</sup>

**REKHA M. MENON - INDEPENDENT DIRECTOR**



Extensive expertise  
in digital, Corporate strategy & CSR

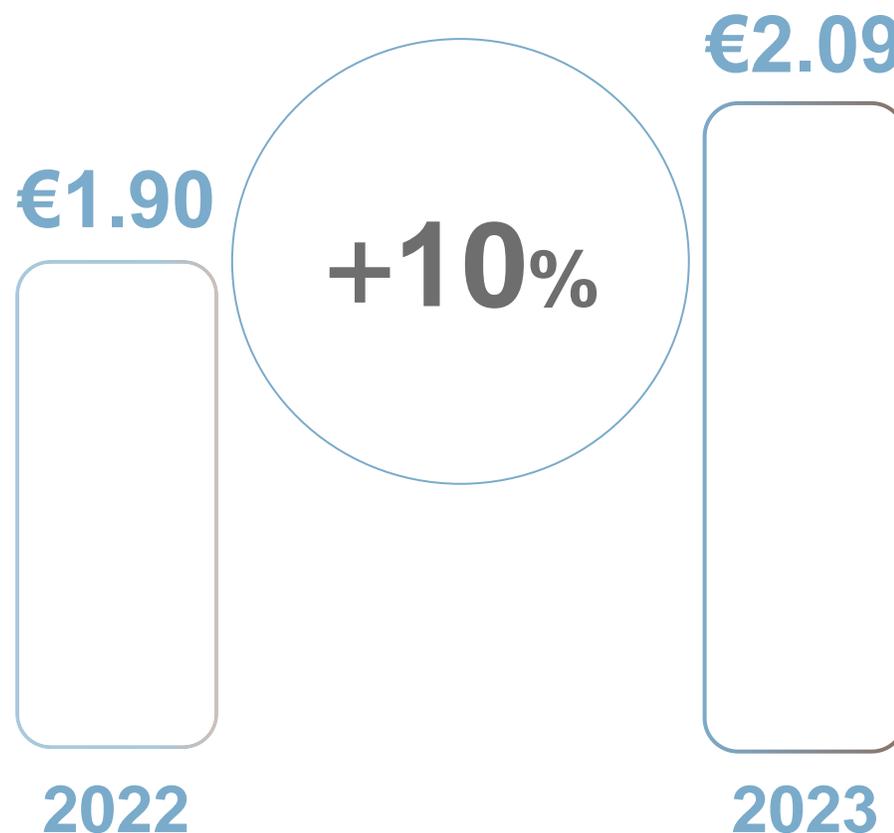
### INDEPENDENT & DIVERSE BOARD COMPOSITION<sup>(1)</sup>



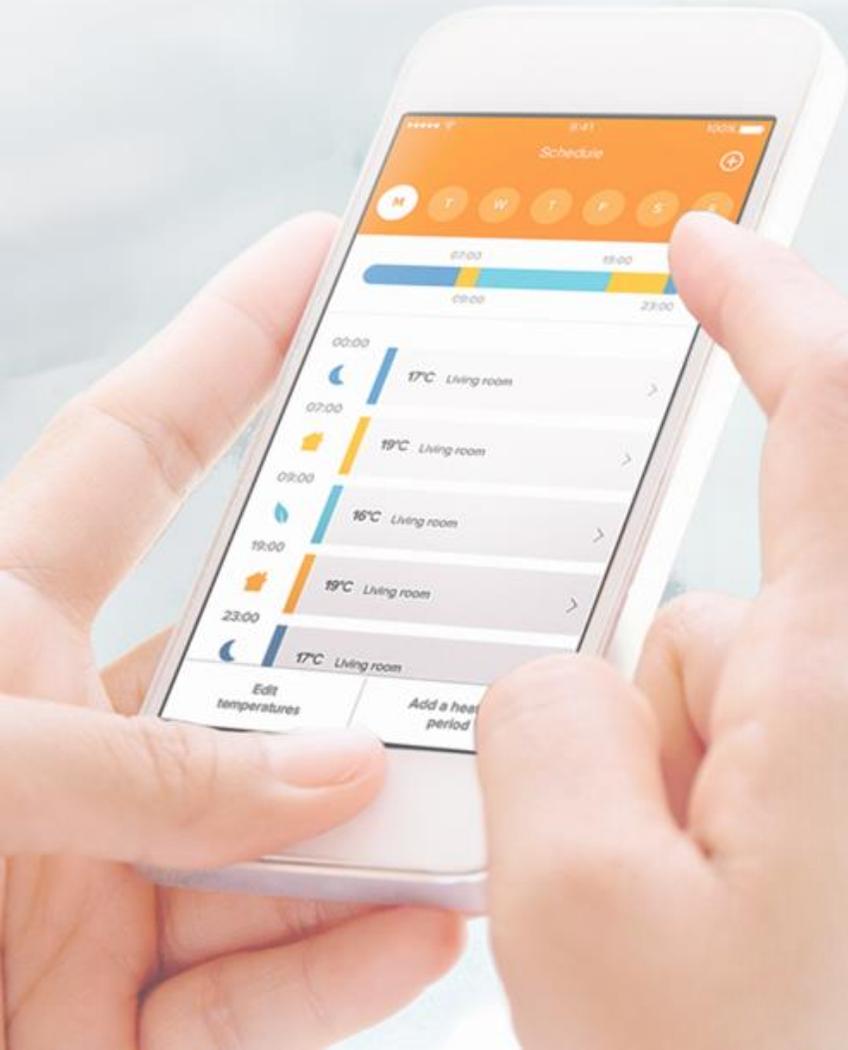
Continuously reflecting  
industry's best practices

# Combined General Meeting of Shareholders on May 29, 2024

## Proposed dividend per share<sup>(1)</sup>



1. Subject to the approval of shareholders at General Meeting on May 29, 2024 and payable on June 4, 2024  
This distribution will be made in full out of the distributable income



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Success of the first international share ownership plan for employees

## Success of the first international share ownership plan for employees Reflecting full confidence of Legrand teams in Group's development model

- **Non dilutive**
- Implemented March/May 2024
- ~63% of Group **employees**
- **Subscription >36%**

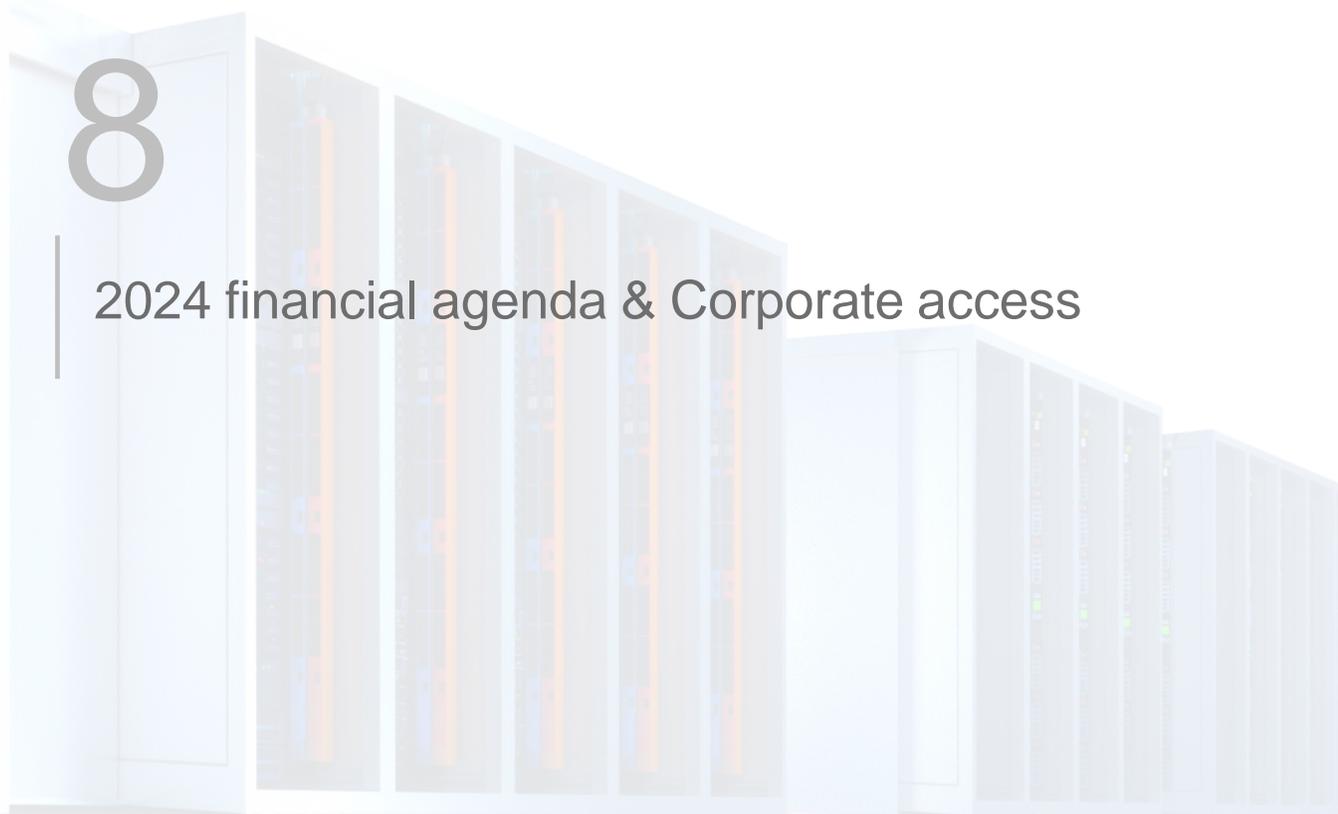


Recognize & promote employees' engagement  
in rolling out Legrand's strategy



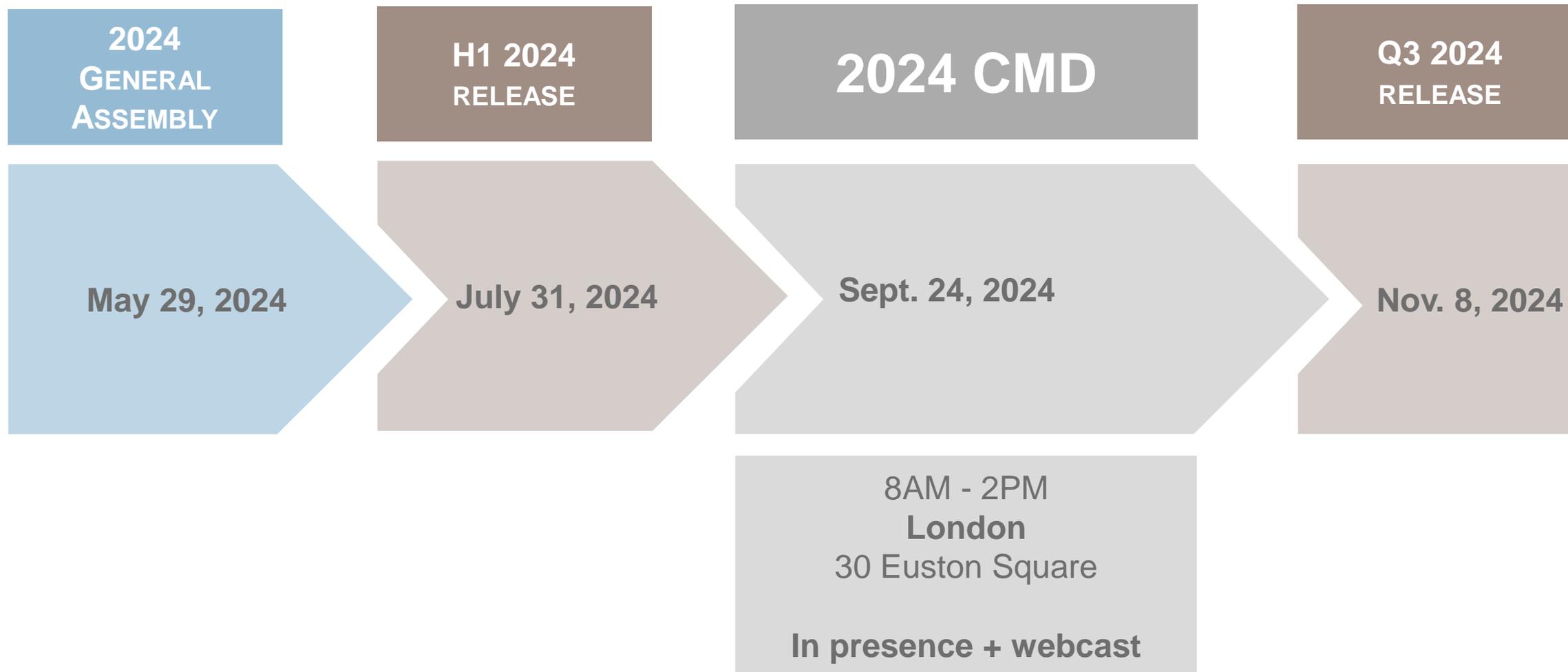
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2024 financial agenda & Corporate access



# 2024 financial agenda & Corporate access

## 2024 financial agenda



# 2024 financial agenda & Corporate access

## 2024<sup>(1)</sup> corporate access calendar

### CONFERENCES

Date	Conference	Location	Legrand participants
May 13, 2024	JP Morgan - ESG Call Series	Virtual	Management (CSR)
May 23, 2024	TD Cowen – Sustainability Week	Virtual	Management (CSR)
May 30, 2024	Kepler Cheuvreux – ESG Conference	Virtual	Management (CSR)
Jun. 13, 2024	JP Morgan – European Capital Goods	London	Management (C-suite)
Sept. 12, 2024	UBS – Quo Vadis Industrials	Virtual	IR Team
Sept. 25, 2024	Bernstein – Strategic Decisions Conference	London	Management (C-suite)
Nov. 19, 2024	CIC Forum by Market Solutions	Paris	IR Team
Nov. 28, 2024	Société Générale – Premium Review	Paris	Management (C-suite)
Dec. 3, 2024	Goldman Sachs – European Industrials	London	Management (C-suite)



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## Appendices

# Appendices

## Glossary

**Adjusted operating profit** is defined as operating profit adjusted for (i) amortization and depreciation of revaluation of assets at the time of acquisitions and for other P&L impacts relating to acquisitions, (ii) assets impairment in Russia and, (iii) where applicable, for impairment of goodwill.

**Busways** are electric power distribution systems based on metal busbars.

**Cash flow from operations** is defined as net cash from operating activities excluding changes in working capital requirement.

**CSR** stands for Corporate Social Responsibility.

**EBITDA** is defined as operating profit plus depreciation and impairment of tangible and of right of use assets, amortization and impairment of intangible assets (including capitalized development costs), reversal of inventory step-up and impairment of goodwill.

**ESG** stands for Environmental, Societal and Governance.

**Free cash flow** is defined as the sum of net cash from operating activities and net proceeds from sales of fixed and financial assets, less capital expenditure and capitalized development costs.

**KVM** stands for Keyboard, Video and Mouse.

**Net financial debt** is defined as the sum of short-term borrowings and long-term borrowings, less cash and cash equivalents and marketable securities.

**Normalized free cash flow** is defined as the sum of net cash from operating activities—based on a normalized working capital requirement representing 10% of the last 12 months' sales and whose change at constant scope of consolidation and exchange rates is adjusted for the period considered—and net proceeds of sales from fixed and financial assets, less capital expenditure and capitalized development costs.

**Organic growth** is defined as the change in sales at constant structure (scope of consolidation) and exchange rates.

**Payout** is defined as the ratio between the proposed dividend per share for a given year, divided by the net profit attributable to the Group per share of the same year, calculated on the basis of the average number of ordinary shares at December 31 of that year, excluding shares held in treasury.

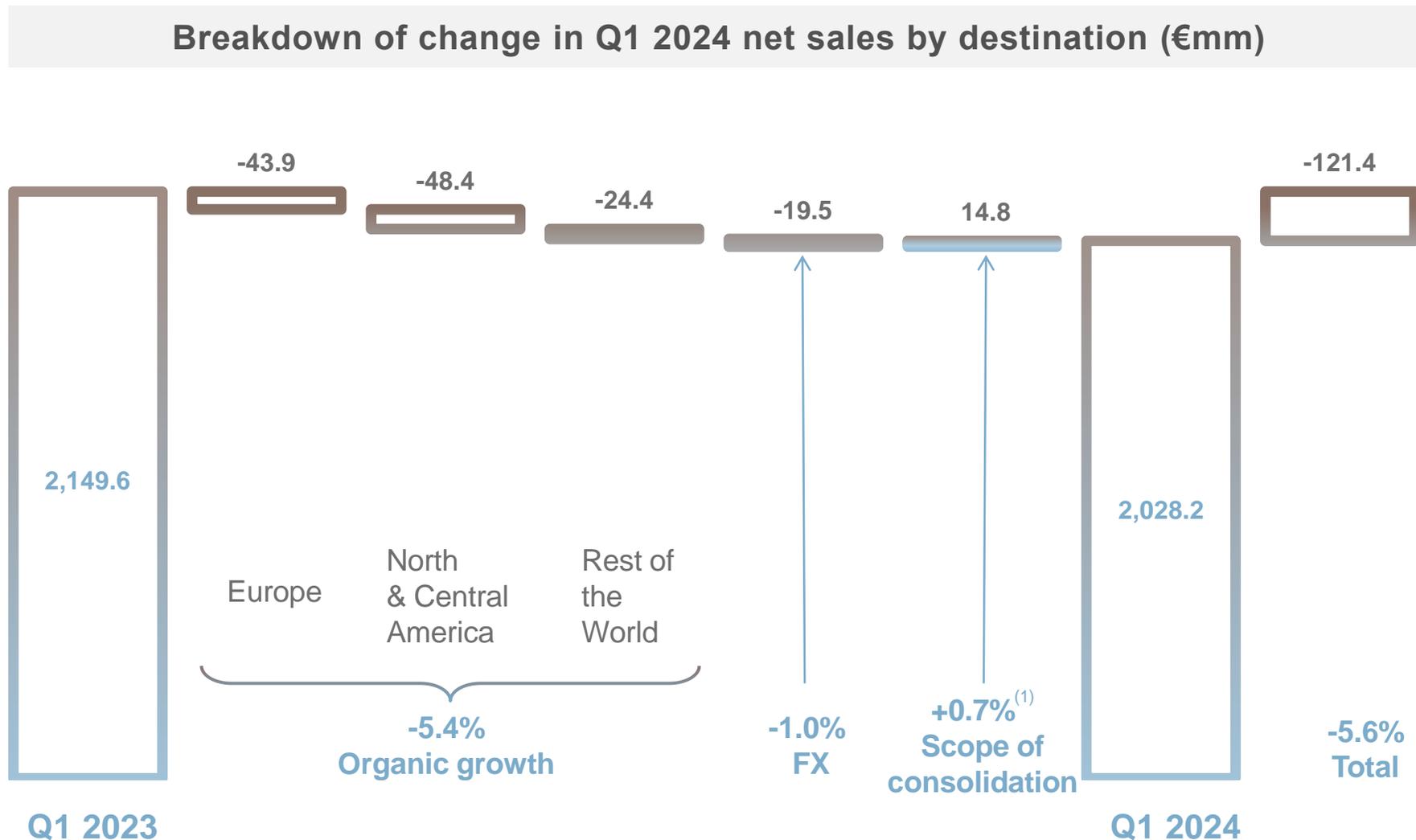
**PDU** stands for Power Distribution Unit.

**UPS** stands for Uninterruptible Power Supply.

**Working capital requirement** is defined as the sum of trade receivables, inventories, other current assets, income tax receivables and short-term deferred tax assets, less the sum of trade payables, other current liabilities, income tax payables, short-term provisions and short-term deferred tax liabilities.

# Appendices

## Change in net sales



1. Due to the consolidation of A&H Meyer, Encelium, Voltadis, Power Control, Clamper, Teknica, and negative impact of Russia.

# Appendices

## 2024 First quarter – net sales by destination<sup>(1)</sup>

In € millions	Q1 2023	Q1 2024	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
Europe	941.1	886.0	-5.9%	-1.0%	-4.7%	-0.2%
North and Central America	811.6	757.9	-6.6%	0.1%	-6.0%	-0.8%
Rest of the World	396.9	384.3	-3.2%	5.9%	-5.8%	-3.0%
<b>Total</b>	<b>2,149.6</b>	<b>2,028.2</b>	<b>-5.6%</b>	<b>0.7%</b>	<b>-5.4%</b>	<b>-1.0%</b>

1. Market where sales are recorded.

# Appendices

## 2024 First quarter – net sales by origin<sup>(1)</sup>

In € millions	Q1 2023	Q1 2024	Total Change	Scope of Consolidation	Like-for-Like Growth	Currency Effect
Europe	978.2	918.9	-6.1%	-1.0%	-5.0%	-0.2%
North and Central America	829.2	767.5	-7.4%	0.1%	-6.8%	-0.9%
Rest of the World	342.2	341.8	-0.1%	6.8%	-3.4%	-3.2%
<b>Total</b>	<b>2,149.6</b>	<b>2,028.2</b>	<b>-5.6%</b>	<b>0.7%</b>	<b>-5.4%</b>	<b>-1.0%</b>

1. Zone of origin of the product sold.

# Appendices

## 2024 First quarter – P&L

In € millions	Q1 2023	Q1 2024	% change
<b>Net sales</b>	<b>2,149.6</b>	<b>2,028.2</b>	<b>-5.6%</b>
Gross profit	1,139.5	1,076.2	-5.6%
<i>as % of sales</i>	<i>53.0%</i>	<i>53.1%</i>	
<b>Adjusted operating profit</b>	<b>477.2</b>	<b>415.9</b>	<b>-12.8%</b>
<i>as % of sales</i>	<i>22.2%</i>	<i>20.5%<sup>(1)</sup></i>	
(i) Amortization & depreciation of revaluation of assets at the time of acquisitions and other P&L impacts relating to acquisitions, and (ii) Impacts related to disengagement from Russia (impairment of assets and effective disposal)	(26.8)	(28.4)	
Impairment of goodwill	0.0	0.0	
Operating profit	450.4	387.5	-14.0%
<i>as % of sales</i>	<i>21.0%</i>	<i>19.1%</i>	
Financial income (costs)	(4.0)	(5.4)	
Exchange gains (losses)	(0.2)	(9.0)	
Income tax expense	(115.8)	(97.0)	
Share of profits (losses) of equity-accounted entities	0.0	0.0	
Profit	330.4	276.1	-16.4%
<b>Net profit attributable to the Group</b>	<b>330.5</b>	<b>275.9</b>	<b>-16.5%</b>

1. 20.6% excluding acquisitions (at 2023 scope of consolidation).

# Appendices

## 2024 First quarter – adjusted operating profit before and after other operating income (expense) by geographical region

Q1 2024 (in € millions)	Europe	North and Central America	Rest of the World	Total
<b>Net sales</b>	<b>918.9</b>	<b>767.5</b>	<b>341.8</b>	<b>2,028.2</b>
Cost of sales	(411.2)	(357.3)	(183.5)	(952.0)
Administrative and selling expenses, R&D costs	(286.3)	(276.9)	(93.3)	(656.5)
Reversal of (i) amortization & depreciation of revaluation of assets at the time of acquisitions and other P&L impacts relating to acquisitions, (ii) impacts related to disengagement from Russia (impairment of assets and effective disposal) and, (iii) where applicable, impairment of goodwill	(5.4)	(18.8)	(2.0)	(26.2)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>226.8</b>	<b>152.1</b>	<b>67.0</b>	<b>445.9</b>
<b>as % of sales</b>	<b>24.7%</b>	<b>19.8%</b>	<b>19.6%</b>	<b>22.0%</b>
Other operating income (expense)	(15.5)	(11.9)	(4.8)	(32.2) <sup>(1)</sup>
Reversal of (i) amortization & depreciation of revaluation of assets at the time of acquisitions and other P&L impacts relating to acquisitions, (ii) impacts related to disengagement from Russia (impairment of assets and effective disposal) and, (iii) where applicable, impairment of goodwill	(2.2)	0.0	0.0	(2.2)
<b>Adjusted operating profit</b>	<b>213.5</b>	<b>140.2</b>	<b>62.2</b>	<b>415.9</b>
<b>as % of sales</b>	<b>23.2%</b>	<b>18.3%</b>	<b>18.2%</b>	<b>20.5%</b>

1. Restructuring (€12.7m) and other miscellaneous items (€19.5m).

# Appendices

## 2023 First quarter – adjusted operating profit before and after other operating income (expense) by geographical region

Q1 2023 (in € millions)	Europe	North and Central America	Rest of the World	Total
<b>Net sales</b>	<b>978.2</b>	<b>829.2</b>	<b>342.2</b>	<b>2,149.6</b>
Cost of sales	(436.6)	(389.6)	(183.9)	(1,010.1)
Administrative and selling expenses, R&D costs	(287.7)	(271.3)	(82.9)	(641.9)
Reversal of (i) amortization & depreciation of revaluation of assets at the time of acquisitions and other P&L impacts relating to acquisitions, (ii) impacts related to disengagement from Russia (impairment of assets and effective disposal) and, (iii) where applicable, impairment of goodwill	(6.3)	(19.2)	(1.3)	(26.8)
<b>Adjusted operating profit before other operating income (expense)</b>	<b>260.2</b>	<b>187.5</b>	<b>76.7</b>	<b>524.4</b>
<b>as % of sales</b>	<b>26.6%</b>	<b>22.6%</b>	<b>22.4%</b>	<b>24.4%</b>
Other operating income (expense)	(16.6)	(27.8)	(2.8)	(47.2) <sup>(1)</sup>
Reversal of (i) amortization & depreciation of revaluation of assets at the time of acquisitions and other P&L impacts relating to acquisitions, (ii) impacts related to disengagement from Russia (impairment of assets and effective disposal) and, (iii) where applicable, impairment of goodwill	0.0	0.0	0.0	0.0
<b>Adjusted operating profit</b>	<b>243.6</b>	<b>159.7</b>	<b>73.9</b>	<b>477.2</b>
<b>as % of sales</b>	<b>24.9%</b>	<b>19.3%</b>	<b>21.6%</b>	<b>22.2%</b>

1. Restructuring (€13.3m) and other miscellaneous items (€33.9m).

# Appendices

## 2024 First quarter – reconciliation of cash flow from operations with profit

In € millions	Q1 2023	Q1 2024
<b>Profit</b>	<b>330.4</b>	<b>276.1</b>
Depreciation, amortization and impairment	83.0	84.7
Changes in other non-current assets and liabilities and long-term deferred taxes	19.5	11.3
Unrealized exchange (gains)/losses	3.2	2.9
(Gains)/losses on sales of assets, net	(0.2)	2.4
Other adjustments	(1.3)	6.4
<b>Cash flow from operations</b>	<b>434.6</b>	<b>383.8</b>

# Appendices

## 2024 First quarter – reconciliation of free cash flow and normalized free cash flow with cash flow from operations

In € millions	Q1 2023	Q1 2024	% change
<b>Cash flow from operations</b>	<b>434.6</b>	<b>383.8</b>	<b>-11.7%</b>
<i>as % of sales</i>	<i>20.2%</i>	<i>18.9%</i>	
Decrease (Increase) in working capital requirement	(71.5)	(205.0)	
<b>Net cash provided from operating activities</b>	<b>363.1</b>	<b>178.8</b>	<b>-50.8%</b>
<i>as % of sales</i>	<i>16.9%</i>	<i>8.8%</i>	
Capital expenditure (including capitalized development costs)	(31.8)	(32.9)	
Net proceeds from sales of fixed and financial assets	0.2	0.2	
<b>Free cash flow</b>	<b>331.5</b>	<b>146.1</b>	<b>-55.9%</b>
<i>as % of sales</i>	<i>15.4%</i>	<i>7.2%</i>	
Increase (Decrease) in working capital requirement	71.5	205.0	
(Increase) Decrease in normalized working capital requirement	(13.7)	11.5	
<b>Normalized free cash flow</b>	<b>389.3</b>	<b>362.6</b>	<b>-6.9%</b>
<i>as % of sales</i>	<i>18.1%</i>	<i>17.9%</i>	

# Appendices

## Scope of consolidation (1/2)

2023	Q1	H1	9M	FY
<b>Full consolidated method</b>				
<b>GEIGER</b>	3 months	6 months	9 months	12 months
<b>EMOS</b>	3 months	6 months	9 months	12 months
<b>USYSTEMS</b>	3 months	6 months	9 months	12 months
<b>VOLTADIS</b>	Balance sheet only	6 months	9 months	12 months
<b>A. &amp; H. MEYER</b>	Balance sheet only	6 months	9 months	12 months
<b>POWER CONTROL</b>	Balance sheet only	Balance sheet only	9 months	12 months
<b>ENCELIUM</b>	Balance sheet only	6 months	9 months	12 months
<b>CLAMPER</b>	Balance sheet only	Balance sheet only	Balance sheet only	11 months
<b>TEKNICA</b>			Balance sheet only	4 months
<b>MSS</b>				Balance sheet only

# Appendices

## Scope of consolidation (2/2)

2024	Q1	H1	9M	FY
<b>Full consolidated method</b>				
<b>VOLTADIS</b>	3 months	6 months	9 months	12 months
<b>A. &amp; H. MEYER</b>	3 months	6 months	9 months	12 months
<b>POWER CONTROL</b>	3 months	6 months	9 months	12 months
<b>ENCELIUM</b>	3 months	6 months	9 months	12 months
<b>CLAMPER</b>	3 months	6 months	9 months	12 months
<b>TEKNICA</b>	3 months	6 months	9 months	12 months
<b>MSS</b>	Balance sheet only	To be determined	To be determined	To be determined
<b>ZPE SYSTEMS</b>	Balance sheet only	To be determined	To be determined	To be determined



## INVESTOR RELATIONS

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