

DOUGLAS

PRESS RELEASE

Financial year 2022/23

DOUGLAS with record sales and earnings

- **Full year 2022/23 performance** (October 2022 to September 2023):
 - Group adjusted sales (net) up 12.1% to 4.1 billion euros (like-for-like, "lfl": +13.4%)
 - Double-digit omnichannel growth: store adj. sales (net) grew 13.0% (lfl: 15.5%), E-Commerce up 10.3% (lfl: 9.2%)
 - Adj. EBITDA up 22.3% to 725.9 million euros; positive net income at 16.7 million euros (previous year: -313.8 million euros)
 - Cash amounted to 262.3 million euros (previous year: 245.3 million euros)
- **Q4 performance** (July to September 2023)
 - Group adjusted sales (net) up 9.1% to 883.0 million euros (lfl: 9.4%)
 - 9.6% store adj. sales (net) growth (lfl: 8.6%), E-Commerce 7.9% (lfl: 12.0%)
 - Adj. EBITDA up 25.0% to 136.7 million euros, with a significantly improved adj. EBITDA margin of 15.5% (previous year: 13.5%)
 - Free Cash Flow of 121.7 million euros
- Sander van der Laan, DOUGLAS Group CEO: "Our financial performance proves the strength of our well-positioned omnichannel business model and unique customer proposition."
- Good start into the financial year 2023/24 with robust pre-Christmas sales period

Düsseldorf, 20 December 2023 – DOUGLAS, Europe's number one omnichannel premium beauty destination, completed its financial year 2022/23 with record results: with adj. sales (net) of 4.1 billion euros (FY 2021/22: 3.65 billion euros) between October 2022 and September 2023, DOUGLAS surpassed the threshold of 4 billion euros in sales (net) for the first time and grew by 12.1% compared to the previous financial year.

The Group cemented its omnichannel focus as both stores (+13.0%) and E-Commerce (+10.3%) contributed double-digit to this performance. At the same time, DOUGLAS achieved a Group adj. EBITDA of 725.9 million euros (FY 2021/22: 593.4 million euros), up 22.3% year-on-year and corresponding to an adj. EBITDA margin of 17.7%. For the first time since the outbreak of the COVID pandemic, DOUGLAS reported a net profit as

DOUGLAS

the net income significantly improved to 16.7 million euros from -313.8 million euros in the previous year. Free Cash Flow (FCF) increased to 480.6 million euros (FY 2021/22: 366.6 million euros).

“Our strong financial performance proves the strength of our well-positioned omnichannel business model and unique customer proposition”, said DOUGLAS Group CEO Sander van der Laan. “We will continue to build on this success by consistently implementing our ‘Let it Bloom’ strategy with various initiatives already started this year. DOUGLAS is well on track to maintain its growth trajectory and achieve the Group sales target of 5 billion euros by 2026.”

Q4: Adj. sales (net) growth for nine consecutive quarters

DOUGLAS also closed the financial year with another successful quarter and grew adj. sales (net) from July to September by 9.1% to 883.0 million euros (Q4 2021/22: 809.7 million euros). The growth stems from good results across both channels: Store adj. sales (net) grew 9.6% (lfl: +8.6%) and E-Commerce sales were up 7.9% year-on-year (lfl: +12.0%), once again demonstrating the resilient omnichannel model. Total growth in the fourth quarter - which corresponds to an adj. sales (net) growth for nine consecutive quarters - was driven by positive results across all segments, with DACHNL (+9.2%) and CEE (+18.8%) developing particularly well.

From July to September, DOUGLAS achieved a Group adj. EBITDA of 136.7 million euros (Q4 2021/22: 109.4 million euros). This corresponds to an adj. EBITDA margin of 15.5% which is ahead of the previous financial year’s margin of 13.5%. Fourth quarter net income improved by 203.0 million euros to -28.2 million euros (Q4 2021/22: -231.2 million euros). Cash as of 30 September stood at 262.3 million euros (30.09.22: 245.3 million euros). As a result of the positive cash development and the strong increase in adj. EBITDA, DOUGLAS’ net leverage ratio improved further to 4.7 as of the reporting date.

DOUGLAS sets course for future growth

As DOUGLAS continues implementing its strategy “Let it Bloom - DOUGLAS 2026” to set the course for long-term future growth, the Group has made landmark decisions and achieved new milestones in the four key strategic pillars #1 Beauty Destination, Range of

DOUGLAS

Brands, Omnichannel Experience and Efficient Operating Model. Business development is expected to be driven by several initiatives and fields of action, including:

- 1. Store Network Expansion:** DOUGLAS continues to develop its store network and is ramping up its pace and activities in Central Eastern Europe, a key growth region for the Group. In the financial year 2022/23, DOUGLAS opened 39 new stores, 26 of them in CEE. These include, among others, new locations in Poland, Estonia and Romania, while the first stores have been opened in the two new countries Belgium and Slovenia. At the same time, 76 stores have been modernized.
- 2. E-Com Business Boost:** DOUGLAS' omnichannel model proves a key differentiating factor, with E-Com as a continuous growth driver. The good performance of the DOUGLAS online stores as well as the E-Com focused segment Parfumdreams / Niche Beauty demonstrates sustained customer demand for a compelling online offering and digital customer journey.
- 3. ESG Commitments:** DOUGLAS has updated its ambition to be a leading premium beauty retailer in sustainability. As part of its new ESG strategy, it has defined three focus areas: People, Planet and Product. For each area, DOUGLAS has set clear goals focusing on specific topics such as climate protection, energy and waste. The Group will share more details on its ESG strategy within the Sustainability Report 2024 set to be published in the first quarter 2024.

Good start to financial year 2023/24

DOUGLAS started well into the new financial year 2023/24. The important pre-Christmas sales period with the retail highlights "Singles' Day" and "Beauty Friday" / "Black Week" proved to be satisfactory both online and in the stationary business. In October 2023, DOUGLAS decided to pay the interests for its PIK notes in cash as a result of the continued positive liquidity development of the Group.

OVERVIEW FINANCIAL RESULTS*

Q4 FY 2022/23	Q4 2021/22	Q4 2022/23	Change (reported)	Change (lfl)
Adjusted sales (net)**	€809.7m	€883.0m	9.1%	9.4%
Stores	€560.0m	€613.6m	9.6%	8.6%
E-Commerce	€248.2m	€267.8m	7.9%	12.0%
E-Commerce % of sales (net)	30.7%	30.3%	-0.4ppt	
Segment DACHNL	€375.8m	€410.4m	9.2%	8.3%
Segment France	€152.4m	€161.0m	5.7%	5.9%
Segment Southern Europe	€123.7m	€130.1m	5.2%	4.2%
Segment CEE***	€107.3m	€127.5m	18.8%	16.1%
Segment Parfumdreams/Niche Beauty	€29.3m	€40.1m	36.9%	37.1%
Adjusted EBITDA	€109.4m	€136.7m	25.0%	
Liquidity (30 September)	€245.3m	€262.3m	6.9%	
Net Income	-€231.2m	-€28.2m	87.8%	

FY 2022/23	FY 2021/22	FY 2022/23	Change (reported)	Change (lfl)
Adjusted sales (net)**	€3,649.9m	€4,091.0m	12.1%	13.4%
Stores	€2,450.3m	€2,769.0	13.0%	15.5%
E-Commerce	€1,199.1m	€1,322.4m	10.3%	9.2%
E-Commerce % of sales (net)	32.9%	32.3%	-0.6ppt	
Segment DACHNL	€1,638.8m	€1,871.9m	14.2%	14.6%
Segment France	€781.2m	€813.5m	4.1%	5.4%
Segment Southern Europe	€588.4m	€622.7m	5.8%	13.5%
Segment CEE***	€442.0m	€556.4m	25.9%	21.0%
Segment Parfumdreams/Niche Beauty	€146.8m	€171.6m	16.9%	17.3%
Adjusted EBITDA	€593.4m	€725.9m	22.3%	
Liquidity (30 September)	€245.3m	€262.3m	6.9%	
Net Income	-€313.8m	€16.7m	Pos.	

* Financial reporting in accordance with IFRS 16. All comparative figures have been adjusted accordingly.

** Adjusted for sales (net) of closure stores in Spain.

*** CEE = Central Eastern Europe (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia)

DOUGLAS

ABOUT DOUGLAS

DOUGLAS is the number one omnichannel premium beauty destination in Europe. The company is inspiring customers to live their own kind of beauty by offering a unique assortment online and in around 1,850 stores. With unparalleled size and access to customers, DOUGLAS is the partner of choice for brands and offers a selected range of selective and exclusive brands as well as own corporate brands. The assortment includes fragrances, make-up, skin care, hair care, accessories as well as beauty services. Strengthening its successful omnichannel positioning while consistently developing superior customer experience is at the heart of the company's strategy "Let it Bloom - DOUGLAS 2026". The winning business model is underpinned by DOUGLAS' omnichannel proposition, leading brands, and data capabilities. In the fiscal year 2022/23, DOUGLAS generated sales of 4.1 billion euros and employed around 18,000 people across Europe.

For more information visit the DOUGLAS website.

PRESS CONTACT

Peter Wübben

SVP Group Communications & Sustainability

Phone: +49 211 16847 664

E-Mail: pr@douglas.de