



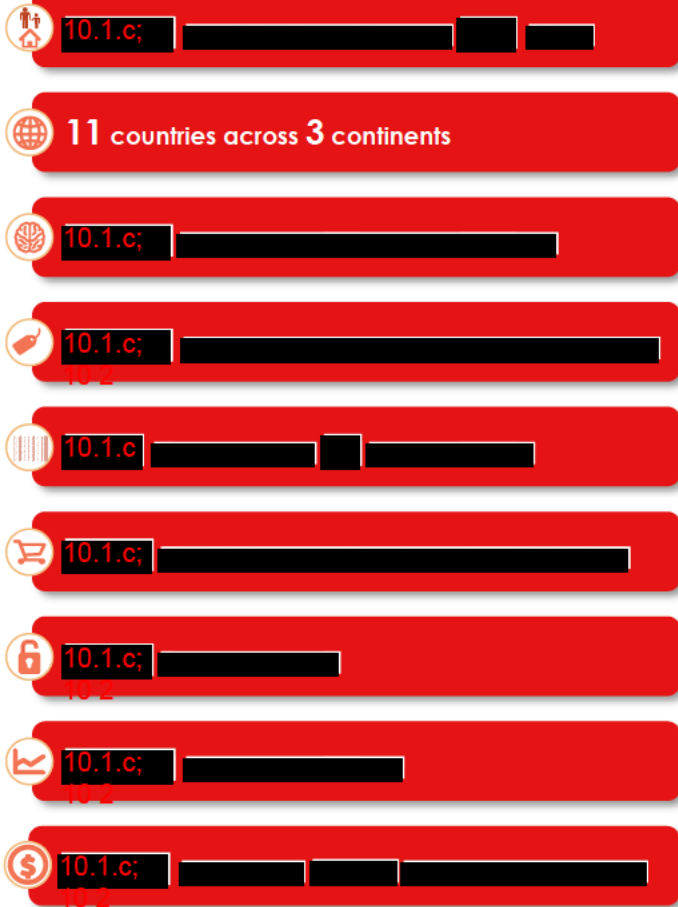
# Introductory remarks

- ✓ HEMA is on an exciting journey to transition Dutch retailer to a winning, global, multi-cl
- ✓ The HEMA brand is instantly recognizable, home market and across the globe
- ✓ We have a multi-pillar growth strategy in p strengthen the core, (ii) further accelerate commerce platform, (ii) scale our strategic partnerships, and (iv) expand into selected markets
- ✓ In the last 12 months, HEMA entered into Ju Franprix partnerships, expanded in the GC disposed non-core assets to further stream business
- ✓ Today, HEMA's proposition and outlook are the foundation is in place to support profit the coming years

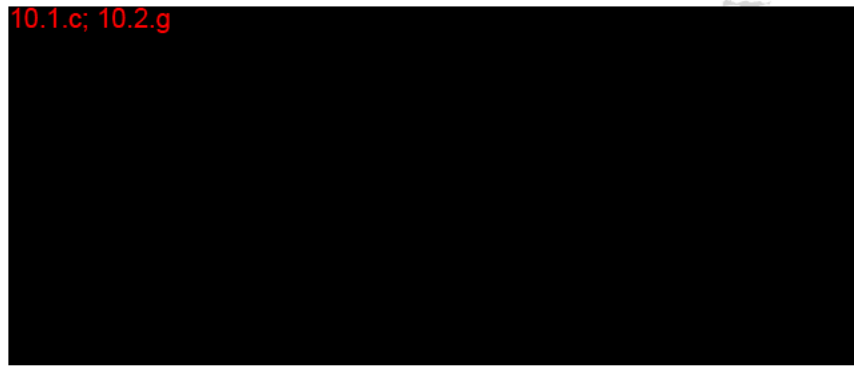
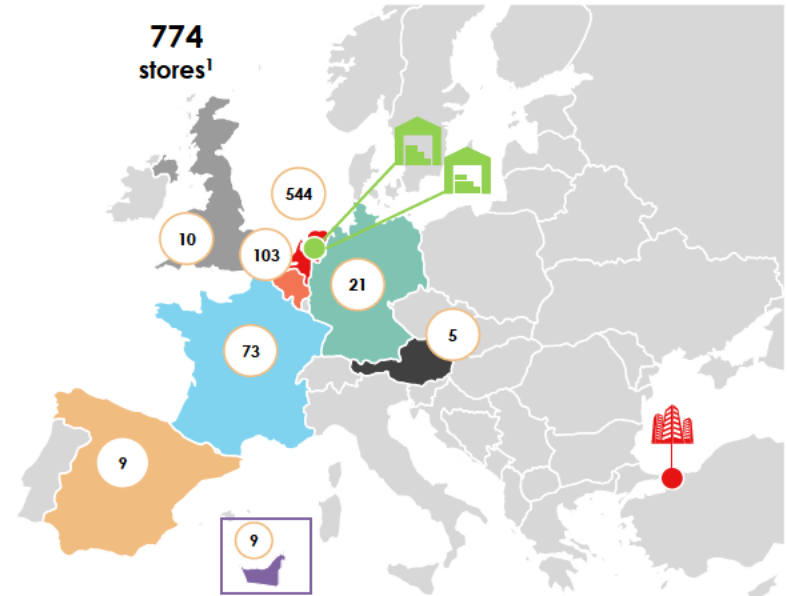
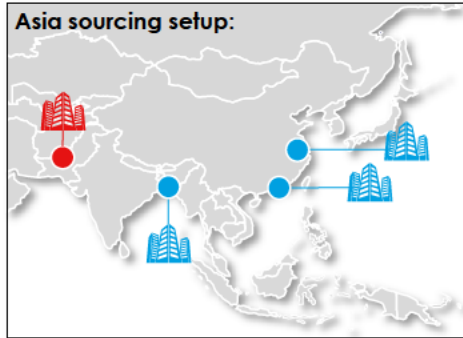


# HEMA at a glance

## HEMA key facts and figures



## Proven global brand and concept



Source: HEMA brand tracker, Mediabrands Marketing Sciences



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# HEMA plays a key role in the lives of our customers making daily life better, simpler and more fun!

## Brand

Great quality

Compelling value

Designed to inspire

Respect for planet and people

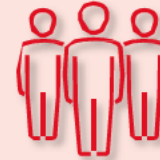
## Proposition

Providing all customer missions for daily life

Accessible for everyone with average prices of €3

100% own products with HEMA optimistic design, since 1926

Frontrunner in sustainability



**100% brand awareness** and strong customer loyalty in core markets



**4 to 5 star customer review** ratings for HEMA products on Walmart.com



Strong international brand strength (e.g. **71% brand awareness in Paris**) without paid advertising



Most sustainable value retailer with highest CSR standards, e.g. **100% sustainable cotton and paper, and single use plastic ban**

# HEMA: From Dutch retailer to global, multi-channel brand

**From**



The Netherlands

Retailer

Products



**To**



Global

Brand

Products & solutions

# HEMA is an attractive investment opportunity

1

**Brand:** Iconic brand with truly differentiating product designs at exceptional value for money

2

**Omnichannel:** Strong omnichannel proposition: healthy store base + reinvigorated e-commerce business

3

**Value chain:** Integrated, well-invested value chain: great design, sustainability, quality and low cost

4

**Financials:** Robust financial profile with upside potential

5

**Strategy:** Multi-pillar growth strategy in place to become the most loved value variety brand globally

6

**Team:** Proven executive committee supported by experienced and diverse team and seasoned supervisory board

Solid foundation...

...to drive profitable growth



# Iconic brand instantly recognizable both in our home markets and across the globe

## Benelux



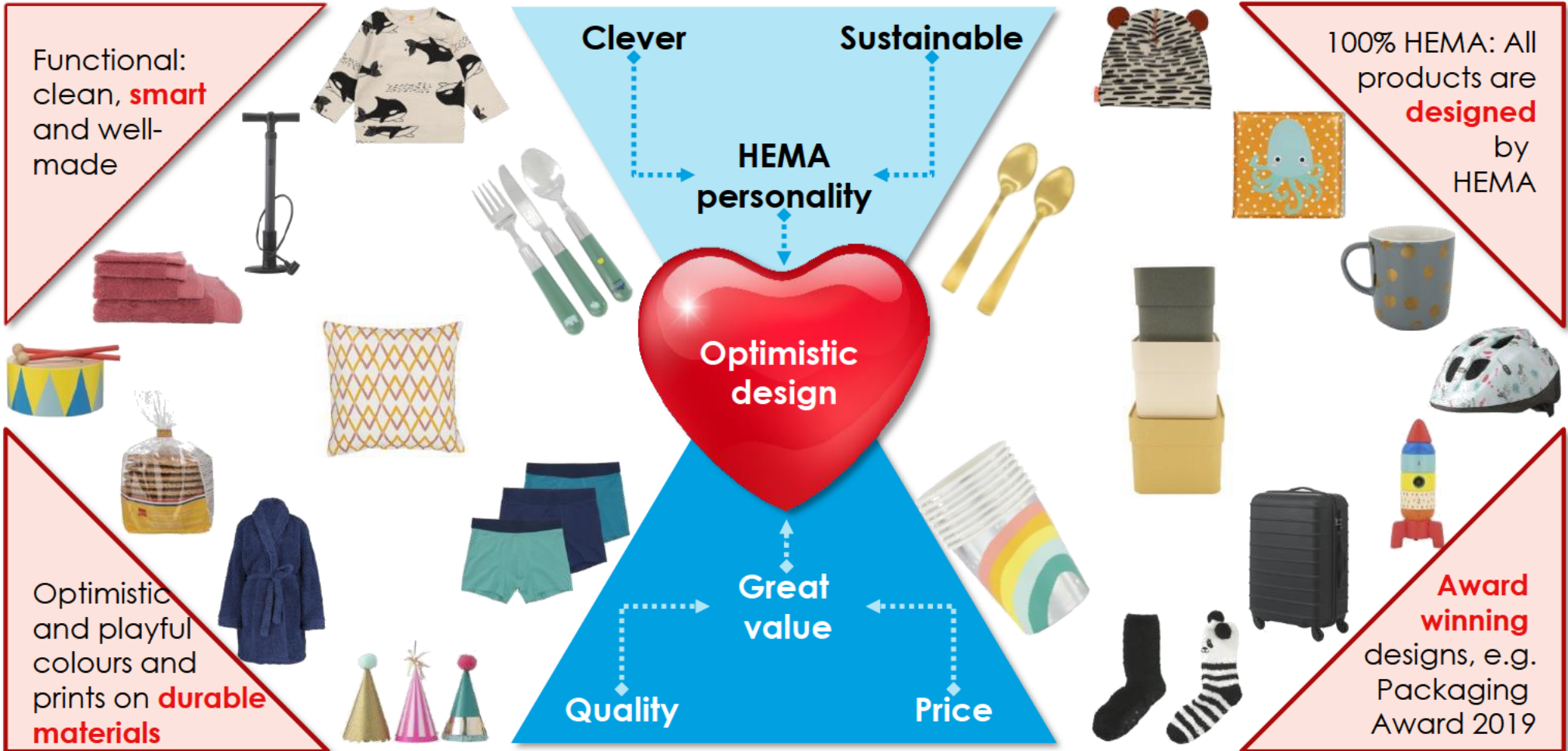
- **Customer:** women, 35+ years old
- **Categories:** women's apparel, baby/kids
- **Brand:** reliable, value for money, great quality – brand awareness close to 100%
- **Store footprint:** Dense store network, a HEMA is just 5 minutes away

## Global



- **Customer:** women, younger than 35 years, metropolitan
- **Categories:** celebration, study, gifting
- **Brand:** browsing, trendy, pleasure to shop
- **Store footprint:** mainly large cities in high traffic locations, e.g. Paris, London, Dubai, Barcelona

# HEMA products are sustainable, clever, well-priced and of great quality



"HEMA is and remains a unique store!"

"HEMA has affordable items for office and home that have a cool design and don't look cheap!"

10.1.c; 10.2.g

Source: Company information, Novio Research

# Market-leading positions in key categories drive store traffic and customer relevance

10.1.c; 10.2.g

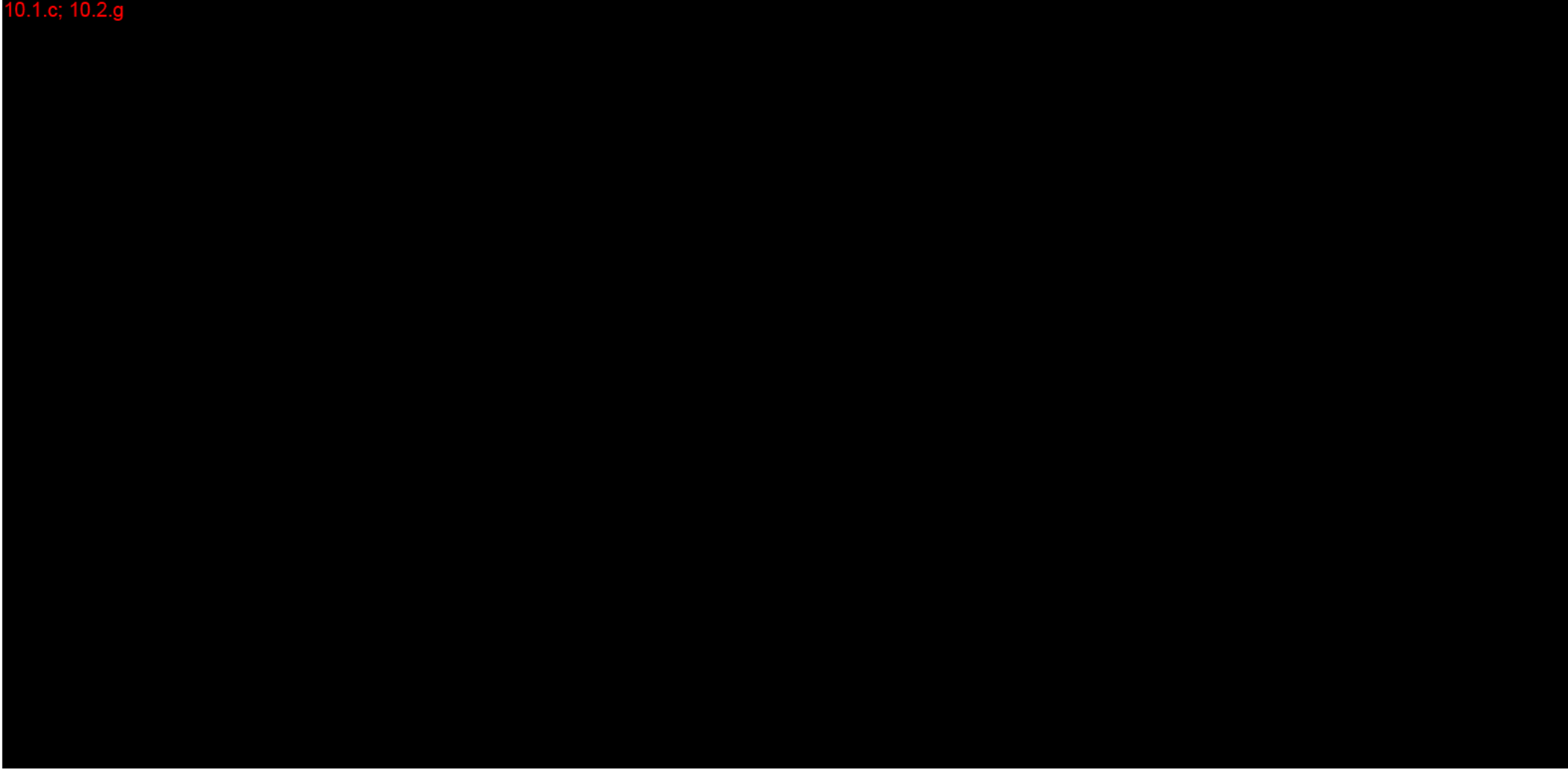


Source: GFK, IRI, Nielsen, Foodstep, CBS, NPD, DVS research 2019, company filings  
Note: Market shares refer to November 2019YTD for Apparel and Hardgoods, and December 2019YTD for Beauty and Food, in the Netherlands.  
<sup>1</sup> Excludes shoes. <sup>2</sup> Excludes luminaires, bicycle articles.

# Healthy profitable store estate is backbone of omnichannel business model

Store portfolio in core markets is healthy and profitable

10.1.c; 10.2.g



Note: Today as of Jan-2020. FYE February.  
<sup>1</sup> Own stores in Benelux and excluding outlet stores. <sup>2</sup> Own stores only excluding outlet stores.

# Multi-format store portfolio offers a solution for every shopping occasion – offline or through HEMA webshop

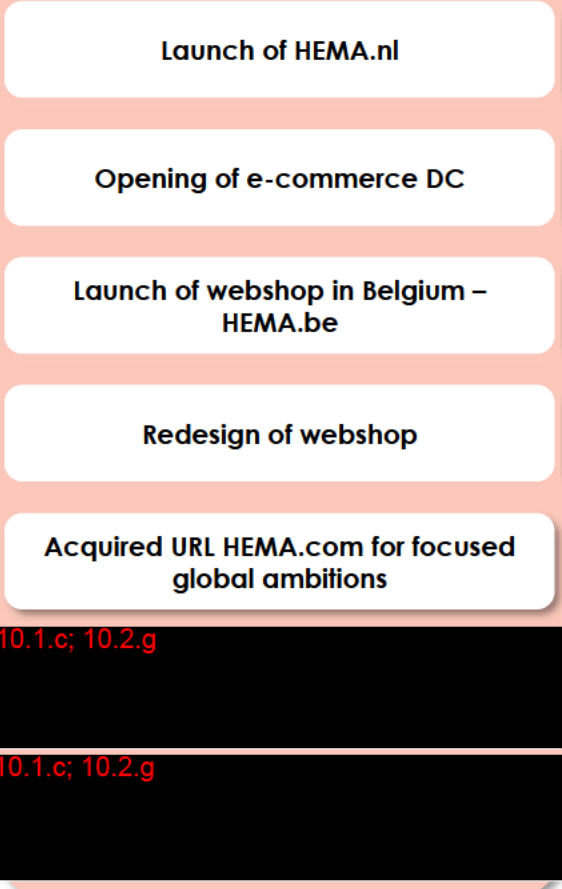
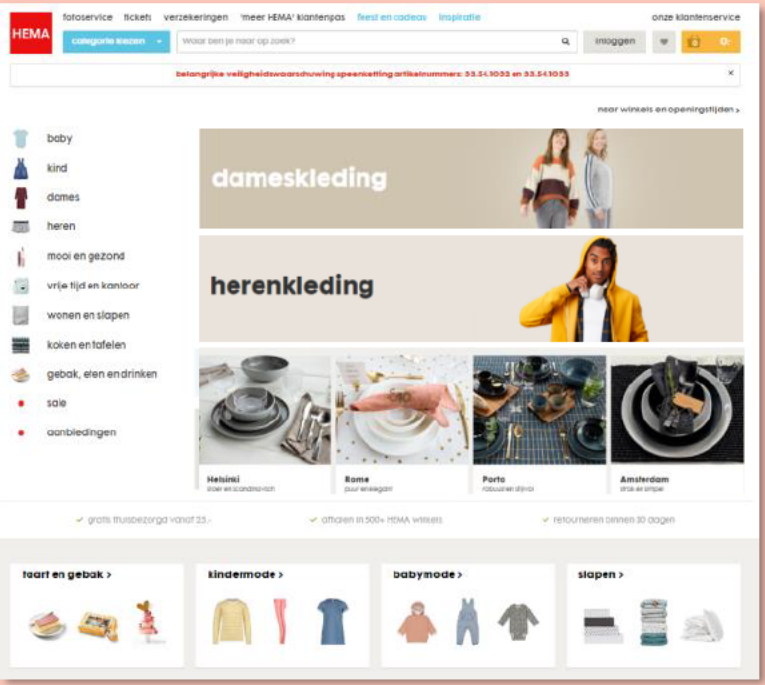
	Brand	King	City	Travel	E-commerce
Store count <sup>1</sup>	3	225	512	25	
Size	>1,400m <sup>2</sup>	700-1,400m <sup>2</sup>	300-500m <sup>2</sup>	<175m <sup>2</sup>	
Location	<ul style="list-style-type: none"> <li>Large towns</li> </ul>	<ul style="list-style-type: none"> <li>Medium towns</li> </ul>	<ul style="list-style-type: none"> <li>Small towns</li> <li>Complementary in large towns</li> <li>Road malls</li> </ul>	<ul style="list-style-type: none"> <li>Train stations</li> <li>Airports</li> <li>Metro stations</li> </ul>	<ul style="list-style-type: none"> <li>Available for delivery in the Netherlands, Belgium, Luxembourg, France, Germany and UK</li> </ul>
Assortment	<ul style="list-style-type: none"> <li>Max width / depth</li> <li>Concept dominance</li> <li>Special collections</li> </ul>	<ul style="list-style-type: none"> <li>Max width / depth</li> </ul>	<ul style="list-style-type: none"> <li>Max width / limited depth</li> <li>Localised tailoring</li> <li>Max width / depth</li> <li>Volume buys</li> </ul>	<ul style="list-style-type: none"> <li>Limited width / depth</li> <li>Single buys on the go</li> <li>Take away</li> </ul>	<ul style="list-style-type: none"> <li>Max width / depth</li> <li>Additionally available through e-commerce partners; Wehkamp and Walmart.com</li> </ul>
Customer experience	<ul style="list-style-type: none"> <li>A “dwelling” place comprehensive product offering</li> <li>Including food services</li> </ul>	<ul style="list-style-type: none"> <li>“Nicest” store in town with high visiting frequency</li> <li>Distinctive food services</li> </ul>	<ul style="list-style-type: none"> <li>Small and practical</li> <li>Designed for daily inspirational</li> <li>The store providing everyday necessities</li> <li>Often the only store</li> </ul>	<ul style="list-style-type: none"> <li>Single buys on the run with selective assortment</li> <li>High convenience</li> </ul>	<ul style="list-style-type: none"> <li>Available through website and mobile applications</li> <li>Connectivity to ‘meer HEMA’ privileges</li> </ul>

10.1.c; 10.2.g

Source: Company information  
<sup>1</sup> Excludes outlets. <sup>2</sup> Refers to Netherlands only.



# HEMA e-commerce business has become an important touchpoint for both our existing and a new generation of customers



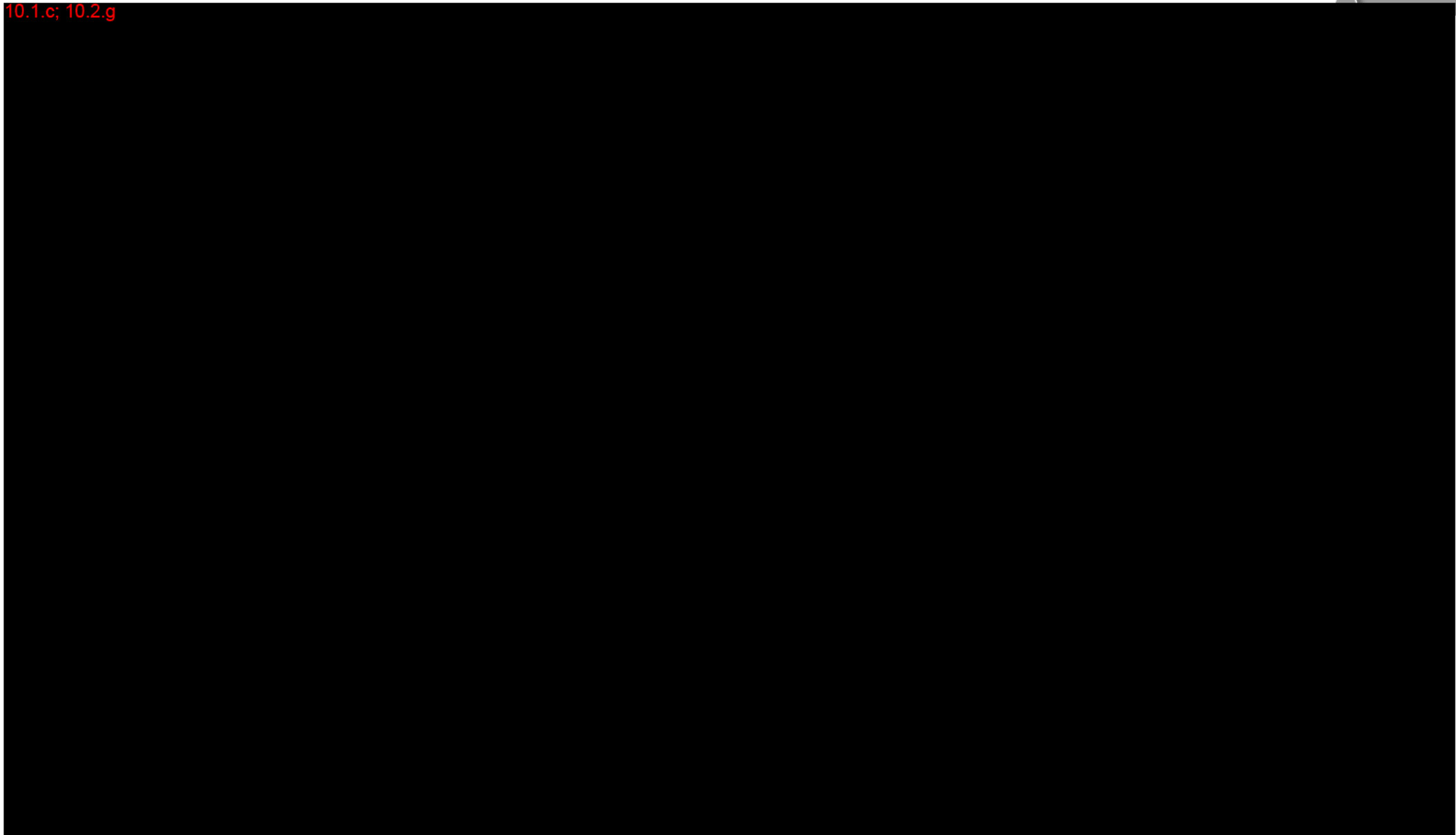
Source: Company information  
 1 Refers to global customers.



# Profitable e-commerce business drives store traffic and cross-selling

- 1 Brand
- 2 Omnichannel
- 3 Value Chain
- 4 Financials
- 5 Strategy

10.1.c; 10.2.g



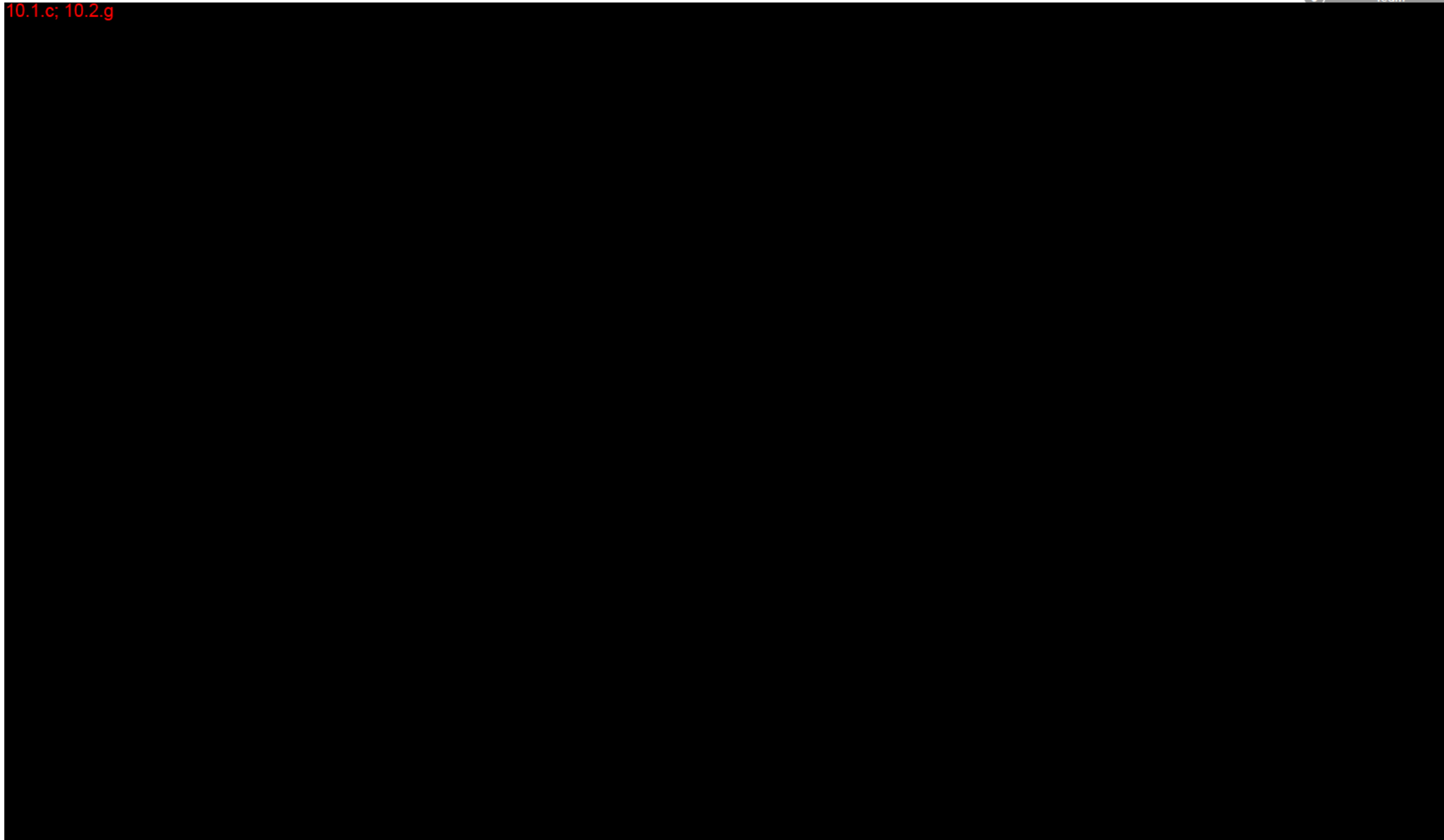
Source: GFK benchmark. IG&H study, August 2019



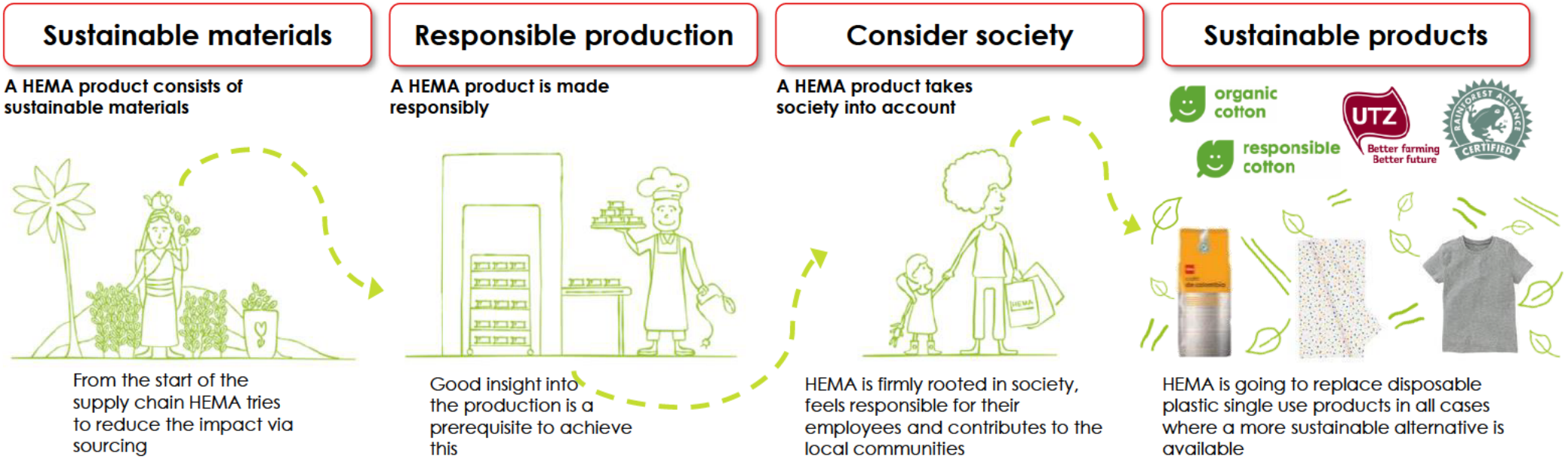
# Integrated value chain: great design, quality and cost control

1	Brand
2	Omnichannel
3	Value chain
4	Financials
5	Strategy
6	Team

10.1.c; 10.2.g



# HEMA is the leading sustainable value brand in the world



## HEMA's sustainability milestones

- ✓ **2019**  
100% sustainable cotton
- ✓ **End of 2020**  
Single-use plastic banned from the range
- ✓ **2020**  
100% sustainable paper
- ✓ Ahead of industry peers



Source: Company information



# Robust financial profile with upside potential

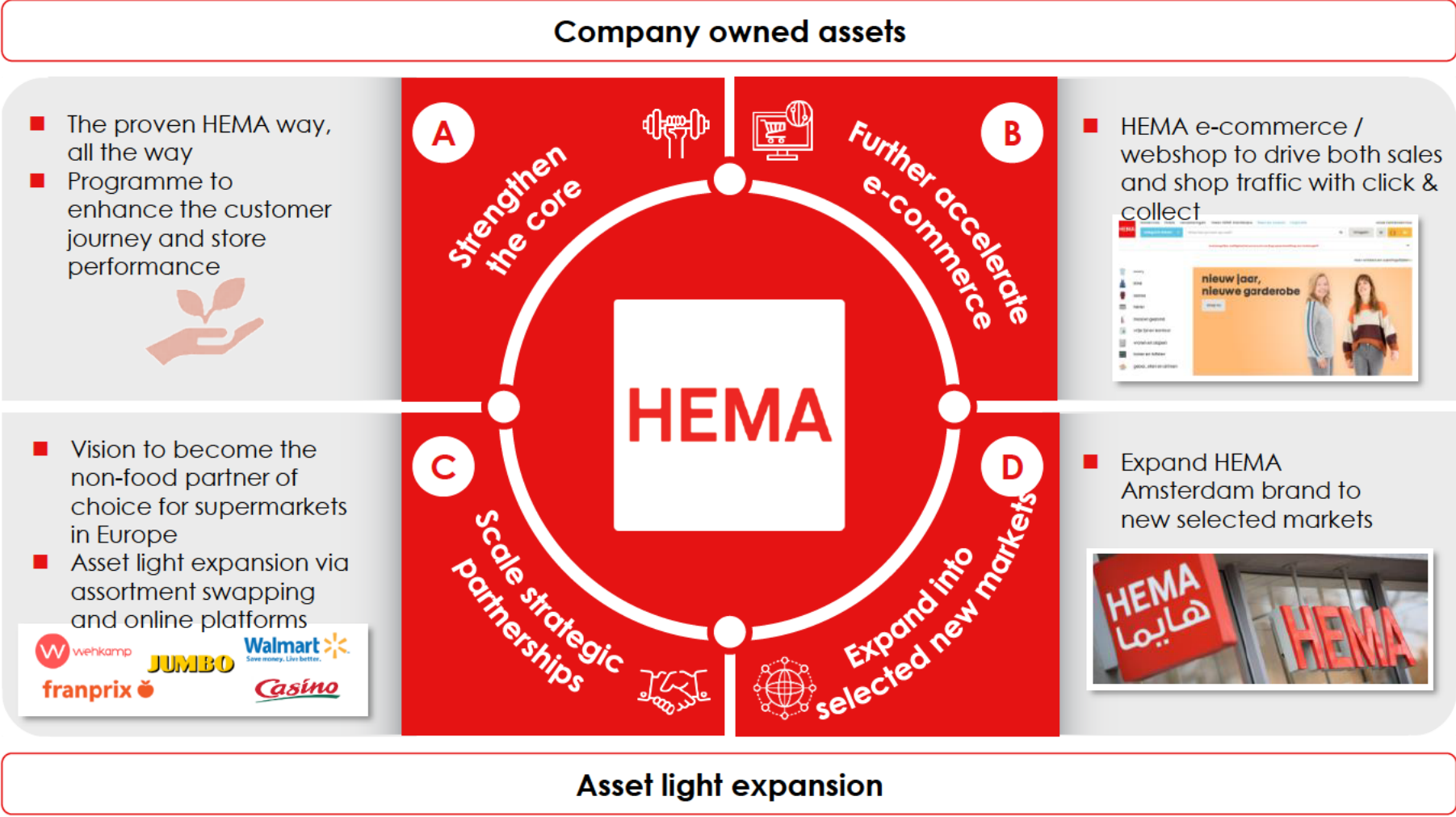
- 1 Brand
- 2 Omnichannel
- 3 Value chain
- 4 Financials
- 5 Strategy

10.1.c; 10.2.g



Source: Company information  
Note: FYE February. Financials pre-IFRS.  
<sup>1</sup> Defined as (EBITDA – Capex[including expansion capex]) / EBITDA.

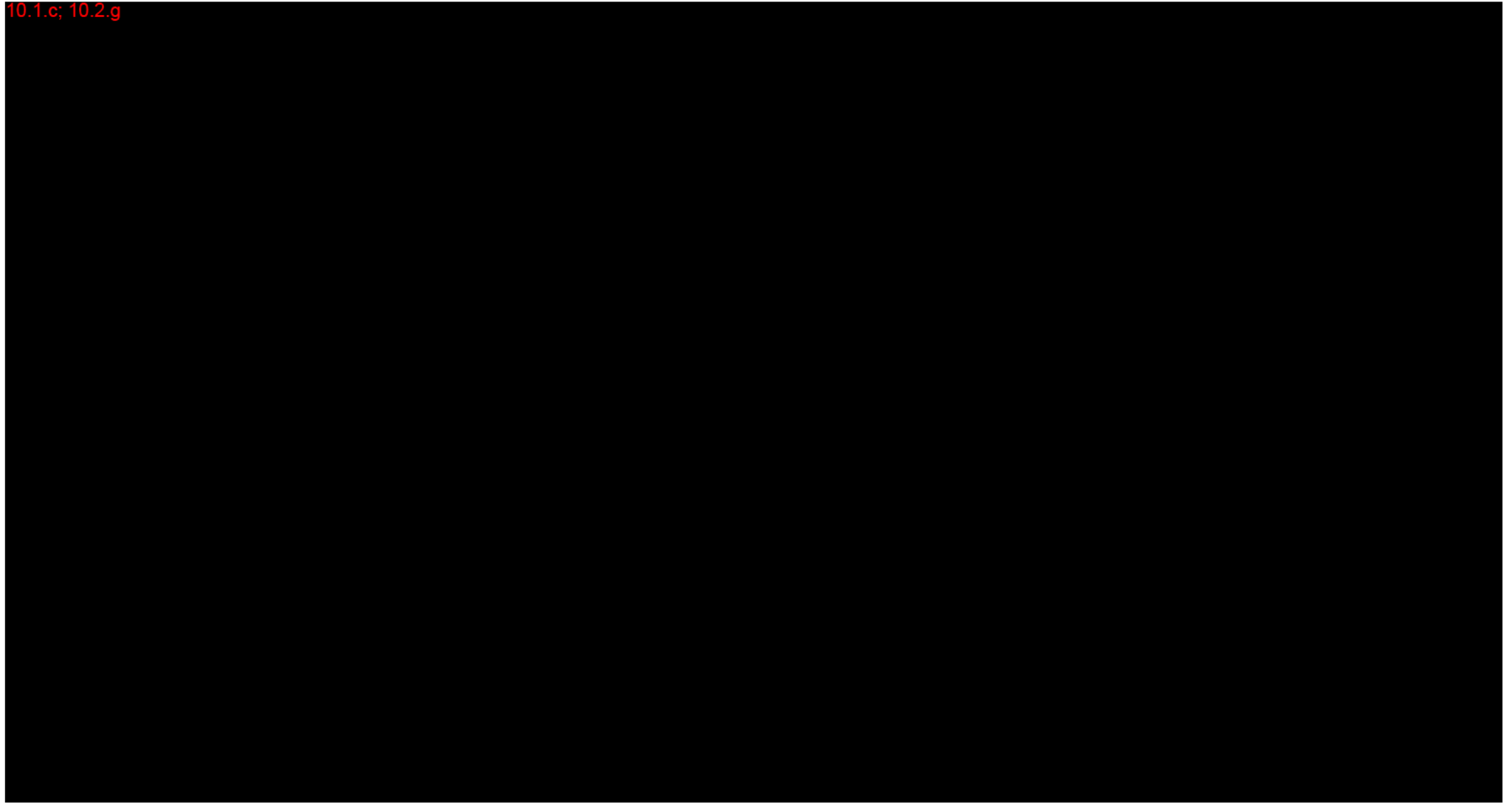
# From a Dutch retailer to a global multichannel brand enabled by a multi-pillar growth strategy



# A Strengthen the core

- 1 Brand
- 2 Omnichannel
- 3 Value chain
- 4 Financials
- 5 Strategy
- 6 Team

10.1.c; 10.2.g



Source: Company information



1	Brand
2	Omnichannel
3	Value chain
4	Financials
5	Strategy
6	Team

# A HEMA Keuken drives traffic and experience that can't be rivalled online



- 10.1.c; 10.2.g
- Customers associate HEMA food with great taste, great value and celebration
- New on-trend food items (vegan, more healthy options)
- 9 HEMA Keukens open today<sup>1</sup>
- 



<sup>1</sup> Consisting of 3 HEMA owned Keuken stores and 6 franchise stores.  
<sup>2</sup> Average sales uplift 4 weeks after launch date for most recent basket of 5 HEMA Keukens.

# B Further accelerate ecommerce

- 1 Brand
- 2 Omnichannel
- 3 Value chain
- 4 Financials
- 5 Strategy

10.1.c; 10.2.g



# B meerHEMA loyalty program enables sophisticated customer targeting


**Kids come first**



Kids are the top priority and focus of this group when they shop...their own needs are secondary

10.1.c; 10.2.g

**Baby comes first**



Their baby is top priority for this customer when she shops at HEMA

10.1.c; 10.2.g

**Simply basics**



Everyday essentials and clothing basics for men and women dominate this segments spend

10.1.c; 10.2.g

**Safe style**



A sociable shopper who enjoys buying clothes and is safe and comfortable with mainstream style


10.1.c; 10.2.g

**Key facts**

Third largest loyalty program in NL

10.1.c; 10.2.g


**Treats & pick-ups**



Impulsive and generous shoppers who love HEMA's design credentials and shop across much of our range

10.1.c; 10.2.g


**Home maker**



Her home is her heart and dominates her spend at HEMA as well as elsewhere

10.1.c; 10.2.g

**Beauty essentials**



A budget and convenience driven beauty customer who tends to buy only small items outside of beauty at HEMA

10.1.c; 10.2.g

**Budget foodie**



A traditional convenience shopper and restaurant customer who tends to be somewhat price driven

10.1.c; 10.2.g

**Cases in targeting**

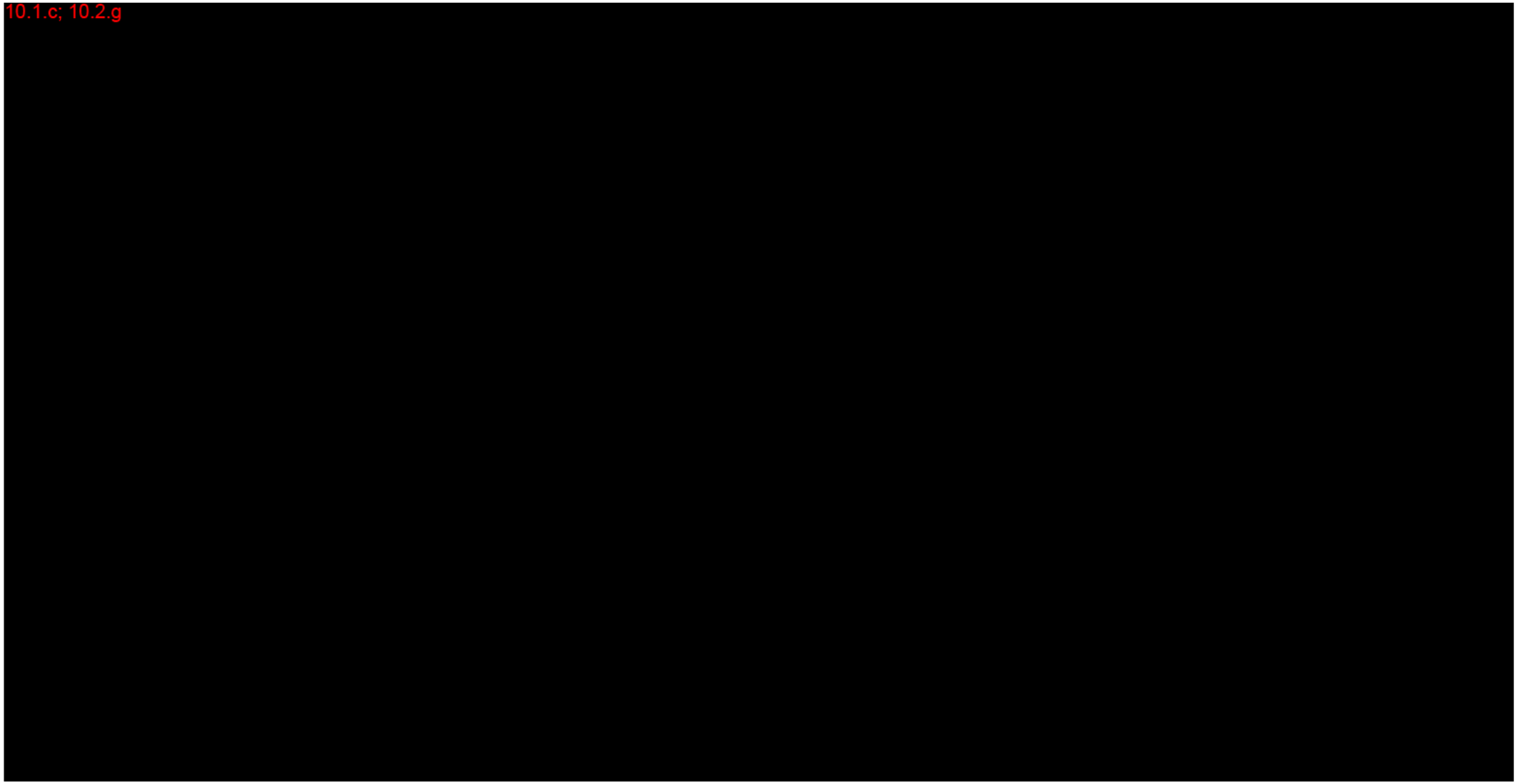
10.1.c; 10.2.g

Note: Metrics as of today.



# A Strengthen the core & further accelerate e-commerce – B business plan

10.1.c; 10.2.g



○ YOY Growth %      ○ EBITDA margin %

Note: Includes own stores in the Netherlands, Belgium, Luxembourg, Germany, France, Spain, UK, Austria, franchise in the Netherlands, and e-commerce with 'home delivery' and 'other online'.

<sup>1</sup> Includes allocations.



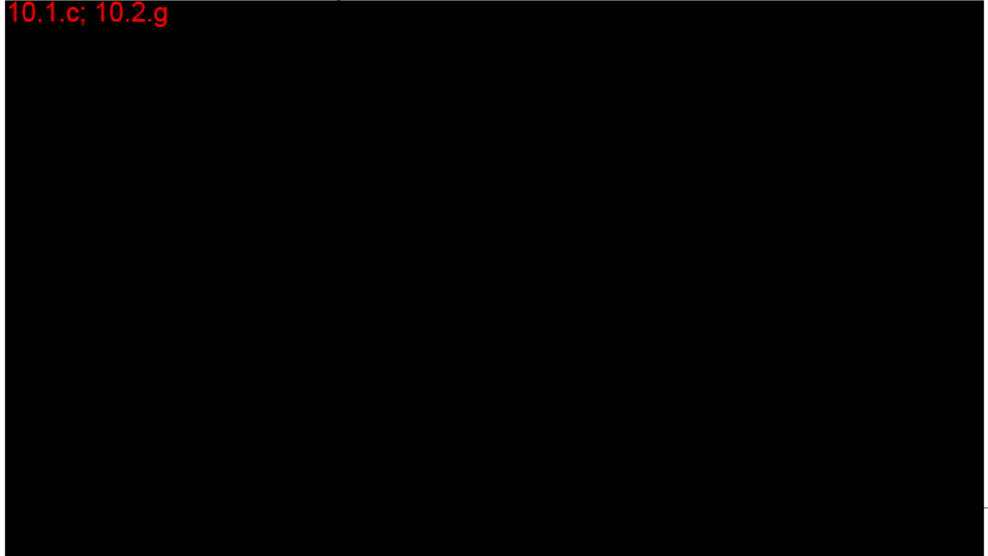
# C Scale strategic partnerships: Jumbo

'The non-food partner of choice in Europe'

Jumbo partnership overview



- Commercial partnership with Jumbo becoming HEMA's food partner in selected stores and HEMA products being sold in all Jumbo stores across Belgium and the Netherlands
- Sale of 19 stores while selectively opening new smaller stores in the same catchment area
- **Wholesale implementation**
  - 10.1.c; 10.2.g
- **Store sale implementation and relocation over 3 years**
  - Start from January 2020
- **Co-sponsorship of cycling and skating team**
  - Contract for 4 years



# C Scale strategic partnerships: Groupe Casino / franprix

'The non-food partner of choice in Europe'

Groupe Casino / franprix partnership overview



- Commercial partnership with Casino Group subsidiary, franprix, in France with HEMA products being displayed on designated HEMA shelves in franprix stores

- 10.1.c; 10.2.g [Redacted]

- **Groupe Casino potential**
  - Scaling to the wider group banners such as Casino and Geant

- [Redacted]
- 0 [Redacted]
- 1 [Redacted]

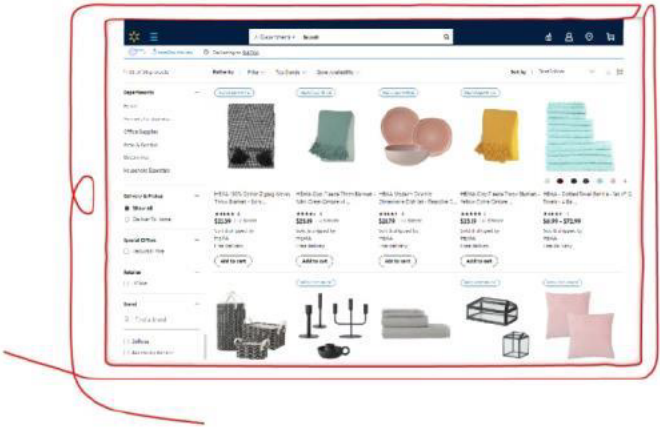


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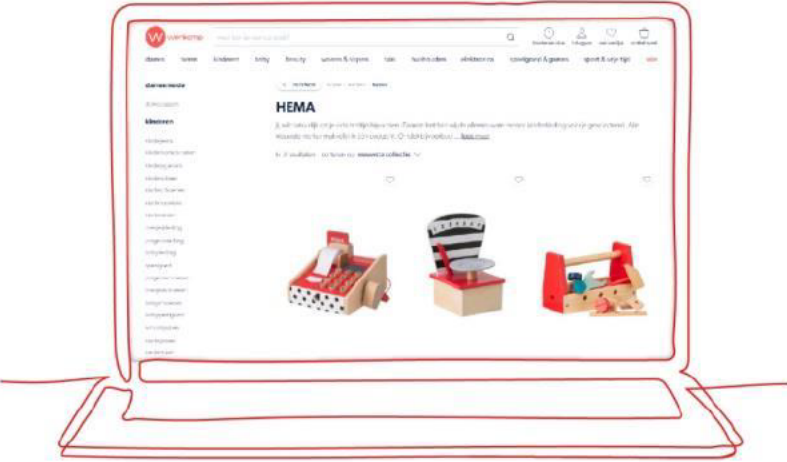
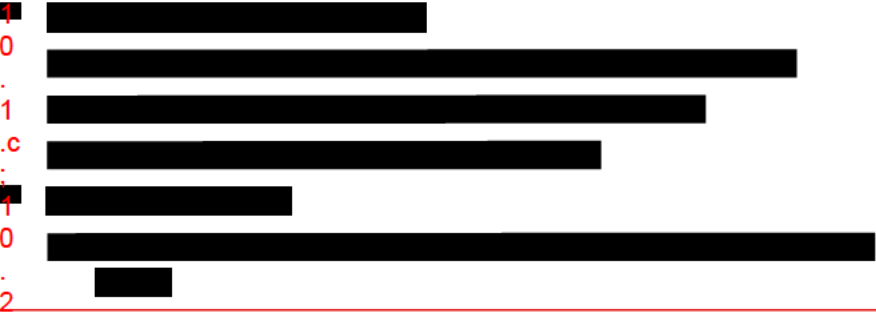
# C Scale strategic partnerships, also online: Walmart.com and Wehkamp


'The online partner of choice in Europe'

Walmart.com partnership overview 



- Retail partnership with Walmart with HEMA products sold online directly in the US followed by standalone and shop-in-shop stores in Canada
- 1<sup>st</sup> European lifestyle brand on Walmart.com

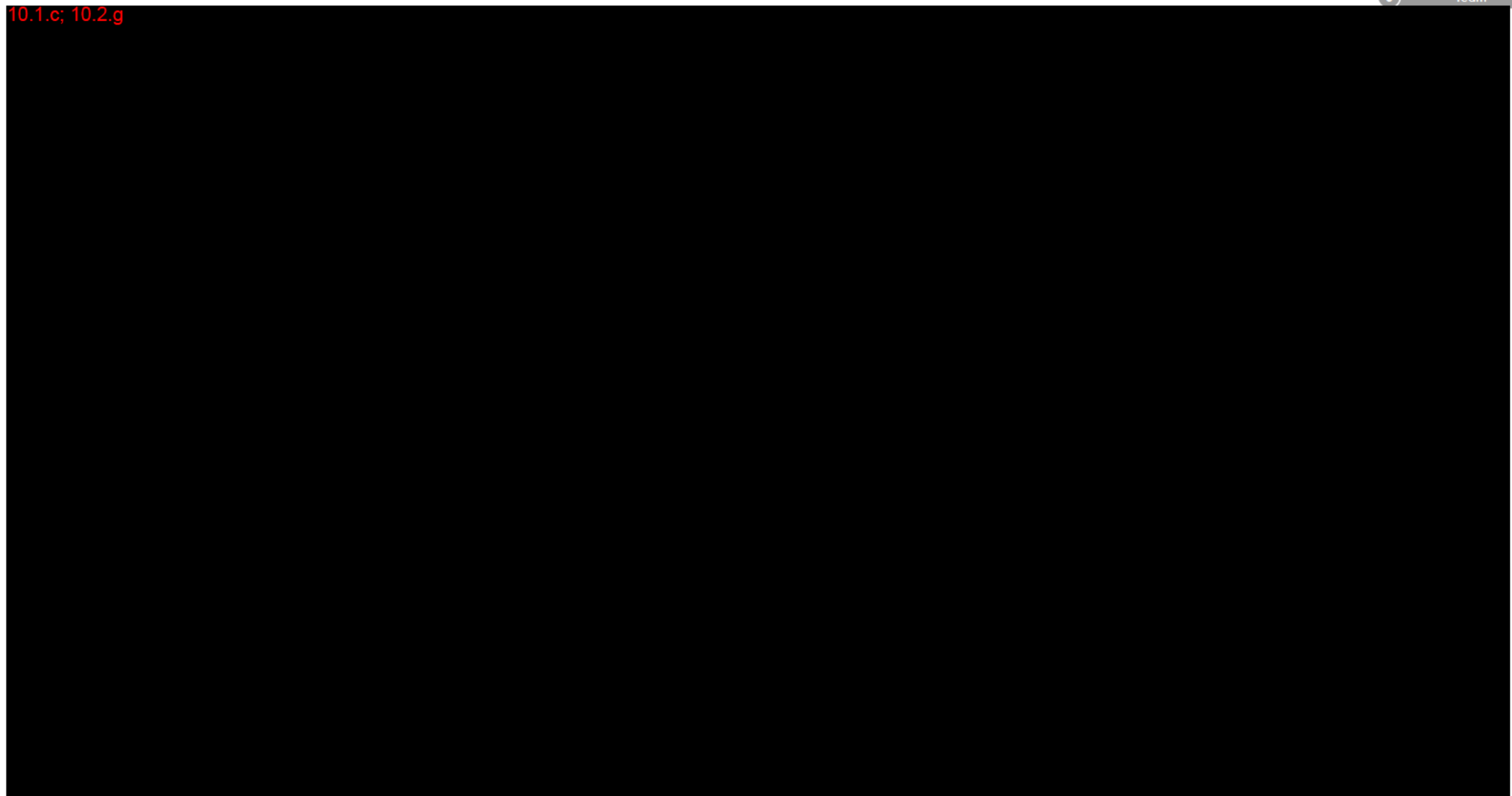


Wehkamp partnership overview 



# C Scale strategic partnerships – business plan

10.1.c; 10.2.g



EBITDA margin %

<sup>1</sup> Includes allocations.



# D Expand into new selected markets – business plan

10.1.c; 10.2.g



- Asset-light growth model
- Building the brand in new continents and key scalable markets e.g. Mexico
- Enables multi-channel distribution at scale
- Reliable income streams due to long-term contracts
- Limited amount of SKUs to reduce complexity and drive profitability
- Buying volume benefits group margins
- Proximity to supply chain optimises costs

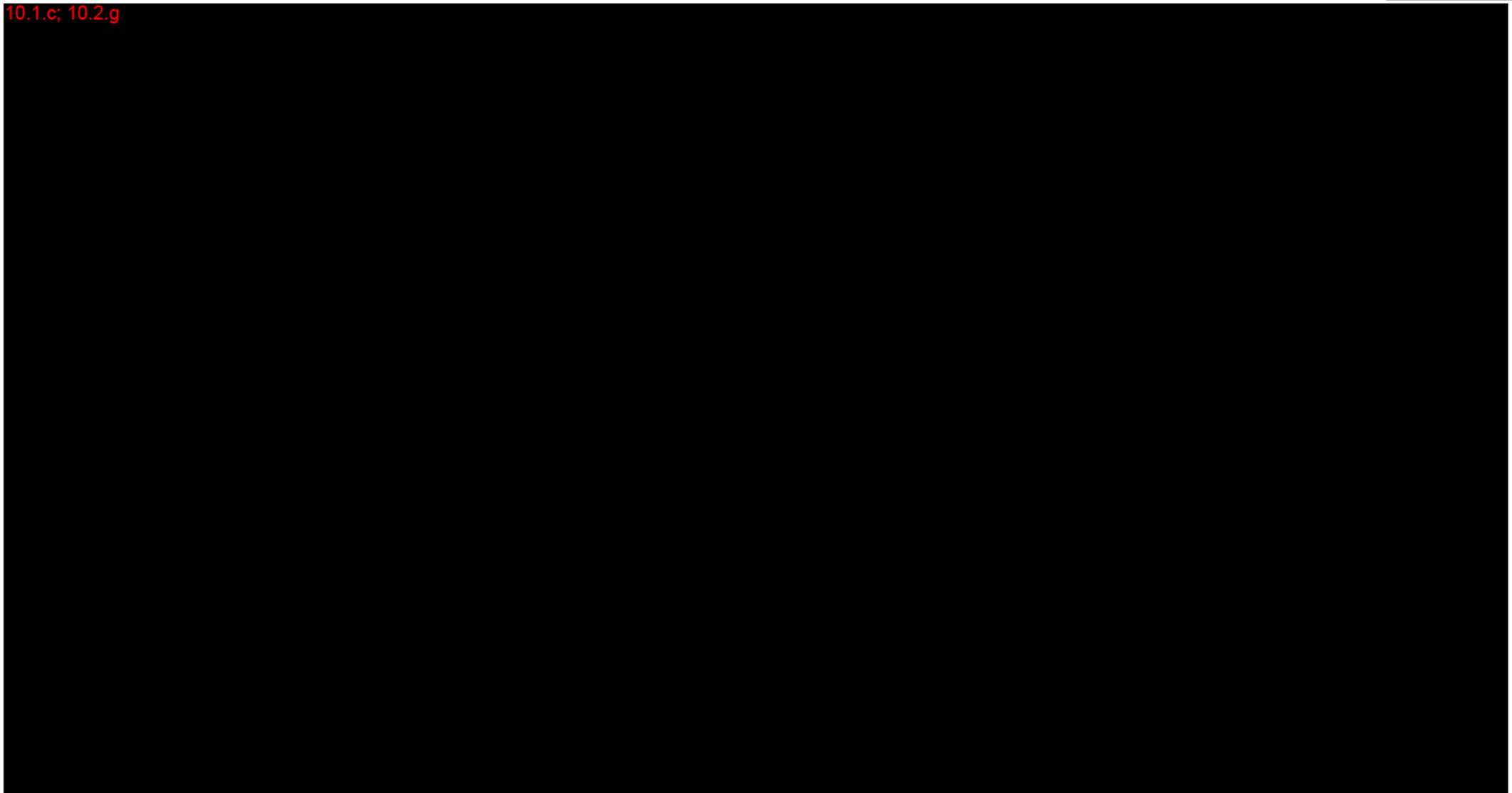
○ EBITDA margin %

<sup>1</sup> Includes allocations

# HEMA's business plan: key financials

- 1 Brand
- 2 Omnichannel
- 3 Value chain
- 4 Financials
- 5 Strategy
- 6 Team

10.1.c; 10.2.g



Source: Company Information

1	10.1.c; 10.2.g	
2		10
3	10.1.c; 10.2.g	



# HEMA management team united under one vision

Executive committee

Supervisory board



10.2.e

Team HEMA is young, global, diverse and proud to work at HEMA

**+92%** of the HEMA employees  
are happy to come to work

ca. **19.000** employees

HEMA employs  
**80+ nationalities**

**48%** of our employees  
is younger than 23

**81%** of our  
employees are female



## **Appendix: Additional Materials**

# Capital Structure

10.1.c; 10.2.g



Notes: (1) 10.1.c; 10.2.g

Sources: Company filings and Offering Memoranda

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