

Update Call Q2/6M 2024/25

HORNBACH Holding AG & Co. KGaA

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Key Financials: Earnings significantly improved – FY outlook unchanged

Sales € 3,455.8m <i>Total sales: +0.1%</i> <i>LFL: +0.7%</i>	Gross Profit / margin € 1,201.9m 34.9% <i>(+4.8%) (+1.6pp)</i>	Adj. EBIT / margin € 265.4m 7.7% <i>(+19.9%) (6.4%)</i>	EPS € 10.78 <i>(€ 7.83)</i>
CAPEX € 51.2m <i>(-44.1%)</i>	Free Cash Flow € 151.6m (+>100%) <i>(€ 4.9m)</i>	Net leverage 2.2x <i>(Net debt / EBITDA)</i>	Equity ratio 46.5% <i>(Feb. 2024: 43.5%)</i>



Operational Update



HORNBACK achieves top rankings in customer surveys.

- In Germany's "Kundenmonitor 2024", HORNBACK ranked first overall for DIY stores as well as in many additional categories.
- In Netherland's "Retailer of the Year", HORNBACK was recognized as best DIY store and online shop.



Euro Plant's reusable plant trays are now available at HORNBACK stores.

- HORNBACK is the first DIY retailer to use this reusable system for transporting field plants.
- The trays are designed to last for ten years, eliminating tons of plastic waste.
- In the coming months, the reusable trays will also be rolled out in all 169 HORNBACK stores in Europe.

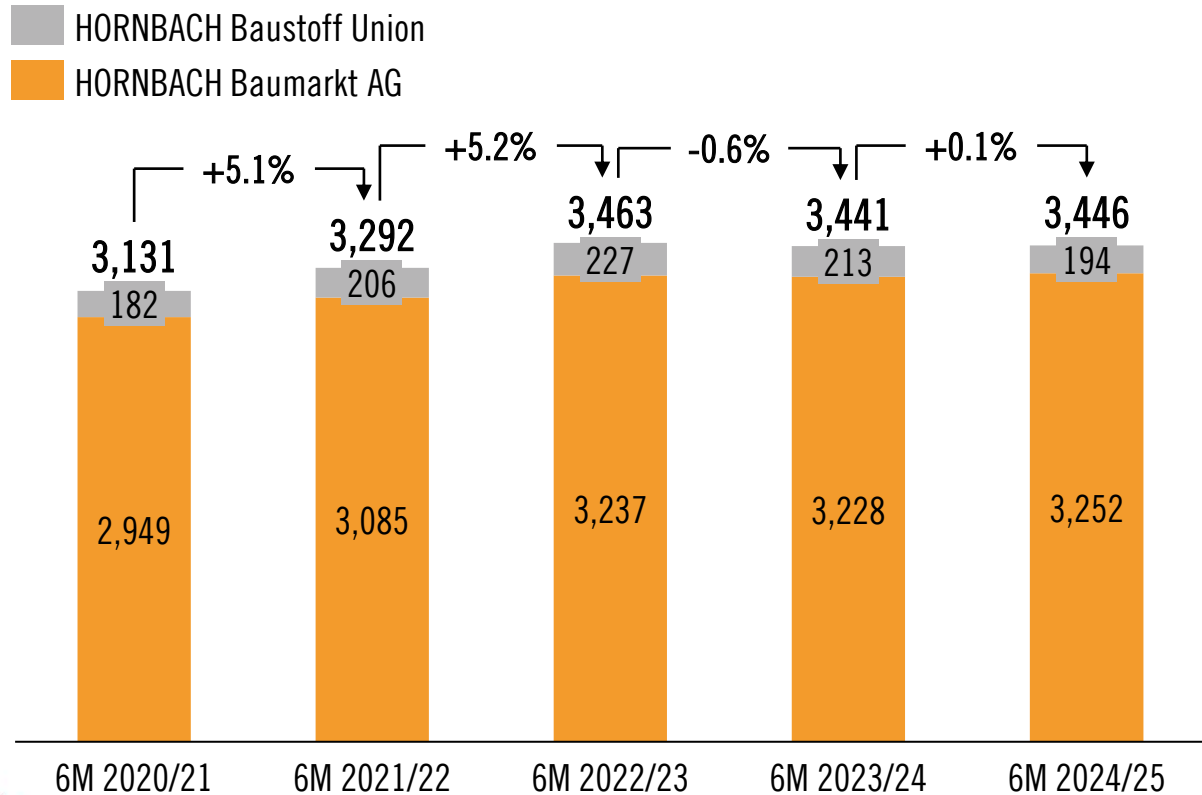


Improving existing infrastructure and planning new stores for the upcoming years.

- Opening of extended Drive-Ins in Zaandam (July 2024) and Groningen (September 2024).
- Rebuilt store in Nuremberg to reopen in February 2025.
- Four new stores planned in FY 2025/26.
- Additional energy savings projects: PVs and heating systems.

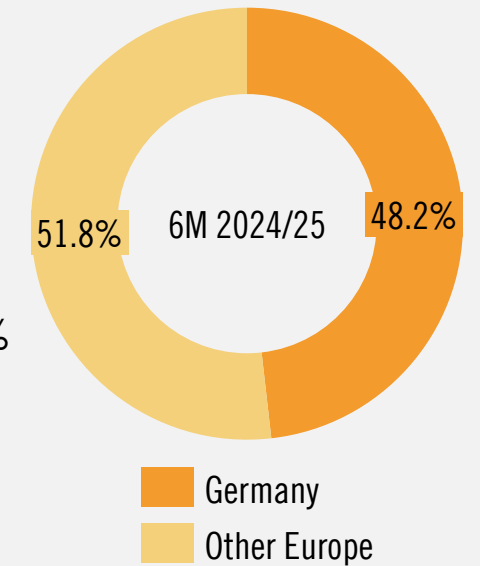
Net sales 6M 2024/25 in line with prior-year-period – HORNBACH Baumarkt saw slight growth

6M net sales (Mar 1 – Aug 31)



Geographic sales split HORNBACH Baumarkt

- **Baumarkt** subgroup: +0.7%
 - Germany: +0.2%
 - Other Europe: +1.2%
- **Baustoff Union** subgroup: -7.3%



6M 2024/25 like-for-like sales with positive development in majority of countries

- Demand benefitted from better **weather conditions** in most countries across Europe during Q1, having a **positive impact on garden & plant sales**
- Unfavorable weather conditions from May to August lead to **mixed Q2 results**
- Group-wide **equal number of business days** as in prior-year-period

Like-for-like sales growth¹⁾ per quarter and half year in %

	Q1 2023/24	Q2 2023/24	6M 2023/24	Q1 2024/25	Q2 2024/25	6M 2024/25
Total	(3.2)	1.0	(1.3)	2.5	(1.2)	0.7
Germany	(5.7)	0.3	(2.9)	2.9	(2.2)	0.4
Other Europe	(0.8)	1.6	0.3	2.1	(0.3)	1.0
Austria	(6.6)	(3.5)	(5.1)	3.0	(3.4)	(0.1)
Czechia	(3.2)	(1.2)	(2.2)	3.4	2.3	1.1
Luxembourg	0.6	7.7	3.9	(2.3)	(4.4)	(3.3)
Netherlands	7.7	7.5	7.6	1.8	1.9	1.8
Romania	(2.2)	(0.9)	(1.5)	3.9	1.7	2.9
Slovakia	(0.4)	1.3	0.4	2.7	(0.1)	1.3
Sweden	(7.1)	(0.7)	(4.0)	3.9	0.3	2.1
Switzerland	(2.3)	1.6	(0.5)	(0.7)	(3.4)	(2.0)

1) Lfl = Like-for-like, in constant currencies; includes sales from all stores that have been open for at least one year as well as sales from online shop

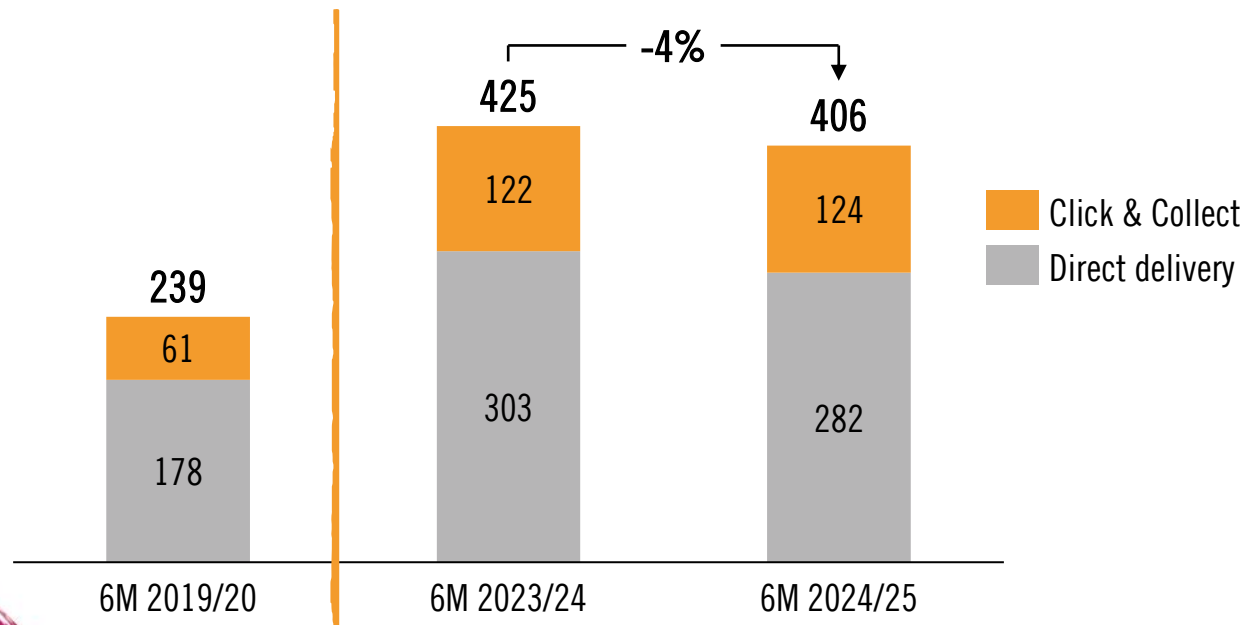
E-commerce share remains well above pre-Covid levels

E-Commerce share of net sales:

9.8%

13.2%

12.5%



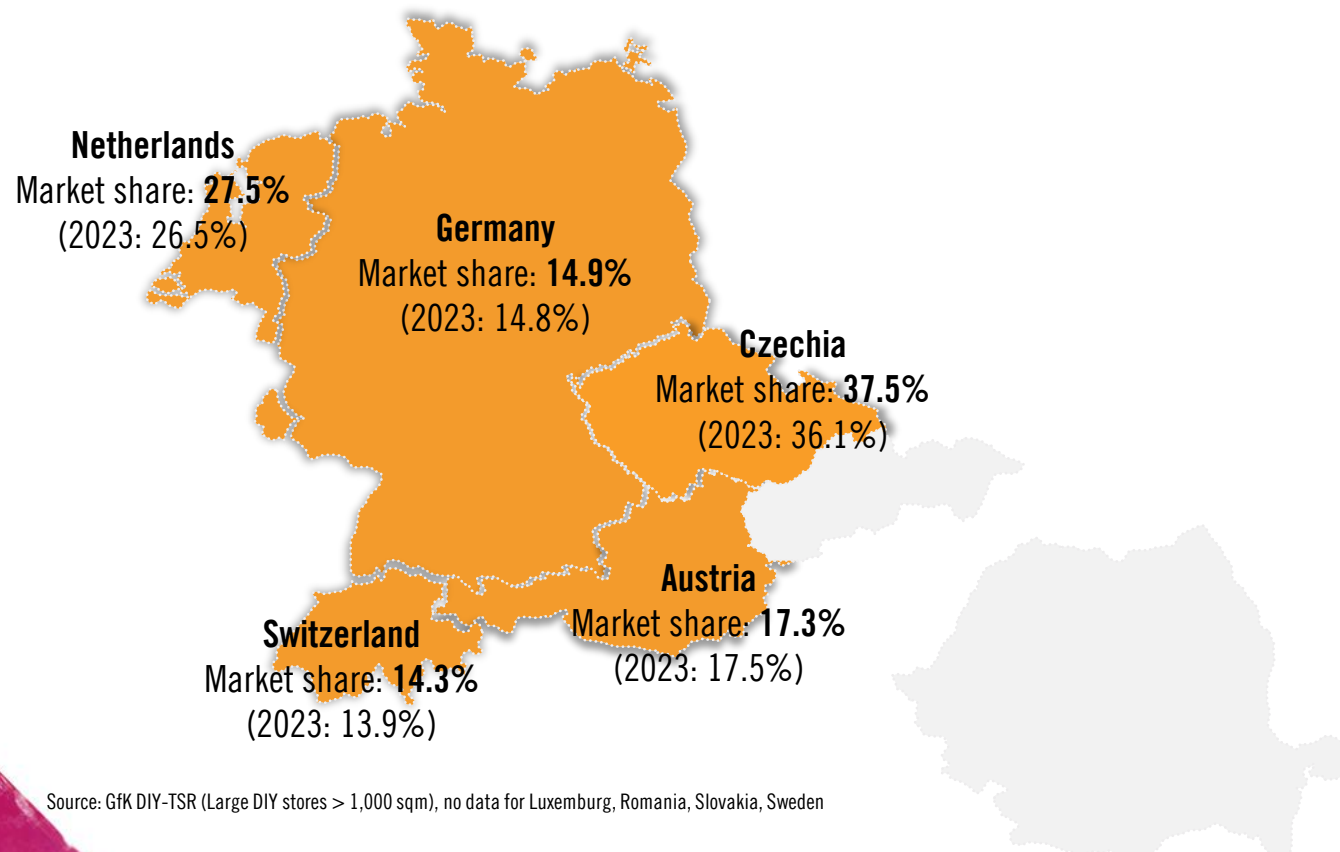
- **E-commerce share of HORNBACH Baumarkt sales** (incl. Click & Collect) of **12.5%** in 6M 2024/25, comparable to Q1 figure
- **Direct delivery** and **Click & Collect** are established sales channels in DIY and DIFM and remain well above pre-pandemic levels
- HORNBACH received **top scores** regarding its website and online shop in **German customer survey** 'Kundenmonitor 2024'
- Once again named **best DIY web shop** in the Netherlands and Austria in 6M 2024/25

Market share calendar year: Jan – Jul 2024 in %

HORNBACH Baumarkt – Positive market share development

Market share 2024 in key countries

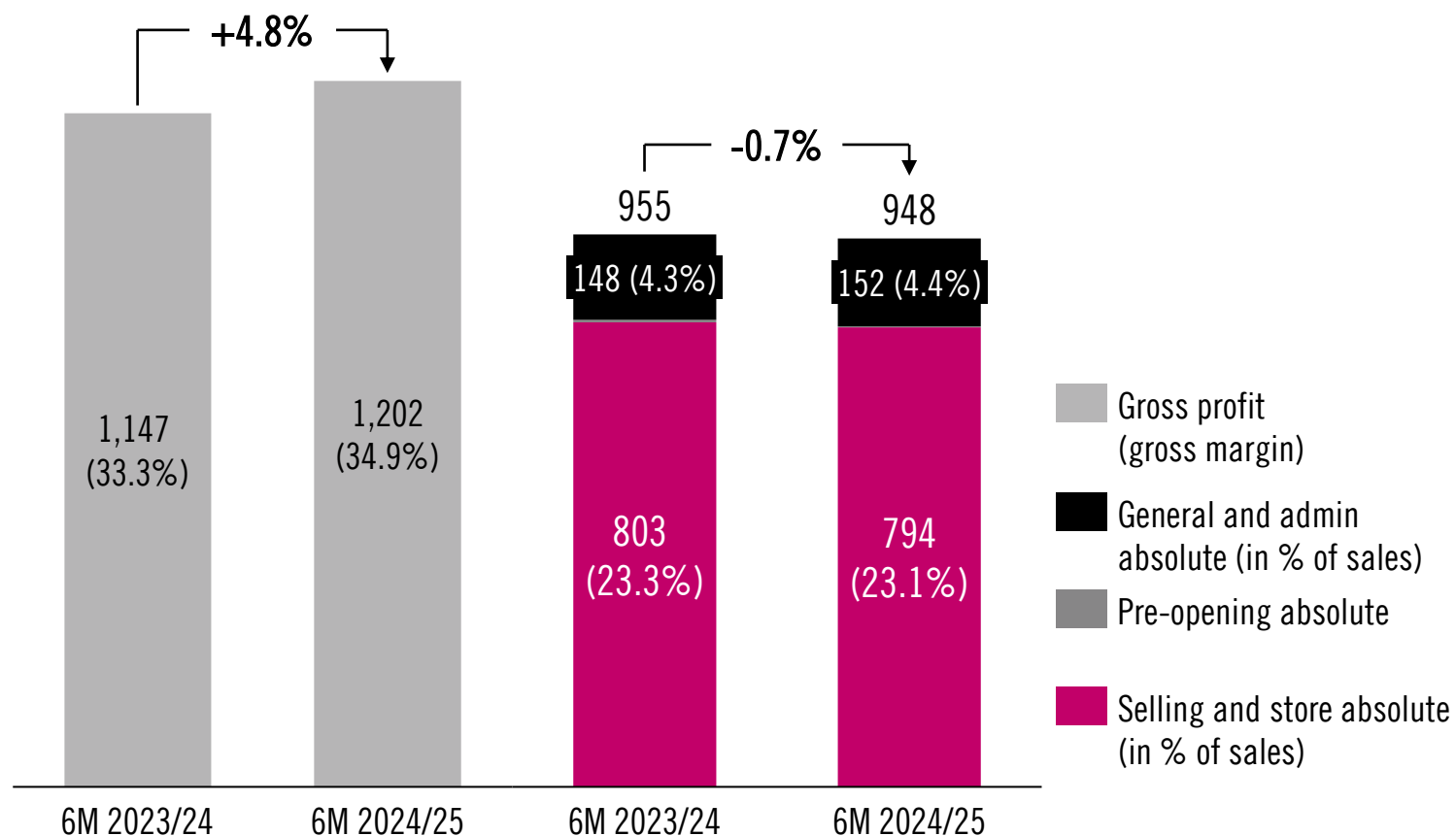
Market share of HORNBACH Baumarkt January – July 2024 in % (GfK)



Source: GfK DIY-TSR (Large DIY stores > 1,000 sqm), no data for Luxemburg, Romania, Slovakia, Sweden

- HORNBACH has a **clear focus on growing its market share** (GfK) in a highly competitive environment
- Market share in the **Netherlands** grew by +1.0 ppt driven by successful expansion and increasing same store sales
- **Czechia** +1.4 ppt compared to 2023
- **Switzerland** increased market share by 0.4% driven by shifts in competitive landscape
- Market share in **Germany** remains at high level of 14.9%

Gross margin significantly up from prior-year-period – cost structure further improved



- **Gross margin improved significantly to 34.9%** reflecting normalized core commodity prices and healthier product mix – **gross profit up by 4.8%**
- **Selling and store expenses** in % of sales decreased – prior year affected by adjustments mainly triggered by ECB interest rate changes
- **General and administration expenses** in % of sales nearly stable, lower general costs offset increased wages and investments in IT headcount

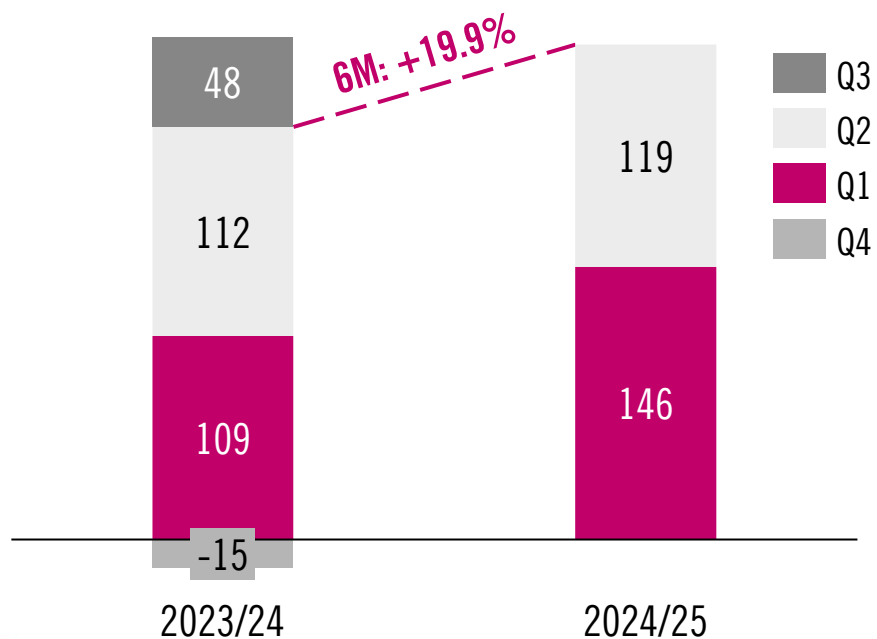
Adjusted EBIT¹⁾ in € million and adjusted EBIT margin in %

Adjusted EBIT substantially increased by 19.9%

Adjusted EBIT and adjusted EBIT margin 6M:

6.4%

7.7%



- **Group adjusted EBIT** significantly increased due to improved gross profit (+4.8%) and strict cost discipline
- **Prior year adjustments** were mainly driven by ECB interest rate changes

Reconciliation (in €m)	6M 2023/24	6M 2024/25
EBIT	202.0	266.2
Non-operating effects	+19.3	-0.7
Adjusted EBIT	221.3	265.4

1) Adjusted to exclude non-operating earnings items, e.g. impairment losses on assets, income from disposals of properties, income from write-ups of assets impaired in previous years

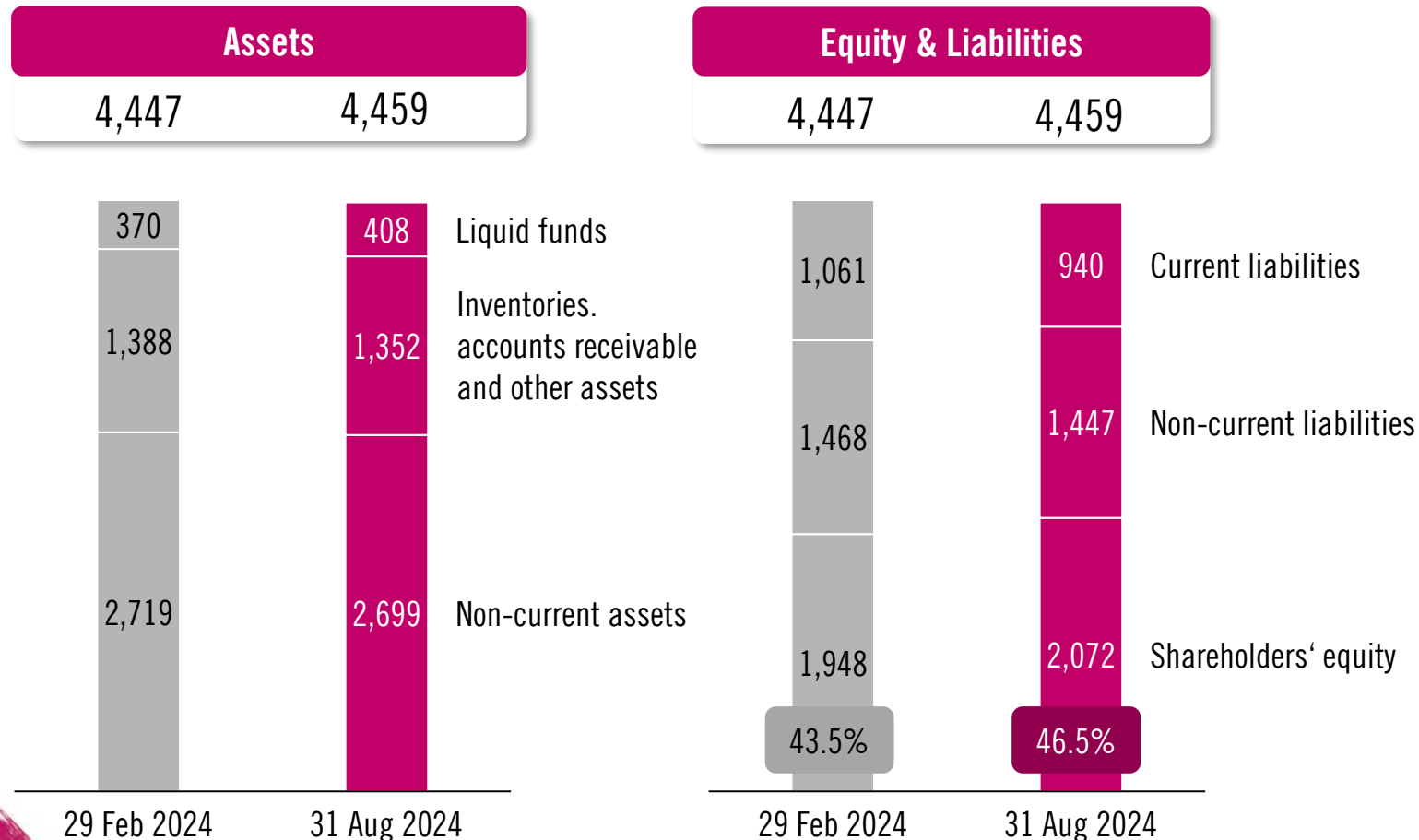
Free cash flow reflects successful spring season

	6M 2023/24	6M 2024/25
Cash flow from operating activities	122.6	193.8
<i>of which: change in working capital</i>	<i>(-139.2)</i>	<i>(-103.5)</i>
Cash flow from investing activities	-117.7	-42.1
<i>of which: gross CAPEX</i>	<i>-91.7</i>	<i>-51.2</i>
Cash flow from financing activities	-91.4	-116.4
Cash-effective change in cash and cash equivalents	-86.6	35.3
Free cash flow (after net CAPEX and dividend)	-5.8	111.7

- **Cash flow from operating activities** substantially increased due to strong Q1
- **Change in working capital** predominantly reflects seasonal development
- **CAPEX** spent on acquisition of land and construction of new stores (33%), store conversions and equipment (54%), software (13%)
- **Free cash flow** of €112m (6M 23/24: €-5.8m) reflects strong operations in combination with different investment timetable

Balance sheet in € million

Strong balance sheet structure



- **Inventories** stabilized after successful inventory reductions in 2023/24
- **Net financial debt** slightly below February 2024 level
- Strong **equity ratio** at 46.5%

Credit Rating	Aug 2024	Feb 2024
Net debt / EBITDA	2.2x	2.5x
S&P Rating	BB+; outlook stable	BB+; outlook negative

Pursuing long-term opportunities while navigating current challenges



- Sustain **price leadership** and remain a reliable partner to our customers
- Continue to invest in our ICR strategy and the digitalization of our business to **maintain strong market positions**
- **Further improve efficiency** by actively managing costs and inventory
- **Advance our ESG priorities and objectives** within our own operations, supply chain and product offering
- **Maintain a strong balance sheet** and **reliable dividend**

We are confident in our business model and ability to grow market shares as we remain well positioned to navigate the complex macroeconomic environment and have the financial strength to continue to invest strategically.

Q & A



Upcoming events & IR contact

Financial Calendar

September 25, 2024	Baader Investment Conference, Munich
October 15, 2024	Quirin SME Conference, Paris
October 16, 2024	Advantage Family Office Capital Market Conference, Vienna
November 13, 2024	BofA EMEA Consumer and Retail Conference 2024, Paris
November 18-19, 2024	Equity Forum Winter 1on1 Summit, virtual
November 20, 2024	Kapitalmarktforum Mannheim
November 21, 2024	CIC Forum by Market Solutions, Virtual
November 26, 2024	Deutsches Eigenkapitalforum, Frankfurt/Main
December 20, 2024	Quarterly Statement Q3 2024/25 as of November 30, 2024

Updates on our [IR website](#)

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