



Activity report
2018



Our mission

Act as a specialized investment company to responsibly allocate resources in well understood businesses.

Alcoba at a glance



The origin of the group dates back to 1937 when Albert and Constance Moorkens created a company producing and distributing motorcycles



Message from the Managing Directors



2018 was a year of profound transformation at Alcopa: throughout the year, we worked hard to complete our evolution into a specialized and diversified investment company.

As a family-owned investment firm, we believe our core mission is to responsibly allocate resources in well understood businesses. We therefore re-organized the group's governance with a clear focus on bringing value to our existing portfolio companies as a reliable and committed shareholder, and on identifying investment opportunities to further grow. In the new structure, Alcopa fully concentrates on this double task: allowing each of the firm's entities to determine the most appropriate course of action, but also acting as a long-term partner for them.

We are proud to note that this empowerment of our portfolio companies has started delivering results. Despite changing and often very competitive environments, the different companies of the group performed well during the year, as shown in this activity report.

2018 was also a year of significant decisions regarding the management of our investment portfolio. Those decisions had strong implications on the group's scope and on its financial performance.

In terms of acquisitions, the focus of last year was on building up existing investments. We increased our share into buses spare parts distributor CBM from 44% to 75%, and we supported our car auction platform Alcopa Auction in its acquisition of a competitor in Marseille, thereby expanding its physical footprint in France to six sites.

We also successfully divested from businesses which we believe needed another shareholder to develop further. We completed the sale of GMAN and Bruyninx, two car dealer networks part of our car retail activity Modis, and we transferred our majority stake in car trading platform Imexso to our co-shareholders. In addition, two important steps which materialized fully in the first quarter of 2019 were initiated in 2018: the sale of our 40% share into French car distribution group Groupe Bernard, and the transfer of our Hyundai distribution activities in Switzerland to a new owner.

All these developments had a markedly positive effect on Alcopa's financials, as evidenced by key metrics: despite the sizeable divestments, our 2018 sales progressed by 4% at 2,1 billion euro, whereas our EBITDA increased more than proportionally by 14% at 68,6 million euro. At the same time, our net debt decreased by 42% since 2017, landing at 124 million euro by year end. It should be noted that these numbers do not capture the full impact of the changes yet, and we expect the 2019 figures to continue on this positive trend.

These evolutions position us ideally to continue our expansion. Acquisitions and build-ups in our portfolio companies will undoubtedly be the priority for the years to come, and we believe Alcopa is well equipped for the next stage of its 80-year history. We are lucky to count on the longstanding commitment of the group's employees as well as on the trust of our clients, shareholders and partners; we look forward to working together to our continued and mutual development.

A handwritten signature in black ink, consisting of a large, stylized 'D' and 'H'.

Damien Heymans

A handwritten signature in black ink, consisting of a large, stylized 'A' and 'M'.

Axel Moorkens

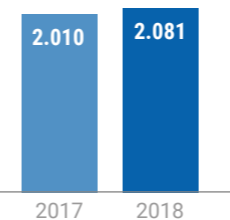
Our geographical footprint



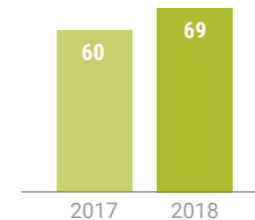
In addition to the 18 countries where they are established, the group's companies have sales in 60+ countries

Alcopa key figures

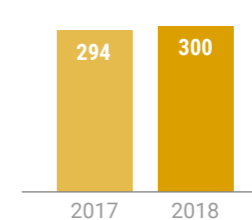
Revenues (M€)



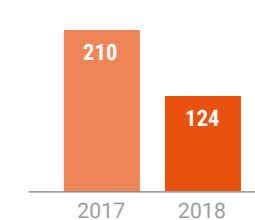
EBITDA (M€)



Equity (M€)



Net Financial Debt (M€)

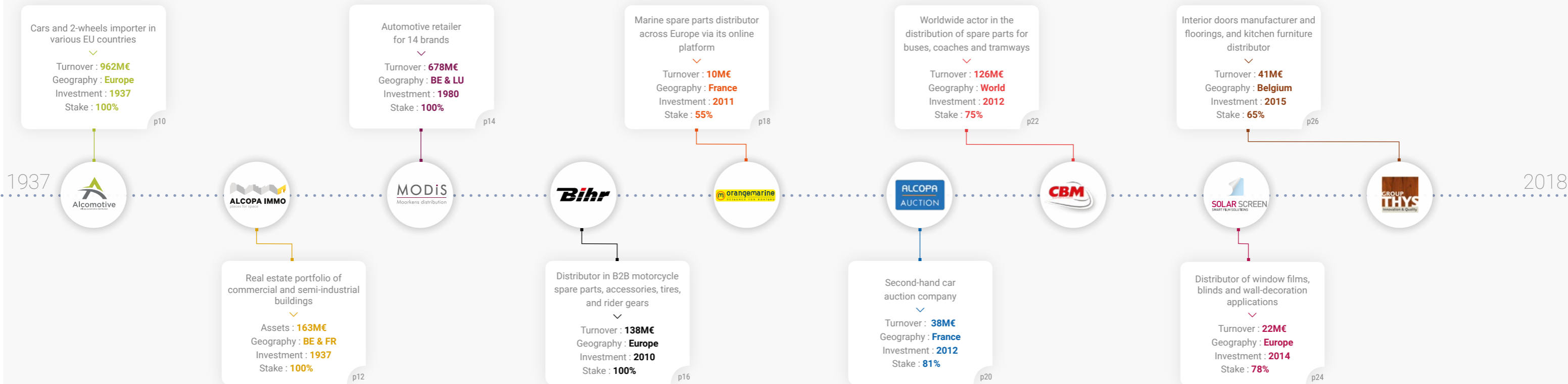


Alcopa **revenues** increased by 4% despite effects of recent divestments

Profitability increased more than proportionally, up by 14%

Balance sheet position improved in 2018 with a significantly lower **net financial debt** position

What we do





Cars and 2-wheels import
Headquarters: Belgium



Turnover
962M€



Employees
400+



Investment
1937



Sales countries
8



Brands
8

Business description

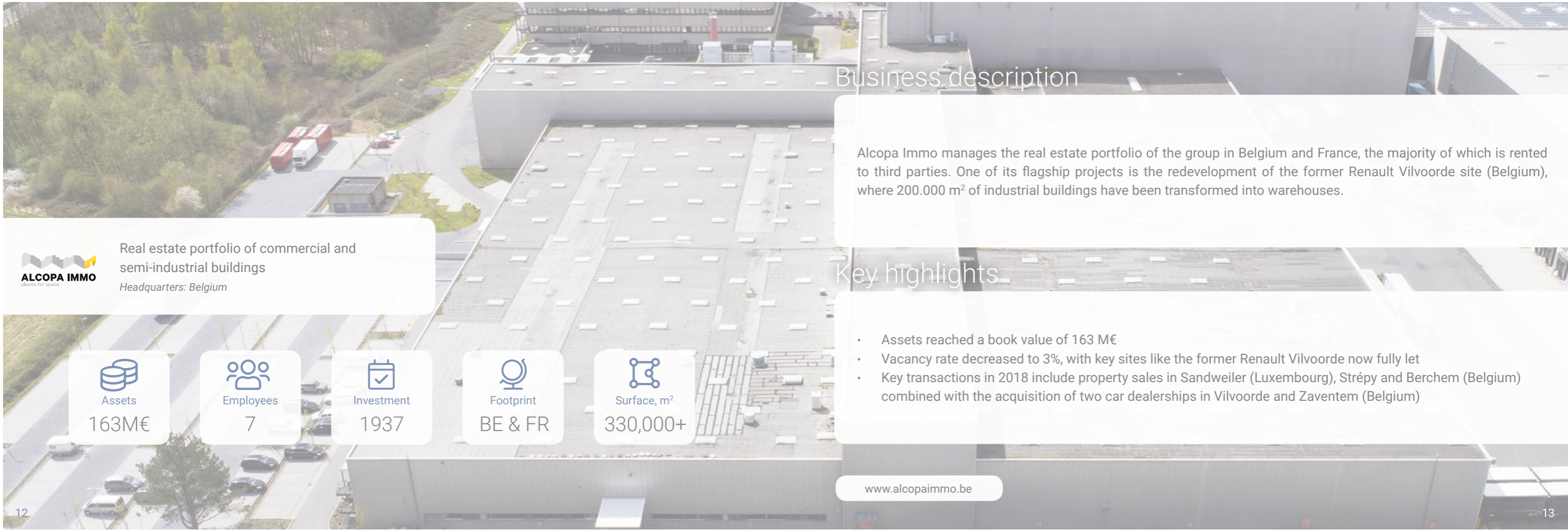
Alcomotive is a car, motorcycle & scooter distribution company, selling eight brands across eight countries. The company is the official distributor for Hyundai, Suzuki, Isuzu, Ssangyong, Sym, Peugeot scooters, Derbi and Benelli in countries including Belgium, Switzerland, Luxemburg, Germany, Poland, France, Portugal and the Netherlands.



Key highlights

- Turnover increased steadily in 2018 (+6%) despite an increasingly mature automotive market in Europe
- Alcomotive distributed over 38.000 cars and 42.000 motorcycles and scooters through a network of more than 2500 dealers
- Successful product launches included the Hyundai Kona EV, the Benelli brand, facelifted best-seller SUV Hyundai Tucson and the revival of the Suzuki Jimny

www.alcomotive.com



Business description

Alcopa Immo manages the real estate portfolio of the group in Belgium and France, the majority of which is rented to third parties. One of its flagship projects is the redevelopment of the former Renault Vilvoorde site (Belgium), where 200.000 m² of industrial buildings have been transformed into warehouses.



Real estate portfolio of commercial and semi-industrial buildings
Headquarters: Belgium

Key highlights

- Assets reached a book value of 163 M€
- Vacancy rate decreased to 3%, with key sites like the former Renault Vilvoorde now fully let
- Key transactions in 2018 include property sales in Sandweiler (Luxembourg), Strépy and Berchem (Belgium) combined with the acquisition of two car dealerships in Vilvoorde and Zaventem (Belgium)

www.alcopaimmo.be



Assets
163M€



Employees
7



Investment
1937



Footprint
BE & FR



Surface, m²
330,000+

MODiS Automotive retailer in Belgium and Luxembourg
Moorkens distribution Headquarters: Belgium



Turnover
678M€



Employees
850+



Investment
1980



Sales countries
BE & LU



Brands
14

Business description

Modis is a multi-brand car retailer through two regional retail groups based in Belgium and Luxembourg. The brands distributed by its affiliates Fidenco with Brussels Car Distribution and Autopolis include Volvo, Ford, Opel, Hyundai, Jaguar Land Rover, Fiat, Alfa Romeo, Suzuki and more. It aims at offering superior service in sales and after-sales to its private and professional clients.



Key highlights

- Sales grew by 6% in 2018, representing 17.000 cars of 14 different brands sold through 24 dealerships in Belgium and Luxembourg
- The group sold GMAN and Bruyninx to Dutch automotive group Van Mossel, and Vanstechelman to Beerens Group
- Modis retained Fidenco with Brussels Car Distribution and Autopolis which represented 70% of the 2018 sales volume

www.fidenco.be, www.autopolis.lu



B2B distribution of motorcycle spare parts, accessories, tires, and rider gears
Headquarters: France



Turnover
138M€



Employees
375+



Investment
2010



Sales countries
10+



References
150,000+

Business description

Bihr is a distributor of spare parts and accessories for motorcycles and motorcyclists. Historically located in France, the company also has offices in Spain, Belgium and Sweden. It serves predominantly professional clients in more than 10 countries, providing them with 24-hour delivery. Its wide assortment includes premium brands as well as house brand products.

Key highlights

- Sales grew by 3% in 2018 thanks to growth in all its key markets
- Many new brands introduced – of which S3, Factory Links, Rival, Dragonfire, Skyrich, Answer and SP Connect - bringing the entire catalogue to about 150.000 references of which 60.000 available in all geographies

www.bihr.eu



Online retailer of boating and sailor equipment

Headquarters: France



Turnover
10M€



Employees
25+



Investment
2011



Sales countries
EU



References
42,000+

Business description

Orangemarine is an online retailer of boating and sailor equipment, offering an unrivalled range of market leading items as well as own-brand products developed in house thanks to a strong technical and R&D know-how. The company operates websites in three European countries. In addition, it serves the most important marketplaces and B2B clients.

Key highlights

- Sales grew by 19% in 2018, bringing the 5-year average growth rate to 35%
- Orangemarine successfully launched its German website, reinforcing its European presence after France and Italy
- Alcopia mandated the management to look for active investors to continue the firm's development

www.orange-marine.com



Second-hand car auction company
Headquarters: France



Turnover
38M€



Employees
180+



Investment
2012



Auction sites
6



Cars sold
72,000+

Business description

Alcopa Auction is a second-hand car auctioning company. The company has a network of six auction sites in France complemented by an online sales website. It organises more than 250 physical and 300 online auction sessions per year and provides its customers and partners with an efficient, transparent and reliable way to buy and sell cars.

Key highlights

- Turnover increased by 12% in 2018, as the company auctioned more than 72.000 cars for a total value of 280M€
- Alcopa Auction continued to extend its footprint by acquiring an auctioning company in Marseille
- It further developed its digital offering with a market leading online car quotation platform aimed at professionals

www.alcopa-auction.fr



Distribution of spare parts for buses
and coaches
Headquarters: France



Turnover
126M€



Employees
100+



Investment
2012



Sales countries
50+



References
50,000+

Business description

CBM is a distributor of spare parts for buses and coaches. The company operates in more than 50 countries in Europe, North America, Asia and Australia. Thanks to a deep understanding of its customers' specific needs, it offers a superior range of immediately available spare parts at favourable pricing conditions.

Key highlights

- Sales grew by 11% thanks to strong activity across geographies, particularly in France, Canada, USA and Italy
- CBM launched a major real estate project leading to new headquarters and warehouses with state-of-the-art facilities, expected to be ready by late 2019
- Alcopa increased its stake into CBM from 43% to 75% in 2018

www.cbmcompany.com



Distribution of window films, blinds and wall-decoration applications

Headquarters: Luxembourg



Turnover
22M€



Employees
70+



Investment
2014



Sales countries
EU



References
2,000+

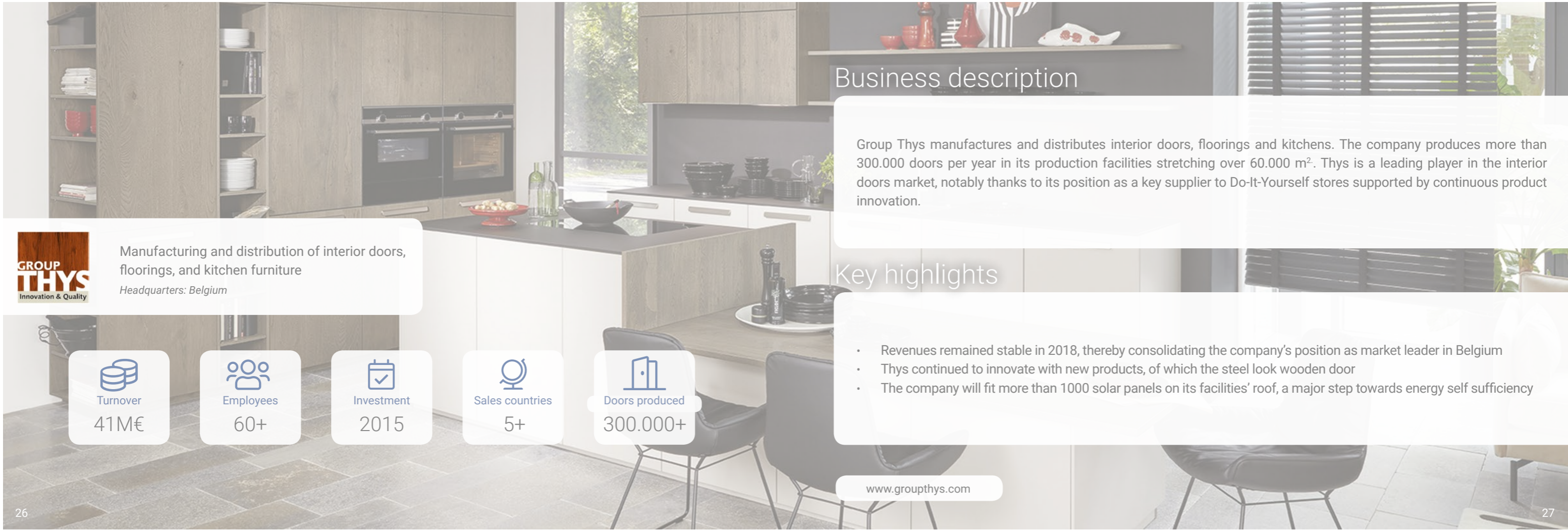
Business description

Solar Screen is a distributor of window films, decorative films and window blinds. Besides its headquarters in Luxembourg, the company has offices in France and Germany and distributes its products in more than 20 European countries. The company distributes films with features ranging from thermal insulation to privacy and including furniture renovation to over 3.000 professional clients.

Key highlights

- Turnover increased by 17% with strong contribution from window films and stores combined with exponential growth in decorative films
- Solar Screen was granted European accreditation as official supplier for Accor Hotels, a recognition of the decorative films offering
- The company moved to new headquarters and warehouses in Foetz (Luxembourg) with 3000 m² stock totalling 65,000+ rolls in stock

www.solarscreen.eu



Business description

Group Thys manufactures and distributes interior doors, floorings and kitchens. The company produces more than 300.000 doors per year in its production facilities stretching over 60.000 m². Thys is a leading player in the interior doors market, notably thanks to its position as a key supplier to Do-It-Yourself stores supported by continuous product innovation.

Key highlights

- Revenues remained stable in 2018, thereby consolidating the company's position as market leader in Belgium
- Thys continued to innovate with new products, of which the steel look wooden door
- The company will fit more than 1000 solar panels on its facilities' roof, a major step towards energy self sufficiency



Manufacturing and distribution of interior doors, floorings, and kitchen furniture
Headquarters: Belgium


Turnover
41M€


Employees
60+


Investment
2015


Sales countries
5+


Doors produced
300.000+

www.grouphys.com

Alcoba complies with the corporate governance obligations of the Belgian Companies Code and takes pride in applying a governance structure that is clear and transparent. Our corporate governance rests on three pillars:

The CAF (Conseil de l'Actionariat Familial) represents the family shareholding and comprises 7 representatives elected by the shareholders' assembly. The CAF acts as a guardian of company values, handles shareholders issues and takes action to nurture the shareholders' *affectio societatis*.

The Board of Directors is chaired by independent director Hugues Delpire, and comprises Philippe Moorkens (chairman of the CAF), Axel Moorkens and Damien Heymans (Managing Directors).

The Executive Committee is in charge of the day-to-day management of the firm. Its members are Damien Heymans, Axel Moorkens, Laurent-Paul Van Steirtegem (Investment Director), Kurt Heene (Finance Director) and Laurence Jacqmain (General Counsel).



The CAF, Conseil de l'Actionariat Familial
From left to right: Joachim Wauters - Caroline Wauters -
Philippe Moorkens - Pénélope Moorkens -
Frédéric Heymans - Olivier Heymans - Axel Moorkens



The Board of Directors
From left to right: Philippe Moorkens - Damien Heymans -
Hugues Delpire - Axel Moorkens



The Executive Committee
From left to right: Axel Moorkens - Laurence Jacqmain -
Kurt Heene - Laurent-Paul Van Steirtegem -
Damien Heymans



Entrepreneurship

Entrepreneurship is in Alcoba's DNA. It determines its decentralized mode of operation, the spirit of men and women who work there and its culture of development.

Performance

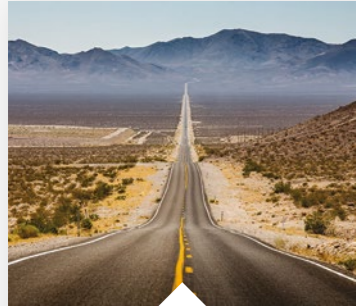
Performance is key to Alcoba's development and goes hand in hand with ambitious targets in order to secure growth, develop pride within managers and satisfaction with shareholders.



Respect

Respect is a major component of the human dimension of our family group. It contributes in building long-lasting relationships with our clients, suppliers, partners and shareholders.

What makes us unique



Trust in management

Majority shareholder co-investing with management



Deep industry expertise

80+ years of expertise in international distribution



Long-term perspectives

Family owned company provider of patient capital with no predetermined investment horizon



Down-to-Earth

Lean decision making thanks to a straight-forward structure



