

Maxeda DIY Group Highlights & Key Figures 2018

Market leadership optimized through strong growth



Introduction

Foreword



Welcome to the 2018 Highlights and Key Figures of our Group. In 2018, we continued our strategic growth and again outperformed the DIY market as a whole, gaining significant market share in both the Dutch and Belgian market.

Under the leadership of CEO Guy Colleau Maxeda DIY Group has optimized the operations and the value proposition to the customers, which resulted in a strong financial performance, showing three consecutive years of solid EBITDA growth while reinforcing its market leadership.

The conversion of the majority of the Formido stores into Praxis simplified the organization and has been a commercial success. Due to this process, some stores were closed, hence the slight decrease in the number of total stores. But at the same time, sales did increase.

This recent year, we have invested more in our growth. We have fortified our engines of growth (Format, Product, Digital and People) and made a clear choice on the two brands we want to invest in (Brico and Praxis). Thanks to the successful business operation and good results, we were able to strengthen our financial position and invested EUR 61 million in ensuring further sustainable growth through the following key 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 invested this year more in new stores based on our redefined value proposition, opened new stores and refurbished stores; 27 Praxis stores integrated from Formido and several new City stores (Small Box), Mid and Big Boxes were added.
- Organization and product offering: we have strengthened our DIY retail business through an improved product offering, and created synergies through operating in a more integrated manner, using our scale to further drive capital efficiency.

I'm proud we provide a seamless customer journey, serving customers with products and services wherever they are in the Benelux.

- Marketing: we invested in a new brand identity, one brand family with a new look & feel, resulting in better online and offline recognizability and better navigation in store resulting in an increase in sales.
- Digital Journey: we invested further in our digital and online journey to simplify our business and offer a complete digital journey to our customers. We launched two new websites for our brands Praxis and Brico in the new look & feel, resulting in better navigation and a better product offer using the latest technologies. This resulted in a growth of our online DIY e-commerce and a far-reaching digital innovation in our operational service models and in our stores for our customers and employees.

This all resulted in increased annual sales of EUR 1.391 billion. Operating results increased by 6%, going from EUR 54 million to EUR 57 million.

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 appreciation. The successful execution of our strategic plan, by the strong and experienced management teams, has resulted in our leading brands being well positioned to seize growth opportunities in the Benelux market. The implementation of programmes improving the products and service offerings both in the stores and online is reflected in

an excellent omnichannel value proposition to our DIY customers.

I'm proud that together with my colleagues from the Executive Leadership Team and with the teams at our headquarters and in our stores, we provide a seamless customer journey, serving customers with products and services wherever they are in the Benelux.

Luc Leunis
CFO Maxeda DIY Group



Our stores

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 144 stores in Belgium and Luxembourg; Brico and Brico City.

BricoPlanit

BricoPlanit is a chain of 12 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 179 stores: Praxis, Praxis Megastore, Praxis Megastore & Tuin and Praxis City.

Formido

Formido is a chain of smaller DIY stores that meets the local needs of DIY enthusiasts in the Netherlands. Most of the 39 Formido stores are franchises (22 stores) and are located in the suburbs of larger and smaller cities. In September 2017, Maxeda DIY Group announced that within 2 to 3 years it will convert the majority of the Formido stores into Praxis; in the meantime this process was completed in 2019.

Our people

Maxeda DIY Group continues to further develop its activities through investing in our people and organisation, by working together as one team in an Open, Active and Positive culture. By people we mean ourselves and our customers. We believe that by being Open, Active and Positive we will make sure, we enjoy working together even more and achieve even better results!

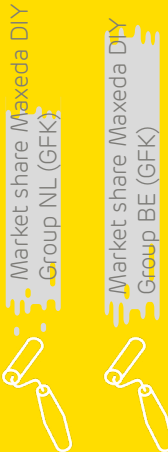


Key Figures 2018

Key facts

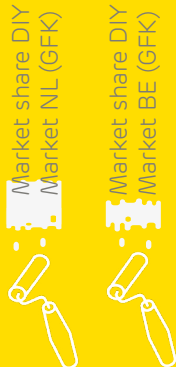
Market share

28% 42%



Growth of the DIY market*

+4.2% +1.4%



*cf. 2017

Key figures



Net sales in million Euros

1,391

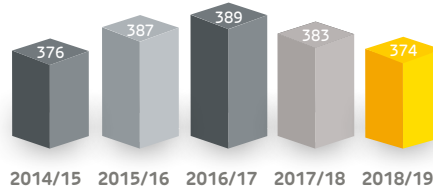


Total number of stores

374

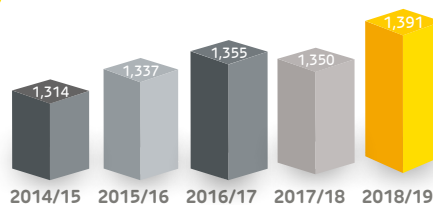
Stores

Number of stores

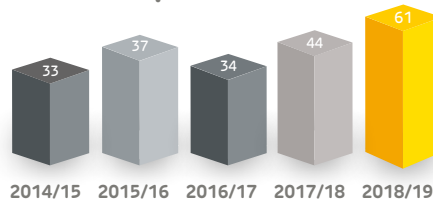


Net sales

Million Euros



Capital expenditures



Employees



>7,000

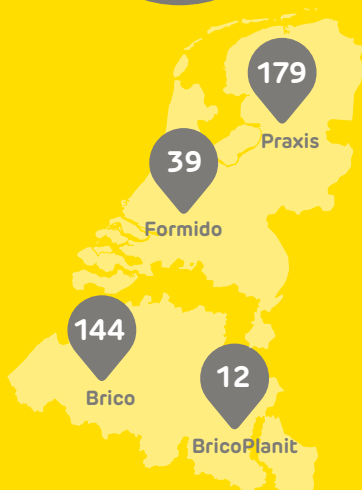
Average number of visitors per week



>1,500,000

Own brands

10



Store formulas

		Total stores	Own stores	Franchise stores	Average floor space m ²
Brico	Brico	144	62	82	3,700 (City is 300m ²)
BricoPlanit	BricoPlanit	12	12	-	11,200
Praxis	Praxis	179	141	38	4,100 (City is 300m ²)
Formido	Formido	39	17	22	-
		374	232	142	



Workshops for the Makers

Also in 2018, Praxis and Brico organised various workshops in order to learn customers the skills involved in common DIY jobs in and around the house. In 2018, 5,218 Praxis customers participated in workshops at 22 Praxis stores. In 13 Brico stores 1,160 Brico customers took part in workshops. The top three workshops of Praxis were: Sealing, Electricity and Drilling & Hanging systems. The following three workshops were the most popular at Brico: 'Women Only', Basic DIY and Laminate flooring.

Three formats, two brands, one family

In 2018 we introduced the same look & feel for all our stores and brands. The new look & feel of Praxis and Brico (which also includes BricoPlanit) is based on three key principles: simplicity, warmth and consistency. The facade, interior and checkouts have been modified. This gives a highly innovative result, which our customers are very positive about. The brochures and websites for all our brands have also been given the new look & feel. Consumer research has shown that our customers regard the new logo and the new corporate identity as 'recognisable' with a contemporary look & feel. They also strongly visualise our brand values of competence and reliability.



Launch of completely renewed BricoPlanit concept in Ternat

At the start of 2018, BricoPlanit in Ternat was the first store to be reopened with the new identity including the new logo. In this store, customers receive optimal service in a clearly organised and spacious store with a floor space of 12,000 m². The store has a product range of 50,000 products, which include 6,000 new products, new kitchen concept, self-scan cash registers and space for more than 400 cars at the car park.



27 Formido stores now integrated into Praxis

In September 2017, Maxeda DIY Group announced that it wished to strengthen the Praxis brand by integrating the majority of the Formido stores. 2018 was very much a year dominated by this conversion, which was completed in 2019. This integration in combination with Praxis produced operational synergies and simplified the organisation. In addition, both the customers and converted stores benefited from the increased size, greater purchasing power and marketing advantages, which help to further strengthen the market position of Praxis. In 2018, 27 stores were transformed into the Praxis brand. A complete metamorphosis took place in a matter of weeks, and several store refurbishments were often carried out at the same time. The stores have a smarter lay out now, with 20% more shelf space, showing the Praxis products in a very clear way.

These are the Praxis teams/stores which have been integrated from Formido in 2018:



Geldermalsen



Lichtenvoorde



Wolvega



Leiden



Wezep



Vianen



Wieringerwerf



Dalfsen



Budel



Oss Ussen



Zevenaar



Hellevoetsluis



Raalte



Nijverdal



Zeewolde



Stiens



Oudenbosch



Oosterwolde



Urk



Albrandswaard



Hippolytushoef



Zevenbergen



IJsselmuiden



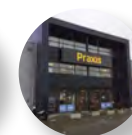
Kollum



Zaltbommel



Winsum



Brielle

Praxis 40 years

In 2018, Praxis celebrated with its staff and customers its 40th anniversary during the Praxis Day as well as during various activities spread throughout the year. In September, with each cash transaction customers were given a scratchcard for a chance at winning various prizes including floor makeovers, hot tubs, gift cards and lounge sets. Stores competed for their own team prize. The store teams celebrated the company's anniversary with numerous activities such as bowling, barbecues, sailing and karaoke.



Digital clocking with JDA in Praxis stores

In 2018 a new digital clocking system from JDA was installed in all Praxis stores. This allows staff to register their time and attendance in the store digitally. Another advantage is that the employees can see their schedule and store opening hours online. In addition, Store Managers from now on can see overviews of the time and attendance digitally. This helps to improve the efficiency and save time.

Brico 45 years

Brico celebrated its 45th anniversary with various events, including the Makers Fair and the Brico Days. Brico staff and customers were also involved in the celebrations. The store teams celebrated the company's anniversary in June and September with a party in each store. Throughout the entire year various special offers, radio commercials and commercial activities were scheduled.



Convention BricoPlanit

On 8 March the annual Convention day of BricoPlanit took place, which had 'energy' as theme this year. During a workshop, employees were shown how they can achieve their objectives. Both the staff and management were very positive about the day.



The Makers Fair was all about 45 years Brico



Fast WiFi in all stores

Since the start of April 2018 the WiFi network of all stores of Praxis, Brico and BricoPlanit as well as of the headquarters in Amsterdam and Brussels have been optimised. Two extra individual wireless networks were created: a WiFi network for customers and a separate WiFi network for staff. Customers can use the 'Praxis-Hotspot', 'Brico-Hotspot' or 'BricoPlanit-Hotspot'.

Winnaars

Winnaars Beste Folder Awards 2018



Bouwmarkten
Formido



Formido wins Best Brochure Award 2018

At the end of April, Formido won the Best Brochure Award 2018 in the DIY store category. Over 35,000 consumers voted on brochures in eight different sector categories. Formido received an average final score of 7.7, whereby brochure readers rated the 'clarity' of the brochure as the best in class.

Remodelling in Ghlin

For the start of the new season, a remodelling was carried out at the Bathroom and Tile departments of BricoPlanit Ghlin. This resulted in a better presentation of products and in more traffic to the store.



Large Praxis store opened in Maastricht

On 27 June, Praxis opened its largest DIY store in the south of the Netherlands. Measuring over 9,000 m², Praxis Maastricht Belvédère has many special services. More than 35,000 articles are in stock and all the departments have been expanded with new products and brands. This Praxis store is also responding to the growing professional home improvement market with special products and services for this target group. Its large regional appeal is also quite special, attracting customers from Maastricht and the surrounding area, as well as customers from Belgium.



Brico refurbished eight stores

Brico refreshed eight stores in 2018. In March in Drogenbos, Brico opened a store with 200 meter more shelf space at the Lighting, Painting and Wood departments. The same month also saw the opening of a garden pop-up store in Middelkerke and a remodelling of the garden department in Bierges. In April Brico opened two stores in the new visual identity in Hasselt and Eghezee. And later in the same year, Brico City De Fré was opened completely in the new style. The final refurbishments involved a remodelling at Brico Arlon and Anderlecht.



Praxis wins The Best Social Awards for Best Copywriting

After being nominated for The Best Social Awards on 1 May, Praxis won The Best Social Awards in the category Best Social Copywriting for its social media post on Facebook, where Praxis responded in an amusing manner to the jacuzzi that was sold out in a supermarket.

New collection zone for orders in Châtelineau

In June, Brico Châtelineau was equipped with a special zone for collecting goods. This makes the collection of orders much simpler and improves the service. This new setup also provides many advantages for customers: saves time, orders can be paid for without going to the store checkout and large orders can be loaded much more easily.



Praxis of the year 2018

Each year Praxis awards a prize for the best store of the year. This year the award of Praxis Store of the Year went to Praxis Hoogezand. Store Manager Robert Galliard was the proud recipient of the prize.



Brico of the year 2018

Each year Brico awards a prize for the best store of the year. This year the award of Brico Store of the Year went to Brico Mersch. The honour of receiving the prize went to Store Manager Thierry Mignon.





Five new city stores for Praxis

On 4 September 2018, Praxis opened its ninth city store in the country, this time in Groningen. Previously this spring, other city stores were opened in Rotterdam, Eindhoven and Utrecht, and in June in Nijmegen. With the opening of these Praxis City's (previously called Praxis om de Hoek) Praxis realises also through this name change its ambition to strategically position its city stores.

LED lighting for many stores

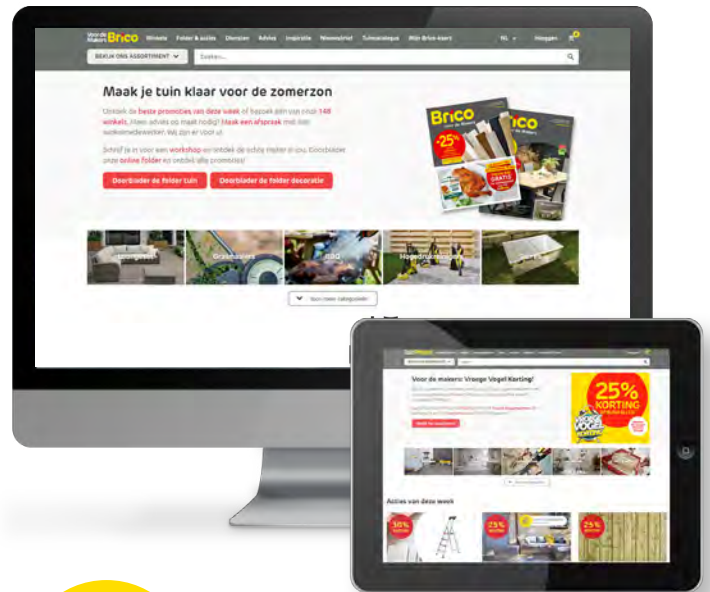
In 2018, 120 stores of Praxis were fitted with energy-efficient LED lighting. Philips' 'Light as a Service' was chosen for this. They take care of the entire conversion and maintenance, including removing the old lights and installing the new LED fittings. This helps to save up to 33% of energy consumption. The new lighting has also created 20% extra shelf space. This benefits both the environment and the organisation. This project is still ongoing at Brico and BricoPlanit.



Launch of renewed websites

www.praxis.nl and www.brico.be

In the fall Maxeda DIY Group launched two renewed websites: one for Praxis and one for Brico. These websites are more user-friendly and modern, and feature the new look & feel. What's more, the new design makes it easier for visitors to find products. The ability to pay through the mobile phone also makes it more user-friendly, considering that more than half of the visitors visit the websites using their mobile phones.



CSR projects in Belgium

Maxeda DIY Group has set in motion all sorts of CSR initiatives in 2018 as well. Here is an [overview](#) of all the sustainable, new and existing projects in Belgium (based on the 17 SDGs of the UN).



Sustainable wood in stores



Responsible production of own brands



CSR services for customers



33% energy savings with new LED lighting



Sustainable packaging



More than 50 water-saving products



45 years of product innovation



Sustainable deployment of employees



Employees continue to develop themselves with the Academy



Customers reduce their energy bills by buying insulation material and improving comfort



More than 94,400 kg of electrical waste collected in collaboration with Recupel



More than 143,000 products bought with ecocheques



Fresh fruit for employees (HQ Brussels)



Workshops for the Makers with CSR aspects



Expansion of ecological product range



20,913 kg batteries collected



New work clothes made of completely recycled materials



Monitoring use of pesticides by plant suppliers



Setting up logistics sustainability plan

CSR projects in the Netherlands

Maxeda DIY Group has set in motion all sorts of CSR initiatives in 2018 as well. Here is an overview of all the sustainable, new and existing projects in the Netherlands (based on the 17 SDGs of the UN).



33% energy savings with new LED lighting



Sustainable wood in stores



Responsible production of own brands



Sustainable deployment of employees



Successful phasing out of skin card packaging



18% reduction of waste



Salvaged tools: 300,000 tools collected



Staff continue to develop themselves with the Academy



Safe and healthy working environment with the updated risk inventory and evaluation



More than 94,400 kg of electrical waste collected in collaboration with Wecycle



Together dementia friendly: training for store employees



Maxeda gives kickstart to businesses in developing countries



Fresh fruit for employees (HQ Amsterdam)



Workshops for the Makers with CSR aspects



Expansion of ecological product range



24,000 kg batteries collected



New work clothes made of completely recycled materials



Monitoring use of pesticides by plant suppliers



Setting up logistics sustainability plan

More training for our employees

Our employees help to grow our organisation. In order to provide our employees with even more opportunities to grow and to develop themselves, Maxeda DIY Group launched an

online learning platform with a wide selection of learning activities, the Academy. The Praxis and Maxeda Academy went live at the start of February. And then in July it was the turn of the Brico and BricoPlanit Academy. Through classical and online training and combined programmes, our staff can learn more about their field of work and work on their personal



BricoPlanit



development.

At Praxis we have developed a comprehensive online introduction programme.

At Brico/BricoPlanit several Makers workshops for employees have been initiated.

Increasingly more creative commercial promotions

Various partnerships have been entered with a number of brands such as Lunch Garden, Auto 5 and Planet Parfum in order to attract more visitors to the stores. These partnerships have been very successful with many fun promotions for our customers.



Praxis is the largest DIY store in the Netherlands

In November Praxis opened three new stores, bringing the total number of stores to 174. This makes Praxis the largest DIY store chain in the Netherlands, not only in terms of floor space but also in terms of the number of stores; and this growth is continuing.



Award for recycled clothing

Maxeda DIY Group has, together with Schijvens, the supplier of the new industrial clothing, received an incentive prize for the new Maxeda clothing collection. For this new clothing collection, Maxeda has opted for a sustainable and socially responsible production of the clothing. The new work clothes of Praxis, Brico and BricoPlanit is made 100% out of recycled materials. The clothing consists of 30% used Praxis, Brico and BricoPlanit work clothes, 20% offcut waste and 50% old recycled PET polyester from plastic bottles, fishing nets and polyester clothes. What's more, during the production 99% savings on water were made.



Roll-out of internal social platform We-app in Belgium

At the end of October, Brico and BricoPlanit employees joined the Benelux-wide internal platform, the We-app. The We-app is a social platform that can connect to one another all 7,000 employees of Maxeda DIY Group, including all the staff of Praxis, Brico and BricoPlanit, with a single press of a button. This allows employees to communicate with one another and share experiences much more quickly, as well as promote team spirit. Each store has its own closed community that allows store staff to contact one another easily and conveniently.



The Customers' Party at BricoPlanit

The teams of BricoPlanit also worked hard in 2018 in order to make the 'Feest van de klanten' (The Customers' Party) the most important event of the season. With powerful sales dynamics, fantastic atmosphere, top-quality entertainment and full attention for the customers. This produced some great results. The winners of the Challenge were invited to a gala evening in December.





MijnHR goes live in the Netherlands

At the start of January 2019, we launched a new digital internal HR system, MijnHR. Dutch employees can manage and view their own HR affairs in this new digital platform. The new HR system includes many digitalised aspects such as contracts, payslips, declarations, new staff notifications and address changes. By simply using a desktop computer, tablet or mobile phone, employees are able to arrange their own HR matters and view and change their details online. This makes personal data accessible for all the staff in the Netherlands regardless of time and place.

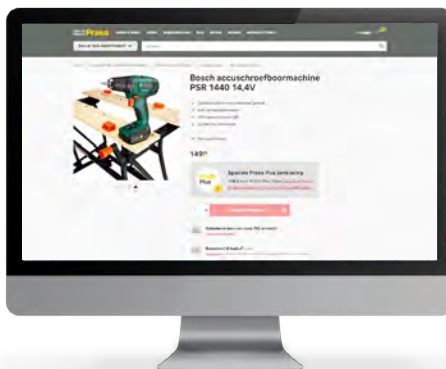
Praxis awarded with Wecycle 'Gouden Bakkie' Award

Wecycle has awarded Praxis a 'Gouden Bakkie' Award due to its extensive collection of lamps and fittings during the renovation of 120 Praxis stores. During the renovation project, more than 800 metal halide arc lamps and more than 50,000 fluorescent lights and associated fittings were replaced with LED lighting. Through a partnership with Wecycle, more than 150 Praxis stores have been equipped with Wecycle collection furniture, so that customers are also given the opportunity to hand in and recycle their bulbs and small electrical appliances.



PIM DAM project live

At the end of December 2018 the first phase of the PIM DAM (Product Information Management Digital Asset Management) project went live. As of this date, all suppliers of Maxeda DIY Group supply their product data via the suppliers portal of the system. All colleagues of the Assortment department also work in PIM DAM as of this date. This allows suppliers to communicate more easily and quickly with our organisation, and the customer benefits from uniform and clear product information on the website.



Praxis number 1 in the sale of Christmas trees

For years Praxis has been the number 1 with the sale of Christmas trees. And this year as well. Therefore we are master in monitoring trends. For example this year the sales of the Christmas trees in pot (with roots) has increased by 20% compared to last year.