

# Highlights 2019

**maxeda**  
DIY Group

## Strengthening sustainable growth and market leadership





### Welcome to the 2019 Highlights and Key Figures of our group. In 2019 we strengthened our sustainable growth and market leadership.

Our group operates daily from 345 stores (206 of our own stores and 139 franchise stores), together with more than 1 million square metres of retail space. Each week we help more than 1.5 million customers in our stores and online. With the conclusion of the Formido project, we have reinforced the number one position of Praxis in the DIY market. This sees the official end to the Formido store formula, with Maxeda proceeding further with three store formulas.

Under the leadership of our CEO, Guy Colleau, and together with colleagues from the Executive Leadership Team, we have further rolled out our sustainable growth plans. As part of the 'Make it Easy' strategy, Maxeda DIY Group has this year further consolidated its five growth engines: Store, Product, People,

Digital and Home. We opened stores, launched new concepts in the Benelux, invested in new product ranges and in our online and marketing proposition, as well as improved the efficiency and synergy in our Benelux organisation. We have, for example, invested 45 million Euro in ensuring sustainable growth through the following aspects:

- Retail:** retailing continues to be an ongoing process of finding new locations, staying ahead of the competition and finding the right balance in order to ensure sustainable growth. We have therefore invested further in new formats based on our redefined customer proposition. We opened 3 new stores and refurbished 9 stores; 15 Praxis stores were integrated from Formido.

- Organisation and product offering:** we have invested further in a central Benelux organisation, strengthened our DIY retail business through an improved product offering, and created synergy through operating in a more integrated manner and using our scale to further drive capital efficiency. For example, Maxeda has entered into a strategic partnership with A.R.E.N.A. Alliance for the purchasing of DIY, garden and decoration products (with the exception of Asia) in order to further strengthen our competitiveness in the market. In addition, on 1 January 2020 we welcomed Corine Duchenne as Managing Director of Praxis and Frits Voorhout as Operations Director of Praxis.

- Digital journey:** we have further developed our presence in the area of e-commerce. We have for example invested in our digital platform: mobile applications, new websites, a new E-DC, Cross Dock 2.0 and 'Click & Collect'. The expansion of our digital platform and the integration of digital innovation in our operational service models in the stores has had a positive effect on our turnover.

- Marketing:** in order to strengthen our marketing strategy, increase customer loyalty and to improve the store experience for customers, various tactical promotion initiatives were implemented, such as loyalty programmes using customer cards, in both Belgium and the Netherlands. We have also continued with our 'For the Makers' marketing proposition for both Brico and Praxis, with extensive makers platforms online and makers workshops in the store.

This all resulted in a stable annual turnover of 1,390 billion euro. The DIY market in the Netherlands and Belgium has also grown. We have successfully

managed to retain our market share in 2019. In Belgium we have even gained market share, in spite of the increasing competition from our existing competitors. In the Netherlands our market share reduced slightly, primarily driven by the reduced number of stores as a result of the integration of Formido into Praxis. The operating results increased by 0.6% from 110.7 million Euro to 111.4 million Euro.

We will continue our journey thanks to the hard work, drive and commitment of our colleagues and suppliers, to whom I would like to express my sincere thanks and appreciation. We operate in a challenging market in which we need to remain competitive and constantly adapt ourselves in order to ensure sustainable growth. We continue to look for ways to reduce costs, work more efficiently and to be more flexible. The strong and experienced management teams have successfully executed the strategic plan, which will help us to grow further into the largest DIY retailer in the Benelux with two strong brands, Brico in Belgium and Luxembourg and Praxis in the Netherlands. We have set out a powerful omni-channel customer proposition through the implementation of various projects aimed at improving our products and services, both in the stores and online.

I am proud that together with my colleagues from the Executive Leadership Team, and with the teams at our headquarters and in our stores, we have managed to focus on providing a seamless customer journey, serving our customers and makers with the best DIY products and services in the Benelux.

Luc Leunis  
CFO Maxeda DIY Group

### The largest DIY retail chain in the Benelux

Maxeda DIY Group is the largest DIY retailer in the Benelux with Praxis in the Netherlands and Brico and BricoPlanit in Belgium and Luxembourg. These retail chains are represented by 345 stores, both owned and in franchise form.

Maxeda DIY Group has more than 7,000 employees, around 60% of which work in the Netherlands. Together the stores have a total surface area of over 1 million m<sup>2</sup> with more than 1.5 million customers each week in the stores and online.



### Our store formulas



#### Brico

Brico is the DIY market leader in Belgium with a wide range of DIY products, and home decoration and garden products, combining well-known brands with the company's own brands. Brico supplies inspirational products and services for all makers, both experienced and beginners. Brico currently has a network of 140 stores in Belgium and Luxembourg: Brico and Brico City.



#### BricoPlanit

BricoPlanit is a chain of 13 megastores (including Briko Dépôt) in Belgium. As a multi-specialist, BricoPlanit offers the largest possible range of products for DIY projects, from building materials to home decoration and garden products.



#### Praxis

Praxis is a leading and well-known DIY brand in the Netherlands. Praxis responds to the wishes of all makers, from beginners to experienced DIY enthusiasts, with the best range of products. Praxis has 192 stores: Praxis, Praxis Megastore, Praxis Megastore & Tuin and Praxis City.



### Our people

Maxeda DIY Group continues to further develop its activities through investing in our employees and customers, by working together as one team in an open, active and positive culture. Our cultural values form an important foundation to how we deal with one another and our customers. Through various initiatives we give our employees tools for applying these cultural values in their daily work. This is reflected in how they act with the customers as well as with one another. We believe that by being Open, Active and Positive, we enjoy working together even more and thereby make a difference!

### Make it Easy

Maxeda DIY Group wishes to simplify everything for the customer, both in the stores and online. Through the 'Make it Easy' strategy we wish to make things easier for our makers through our five growth engines (Store, Product, People, Digital and Home), so that we create a seamless omni-channel customer experience and become top-of-mind among DIY customers in the Benelux.



# Key Figures 2019

BE-NL

## Store formulas

	Total stores	Own stores	Franchise stores	City stores	Average floor space m <sup>2</sup>
Brico	140	65	75	14 (FOS)	3,700 (City is 450m <sup>2</sup> )
BricoPlanit	13	13	-	-	11,200
Praxis	192	150	42	10 (pos)	4,100 (City is 300m <sup>2</sup> )
	<b>345</b>	<b>228</b>	<b>117</b>	<b>24</b>	

\*DOS = own store, FOS = franchise store



Net sales in million Euros  
**1,390**



Total number of stores:  
**345**



## Market share



## Growth of the DIY market\*

\*cf. 2018



## Stores

Number of stores



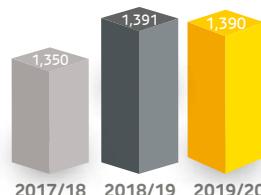
Number of employees\*



\*Own stores and headquarters

## Net sales

Million Euros



Working capital Million Euros



## Capital expenditures





**The stores in Belgium, Luxembourg and the Netherlands are the most important sales channels for Maxeda DIY Group. Currently the store formulas Brico, BricoPlanit and Praxis together have a total of 345 stores. We invest in new formats based on our redefined customer proposition (Small Box, Mid Box, Big Box) and are constantly working on improving the shopping experience for our customers. We have, for example, opened stores at new locations so that we are more accessible for our customers, and have also expanded them or given them a new look and feel.**



## New stores

In the last year, Maxeda DIY Group has opened new stores, and existing stores were expanded and provided with a new look and feel. The Formido project that Praxis started in 2017 continued throughout 2019. No less than 15 former Formido stores were converted into a Praxis store. Praxis also opened a new store of its own. The opening of Praxis City Amsterdam Tussenmeer brought the total number of Praxis Cities to ten. Brico also saw new stores added to its formula, with the opening of Brico Pommerloch bringing the total number of stores in Luxembourg to three, and the addition of a new BricoPlanit in Waterloo, Belgium. In addition to this, existing stores were expanded; Brico Gosselies received an additional 1,000 m<sup>2</sup> of floor space and Brico Jodoigne doubled its area. We opened a total of three new stores and refurbished nine.



## Remodelings

The remodeling of Brico Gosselies provided an ideal opportunity to experiment with a new concept Mid Box (medium-sized store), primarily aimed at the decoration market. The complete product range of the decoration departments have therefore been extensively expanded in order to better meet the expectations of the customers and to provide more inspiration. The store was initially entirely dedicated to window and wall decoration, but has now expanded its product range to include doors, parquet flooring, lighting and tiles. This decoration concept has been a great success since the reopening of this store, and in 2020 will also be implemented in other stores of this size, including the stores in Froyennes and Borsbeek.



## Formido project finalized

The Formido project was started on 7 September 2017 and is finalized in 2019. Last year as many as 15 former Formido stores were converted into Praxis stores. In order to inconvenience customers as little as possible the stores remained largely open during the refurbishment. The conversion of these 15 stores brought the total number of converted Formido stores to 44, which now sees the official end to the Formido store formula. In 2019 stores were opened in, for example, Brielle, Den Helder, Oostvoorne and Rijen. All the new stores were given the new Praxis look & feel. Customers can now shop at a local Praxis store (almost) everywhere in the Netherlands.



**Our extensive product range is aimed at providing optimum assistance to our customers in their DIY tasks. That is why we are constantly improving and updating the products we offer. Each year we carry out major changes to our product range in order to keep the products we sell up-to-date and to make sure our customers have access to the best products. In addition, we always look for opportunities and possibilities to offer our products at a competitive price, such as entering into strategic partnerships.**



## Maxeda DIY Group and A.R.E.N.A. Alliance partnership

At the end of January 2020, Maxeda DIY Group entered into a strategic partnership with the A.R.E.N.A. Alliance for the purchasing of DIY, and garden and decoration products (with the exception of Asia). Maxeda is the eighth DIY retailer affiliated with A.R.E.N.A. Thanks to this collaboration, the partners can buy in cheaper from suppliers, and Maxeda can further strengthen its competitiveness in the market. At the moment, this partnership applies only for A- brand products and not for our own brands.



## Product range expansion and changes

Maxeda DIY Group is always improving and expanding its product range. We do this in order to be able to satisfy the needs of our customers as well as possible and to inspire them. We follow trends and do our best to offer innovative brands, such as robot lawnmowers and water-saving showers. In 2019 we again added a large number of products to our range, both expanding and improving it. Last year, the product ranges in, for example, the kitchen, construction, lighting and paint departments were updated at all store formulas. Customers can find not only a large range of products at our stores, but also increasingly online. The number of products available on the websites has also increased significantly in the last year.



## Improved checks of deliveries with Crossdock 2.0

The Crossdock 2.0 project went live in the summer of 2019. This project is aimed at improving the logistical process of deliveries to the stores. All the packages and pallets of our hauliers are provided with a unique barcode and identification number. By scanning these with a PDA it can be checked whether the delivery is correct and complete. In addition, any deviations can be identified quickly so that incorrectly delivered articles can immediately be taken to the right place. It also provides insight into where the goods are located in the chain. The initial results from Praxis show that approximately 90% of all deliveries have been received via scanning, which is very close to the target of handling all deliveries digitally. A next step in the Crossdock 2.0 project is to establish a link with SAP and to make automatic defect notifications possible.

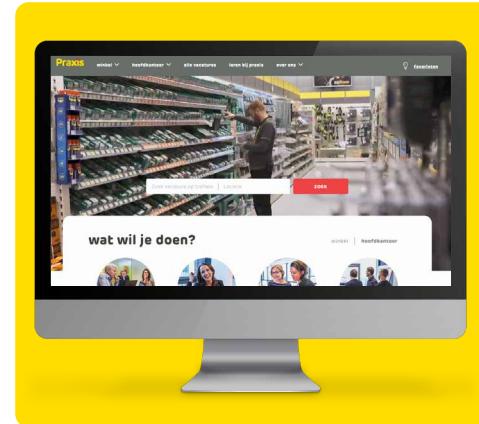


**Our 7,000 people together form one of the growth engines of our business. They have a passion for what they do, and are always ready to help their colleagues and customers. We believe that through being Open, Active and Positive, we are able to work together in a pleasant manner and thereby make a difference. By investing in our employees and customers, and working as a single team in an open, active and positive culture, we are able to achieve results more easily, and together we ensure that we can all grow. Everyone is welcome.**



## HR digitalisation

Maxeda DIY Group provides various digital tools in order to support its employees digitally, and thereby make processes more efficient, simplify communication and make information more accessible. In early 2019, Maxeda launched a digital HR system in the Netherlands called 'MijnHR' (MyHR). This allows employees to arrange all their HR matters, and enables them to view and change their data online. Some 4,500 employees are now using MijnHR. The first steps have now already been taken in Belgium in implementing this HR system. Using the Wij-app (We-app), Maxeda provides a social platform that allows 5,000 employees to connect with one another at the press of a button. In this way, people can communicate and share experiences with one another much more quickly, which also promotes a team feeling. There is also an online learning platform, the Academy, that offers a wide range of learning activities so that employees can work on their professional and personal development through classical and online training courses, as well as combination programmes. In 2019, 4,979 participants completed a total of 36,550 classical training hours.



## Employer branding

A strong employer brand is important when you wish to attract talent as an organisation and ensure that they want to continue working for you. An organisation's authenticity and ability to differentiate play an important role in this. That is why in mid-2019 Praxis/Maxeda DIY Group launched a user-friendly career (werken-bij) site where we could tell our story as employer. Under the tag #werkenbijpraxis, a wide range of internal and external campaigns were launched via various social media channels. This makes us more visible to talent as an employer and creates greater engagement and involvement from employees. In 2019, Brico and BricoPlanit also made a start with a career site. This site is planned to go live mid-2020.



## Onboarding programme

In 2019, Brico and BricoPlanit developed an integration plan for new employees. New short themed videos were made available to the stores aimed at welcoming new employees. The videos concern the basic rules, how to deal with customers, restocking products and welcoming customers at the cash register. An integration manual was also developed for BricoPlanit for departmental heads. In addition, the promotion for the Academy in the stores was continued, particularly through practical training courses on laptops. At the end of 2019, a new online training programme was developed, the digital onboarding programme. This is a programme that new employees can follow during their integration and training period. In addition, a start was made on developing an onboarding programme for the headquarters in Amsterdam.



**Increasingly more customers know that the store formulas of Maxeda DIY Group can also be found online, leading to increasing number of customers buying their DIY products online. Digital is therefore growing extremely quickly. This year we have sold 25% more online than the previous year. There are more than 40,000 articles available online now, and through for example the E-DC and personalising communication we are working hard on optimising the online customer experience.**



## Loyalty programmes

In 2019, both Brico and Praxis introduced a new loyalty programme for their customers. In April, Praxis launched Praxis Plus, a programme that not only helps customers with DIY tasks, but also provides special discounts, benefits and extra services. Praxis Plus can be found in the new Praxis app and aims to, for example, strengthen the relationship with the DIY enthusiasts who regularly shop at Praxis. More than 1 million customers have already registered for Praxis Plus. Brico also introduced a new app and customer card with a new loyalty programme. This makes it possible to offer customers personalised discounts. Here, too, customers are able to enjoy exclusive benefits such as the free hire of a trailer and warranty without a receipt.



## E-commerce Distribution Centre (E-DC)

The E-DC is one of the locations (in addition to SHD stores and suppliers) where the online articles are stocked. When a customer places an online order, the E-DC takes care of the collection, packing and dispatch of the online order. The major advantage here is that a store is not required and that the stock is practically 100% correct. The E-DC now sends approximately 33% of the online deliveries, which amounts to hundreds of packages each day. The ultimate aim for the E-DC is that all online orders are sent from a single location to the customer. In doing so, we hope to improve the online customer experience and ensure that customers receive their orders quickly and on time. Behind the scenes people are together working hard with suppliers to expand the number of articles in the E-DC. Pallets and large seasonal articles are for example now being sent from the E-DC.



## 1 website and brochure

In July 2019, a single joint website was launched for Brico and BricoPlanit. Through the combination of the two sites we have managed not only to optimise our visibility in search engines such as Google but also to attract new customers. By combining our two forces we are better positioned as a DIY chain in Belgium and Luxembourg, both online via the website and offline via our brochure. Combining the sites has provided harmonisation in various areas. Thanks to this new website, we have taken an important step forward in the development of our digital strategy and can meet the demand of our customers.



The growth engine Home focuses on all solutions that we as Maxeda DIY Group can offer customers in services and innovations that make their lives easier. We also provide a range of services that simplify DIY jobs around the house, by, for example, providing assembly help and renting tools and equipment.



### Solar panels at Brico

Since September 2019, Brico has been selling and renting solar panels, under the name 'Brico Solar'. In collaboration with Earth, Belgian specialists in solar panels, Brico provides a unique formula that gives maximum accessibility to green energy. It's based on a simple principle: customers who want solar panels can immediately, via the website or in the store, receive a personalised simulation based on their consumption and the surface area of their house. Earth takes care of the technical analysis of the house and installs the solar panels in less than one day. Customers also have the option of renting the solar panels. This formula is unique in Belgium and makes it possible to overcome the financial obstacle so that solar energy is accessible for everyone.



### Pwiic partnership

In collaboration with Pwiic, Brico and BricoPlanit are providing a new service through a collaborative services platform 'DIY enthusiasts at your service'. The platform makes it possible to get into contact with people who are capable of carrying out various types of DIY tasks. These specialists carry out the job in a simple, efficient and inexpensive manner. In this way, we are able to guarantee to all our customers, also those less experienced in DIY, a successful completion of their DIY project.



### Boels 2.0

Boels is the partner of Praxis for renting tools and equipment. When customers used to go to the store to rent their equipment, there was no guarantee whatsoever regarding their availability. This process has been simplified through our 'Make It Easy' strategy. A reservation platform has been set up with Boels, which can be accessed via the Praxis.nl service page. Here the customer can easily and efficiently reserve the necessary equipment online, thereby guaranteeing that the equipment is available. Since the launch, Praxis has registered almost 300 online reservations per month. In 2020, this platform will also be available for Brico and BricoPlanit.

# CSR projects in Belgium & the Netherlands in 2019

BE-NL

