

DOUGLAS

PRESS RELEASE

Douglas agrees long term refinancing

Düsseldorf, 26 March 2021. Douglas, Europe's leading premium beauty platform, has successfully agreed a comprehensive refinancing package of €2.55 billion, providing a strong financial position for the next five years, from which the company can continue to deliver on its #FORWARDBEAUTY.DigitalFirst strategy.

The financing package comprises a €600 million senior secured term loan, €1,305 million of senior secured notes, €475 million of senior PIK notes and a €170 million revolving credit line. Douglas's shareholders - the financial investor CVC and the Kreke family - have also underscored their commitment and continued support to the company by providing an additional €220 million of equity funding.

"We placed our entire financing structure on a solid and long-term foundation at an early stage," CEO Tina Müller said. "Institutional investors and our owners are well aware of our operating performance as a digital enterprise with brick-and-mortar business. Douglas will consistently expand its potential as Europe's leading beauty platform and continue to interlink its e-commerce and in-store operations. The new financing package will give Douglas more leeway to conduct its operative business and for strategic initiatives."

The refinancing is expected to close on 8 April and the existing debt financing will be repaid in full at that time, in addition to ~€100 million of additional cash reserves being funded to the company's balance sheet.

Douglas started the fiscal year 2020/21 with record growth in e-commerce, generating online sales growth of 74 percent to €433 million. In spite of the lockdowns across Europe, the Douglas Group generated sales of €1.2 billion in the first quarter, a decrease of only 7.1 percent (like-for-like) compared to the corresponding period in the previous year, in a market that was more than challenging. In Germany, sales were stable with a decline of only 3.3 percent (like-for-like). Based on the philosophy of DIGITAL FIRST, Douglas has begun in autumn 2020 to integrate its online shops, marketplace and retail stores into a digital, networked, data-based beauty platform. The aim of this transformation is to focus the company's growth strategy on digital beauty retail.

DOUGLAS

ABOUT DOUGLAS:

Douglas is the leading premium beauty platform in Europe. Offering more than 130,000 beauty and lifestyle products in online shops, the beauty marketplace and over 2,000 stores, Douglas inspires customers to live their own kind of beauty by a previously unparalleled assortment. In 2021, Douglas achieved the Diversity Certification of the initiative BeyondGenderAgenda and represents diversity, equal opportunity and inclusion internally and externally. The continued expansion of the fast-growing e-commerce business is the focus of the #FORWARDBEAUTY.DigitalFirst strategy programme. In fiscal year 2019/2020, Douglas generated sales of 3.2 billion euros in the areas of perfumery, decorative cosmetics, skin and hair care as well as nutritional supplements and accessories.



CONTACT FOR INVESTOR RELATIONS

Stefanie Steiner
Head of Investor Relations
Telephone: +49 211 16847 8594
E-mail: ir@douglas.de

MEDIA CONTACT:

Eva Krüger
Corporate Communications Manager
Telephone: +49 211 16847 6644
E-mail: pr@douglas.de

THIS PRESS RELEASE IS NOT FOR DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN, OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL.

The notes offering is being made by means of an offering memorandum. This press release does not constitute an offer to sell or the solicitation of an offer to buy the notes or any other security and shall not constitute an offer, solicitation or sale in the United States or in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful.

The notes and the related guarantees have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. Accordingly, the notes and the related guarantees are being offered and sold (i) in the United States only to qualified institutional buyers in accordance with Rule 144A under the Securities Act and (ii) in "offshore transactions" to non-U.S. persons outside the United States in accordance with Regulation S. There is no assurance that the offerings will be completed or, if completed, as to the terms on which they will be completed.

This press release has been prepared on the basis that any offer of the notes in any Member State of the European Economic Area (the "EEA") or in the United Kingdom will be made pursuant to an exemption under Regulation (EU) 2017/1129 (as amended or superseded) (the "Prospectus Regulation") and the Prospectus Regulation as it forms part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation") from the requirement to publish a prospectus for offers of the notes.

DOUGLAS

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“MiFID II”); (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation and UK Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “PRIIPs Regulation”), for offering or selling the notes or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA or the United Kingdom may be unlawful under the PRIIPs Regulation.

Manufacturer target market (MiFID II product governance; UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs or UK PRIIPs key information document (KID) has been prepared as the offering is not available to retail investors in EEA or the United Kingdom, respectively.

The distribution of this press release into certain jurisdictions may be restricted by law. Persons into whose possession this press release comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such jurisdiction.

Forward-looking Statements

DOUGLAS

This press release may include “forward-looking statements” within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this press release, including, without limitation, those regarding the Company’s intentions, beliefs or current expectations concerning, among other things: the Company’s future financial conditions and performance, results of operations and liquidity; the Company’s strategy, plans, objectives, prospects, growth, goals and targets; future developments in the markets in which the Company participates or is seeking to participate; and anticipated regulatory changes in the industry in which the Company operates. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “anticipate”, “believe”, “continue”, “ongoing”, “estimate”, “expect”, “intend”, “may”, “plan”, “potential”, “predict”, “project”, “target”, “seek” or, in each case, their negative, or other variations or comparable terminology. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future. Past performance is not an indication of future results and past performance should not be taken as a representation that trends or activities underlying past performance will continue in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that the Company’s actual financial condition, results of operations and cash flows, and the development of the industry in which the Company operates, may differ materially from (and be more negative). The forward-looking statements in this document speak only as at the date of this press release and the Company and its affiliates expressly disclaim any obligation or undertaking to review or release any updates or revisions to these forward-looking statements to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based after the date of this press release or to update or to keep current any other information contained in this document or to provide any additional information in relation to such forward-looking statements, unless required to do so by applicable law.