

PRESS RELEASE

Douglas significantly boosts sales in third quarter

- Group sales in Q3 (April - June) up 16.8 percent to €644 million (Q3 2019/2020: €557 million)
- E-commerce sales up 20 percent in the third quarter to €268 million (Q3 2019/2020: €224 million); doubled within two years
- Sales of around €1.2 billion in e-commerce in the past 12 months
- Store sales up 14.8 percent to €374 million in the third quarter (Q3 2019/2020: €328 million) in spite of lockdowns
- Douglas gains additional e-commerce market share in core countries; e-commerce market leader for the first time in France
- Tina Müller, the CEO of the Douglas Group: "We continued to expand our position as Europe's leading premium beauty platform during the third quarter. Momentum in e-commerce business remains unchecked and will continue. The opening of all our stores at the beginning of June also gave a much needed boost to our stationary business."

Düsseldorf, 25 August 2021. Douglas, Europe's leading premium beauty platform, generated additional e-commerce momentum from April to June 2021 and also grew again in its store-based business as shops gradually reopened in June.

Overall, Group sales totalled €644 million in the third quarter (fiscal year: October-September) or a gain of 16.8 percent like-for-like. It was the first time that Douglas had boosted its quarterly sales on a like-for-like basis since the end of 2019 - the start of the COVID-19 pandemic.

In e-commerce alone, Douglas generated third quarter sales of €268 million, an increase of around 20 percent. This growth is all the more impressive in light of the increase of more than 70 percent in online sales achieved by Douglas in the same quarter of the previous year. Over the past two years, e-commerce sales have increased by more than 100 percent.

The Group's share of online sales from April to June totalled 42 percent. In Germany, the figure even climbed to 69 percent as a result of the massive lockdown.

EBITDA totalled €24 million, around 10 percent below the previous year's level, since it was possible in the same quarter last year to make adjustments for higher, coronavirus-

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related costs; in addition, there were fewer payments for short-term working and fewer lockdown-related rental reductions as stores were reopened.

Tina Müller, the CEO of the Douglas Group, said: "We already laid the foundation for this good performance and the long-term positive growth of our e-commerce business three years ago when we systematically focused on customer needs and the trend towards online shopping experiences. We are continuing to devote our full attention to the ongoing expansion of our e-commerce business. At the same time, we are delighted with how well our store business has bounced back since June. We expect stationary sales to rise slowly but surely as long as stores stay open."

Overall, Douglas is focusing on a strong presence in Europe's metropolitan regions. Stores in these major areas are being further upgraded, offering more advice, providing aesthetic and medical treatments, and offering spa-like experiences. In Düsseldorf alone, Douglas will be investing in two large-scale stores with special concepts and offers. "Our stationary business plays a key role in our consistent e-commerce strategy, #FORWARDBEAUTYDigitalFirst.", Müller said.

Douglas expands its top position in Europe - e-commerce leader in France for the first time

The long-awaited normalisation of the company's stationary business did not begin until the last part of the quarter, when COVID-19 restrictions were lifted in June and all stores were allowed to reopen. Sales from store business in Europe climbed by 14.8 percent to €374 million on a like-for-like basis, suggesting a positive trend if the entire store network is allowed to remain open in the coming months.

In Germany, Douglas' key core market, stores were allowed to open in June after being shut completely in April and May. Thanks to the continuing boom in e-commerce that fuelled an increase in sales of 18.6 percent to around €153 million, the overall decline in sales suffered by the company's business in Germany totalled only 3.5 percent to more than €221 million. The company's online business thus cushioned the blow that the lockdown-driven decline dealt to its store business. Customers also bought more per visit in the stores.

The company's performance in France, its second largest market and a country where it has assumed market leadership in e-commerce business, was consistently positive. Its e-commerce business generated a powerful gain of 85.7 percent to €39 million in e-commerce. This performance was complemented by continued gains in market share in France, Italy and Germany.

Vanessa Stützle, the Chief Digital Officer at Douglas said: "I am especially pleased that we have doubled e-commerce sales within two years with twenty percent growth in Q3 and have also become the market leader in France, our second most important market, for the first time. This proves once again that our multiple initiatives under our

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#FORWARDBEAUTYDigitalFirst strategy are generating sustainable, profitable and international growth."

In addition to its online sales, Douglas improved all other relevant key performance indicators in its e-commerce business. The average size of online shopping carts in Germany climbed by 4.8 percent to €71, and the share of sales generated via mobile devices increased by 5 percentage points to 69.5 percent.

Future investments in brands and new digital formats

Douglas is systematically enhancing the attractiveness of its product range. As part of this effort, it completed further exclusive deals with new and spectacular beauty and lifestyle brands. "Kylie Cosmetics" by Kylie Jenner or "Keys Soulcare" by Alicia Keys are now available exclusively at Douglas in the company's core European markets. The company's social commerce format "Douglas Live", is extremely popular, particularly among young customer groups. Douglas is one of the pioneers of live shopping events and is also one of the most visible actors in this area. The format, which has already been introduced in eight countries, creates new forms of customer interaction and is expanding brand awareness for 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 #FORWARDBEAUTYDigitalFirst 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.

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OVERVIEW

FINANCIAL RESULTS:

	Q3 19/20	Q3 20/21	Change
Group sales	€557 million	€644 million	+16.8 percent*
Sales stores	€328 million	€374 million	+14.8 percent*
Sales e-commerce	€224 million	€268 million	+19.9 percent
E-commerce as a percentage of Group sales	40.2 percent	41.7 percent	+1.5 percentage points
Adjusted EBITDA	€27 million	€24 million	-10.3 percent
Sales e-commerce	€766 million LTM	€1,176 million LTM	+53.5 percent
Liquidity (30 June)	€174 million	€224 million	+28.7 percent

	9M 19/20	9M 20/21	Change
Group sales	€2.5 billion	€2.4 billion	-2.1 percent*
Sales stores	€1.8 billion	€1.4 billion	-25.9 percent*
Sales e-commerce	€638 million	€993 million	+55.5 percent
E-commerce as a percentage of Group sales	25.6 percent	41.9 percent	+16.4 percentage points
Adjusted EBITDA	€252 million	€194 million	-23.1 percent

*figures in like-for-like