

2021 FIRST QUARTER FINANCIAL INFORMATION



NEXANS  
HEAD START TO THE YEAR

2021

CHRISTOPHER GUÉRIN, CEO  
JEAN-CHRISTOPHE JUILLARD, CFO

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## SAFE HARBOUR

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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 the 2020 annual results press release as well as the 2020 financial statements and Nexans Universal Registration Document, which includes a description of the Group's risk factors.

NB: any discrepancies are due to rounding.

## INVESTOR RELATIONS

**Contact:** Aurélia Baudey-Vignaud  
**Telephone:** +33 1 78 15 03 94  
**Email:** [aurelia.baudey-vignaud@nexans.com](mailto:aurelia.baudey-vignaud@nexans.com)

**Contact:** Elodie Robbe-Mouillot  
**Telephone:** +33 1 78 15 03 87  
**Email:** [elodie.robbe-mouillot@nexans.com](mailto:elodie.robbe-mouillot@nexans.com)

## Q1 2021: HEAD START TO THE YEAR



#01

### +1.4%<sup>(1)</sup> SALES GROWTH SETTING ROBUST BASIS FOR THE YEAR

- **Healthy backlogs** across all businesses
- **Customer selectivity** for further value growth
- **Pricing increase** offsetting first sequence of raw material inflation

#02

### FINAL STEPS TO "NEW NEXANS" 2019-2021 TRANSFORMATION PLAN

- **Performance improvement** through fixed cost reductions and SHIFT Program
- **Robust balance sheet:** early repayments of French State Back loan ("PGE") and 2021 bond; S&P outlook upgraded to positive on BB long-term rating
- **Best positioned on US Offshore Wind market,** preferred supplier agreement on Empire Wind projects

#03

### LAYING GROUNDWORK FOR 2022-2024 STRATEGIC AMBITION

- **Simplify to Amplify** role as Electrification Pure Player
- **Transform and Innovate:** risk management, innovation & digital partnerships
- **Scale-up to Step-up performance:** active M&A pipeline and diligent divestments preparation



# RISK MANAGEMENT, INNOVATION & DIGITALIZATION AT THE HEART OF NEXANS STRATEGY

## 5 PARTNERSHIPS TO MOVE-UP THE VALUE CHAIN



  
Reduce risk and promote best practices for offshore wind projects



 Microsoft  
Electrify the future through digital technology



  
Connect IoT solutions around the world



  
Provide real-time visibility of customer deliveries worldwide



  
Bring industrial 4.0 to plant operations and amplify sustainability



# NEXANS TURNKEY EPCI<sup>(1)</sup> MODEL KEY PROJECT ENABLER FRONT-RUNNER IN U.S. OFFSHORE WIND, PREFERRED SUPPLIER ON EMPIRE WIND PROJECTS

## TURNKEY EPCI MODEL TO MITIGATE PROJECT RISKS & OPTIMIZE RETURNS



- Early engagement: FEED<sup>(2)</sup> & Engineering
- Tailored solutions: R&D & design capabilities
- Risk management: modelization tools

- Worldwide footprint: 4 plants (Norway, USA, Japan & Belgium)
- Proven technology: MI & XLPE AC/DC
- Testing: laboratories

- Purpose built vessels:
- Nexans Aurora  
10,000t capacity, dual turntable & low carbon footprint
  - Nexans Skagerrak

- Inspection, Maintenance & Repair
- Business continuity solutions

## BUOYANT U.S. OFFSHORE WIND MARKET<sup>(3)</sup>

\$110Bn

investments towards carbon-free electricity by 2035

30GW

offshore wind capacity by 2030

110GW

offshore wind capacity by 2050

## RECENT AWARD: EMPIRE WIND (1 & 2) OFFSHORE PROJECTS



Client: Empire Wind LLC (Equinor & BP 50/50 JV)

Location: 80,000 acres area offshore New York City, USA

Offshore Wind Farms: more than 2 GW

Over 300 km of 250kV AC triple core export cables

# OFFSETTING RAW MATERIAL INFLATION THROUGH PRICE MANAGEMENT INTEGRATED MANUFACTURING & CONTRACT ENGINEERING



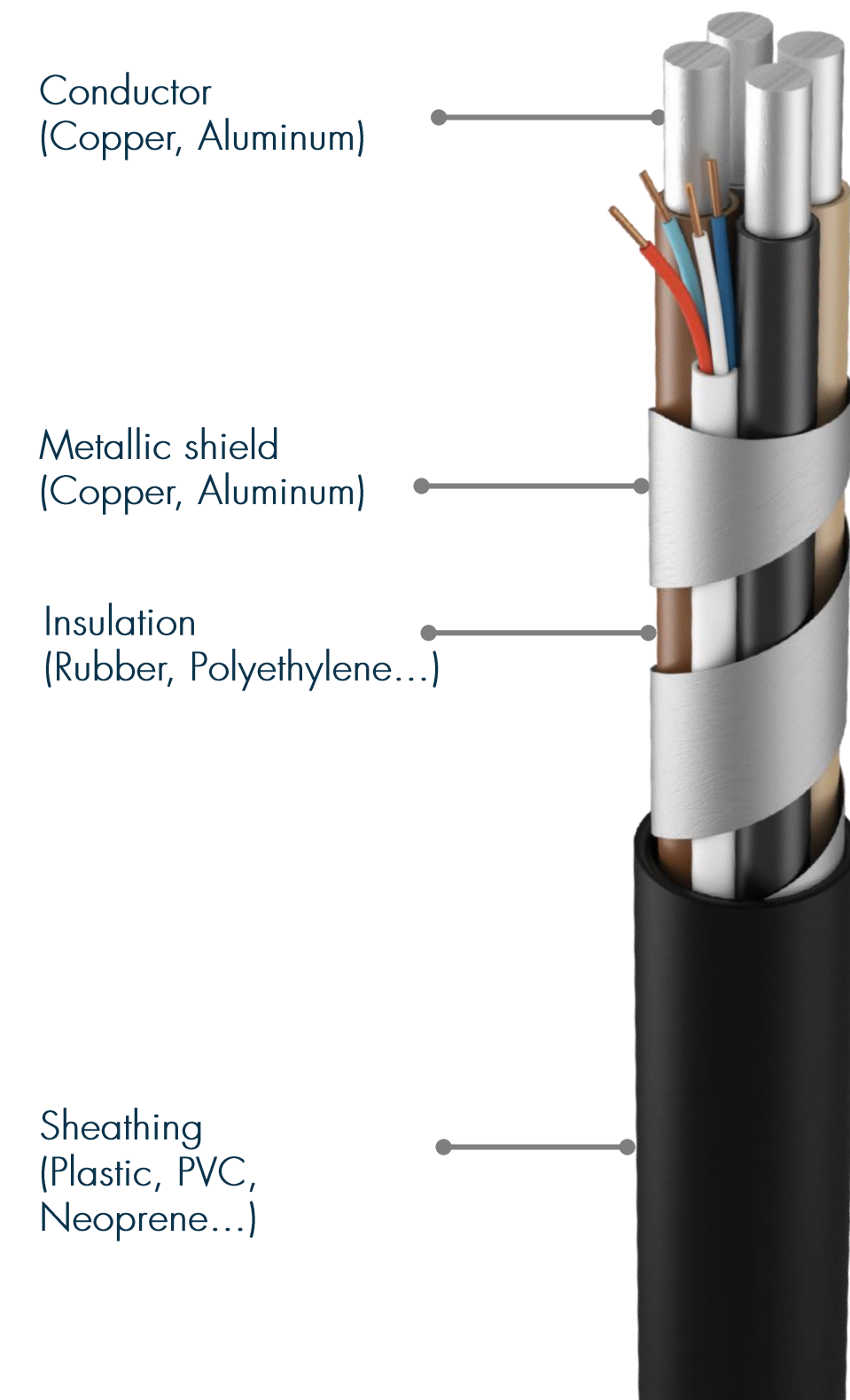
### I/ FAIR AND SEAMLESS PASS-THROUGH: A STRUCTURAL CONTRACT ENGINEERING PRACTICE

Variable costs

		Last 12 months inflation	Degree of cost pass through automation
<b>Other</b>	The labor costs follow longer term dynamics than raw materials and are managed through standard index in most activities. Other costs (transport, logistics, packaging, direct marketing costs, etc.) are contractual or based on customer discussions.	↑ Limited	Partially automated
<b>Payroll</b>			
<b>Polymers</b>	Nexans transforms raw polymers into proprietary compounds in its facilities. The strong monitoring of base polymers (PE, PVC, etc.) enables price management through indexation formulas and/or price validity rules.	↑↑↑ Strong	Mainly automated
<b>Metals</b>	Nexans vertical integration on metallurgy gives strong visibility on copper spot price & transformation premium evolution. Almost all our business is fully transparent to metal price evolution with very limited lag time, thanks to: <ul style="list-style-type: none"> <li>Systematic metal hedging</li> <li>Standardized contract terms on metals</li> </ul>	↑↑↑ Strong	Almost fully automated with close to zero lag time

Raw material and labor inflation is mechanically transferred into pricing increase.

Other cost increases are managed through a disciplined contract management process.

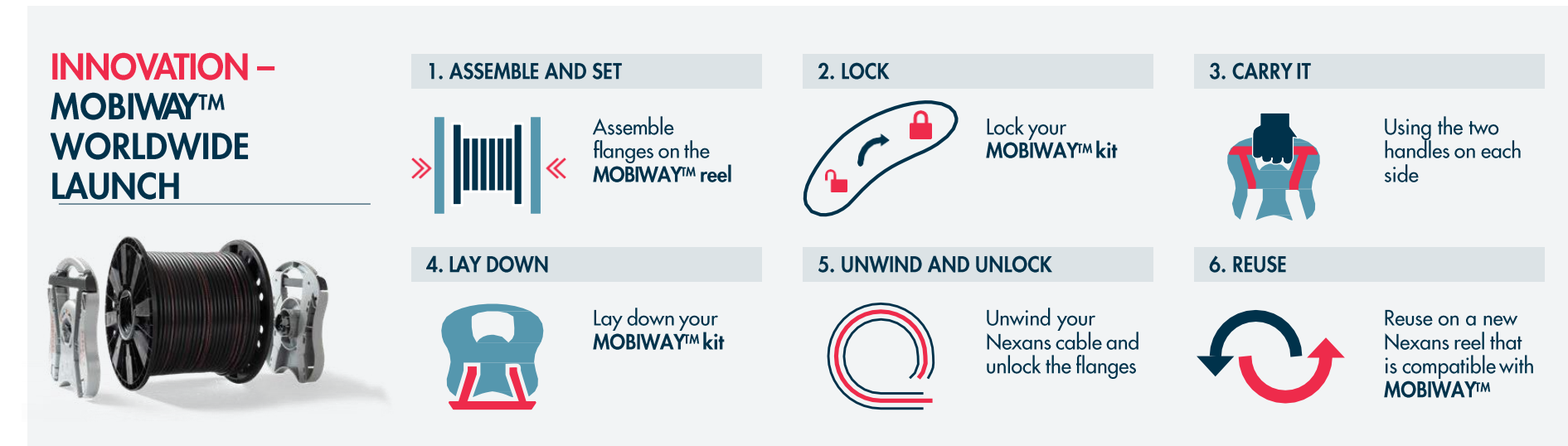
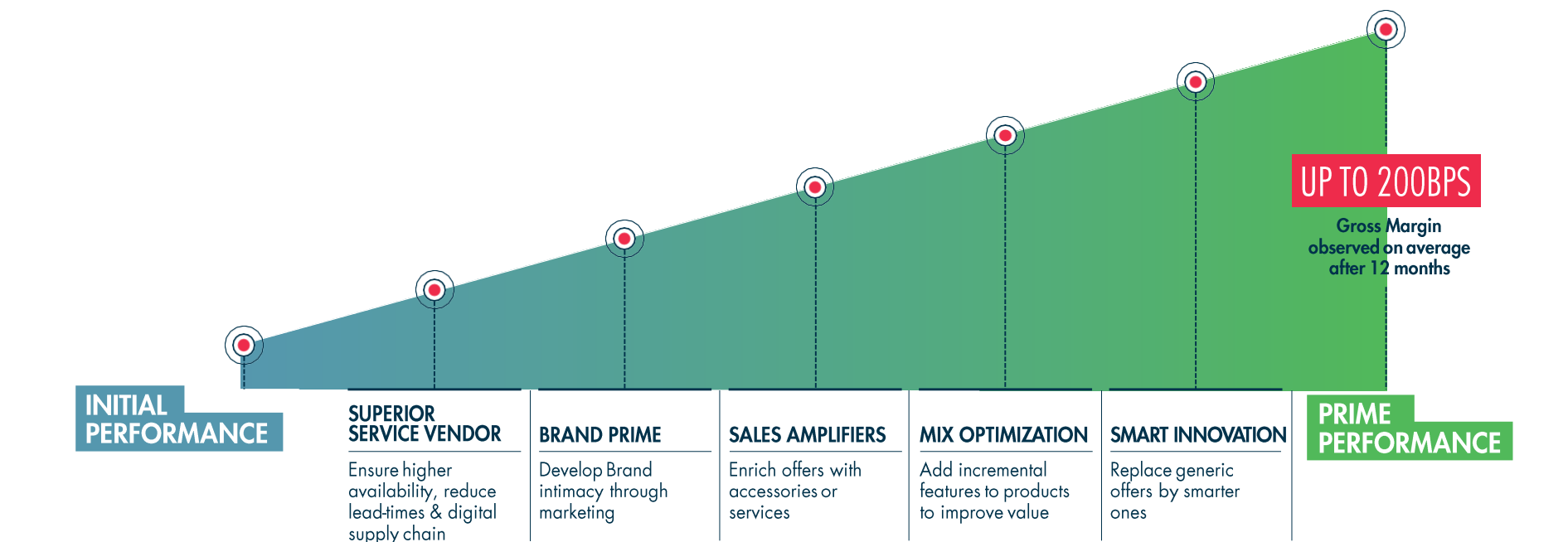


# FROM VOLUME TO SMART GROWTH IN DEPTH ANALYTICS SUPPORTS TAILORED SOLUTIONS & INNOVATION

## II/ SHIFT TRANSFORMATION: HIGHER SELECTIVITY FOR HIGHER VALUE



## II/ SHIFT PRIME: FOCUSING ON CUSTOMERS & INNOVATION

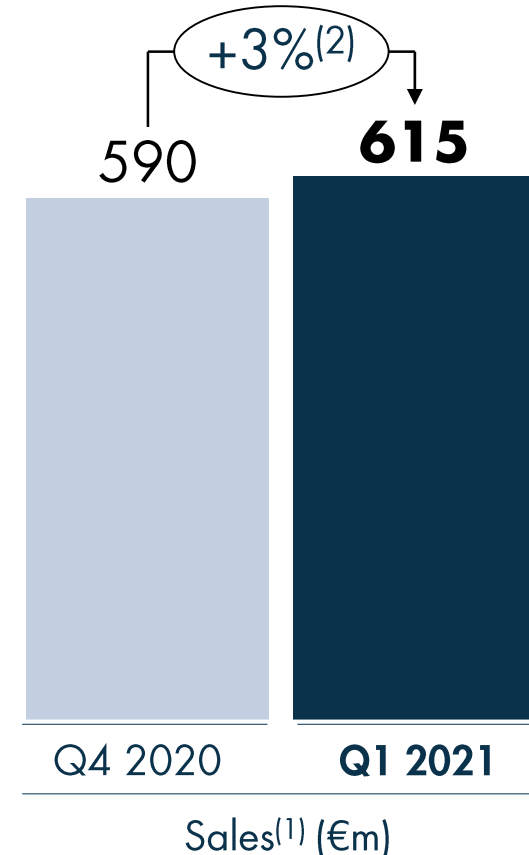
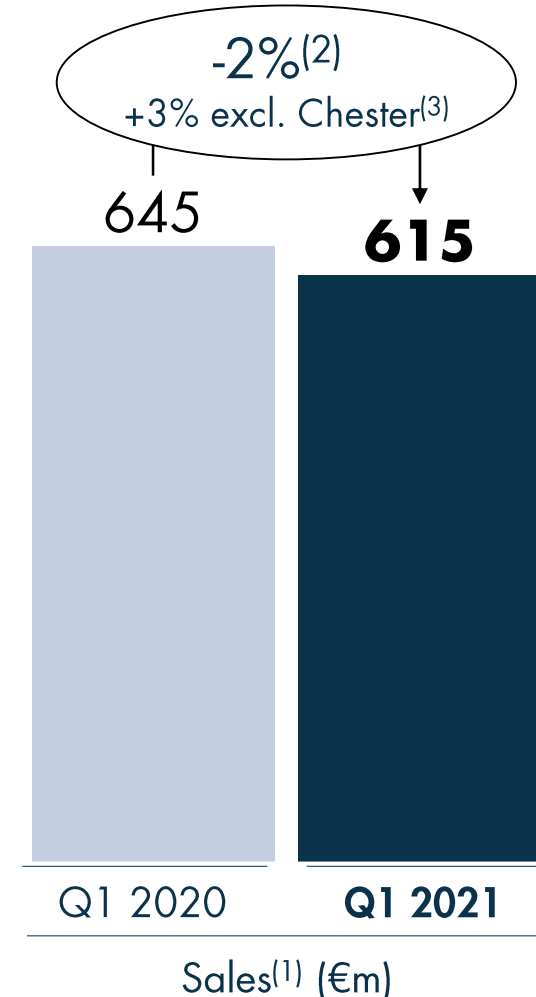




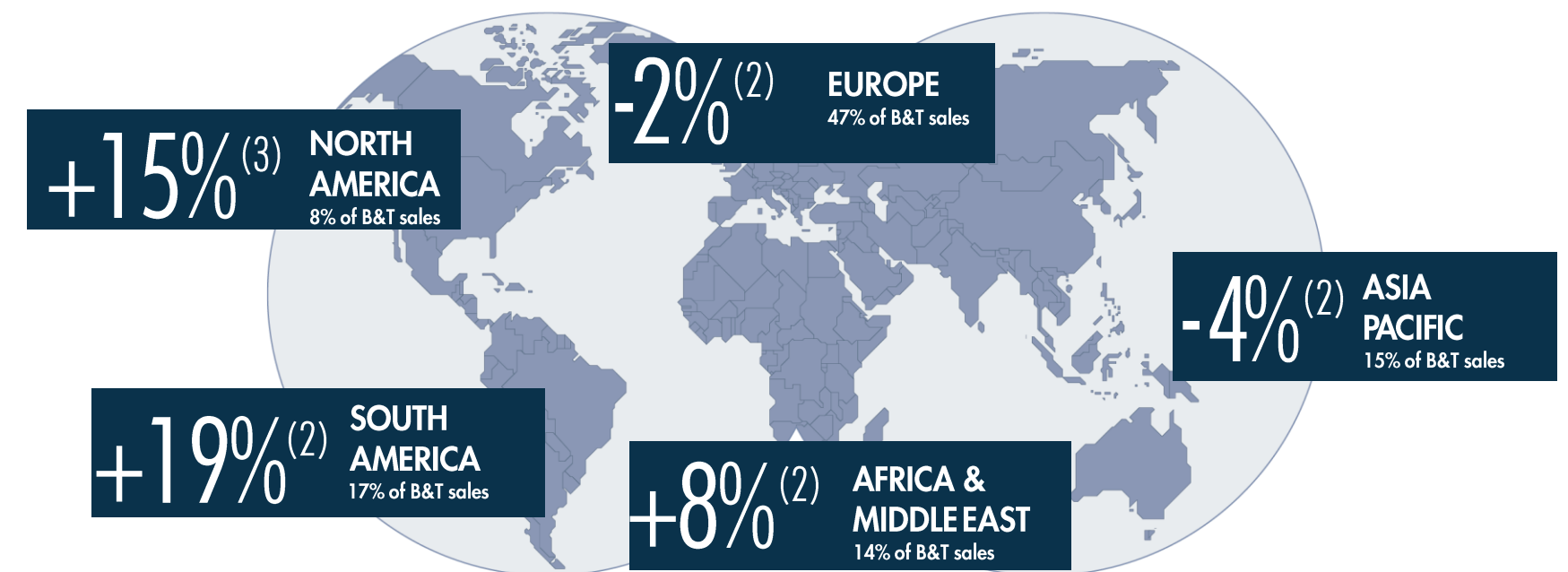
# BUILDING & TERRITORIES SHOWING SEQUENTIAL IMPROVEMENT AND UP +3.3% YoY EXCLUDING CHESTER PLANT

**BUILDING:** Customer selectivity pursued. Dynamic activity in South America and in Africa & Middle East supported by upturn in construction market and customer stocking. Sound sales in Europe. Closure of US Chester plant in June 2020

**TERRITORIES (UTILITIES):** Mixed activity across geographies with robust demand in China and France, sound sales in South America and weaker demand in the Nordics against last year due to adverse weather conditions



## Q1 2021 VS Q1 2020 SALES EVOLUTION BY CONTINENT



## SIGNIFICANT EVENTS DURING THE QUARTER



Feb. 10 – Bringing electricity to 41 rural communities across Côte d'Ivoire through turnkey power infrastructure solution



Worldwide launch of MOBIWAY™ innovative drum

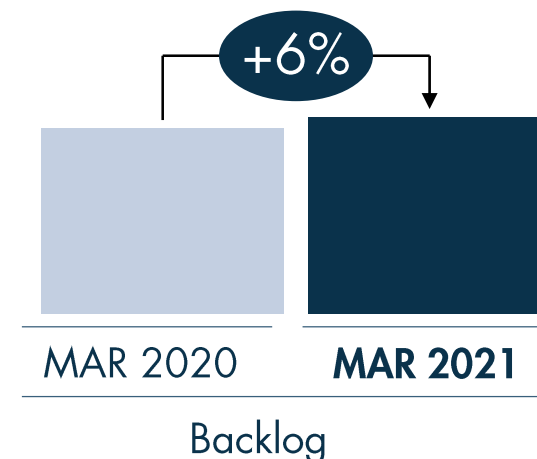
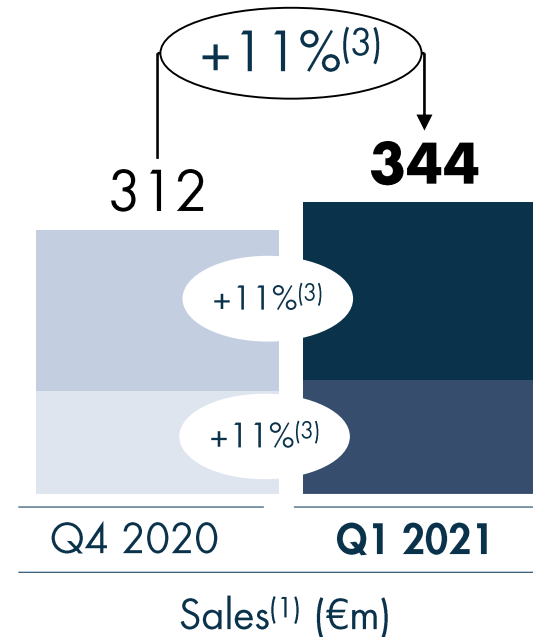
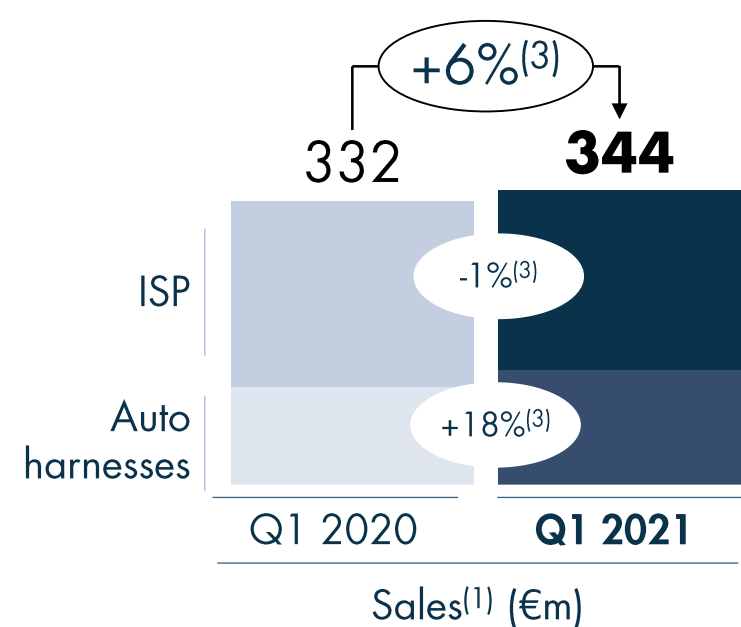


# INDUSTRY & SOLUTIONS +6% REBOUND IN Q1 2021 BOOSTED BY AUTO HARNESES AND AUTOMATION

**AUTOMATION:** Strong recovery in Europe

**TRANSPORT<sup>(2)</sup>:** Sustained demand related to subway lines in China and Europe while Aerospace & Defense remained challenged

**AUTOMOTIVE HARNESES:** Record Q1 2021 thanks to catch-up in demand from China and electric vehicles market share gains



## SIGNIFICANT EVENTS DURING THE QUARTER



Apr. 1 - Two-year contract with RATP for specialized rail cables



Mar. 22 - Three-year contract as one of the major supplier of Turck's high-performance sensor cables



Feb. 16 - Two-year global supply contract with Vestas to provide around one million WINDLINK® cable kits for turbines



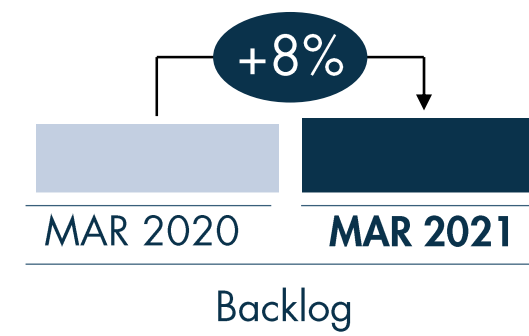
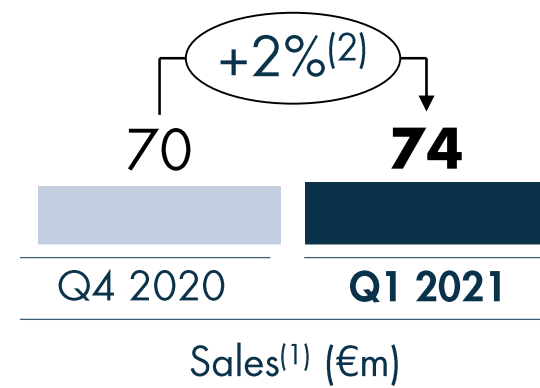
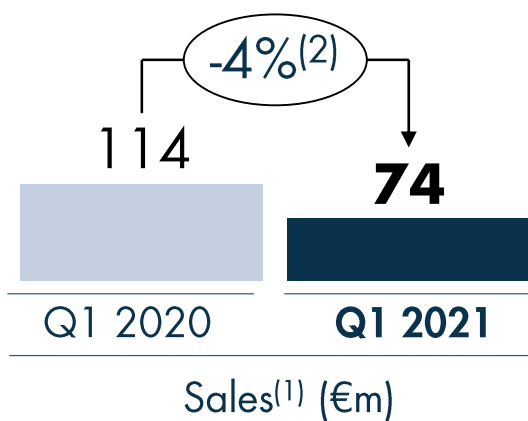
Jan. 27 - Award of a multi-year contract for Airbus' aerospace cables

# TELECOM & DATA SIGNIFICANT UPTURN IN LAN CABLES & SYSTEMS AND SPECIAL TELECOM

**LAN CABLES AND SYSTEMS:** Upturn in Asia, Europe and delivery of major projects in Middle East

**SPECIAL TELECOM (SUBSEA):** Organic growth supported by solid fundamentals

**TELECOM INFRASTRUCTURE:** Still impacted negatively by soft demand in fiber optical infrastructure cable and accessories



## SIGNIFICANT EVENTS DURING THE QUARTER



Feb. 1 - Nexans brings high-speed connectivity to Brazil's amazon region



Jan. 19 - Nexans inaugurates a new plant in Morocco for the production of fiber optic cable accessories

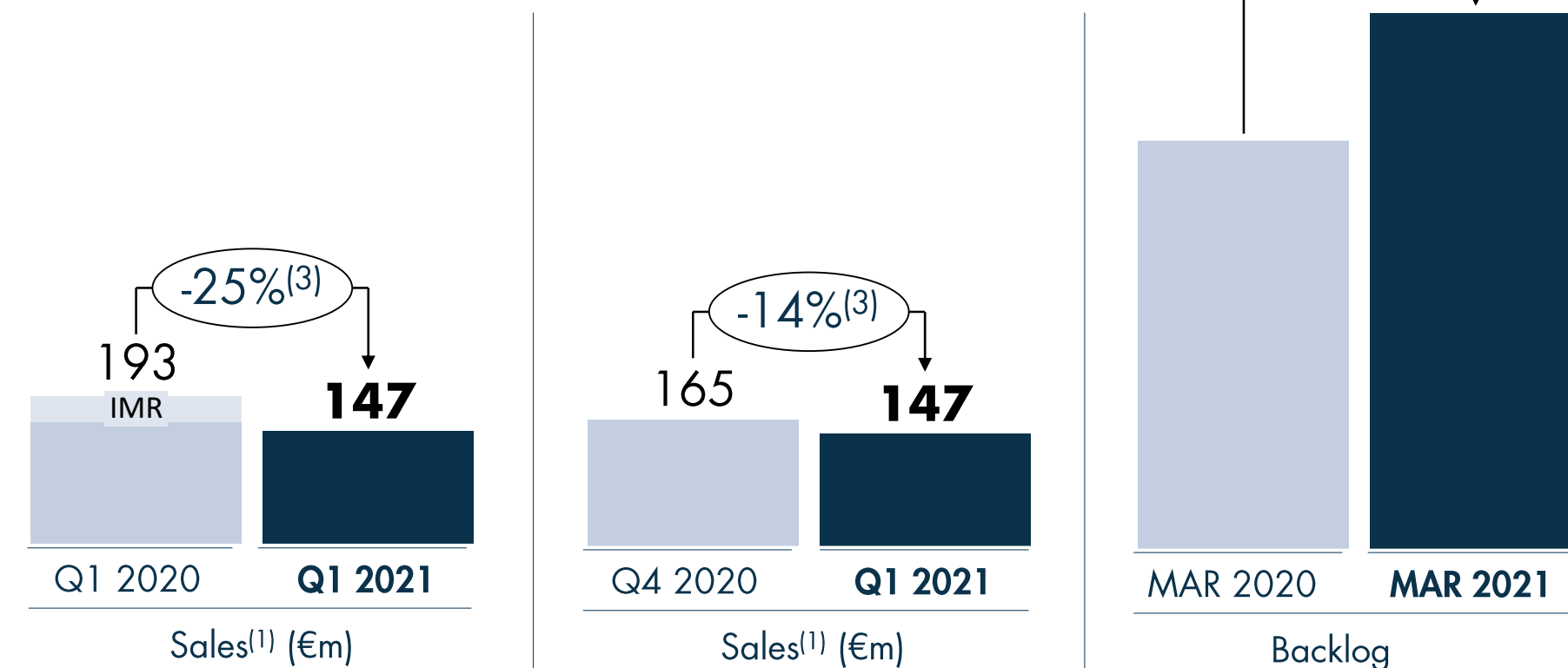


# HIGH VOLTAGE & PROJECTS AFFECTED BY Q1 2020 BASE EFFECT BACKLOG AND EXECUTION REMAIN STRONG

**SUBSEA HIGH-VOLTAGE:** Sales reflecting project phasing and unfavorable comparable as Q1 2020 benefitted 2 Repair projects. Solid sales acceleration throughout the rest of the year thanks to €1.5Bn adjusted backlog<sup>(2)</sup> and completion of both US Charleston plant and Aurora cable-laying vessel

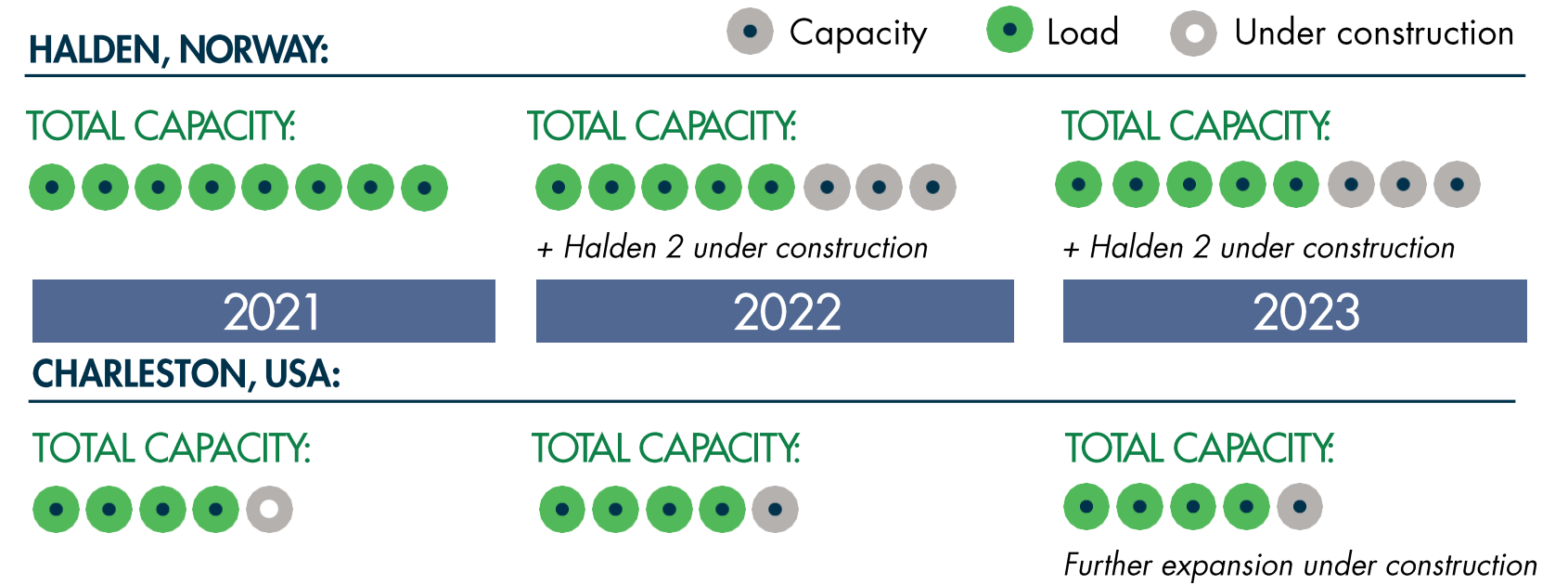
**LAND HIGH-VOLTAGE:** Sound activity in line with project execution and pursued growth recovery

**FULL EPCI TURNKEY MODEL:** Buoyant tendering activity and Empire Wind preferred supplier agreement



(1) Standard sales at constant metal price  
 (2) Adjusted Subsea backlog including contracts secured not yet enforced  
 (3) Organic growth

## ~80% PLANT LOAD FOR THE NEXT 2 YEARS



## SIGNIFICANT EVENTS DURING THE QUARTER



Feb. 17 – Announced further upgrade of Charleston plant in US to increase subsea & land HVDC manufacturing capacity



Feb. 17 – Announced expansion of the Halden plant in Norway more than doubling the capacity of extruded cable manufacturing



# #01

Head start to the year supporting gradual and sequential improvement through the rest of 2021

# #02

Nexans next strategic ambition in motion: Electrify the Future

# #03

Upcoming events:

- Annual General Meeting May 12
- Half-year earnings July 28