

KEY FACTS ABOUT NORTHWEST

Based in Dortmund, NORTHWEST Handel AG has been one of the most successful companies in industrial business-to-business (B2B) since 1919. The association's core areas of activity in supporting specialist trade

partners in the areas of Steel, Construction-Trades-Industry and Building Services include the consolidation of purchasing volumes, central payment, a strong central warehouse, and comprehensive services with a clear focus on digitalisation. NORTHWEST is also active in other European countries, particularly in Austria, Switzerland, France, Poland and the Benelux region.

+ THE 2024 FINANCIAL YEAR IN FIGURES

458  highly motivated employees in the entire NORTHWEST Group

4.65 bn.  euros in business volume

2,350  supplier partners

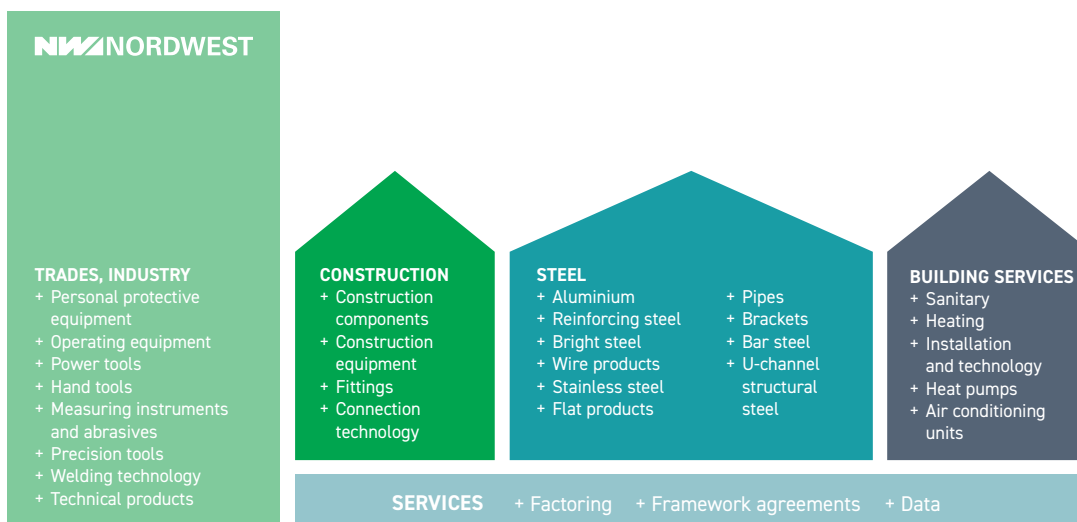
1,252  specialist trade partners

300,000  articles available from our central warehouse

16  European countries

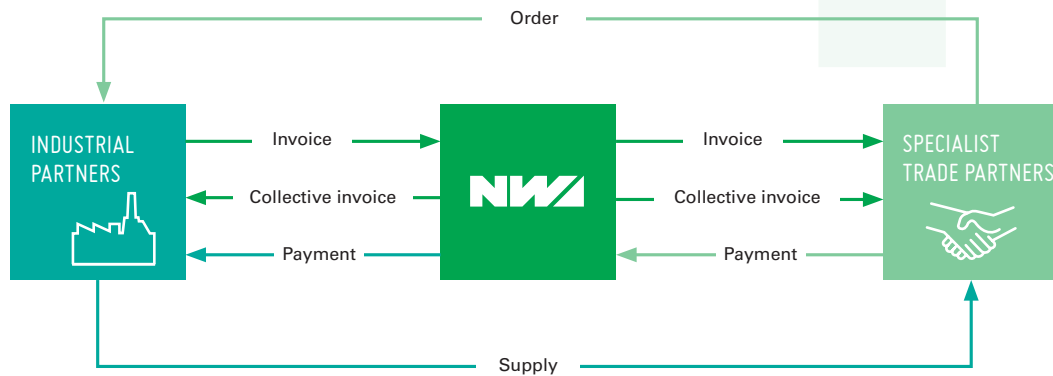
+ THE BUSINESS AREAS:

i **AN IMPORTANT TERM IN OUR DAY-TO-DAY BUSINESS:**
Industrial business-to-business (B2B) refers to wholesale trade in commercial supplies for manufacturing and processing companies. In this way, production stages are linked together.



THE NORTHWEST BUSINESS TYPES ARE: CENTRAL PAYMENT, DROP SHIPMENT AND WAREHOUSING.

As part of its **central payment** system, NORDWEST trade partners place orders with NORDWEST industrial partners and receive the ordered goods directly from them. All invoices issued to trade partners are sent by the industrial partners to NORDWEST for settlement. Based on collective invoices prepared there, trade partners pay NORDWEST, and we in turn pay the supplier partners. This bundling of payment flows results in a significant reduction in administrative costs for trade partners and contract suppliers.



The **drop shipment business** exists between NORDWEST, trade partners and industrial partners, with NORDWEST Handel AG acting as the procurement centre in its own name. It procures goods for its trade partners, but these are delivered directly from the industrial partner to the trade partner and settled via NORDWEST. This practice applies particularly to the steel industry.

NORDWEST operates the **warehousing business** in its own name and on its own account. The goods ordered by the trade partner are still shipped directly from the central warehouse in Gießen, but will soon be shipped from our new logistics centre in Alsfeld. The NORDWEST central warehouse also stocks its own imports and the exclusive brands TECWERK and delphis. Orders can be placed around the clock, and delivery usually takes place the following day.

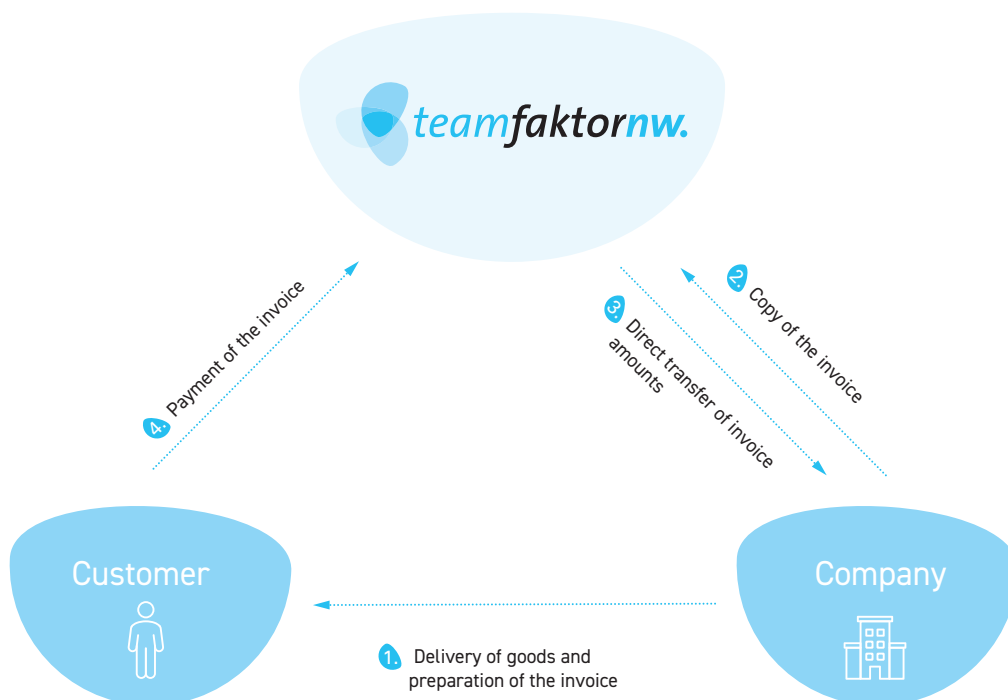


This is what NORDWEST's new logistics centre in Alsfeld will look like.

A total of around 300,000 articles can be ordered from NORDWEST. In addition to the articles stored in the NORDWEST central warehouse itself, specialist wholesalers can also access various affiliated logistics centres belonging to supplier partners in order to facilitate automated, digitalised procurement, particularly in the area of C-parts management. We refer to these as “virtual warehouses”.



+ Factoring is about financing actual receivables. In short: customer payments are pre-financed, thereby increasing the recipient's liquidity. Those who use factoring therefore improve their balance sheet by reducing the “trade receivables” item. Existing equity capital increases proportionally, all without the provision of additional collateral. We consolidate these diverse factoring services under the umbrella of TeamFaktorNW GmbH – a wholly owned subsidiary of NORDWEST Handel AG.



+ Performance communities are industry-specific associations of innovative specialist trade partners initiated and managed by NORDWEST which pool valuable benefits. Their aim is not only cost-effective procurement, but also the optimisation of all processes across the value chain. This enables trade partners to significantly strengthen their position vis-à-vis industry and the competition.



+ NORDWEST HAS TWO EXCLUSIVE BRANDS: TECWERK AND DELPHIS

TECWERK

TECWERK is the established exclusive brand for industry and the skilled trades. The range comprises around 10,000 articles from the areas of hand tools, abrasives, precision tools, workshop and industrial supplies, technical products and personal protective equipment. **TECWERK** offers tested top quality for professional use as well as excellent value for money, manufactured by renowned manufacturers in accordance with applicable DIN and ISO standards.



delphis

The exclusive brand **delphis**, which features the lines delphis unic, delphis living, delphisXpert and delphis midnight, offers the details that make all the difference when selecting your new bathroom. With more than 7,500 products, the choice is extensive. The assortment includes ceramics, bathroom furniture, bathroom accessories, heating and installation technology, as well as heat pumps and air conditioning technology. The quality speaks for itself, with the brand focusing on value for money, durability, design and functionality.



A FEW MILESTONES IN OUR COMPANY'S HISTORY:

1919: The foundation year	Founded as Einkaufsverbund NORDWEST GmbH by Berthold Regenbogen together with 22 hardware merchants in Bremen. The goal: to establish a self-help organisation to counter the market power of the industrial cartels of the time.
1923: New legal form	"Einkaufsverbund NORDWEST GmbH" is converted into a registered cooperative with limited liability (eGmbH).
1945: Relocation to Hagen	Following the destruction of Bremen in the Second World War, the company headquarters are relocated to Hagen. The company is renamed "NORDWEST Eisen- und Metallwaren eGmbH".
1973: Aiming high	NORDWEST constructs a new high-bay warehouse – at the time considered the most modern and efficient in Europe. A fully automated storage facility is created here for the first time.
1992: From cooperative to public limited company	The conversion of the cooperative into NORDWEST Handel AG is officially decided. The share capital of the cooperative members is exchanged for registered shares with restricted transferability at a ratio of 1:1.
1999: Admission to stock exchange trading	The company is admitted to official trading on the Düsseldorf Stock Exchange. The first listing is celebrated on 19 August 1999. On 13 June 2013, NORDWEST shares were then also admitted to trading on the regulated market (General Standard) of the Frankfurt Stock Exchange.
2005: Warehouse outsourced	The NORDWEST central warehouse is relocated to the logistics centre of Rhenus SE & Co. KG in Gießen. The member companies benefit from significantly improved logistics and new services.
2016: Relocation to Dortmund	In September 2016, NORDWEST Handel AG relocates its headquarters to the Phoenix-West site in Dortmund.
2024: Start of construction of the new central warehouse	Construction of the new central warehouse in Alsfeld, Hesse, begins. The goal: to establish the most modern central warehouse in the German industrial B2B sector in order to secure the future competitiveness and long-term success of specialist trade partners.