

# PRESS RELEASE

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## **Sales up 8.4% - BERNER Group continues to grow**

The BERNER Group remains on track for success. In the past financial year 2022/2023 (1 April to 31 March), the B2B trading company's sales, adjusted for consolidation effects, were 8.4% higher than in the previous year and reached EUR 1.174 bn (previous year EUR 1.084 bn). In the first months of the current financial year, the BERNER Group was able to further increase its sales. However, the pace of growth has slowed due to the generally challenging environment, especially in the construction industry (including interest rate hikes and persistent inflation).

"Many strategic decisions and investments of the past years are having an effect. Our focus on chemical innovations such as Cleanstar Magic or X-TREME adhesive foam have convinced our customers. In new depots, we offer even more service and products. In logistics and digital sales channels, we have positioned ourselves strongly and reacted to changing market conditions in good time. As a result, we are much more robustly positioned and are growing continuously and profitably," says Christian Berner, CEO of the BERNER Group.

### **Turnover in core business omnichannel trading increases by more than 7%**

In the Omnichannel Trading business segment (multi-channel sales), the Group increased sales revenues by more than 7% with the BERNER and BTI by BERNER brands. For the first time, more than EUR 1.1 billion in sales were achieved here.

BERNER offers professional tradesmen across Europe products and service solutions in the automotive, construction and industry segments. "Business in the mobility and industry segments has developed well. Here we are seeing growth of around 10%. The increasing restraint in the Construction segment is also reflected in our business development. With a 6% increase in turnover, we have also grown here, but more slowly than in the previous year," says Arthur Jaunich, who is responsible for sales and marketing on the Executive Board.

The BERNER Group was able to record above-average growth dynamics in all three segments in the area of key accounts. New service and ordering concepts such as chemical service management or individualised e-procurement solutions have made a lasting impression on major customers, resulting in growth rates of between 18 and 27%.

The subsidiary Caramba, which is active in the business field of speciality chemicals, achieved an increase in turnover of more than 30% in the past business year. This development was mainly due to strong demand from key accounts in the private label sector.

### **Successful mix of direct sales and alternative channels**

The majority of the turnover is still accounted for by the approximately 5,100 sales employees who are in direct contact with customers on a daily basis. Despite difficult conditions in recruiting skilled workers, the BERNER Group was able to increase the number of employees by almost 5%.

With the digitalisation already started in 2015, the B2B wholesaler has at the same time reacted to a change in customer behaviour and established alternative sales channels parallel to the field sales team. In 2022/23, BERNER and BTI by BERNER already generated almost a third of their sales via eCommerce, tele-sales and depots. By comparison: in 2016, the share of these alternative channels in total sales was still around 12%. In the past financial year, sales in eCommerce alone grew at a double-digit rate (17%) for the fourth year in a row.

The strategy launched three years ago of opening targeted depots in metropolitan areas where craftsmen can receive advice, service and products has also continued to develop well. In the past months, six new depots were opened in Spain, France (2), Latvia, Italy and the Netherlands. In total, there are now around 60 depots across Europe. Turnover increased by more than 33% compared to the previous year.

### **Restrained start 2023/2024**

Persistently high inflation rates, rising interest rates and a noticeable reluctance to invest characterise the BERNER Group's sales performance in the first months of the new financial year. "We continue to grow, but the pace is slowing noticeably, especially in the construction sector. Unfortunately, no impetus or measures are to be expected from the federal government to improve the framework conditions. On the contrary: we are deindustrialising and, especially in Germany, are just slipping massively in international competitive comparison. Unfortunately, too few people understand that our standard of living and the fight against climate change can only be secured through a solid economic basis and growth," says Christian Berner.