

Evolution

dependable
effective **successful**
agile in
alliance

ZAHLEN DATEN FAKTEN 2022

Die E/D/E Gruppe auf einen Blick



E/D/E GESCHÄFTSBERICHT 2022



About E/D/E

As the European service and systems provider for industrial B2B companies, the Einkaufsbüro Deutscher Eisenhändler (E/D/E) continues to expand its services as an organiser and operator of networks for market-driven supply systems serving the craft sector and industrial needs.

E/D/E has approximately 1,200 affiliated members, primarily specialist wholesalers supplying commercial customers in the craft sector and industry, as well as local authorities. These members deal mainly in tools and machines, industrial supply, fittings and building components, as well as products for PPE, the technical trade and building services, and in steel.

As the high-performance system headquarters, E/D/E provides comprehensive support to help members strengthen their competitive position by means of centralised purchasing, logistics, marketing, digital services and banking services. This family-owned business with more than 1,100 employees has been a successful operator in the market since 1931, and is now active in 30 European countries.



EVOLUTION – Impact through networking

With the strategic and organisational development process EVOLUTION, E/D/E is working with foresight on the future viability of the association. This intensive process involves many different people from all divisions, with a view to developing a vision for the future and further enhancing E/D/E's identity as a buying association and an essential link within the industrial B2B sector. Key elements of the vision for the future include strengthened performance in daily operations, further development of core business, and continuity in establishing and expanding supply systems for industry and the craft sector. On the basis of this vision for the future, E/D/E has planned and implemented a new organisational structure that will strengthen the performance of the buying association and further develop it to the benefit of the partners. In doing so, the established professional specialisation was expanded to include three functional areas comprising: Member Management, Supplier/Product Group Management and Purchasing Management.

Under the guiding theme "Achieving growth and profitability with greater ease in shoulder-to-shoulder cooperation", E/D/E continued EVOLUTION in 2022. Based on the ongoing implementation of E/D/E's vision for the future, this organisational development process was successfully driven forward, with prior successes anchored in place, and the desired impact being achieved.

The focus here was, among other things, on shaping the hybrid E/D/E working environment, and on improving tools, routines and competencies, in order to handle projects and the day-to-day business more effectively and with more ease. In addition, we have initiated a process to develop a common understanding of sustainability, and have created the necessary organisational structures to this end.



Educational funding

In 2002, the E/D/E Shareholder and former Chairman of the E/D/E Management Board, Dr Eugen Trautwein, established the E/D/E Foundation as an independent, charitable institution. Its core mission is educational funding within the industrial B2B sector. The E/D/E Foundation has been supporting the next generation of employees in the sector for more than 18 years by awarding scholarships to students completing courses at the ZHH educational institute. In partnership with the University of Wuppertal, E/D/E is also a member of the Deutschlandstipendium scholarship programme, an initiative of the German Federal Ministry of Education and Research, and is already in its seventh year of supporting talented and high-performing students with four scholarships.

Taking responsibility

At E/D/E, corporate responsibility means working to support our employees, contributing to society and protecting our environmental resources. In this regard, E/D/E and the E/D/E Foundation support carefully selected projects in Wuppertal that focus primarily on assisting disadvantaged children and young people and promoting their education as well as supporting people in need on the margins of society. Sustainability is firmly anchored in E/D/E's DNA and business model. This is because the buying association business within the cooperating SME sector possesses an inherent, natural sustainability due to various aspects. In order to meet the increased demands of coordinating and networking the various individual initiatives on the topic of sustainability across E/D/E, the Sustainability Department was created on 1st January 2023, which reports directly to the Chairman of the E/D/E Management Board. It acts as an internal and external point of contact and as a coordinator for sustainability issues in E/D/E, and thus helps to shape the framework for the development and implementation of sustainability activities. ede-nachhaltigkeit.de



Sectors and product groups

The member companies of E/D/E deal in:

- Tools
- Machines
- Factory equipment
- Building fittings / furniture fittings
- Building components
- Sanitary and heating
- Steel
- Fastening systems
- Welding, safety and industrial engineering
- PPE products
- Chemical and technical products (technical trade)
- Construction equipment

The majority of these member companies supply mainly commercial customers from industry, the craft sector and local authorities. The EURO-DIY system headquarters, a joint subsidiary of E/D/E and the EK/servicegroup eG, provides around 500 affiliated retail companies and specialist markets with individual concepts for successfully positioning themselves in the DIY market.

Keystones of the service portfolio

E/D/E strengthens the market position of its members by means of individually tailored sales concepts and private labels. Sales concepts such as PREMIUM FORMAT GROUP, UNION, HANDWERKSTADT, PLUS 1 WERKZEUG, ELEMENTARES, as well as ELEMENTARES SERVICE, the FAVORIT Group, PROTECTOR, GreenMoto, MIETeplus, Die Baugeräte-Profis, Die Schweiß-Profis, and Bäder sehen.planen.kaufen. bundle key competencies and reinforce the market presence of E/D/E members. Specialised trademarks such as FORMAT, FORUM, FORTIS, ForSec, E-COLL, E-NORMpro and the welding technology trademark, BLACKWELD, are available to members to provide sustainable distribution strategies with attractive margins. Further services of the E/D/E Group include central payment, central purchasing, logistics, data services, e-commerce solutions, banking services and industry services, marketing concepts and catalogue production, as well as IT services and advanced training via the E/D/E AKADEMIE.



Online trade for existing customers

E/D/E provides its members with online platforms that are specially configured for the sector, namely Multishops. They offer various options to generate sales by networking dealers with their customers via web shops, procurement systems and platforms, e-procurement or connection to software used in the craft sector. The key advantage is the direct integration of E/D/E product data and the eLC with visibility of capacities and individual conditions. The Multishop is continually undergoing development and optimisation, to function as a comprehensive e-commerce platform offering various options for connecting the craft sector with the industrial sector.



The online marketplace for professionals

Toolineo is E/D/E's e-commerce marketplace for members, aimed at craftspeople, commercial customers and discerning private customers. With a range exceeding 750,000 articles, 50 distributors and a rapidly increasing share of regular customers, Toolineo has consolidated its position as "the top name in handicraft supplies" in 2022. In addition to the diverse product selection and the short delivery time, the marketplace scores points above all with its user-friendliness – including extensive product detail pages and expert advice from participating distributors. With cooperation partners such as loadbee, Toolineo enjoys an outstanding network within the relevant digital ecosystem and can, therefore, ensure optimal customer journeys. In particular, brand manufacturers benefit from the triad of Toolineo brand shops, the integration of the "where to buy" function and loadbee.



Product data

E/D/E data management makes life easier for members and suppliers by creating the conditions needed to ensure efficient sales processes. In the electronic Data Centre (eDC), product data from all relevant contract suppliers is grouped by sector, collated centrally, classified in accordance with our eDC Cl@ss standard, refined and continually maintained. The industry solution is also available to distributors and suppliers in the fittings segment which do not have E/D/E affiliation. Our goal of comprehensively maintaining industrial B2B ranges in the eDC structure took on real shape in 2022. With the E/D/E data portal as an innovative "Data as a Service" offer, industrial B2B will, in future, have cloud-based, straightforward and intuitive access to all relevant data. The new data onboarding portal for suppliers is now available to evaluate, structure and process the data provided. AI is the prerequisite for reliably managing the significant number of suppliers and product data.



Logistics

Advanced logistics is one of the core services that the E/D/E Group offers to its member companies. The operations of the electronic Logistics Centre, or eLC, are tailored to the needs of E/D/E members. It provides top-quality shipping to members or directly to the end-customer using state-of-the-art technology, in a fully electronic process. To continue to be able to fulfil these high standards even as the shipment of packages keeps growing, the E/D/E Group has increased capacity at its eLC central warehouse by means of extensive investment in logistics. The E/D/E central warehouse effectively supports the distributors' core business with its advantages of same-day shipping for all orders received by 5pm, and more than 115,000 physically stocked items. Certified processes ensure the smooth handling of goods shipments. Since 2021, E/D/E has relied on the use of a cutting-edge packaging machine to increase the capacity of its logistics. Since 2016, the building services warehouse at the Schweinfurt site has supported E/D/E Logistics.

>115,000 items
physically stocked in the warehouse



Intensification of the European network

2022 was marked by the qualitative and quantitative expansion of the European network. Together with existing (as well as new) cooperation partners, members and suppliers, the trading volume abroad increased by 4 percent to around EUR 2 billion. The basis was the admission of more than 20 new European members, as well as new cooperation partners in Belgium and Spain. Within European Supplier Management, more than 90 supplier contracts were acquired – or existing contracts were expanded to new countries. Thus, for the first time, the activities in Europe and beyond were expanded to 30 countries (including Germany).

The aim of all activities is to create synergies and leverage sources of potential in the countries along the entire value chain, as well as to support the European network of EDE International with the entire service portfolio of the E/D/E Group as a reliable, active and innovative association. In particular, the topic of digital transformation and international data management was brought into focus in 2022, and important processes for the competitiveness and future viability of the members and cooperation partners were initiated. [ede-international.com](https://www.ede-international.com)

2 EUR billion
trading volume outside Germany

PVH FUTURE LAB

Managing innovations.

Innovation driver for the industrial B2B sector

Together with five innovative entrepreneurs from among its members, E/D/E founded the PVH FUTURE LAB GmbH in 2018. This is now a well-established digital company, a think tank and a start-up in one, and is actively pursuing transformation in the industrial B2B sector in search of suitable solutions for the future challenges of digitisation and technologisation that distributors will face. Rapid3D is a successful professional 3D-printing business model for industry. The PVH FUTURE LAB also relies on artificial intelligence, and offers all usable business apps via its own flixxstore. These include, for example, AI apps for sales and processes. For example, "sellflixx Recommendations" is a tool for individual product recommendations using AI. „workflixx Catch Talents" is a data- and process-based recruitment tool. The flixxstore portfolio is constantly being expanded. [flixxstore.com](https://www.flixxstore.com)

ETRIS BANK

Wir unternehmen mit.

Maintaining and promoting entrepreneurial freedom

The ETRIS Bank GmbH was founded in 2011 as a specialised institute for central payment, payment transactions and trade financing. It guarantees the economic foundation for the sustainable activities of member companies and suppliers and, as a corporate bank for medium-sized industrial companies, supports distributors and suppliers in implementing their business strategies. The certified GBB rating (A+ with a stable outlook), which was repeated in 2022, emphasises that its business model is both sound and future-oriented. Since its accreditation by NRW.BANK 2020, the bank has been able to offer its customers public development programmes. ETRIS BANK is one of the few banks with a full banking licence to offer factoring. With its two strategic business areas, factoring on the one hand and central payment for third-party affiliated groups on the other, it is on a strong course for growth.

Indicators

The E/D/E Group	2021	2022
	EUR millions	EUR millions
Trading volume (including central payment volume)	7,620.0	9,681.1
Breakdown of sales revenue (in commercial income statement)	EUR millions	EUR millions
Sales revenues under commercial law	889.2	947.4
Drop shipments / central payment	797.8	851.0
Stock turnover	349.9	355.8
Other revenue	33.2	30.8
Revenue shortfalls	-291.7	-290.2
Asset and financial structure as at 31.12.	EUR millions	EUR millions
Balance sheet total	810.0	830.5
Fixed assets	84.1	77.1
Current assets	724.4	751.5
Equity	439.4	456.2
Long-term debt capital	39.9	43.2
Short-term debt capital	323.4	324.2
Consolidated Income Statement	EUR millions	EUR millions
Sales revenues	889.2	947.4
Cost of materials	709.4	769.7
Personnel costs	75.8	80.1
Depreciation and amortisation	7.1	5.9
Other operating expenses	74.1	86.1
Operating result	37.3	34.0
Non-operating result	0.4	0.4
Earnings before taxes	37.8	34.5
Consolidated net income	20.7	21.7
Key performance indicators	EUR millions	EUR millions
Gross cash flow	31.0	32.7
Key performance indicators	percent	percent
Equity ratio	54.3	54.9
Equity ratio and long-term debt capital ratio	59.2	60.1
Asset cover ratio	569.9	648.0
Working capital ratio	224.0	231.8
Gross cash flow in relation to equity	7.1	7.2
Gross cash flow in relation to balance sheet total	3.8	3.9

Overview

	2021		2022	
Trading volume by product group	EUR millions	percent	EUR millions	percent
Business division I *	653.6	8.6	661.5	6.8
Business division II *	1,660.9	21.8	1,782.7	18.4
Business division III *	898.0	11.8	898.2	9.3
Business division IV *	773.8	10.2	775.3	8.0
Steel	1,490.5	19.6	1,813.3	18.7
Building services	1,756.5	23.1	1,623.3	16.8
DIY, gardening technology	171.7	2.3	164.6	1.7
Total product business	7,405.2	97.2	7,718.8	79.7
Third-party business ETRIS BANK	214.8	2.8	1,962.3	20.3
Total	7,620.0	100.0	9,681.1	100.0
Average trading volume per member	EUR millions	percent	EUR millions	percent
Industrial B2B member	6.5	–	6.8	–
Retail member	0.3	–	0.3	–
Total	7,405.2	16.3	7,718.8	4.2
Trading volume per size class	Number	percent	Number	percent
more than EUR 10.0 million	137	76.3	146	78.5
EUR 5.0 to 10.0 million	99	10.4	84	8.3
EUR 2.5 to 5.0 million	111	5.8	117	5.9
EUR 0.5 to 2.5 million	334	6.3	331	6.1
under EUR 0.5 million	485	1.2	472	1.2
Total	1,166	100	1,150	100
E/D/E member companies	Number	Change	Number	Change
Industrial B2B members	951	–8	952	1
Retail members	215	–13	198	–17
Total	1,166	–21	1,150	–16
E/D/E employees on the reporting date 31.12.	Number	Change	Number	Change
Total	1,135	10	1,158	23

* **Business division I:** Precision tools, hand tools, machinery

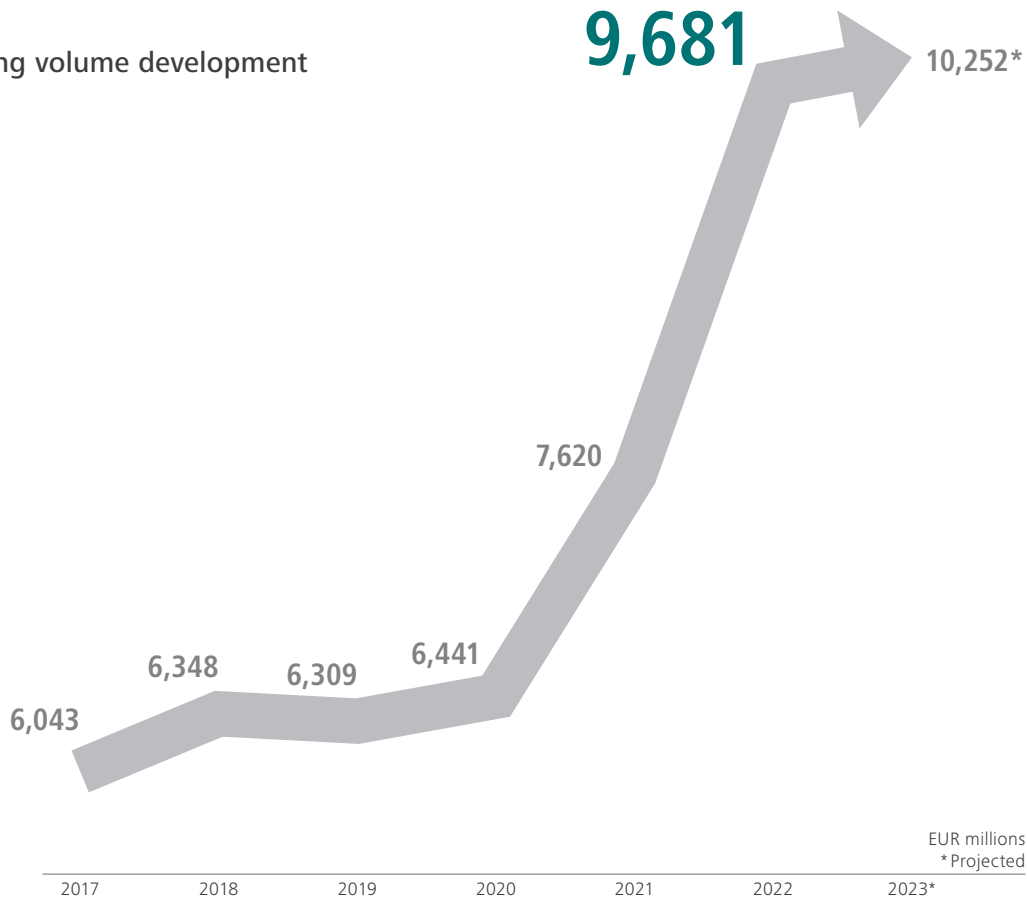
Business division II: Building components, fastening systems, building and furniture fittings, construction equipment and tools, safety engineering

Business division III: Power tools, factory equipment, welding technology

Business division IV: PPE, technical trade, workshop materials

Note: For calculation reasons, the tables may contain rounding differences of ± one unit (EUR, percent).

Trading volume development



Trading volume of the E/D/E Group by product area in 2022

