

HORNBACH Holding AG & Co. KGaA
67433 Neustadt an der Weinstrasse

ISIN DE0006083405

**INVITATION TO THE
ANNUAL GENERAL MEETING**

We hereby invite our shareholders to attend our

Annual General Meeting

to be held at Jugendstil-Festhalle Landau,
Mahlastrasse 3, 76829 Landau in der Pfalz

at 11.00 a.m. on Friday, July 5, 2019

HORNBACH ■
Holding

AGENDA

1. **Presentation of the annual financial statements and the consolidated financial statements approved by the Supervisory Board for the 2018/2019 financial year, the combined management report for HORNBAACH Holding AG & Co. KGaA and the Group, the report of the Supervisory Board, and the explanatory report of the general partner in respect of the disclosures made pursuant to § 289a (1) and § 315a (1) of the German Commercial Code (Handelsgesetzbuch – HGB) ; resolution on the adoption of the annual financial statements of HORNBAACH Holding AG & Co. KGaA for the 2018/2019 financial year.**

The Supervisory Board has approved the annual financial statements and the consolidated financial statements prepared by the general partner in accordance with § 171 of the German Stock Corporation Act (*Aktiengesetz* – AktG). Pursuant to § 286 (1) AktG, the Annual General Meeting passes a resolution on the adoption of the annual financial statements. The aforementioned documents are also to be made available to the Annual General Meeting without any further resolution required in this respect.

The general partner and the Supervisory Board propose the adoption of the annual financial statements in the version presented in which a net profit of € 24,000,000.00 is reported.

2. **Resolution on the appropriation of net profit for the 2018/2019 financial year**

The general partner and the Supervisory Board propose to appropriate the net profit reported for the 2018/2019 financial year amounting to

€ 24,000,000.00

as follows:

Distribution of a dividend of € 1.50

per no-par ordinary share

for 16,000,000 ordinary shares

€ 24,000,000.00

Should HORNBAACH Holding AG & Co. KGaA hold any treasury stock upon such resolution being adopted by the Annual General Meeting, then pursuant to the German Stock Corporation Act (AktG) such shares shall have no dividend entitlement. Sums attributable to no-par ordinary shares without dividend entitlement will be carried forward.

3. **Resolution on approval of general partner's actions in the 2018/2019 financial year**

The general partner and Supervisory Board propose to formally approve the actions of the general partner in the 2018/2019 financial year for this period.

4. **Resolution on approval of Supervisory Board members' actions in the 2018/2019 financial year**

The general partner and Supervisory Board propose to formally approve the actions of the members of the Supervisory Board in the 2018/2019 financial year for this period.

5. **Election of auditor and group auditor for the 2019/2020 financial year and of auditor for the audit review of the half-year financial report for the 2019/2020 financial year**

Based on the recommendation and preference of the Audit Committee, the Supervisory Board proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, should be elected as auditor and group auditor for the 2019/2020 financial year and as auditor for the audit review of the condensed interim consolidated financial statements and interim management report for the first half of the 2019/2020 financial year pursuant to § 115 (5) and § 117 No. 2 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

The recommendation submitted by the Audit Committee was preceded by a selection process conducted in accordance with Article 16 of the EU Audit Regulation (Regulation (EU) No. 537 / 2014 of the European Parliament and Council dated April 16, 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005 / 909 / EC). The Audit Committee subsequently recommended Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, and PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, to the Supervisory Board for the audit mandate thereby tendered and stated its reasons for this recommendation. It also informed the Supervisory Board of its reasoned preference for Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich.

Furthermore, the Audit Committee declared that its recommendation was free of undue influence by third parties and that no clauses of the type referred to in Article 16 (6) of the EU Audit Regulation had been imposed.

Notes regarding the Agenda Items

The approved annual financial statements of HORNBAACH Holding AG & Co. KGaA for the 2018/2019 financial year, the approved consolidated financial statements for the 2018/2019 financial year, the combined management report for HORNBAACH Holding AG & Co. KGaA and the Group, and the explanatory report of the general partner in respect of the disclosures made pursuant to § 289a (1) and § 315a (1) HGB, the report by the Supervisory Board on the 2018/2019 financial year, which was adopted by the Supervisory Board and signed by the chairman of the Supervisory Board, as well as the proposal by the general partner and the Supervisory Board on the utilization of unappropriated net profit, have been available pursuant to § 175 (2) Sentence 4 AktG and § 124a AktG at the HORNBAACH Group's website under Investor Relations > Annual General Meetings (www.hornbach-group.com) since the date on which the Annual General Meeting was convened and will be available for inspection at the Annual General Meeting on July 5, 2019.

Conditions for attending the Annual General Meeting and for exercising voting rights

Pursuant to Article 20 (1) of the Articles of Association, to be entitled to attend the Annual General Meeting and exercise their voting rights, shareholders must have registered and submitted proof of their shareholding to the company in good time ahead of the Annual General Meeting. In order to provide proof of shareholding, a certification issued in text form in German or English by the depository financial institution and valid as of the beginning of the 21st day prior to the Annual General Meeting, i.e., **Friday, June 14, 2019, 00.00 hours**, ("record date") will be sufficient.

Both the registration and the proof of shareholding must have been received by the company at least six days prior to the Annual General Meeting (not counting the date of the Annual General Meeting and the date of receipt), i.e. by the latest on **Friday, June 28, 2019, 24:00 hours**, at the following address, fax number, or e-mail address:

HORNBAACH Holding AG & Co. KGaA
c/o HV-Management GmbH
Pirnaer Strasse 8
68309 Mannheim
Fax: +49 (0) 621 718592-40
E-mail: anmeldestelle@hv-management.de

The company is entitled to request further appropriate proof should it have any doubts as to the correctness or authenticity of the proof. Should such proof not be provided, or not in suitable form, then the company is entitled to reject the shareholder in question pursuant to Article 20 (3) of the Articles of Association.

Significance of the record date

From the perspective of the company, only those persons or institutions having presented proof of shareholding are deemed as shareholders entitled to attend the Annual General Meeting and exercise their voting rights. The right to attend the Annual General Meeting and scope of voting rights are measured solely in terms of the shareholding held by the shareholder at the record date.

The record date does not involve any restriction on the disposability of such shareholding. Even when such shareholding is disposed of completely or in part following the record date, shareholders' participation and the scope of their voting rights are based solely on the shareholding held by the shareholder on the record date, i.e. disposals or other assignments of shares following the record date have no implications for their entitlement to attend the Annual General Meeting and the scope of their voting rights. The same applies for the acquisition of shares or any increase in the number of shares held following the record date.

Persons not yet holding any shares as of the record date and only becoming shareholders subsequently are not entitled to attend or exercise any voting rights, unless they have been authorized as proxies or empowered to exercise such rights.

The record date has no implications for dividend entitlement.

Proxy voting procedures

Shareholders not wishing to attend the Annual General Meeting in person are entitled to have their voting rights exercised by an authorized party, e.g. the depository bank, a shareholders' association, or a person of their choice, or by the voting proxy appointed by the company. In these cases as well, shareholders must register for the Annual General Meeting in due time and submit proof of their shareholding in accordance with the aforementioned requirements.

The issuance of a power of attorney, its revocation and the proof of authorization vis-à-vis the company must be made in text form, unless the authorized party is a financial institution, a shareholders' association or any other equivalent person or institution pursuant to § 135 AktG.

Powers of attorney may be issued vis-à-vis the company or the authorized party. When issued vis-à-vis the authorized party, proof of such must be provided to the company. This proof can be made by the authorized party presenting the power of attorney at the entry desk on the date of the Annual General Meeting or by the proof of the authorization being communicated to the company by post, fax, or e-mail to the following address:

HORNBACH Holding AG & Co. KGaA
c/o HV-Management GmbH
Pirnaer Strasse 8
68309 Mannheim
Fax: +49 (0) 621 718592-40
E-mail: vollmacht@hv-management.de

A form for issuing or revoking powers of attorney and submitting proof of such authorization is available for download from the HORNBACH Group's website under Investor Relations > Annual General Meetings (www.hornbach-group.com). Upon request, a text form version of this form will be forwarded to each shareholder.

Should a shareholder authorize more than one person, the company is entitled to reject one or more such persons.

Financial institutions, shareholders' associations and the other equivalent persons and institutions pursuant to § 135 AktG may stipulate different requirements for the form of power of attorney used to authorize them. In such cases, shareholders are requested to agree the form and procedure for issuing powers of attorney in good time with the person or institution to be authorized.

As an additional service, we provide our shareholders with the option of being represented in accordance with their instructions at the Annual General Meeting by a voting proxy appointed by the company. This proxy exercises voting rights on the exclusive basis of the instructions issued by the shareholder. Please note that voting proxies cannot accept any instructions to make statements, pose questions or submit motions. Further details about the relevant procedures will be forwarded together with your admissions ticket. Powers of attorney issued to the voting proxy appointed by the company, as well as any revoking of such powers of attorney and instructions for the voting proxy, must have been received at the above address, fax number or e-mail address at the latest by **Thursday, July 4, 2019, 18:00 hours**. After this, it is no longer possible to amend those powers of attorney and voting instructions already issued.

In addition, shareholders who attend the Annual General Meeting but have to leave prior to voting also have the option upon leaving of issuing a power of attorney and specific instructions for the exercising of their voting rights to a voting proxy appointed by the company. To do this, they should use the form included on the ballot.

Shareholders' rights: minority motions pursuant to § 122 (2) AktG

Pursuant to § 122 (2) AktG, shareholders whose combined shareholdings are equivalent to one twentieth of the share capital or a prorated amount of € 500,000.00 are entitled to request that items be added to the agenda and announced. Such requests must be received by the company at least 30 days prior to the Annual General Meeting (not counting the date of the Annual General Meeting and the date of receipt), and thus at the latest by **Tuesday, June 4, 2019, 24:00 hours**. Such requests must be addressed in writing to the general partner of HORNBACH Holding AG & Co. KGaA. Please use the following address:

HORNBACH Holding AG & Co. KGaA
General Partner
HORNBACH Management AG
Board of Management
Le Quartier Hornbach 19
67433 Neustadt an der Weinstrasse

Each new agenda item must be accompanied by a substantiation or a draft resolution. The respective shareholders are required by § 122 (2) and (1) Sentence 3 AktG to submit documentary evidence that they have owned the shares for at least 90 days prior to the company receiving the motion (not counting the date of receipt) and that they will hold the shares until the general partner decides on the motion.

Shareholders' rights: countermotions and election proposals pursuant to § 126 (1) and § 127 AktG

Shareholders may submit countermotions to any proposal made by the management concerning a specific agenda item. Shareholders may also propose candidates for election as auditors and or Supervisory Board members. Shareholders are requested to communicate any countermotions and election proposals exclusively to the following address, fax number or e-mail address:

HORNBACH Holding AG & Co. KGaA
Investor Relations/Hauptversammlung
Le Quartier Hornbach 19
67433 Neustadt an der Weinstrasse
Fax: +49 (0) 6348 60-4299
E-mail: gegenantraege.holding@hornbach.com

The company will publish any countermotions and election proposals requiring publication and received at the aforementioned address, fax number or e-mail address at the latest on **Thursday, June 20, 2019, 24:00 hours**, together with the shareholder's name, any substantiation provided and any statement to be made by the management, on the HORNBACH Group's online communications platform at www.hornbach-group.com.

The company may forego publication of a countermotion and its substantiation if the conditions set out in § 126 (2) AktG apply, specifically if publication of such by the general partner would constitute a criminal offense, if the countermotion would lead to a resolution at the Annual General Meeting that would infringe the law or the Articles of Association, if the substantiation contains obviously incorrect or misleading information in material aspects, or if it contains insulting material, if a countermotion submitted by the shareholder on the same issue has already been published in connection with an Annual General Meeting of the company pursuant to § 125 AktG, if the same countermotion submitted by the shareholder with basically the same substantiation has already been published by the company in connection with at least two Annual General Meetings pursuant to § 125 AktG in the past five years and such countermotion was subsequently supported by less than one twentieth of the share capital represented at the Annual General Meeting, if it is apparent that the shareholder does not intend to attend or be represented at the Annual General Meeting, or if the shareholder did not propose a countermotion previously communicated, or have such countermotion proposed by others, at two Annual General Meetings in the past two years.

Substantiations of countermotions do not have to be published when they exceed a total of 5,000 characters in length. The above paragraphs apply *mutatis mutandis* to proposals submitted by shareholders for the election of auditors and/or Supervisory Board members. Apart from those cases set out in § 126 (2) AktG, the general partner may also forego publication of election proposals submitted by shareholders when they do not include the name, profession exercised, and town/city of residence of the auditors and/or Supervisory Board members thereby proposed, as well as disclosures on their membership of other statutory supervisory bodies in the case of candidates proposed for election to the Supervisory Board. Disclosures on membership of comparable supervisory bodies at companies in Germany and abroad should also be appended.

Shareholders' rights: right to information pursuant to § 131 (1) AktG

Pursuant to § 131 (1) AktG, each shareholder is entitled upon request to receive information from the general partner on matters relating to the company at the Annual General Meeting, provided that such information is necessary for the appropriate assessment of the respective agenda item. This duty to provide information also includes the company's legal and business dealings with affiliated companies, as well as the situation of the Group and the companies included in the consolidated financial statements, as the consolidated financial statements and group management report are also presented to the Annual General Meeting under Agenda Item 1.

For the reasons outlined in § 131 (3) AktG, the general partner may refuse to answer individual questions, for example if the disclosure of such information may, based on prudent business judgment, create a not inconsiderable disadvantage for the company or one of its affiliated companies. Pursuant to Article 21 (3) of the Articles of Association, the Chairman of the Meeting may impose a reasonable limit on the time allocated to both statements and questions by shareholders. In particular, he may impose a reasonable limit on the duration of the entire Annual General Meeting, on the treatment of individual agenda items, and on individual statements and questions.

Further explanations and information on the company's website

The information for the Annual General Meeting required by § 124a AktG is available to shareholders at the HORNBAACH Group's website under Investor Relations > Annual General Meetings (www.hornbach-group.com). As soon as the Annual General Meeting has been convened, the further explanations of shareholders' rights required by § 122 (2), § 126 (1), § 127, and § 131 (1) AktG are also available there.

Data protection information

We collect personal data about you if you register for the Annual General Meeting and/or about any person you authorize if you issue powers of attorney for your voting rights. Furthermore, we collect data about you if you issue powers of attorney and instructions to the voting proxy appointed by the company. Personal data is collected in accordance with the requirements of the EU's General Data Protection Regulation (GDPR) and of all other relevant legislation. This data is collected to enable shareholders to exercise their rights at the Annual General Meeting and to enable the Annual General Meeting to be organized and conducted in an orderly manner. Details of your rights and of the treatment of your personal data by the responsible body, HORNBAACH Holding AG & Co. KGaA, can be found on the internet at www.hornbach-gruppe.com/HV-Datenschutz/Holding.

Total number of shares and voting rights upon the convening of the Annual General Meeting

Upon the convening of the Annual General Meeting, the company's share capital of € 48,000,000 is divided into 16,000,000 no-par ordinary shares. Each no-par ordinary share grants one vote, meaning that at the time the Annual General Meeting was convened, there were 16,000,000 voting rights in accordance with the Articles of Association. The company is not entitled to exercise any voting rights attributable to treasury stock; the company did not hold any treasury stock upon the convening of the Annual General Meeting.

Neustadt, May 2019

HORNBAACH Holding AG & Co. KGaA

HORNBAACH Management AG
(General Partner)

The Board of Management