



PRESS RELEASE

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Berner Group prospers during the 2020/21 pandemic, invests strongly and begins the new financial year with double-digit growth rates

- 1.2% increase in sales despite three coronavirus waves in the past fiscal year
- Construction and chemical segments show disproportionate growth
- E-commerce sales up by around 30%
- Strong start in the first months of the new financial year

Three waves of the coronavirus, three lockdown periods and federal “emergency brake” regulations were unable to stop the BERNER Group’s course of growth over the past 2020/2021 financial year (April 1 to March 30). Adjusted for consolidation effects, sales reached EUR 1.061 billion (previous year: EUR 1.048 billion), i.e. 1.2% higher than in the previous year. The construction and chemical segments reported disproportionately high growth rates. E-commerce sales in the omnichannel trading segment increased by around 30% to more than EUR 120 million. At the same time, the BERNER Group managed investment projects in logistics, IT and shops during the pandemic with a total volume in the high double-digit million range. “In April and May 2020, we dropped far behind the sales figures of the previous year. The fact that we nevertheless managed to close the year with one of the highest sales levels in BERNER’s history makes me grateful and very proud. During the pandemic, we even gained market share in numerous countries because we were better prepared,” says CEO Christian Berner. He is also satisfied with the start to the new financial year, as the Group has seen double-digit growth during the first two months.

“Unlike many competitors, we have a fiscal year that differs from the calendar year. So our year traversed all three coronavirus waves. We began the pandemic with a 30% drop in sales in April 2020, and May was also quite weak. But then the robustness of our business model quickly became apparent. The six best individual months were achieved between July and December, with our sales force and electronic sales channels complementing each other perfectly. In September, we achieved the highest monthly sales level in Berner’s history at EUR 105 million, and then monthly sales exceeded EUR 100 million five times. The past fiscal year was therefore a year of numerous records for us,” says the CEO, recalling the ups and downs of the past 12 months.

The development of sales from mid-May 2020 was largely driven by demand in the construction (+2.3%) and chemical (+4.5%) segments, while demand in the automotive segment declined by -1.9%. Despite the interim turbulence in sales figures, the Group maintained its ambitious investment targets. Multi-million investment projects were completed in the European logistics offensive with the new central warehouse in Kerkrade, warehouse expansions in Germany and a new research building at Caramba. In addition, the Berner Group commissioned a new warehouse at Caramba during the past fiscal year, and a number of new depots were also opened in Spain, Portugal and France. In Braunau, Austria, the foundation was laid for a high-bay warehouse and a BERNER Expert Academy has been in place since early 2021. “With these countercyclical investment projects in the double-digit million range, we are laying the foundation to further expand our strong market position in Europe after the coronavirus period,” says Christian Berner.

Sales in omnichannel trading up by approx. 0.7%

In the omnichannel trading segment (multi-channel sales), the Group with its Berner and BTI brands increased sales by about 0.7% to more than EUR 935 million in the financial year that has just ended.



The BTI brand, which specializes in the construction sector, recorded the strongest growth of all the individual companies in the Group, with an increase of about 6% to approximately EUR 123 million. The Berner brand, with its 23 national companies, secured the sales level of the previous year, attaining more than EUR 814 million (previous year EUR 815 million). The Region South came through the pandemic best, with sales up by almost 1% (around EUR 400 million), even though the region includes France, Spain and Portugal, countries that were affected by stricter exit restrictions for a very long time. The Central Region with Germany and Switzerland also made a positive contribution to growth (+0.4% to around EUR 154 million). The Regions East (-1.6%) and North (-3%) saw slight declines, while the Region West maintained the previous year's sales level.

B2B customers continue to focus on e-commerce

The trend in changing purchasing behavior among B2B customers that began in 2019 continues in omnichannel trading. "The number of online orders placed by customers in web shops continues to develop very dynamically," says CFO Peter Spitzbauer. After an 18% plus in e-commerce in 2019/20, the BERNER Group attained a plus of about 30% (EUR 121 million) in 2020/21. With a 30% share of sales in e-commerce, BeNeLux remains the top performer in the Group.

The Berner Group recorded the biggest e-commerce push during the second major wave of the coronavirus from October 2020, where across the Group every second order was processed online. In addition to classic consumables (e.g. screws), tools, power tools and smart chemical "all-in-one" aids, products from BERNER's safety/protection product range, including gloves, face masks, cleaning agents and disinfectants, were also in particularly high demand among automotive and construction professionals as a result of the coronavirus.

Caramba Group benefits from the production conversion

For the Caramba Group, the strategy of quickly adapting to changing customer needs during the coronavirus crisis has paid off. Caramba operates the specialty chemicals business segment within the Berner Group. Caramba reorganized its production in the disinfectants segment at short notice and temporarily entered the market for mouth and nose protection masks. As a result, sales grew by around 4.5% to EUR 134.9 million last year.

Good start to the fiscal year 2021/2022

The first two months of the new fiscal year have gone very well for the Berner Group. "For BERNER and BTI, sales are significantly above the previous year. The construction sector continues to do well and demand has increased significantly in the mobility sector. At Caramba, the trend is moving in the opposite direction. The special business with disinfectants from spring 2020 no longer exists to the same extent now," says Peter Spitzbauer.

"The Berner Group has prospered during the coronavirus crisis. We exceeded our earnings targets, invested heavily and continued to grow profitably in the first months of 2021/22. We are all very proud of this. The coronavirus crisis showed how good our chances are in capturing market shares. And that's exactly what we want to do during this fiscal year," says Christian Berner.

But he also has clear expectations of policymakers during the post-coronavirus phase. Medium-sized family businesses are the backbone of the social market economy, says Berner. "I am responsible for everything and have to answer for everything, personally and financially. This is why family businesses are more sustainable, ecological and economical than any other form of enterprise. They are a flagship for Germany." This, he said, was also proven during the coronavirus crisis. "We donated more masks, disinfectants, respirators and funds to those affected throughout Europe than ever before. We really made sure that short-time work was kept to a minimum for our employees and also paid a coronavirus premium."

Christian Berner expects more understanding and support from the new German government, as "China and the USA are attacking the German economy, and left-wing and right-wing parties in our country are discussing increases in corporate taxes and ever higher social security contributions. Anyone calling for something like this now is completely misjudging the situation. The opposite actually needs to take place to ensure that the economy gets going again and



to maintain the level of prosperity. Climate protection and the welfare state cost money, and a buzzing economy is needed for this.”

The Berner Group

The Berner Group is a family-run European commercial enterprise. Our vision is: “We keep the world together and moving.” This means we are the central B2B trading partner for all materials in the maintenance, repair, and production segments for our customers in the building, mobility, and industry sectors. With more than four channels we create an integrated omni-channel purchasing experience for our customers. In the steel and C materials as well as chemicals segments we are also an innovative manufacturer. We are represented in over 23 countries for our customers with more than 200,000 items and 8,200 employees.