

PRESS RELEASE

“Let it Bloom – DOUGLAS 2026”

DOUGLAS accelerates growth with strict customer focus and targeted omni-channel set-up

- Strategy program “Let it Bloom” puts customers at the center of business model
- Focus on brand, products, omni-channel, efficiency and company culture
- Targeted investments to strengthen store network, E-Commerce and operating model
- Net sales to reach 5 billion euros by 2026 with corresponding EBITDA uplift
- Sander van der Laan, Group CEO DOUGLAS: “With our new strategic direction, we want to energize the whole organization to further strengthen our market positioning and growth perspective.”

Düsseldorf, 22 March 2023 - DOUGLAS, Europe’s leading beauty destination, unveiled its strategy program ‘Let it Bloom – DOUGLAS 2026’ - well in time with the beginning of spring. The program includes a four-year growth plan for all of its business activities. By putting customers at the center of the business model and by finetuning every relevant operational and efficiency lever, the company aims to accelerate its growth trajectory.

DOUGLAS wants to grow sales, profits and cash-flow generation: until 2026, the company plans to increase the Group’s net sales to 5 billion euros (FY 2021/22: 3.65 billion euros) and its EBITDA accordingly. To enhance its customer journey, DOUGLAS wants to further develop its European footprint, E-Commerce offering, brand positioning as well as its range of brands on offer. Moreover, the company will further develop its retail media activities. In its day-to-day operations, DOUGLAS will improve efficiency with greater focus on costs, standardization and the supply chain and will develop its technological backbone.

CEO Sander van der Laan says: “We have seen a tremendous comeback of our stores after the pandemic and the era of lockdowns, while E-Commerce remains strong. Our leading omni-channel business model has proven very resilient and this is exactly what we will focus on. We strongly believe in the combination of a unique stationary offer with the passionate service from our around 16,000 Beauty Advisors and a convenient online

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shopping experience. Both based on an outstanding brand perception as well as an attractive range of product brands on offer.”

As part of the strategy program, DOUGLAS commits to targeted investments into its store network including modernization, expansion within existing markets and into new markets such as Belgium and Slovenia, as well as into further growth of the E-Commerce business, the online partner program and omni-channel integration. At the same time, the company envisages to increase profits and cash-flow generation with stricter cost management and efficiency improvements in all of its processes.

To explore and to realize saving potentials, the company has conducted a comprehensive in-depth analysis, carried out by several inhouse expert teams. “This is a bottom-up driven process. We are looking into each aspect of our business to unlock efficiency gains while strengthening our market position at the same time,” said van der Laan.

The strategy program ‘Let it Bloom - DOUGLAS 2026’ focuses on four strategic pillars with the DOUGLAS team as strong foundation:

- (1) Be the #1 BEAUTY DESTINATION in all markets: DOUGLAS will continue to invest in its brand perception and visibility. This will include further development of its ESG program into all relevant areas of the business.
- (2) Offer the most relevant and distinctive RANGE OF BRANDS: Building on its attractive product offering, DOUGLAS aims to elevate its assortment further and strengthen other product categories such as skincare, make-up and hair.
- (3) Deliver the most customer friendly OMNI-CHANNEL EXPERIENCE: As customers switch between sales channels more fluidly; DOUGLAS will focus on enhancing the customer journey across stores and E-Commerce. This will include investments in new technologies as well as a more focused concept for store formats.
- (4) Build a focused and efficient OPERATING MODEL: To further increase profitability, DOUGLAS will invest into its supply chain and technological backbone to achieve greater standardization and automation. Structures and processes will be simplified across Europe to allow for faster decision-making and better accountability.

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Last, but not least, the foundation: Grow our CULTURE AND VALUES, lived by us: As DOUGLAS is poised to expand its leading role in the European beauty market, it will foster a performance culture supporting employees according to their individual strengths.

The overall results and top priority goals of this process are to improve the customer proposition and employee satisfaction of DOUGLAS and its entities Nocibé, Parfumdreams and Niche Beauty leading to an improvement of financial performance.

“We are deeply convinced, that this is the right path to accelerated growth and increased company value. We firmly believe that we have a unique company brand with outstanding people and a very successful business model. We will build on these virtues and further strengthen our market position,” said van der Laan.

ABOUT DOUGLAS

DOUGLAS is Europe’s leading omni-channel beauty destination. We inspire customers to live their own kind of beauty by offering an unparalleled assortment in online stores, via a partner program and in around 1,800 stores. Strengthening our successful omni-channel positioning while consistently developing the customer experience is at the heart of our strategy. In its fiscal year 2021/22, DOUGLAS generated sales of 3.65 billion euros in perfume, decorative cosmetic, skin and hair care nutritional supplements, health care and accessories.

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