



Management Team

MARY CHRONOPOULOS

Vice-President, Finance and Operations

BRUNO BALDESSARI

Vice-President, LBM Purchases and Sales

MARTIN MÉNARD

Vice-President, Hardware and Imports

SYLVIE TARDIF

Vice-President, Operations and Logistics

MARTIN LECOMTE

Vice-President, Retail

MARC GAUTHIER

Vice-President, Human Resources

PIERRE NOLET

Vice-President, Business Development

JONATHAN GENDREAU

Vice-President, Marketing and Digital Strategy

JEAN LAGACÉ

Vice-President, Information Technology

STÉPHANIE COUTURIER

Vice-President, Communications and Corporate Social Responsibility



PASCAL HOULE, CPA, CMA
Chief Executive Officer

Fiscal 2019 was highlighted by BMR Group's intention to establish itself as a forward-looking brand unafraid to explore new business practices and set itself apart.

The retail division sales reached \$947.5 million compared with \$939.9 million in the prior fiscal year, a slight but very satisfying increase in a year marked by a sharp fall in lumber and building material prices, a late spring and the sale of corporate stores to affiliated dealers.

Additional revenues, generated by our entry into new markets following the acquisitions made combined with higher same store sales enable us to paint a positive picture for fiscal 2019.

Forging a new path... our way!

In February, our group took the bold step of acquiring a minority interest in Équipements d'érablière CDL, a Québec business, which has recorded high growth in both Québec and Canada. It manufactures and distributes equipment used in processing maple products.

BMR made another bold acquisition. During the summer, it announced it had acquired units in Lefebvre & Benoit, a Québec business and a leader in the distribution of building materials to contractors for commercial buildings and

multi-unit housing in Québec and Ontario. This new alliance, unprecedented in our industry, allows BMR to position itself strategically in high growth market segments that accounted for approximately 75% of housing starts this year.

Operating in a highly competitive market that continues to consolidate, BMR Group remains on the lookout for business opportunities to differentiate itself in the eyes of independent dealers. It's in this context that the Section of independent BMR dealers of La Coop fédérée was created this year – a major advantage that allows all of our stores to integrate themselves concretely into La Coop network and enjoy the resulting benefits. This unique feature serves as a tool for retaining our current members while also giving us a competitive advantage over other brands.

Fiscal 2019 was also highlighted by the completion of numerous large-scale projects announced in 2018. Noteworthy are the construction of the first BMR Pro in Trois-Rivières, which perfectly embodies the strength of our brand segmentation concept, and the opening of a second La Shop BMR in Town of Mont Royal, which also signalled the launch of our omni-channel offer in both urban hardware stores.



The acquisition of units in Lefebvre & Benoit, a Québec business and a leader in the distribution of construction materials to contractors for commercial buildings and multi-unit housing in Québec and Ontario, positions BMR strongly in this high growth market segment.

Another year of major projects to drive growth

After taking a constructive step back, our project to implement a new information system (ERP) gathered steam again and is now entering its final phase before going live at BMR Group at the end of the next fiscal year. This critical first phase will subsequently pave the way for the transformation of in-store systems that will greatly benefit retailers and consumers.

In addition, we have a host of other projects to enhance our offering, such as our ongoing digital shift which we hope will drive online sales growth, the introduction of new omni-channel counters in our stores and the sale of building materials via our Website. We also launched a merchandising program to standardize and optimize our store offering, as well as an employer brand to promote the hiring and retention of quality employees in all BMR establishments across the country.

BMR Group will continue to bank on the growth of its network, in Québec, needless to say, but also in Ontario, a preferred market because of its large number of independent dealers. We intend to keep building on our efforts to bring more dealers into our fold which started well with the number of BMR stores in Ontario increasing to ten this year. We will also work together with our new business partners, CDL and Lefebvre & Benoit, to generate synergies and leverage our alliances.



A second urban hardware store under the La Shop BMR banner opened in spring 2019 in Town of Mont Royal.

Finally, we will undertake a new strategic planning exercise in the coming year which will set out the path for achieving BMR's new objectives for the next five years.

In conclusion, I would like to thank the BMR Group team without whom the completion of all these projects would have been impossible. Many thanks also to La Coop fédérée, the loyal partner of our ambitions. And finally, a special thank you to BMR network dealers, the ultimate source of motivation, that pushes us to surpass ourselves on a daily basis.

Pascal Houle
Chief Executive Officer

Our Brands

