

Q3 Financial Year 2023/24 (April - June 2024)

DOUGLAS Group continues strong financial and business performance in third quarter 2023/24

- **Sustained positive business development in Q3, confirming preliminary numbers:**
 - Strong omnichannel growth: Group sales (net) up 7.3% (reported) to 977.1 million euros (like-for-like, "lfl": +7.4%), with stores contributing 7.2% and E-Com 7.5%
 - Adjusted EBITDA up 5.6% to 162.9 million euros, adj. EBITDA margin: 16.7% (PY: 16.9%)
- **First nine months of the financial year above PY - profits growing ahead of sales:**
 - Group sales (net) up 8.7% (lfl: +8.9%) to around 3.5 billion euros, stores +8.2% and E-Com +9.8%
 - Adj. EBITDA grew 11.5% to 657.1 million euros; adj. EBITDA margin: 18.8%
- 2023/24 Guidance raised on 17 July 2024: Expected sales growth now around 8.5%; adj. EBITDA margin expected significantly above prior year; DOUGLAS Group well on track to reach mid-term target of around 18.5% adj. EBITDA margin
- Integration of parfumdreams logistics into Hamm OWAC successfully concluded, positive impact on future profitability and customer experience expected; temporary disruption in the course of the integration led to singular drop in segment sales (net) of -10.2%
- Store network development is proceeding well - very successful grand reopening of flagship luxury store in Vienna, Austria
- Clear strategic focus on core business premium beauty: sale of online pharmacy Disapo to Dutch MYA Health completed with transaction closed on 31 July, 2024
- Further enhancement of premium brand positioning across channels and countries: premium redesign of website, online shop and app starting in September, with additional omnichannel facilitation and further standardization
- Sander van der Laan, CEO DOUGLAS Group: "Our continued growth clearly confirms that our strategic focus on premium beauty strongly resonates with our customers."

Düsseldorf, 14 August, 2024 - The DOUGLAS Group, Europe's number one omnichannel destination for premium beauty, continued its strong financial and business performance in the third quarter of the financial year 2023/24 (April to June 2024) as it successfully further implements its "Let it Bloom" strategy. Since going public in March 2024, the company significantly deleveraged its balance sheet and strategically sharpened its profile as a customer-centric premium beauty retailer.

In the third quarter of the financial year 2023/24, the DOUGLAS Group grew sales (net) by 7.3% to 977.1 million euros (Q3 22/23: 910.5 million euros), confirming preliminary numbers published 17 July 2024. Store sales (net) grew by 7.2% (lfl: +6.3%) and E-Com sales (net) 7.5% year-on-year (lfl: +9.8%) - underlining the Group's uniquely positioned omnichannel business model.

Sander van der Laan, CEO of the DOUGLAS Group, said: "Our sustained strong performance and continued growth - even above our expectations - demonstrate the resilience of our business model. Fully focusing on premium beauty is the right course for us, and this strategy strongly resonates with our customers. We'll continue to build on this success and our strong brand."

High demand for on-site shopping and personal beauty advice

DOUGLAS stores across Europe recorded a strong uplift in both visitors (+16.9%) and customers (+8.1%), emphasizing the important on-site experience and personal advice in beauty retail. The online business - which accounted for around one third of total Group sales - developed particularly well in DACHNL and CEE.

The DOUGLAS Group has successfully completed the integration of parfumdreams logistics into the OWAC (OWAC = One Warehouse, All Channels) in Hamm, Germany. As a result of temporary operational challenges directly related to the integration, segment sales (net) of PD/NB decreased by -10.2%. For the future, the DOUGLAS Group anticipates a significant positive impact on cost efficiency, profitability and ultimately the customer experience due to the streamlined supply chain.

From April to June 2024, the DOUGLAS Group achieved an adj. EBITDA of 162.9 million euros (Q3 22/23: 154.3 million euros), an improvement of 5.6% over the previous year. This corresponds to an adj. EBITDA margin of 16.7% (Q3 22/23: 16.9%).

The financial result was impacted by negative one-off effects of around 85 million euros - around 31 million euros of which are cash effective - related to the redemption of secured notes and senior unsecured notes in April following the company's IPO. Net income thus came in at -71.6 million euros (Q3 22/23: -26.1 million euros).

Full-year sales guidance raised due to strong performance in the first nine months

In the first nine months of the financial year (October 2023 to June 2024), Group sales (net) increased by 8.7% to around 3.5 billion euros (9M 22/23: around 3.2 billion euros). Growth was driven by both store sales (net) which rose by 8.2% (lfl: +7.4%) and E-Com which grew even stronger at 9.8% (lfl: +11.9%). In the same period, the Group generated an adj. EBITDA of 657.1 million euros, up 11.5% compared to the previous year and corresponding to an adj. EBITDA margin of 18.8% (9M 22/23: 18.4%). Free cash flow rose to 465.2 million euros.

Following the sustained positive business development and strong sales (net) numbers for the third quarter and first nine months, the DOUGLAS Group has raised its outlook for the financial year 2023/24 on 17 July 2024. The company now expects net sales to grow around 8.5% (previously: around 7%). The Group is well on track to deliver its mid-term earnings guidance of an expected adj. EBITDA margin of around 18.5%, after 17.7% in the financial year 2022/23.

Continuous development of store network - grand reopening in Vienna

The store business is a key pillar and growth driver for the DOUGLAS Group; just recently it celebrated the reopening of its "House of Beauty" luxury flagship store in Vienna with a grand ceremony and a visit by Hollywood star and DOUGLAS Group testimonial Diane Kruger. The luxury store offers a strong and curated selection of brands and products as well as individual beauty services on two floors with a sales area of 795m².

The company is on track to achieve its target of more than 200 store openings (net) and more than 400 store refurbishments by the end of 2026: In the first nine months of the financial year, it has opened 38 new stores and refurbished 69 existing ones (including relocations). 19 stores were closed in the same period, which included six franchise stores.

Truly Beauty, truly Premium: DOUGLAS Group refines its profile

In line with its growth strategy "Let it Bloom", the DOUGLAS Group further sharpened its profile. With the sale of online pharmacy Disapo to Dutch MYA Health completed at the end of July, the Group now fully focusses on its resilient and fast-growing core premium beauty business where it strives to provide the best omnichannel shopping experience for its customers.

To further enhance the DOUGLAS Group's premium positioning across all channels and along all customer touchpoints, the Group websites including the online shop and apps will receive a new look and feel starting in early September, aligned with the premium appeal and identity of the DOUGLAS brand. The redesign aims to create an emotionally engaging and inspiring beauty experience for customers - no matter on which device they prefer to shop. Alongside the new interface and a standardized infrastructure, the online channels will be more closely interlinked with the DOUGLAS and NOCIBÉ stores, offering customers a true omnichannel shopping experience.

Overview Financial Results

Q3 FY 2023/24	Q3 2022/23	Q3 2023/24	Change (reported)	Change (lfl)
Sales (net)	€910.5m	€977.1m	+7.3%	+7.4%
Stores	€619.3m	€664.1m	+7.2%	+6.3%
E-Commerce	€291.2m	€313.0m	+7.5%	+9.8%
E-Commerce % of sales (net)	32.0%	32.0%	+0.1ppt	
Segment DACHNL	€423.2m	€465.2m	+9.9%	+10.6%
Segment France	€166.3m	€174.3m	+4.8%	+3.8%
Segment Southern Europe	€139.3m	€146.2m	+4.9%	+3.7%
Segment Central Eastern Europe	€124.8m	€144.0	+15.3%	+12.2%
Segment PD/NB	€44.8m	€40.3m	-10.2%	-10.2%
Adjusted EBITDA	€154.3m	€162.9m	+5.6%	
Net Income	-€26.1m	-€71.6m	-173.9%	

9M FY 2023/24	9M 2022/23	9M 2023/24	Change (reported)	Change (lfl)
Sales (net)	€3,210.8m	€3,491.1m	+8.7%	+8.9%
Stores	€2,156.1m	€2,332.9m	+8.2%	+7.4%
E-Commerce	€1,054.7m	€1,158.2m	+9.8%	+11.9%
E-Commerce % of sales (net)	32.8%	33.2%	+0.3ppt	
Segment DACHNL	€1,461.5m	€1,612.6m	+10.3%	+10.4%
Segment France	€652.5m	€678.1m	+3.9%	+3.4%
Segment Southern Europe	€495.5m	€522.3m	+5.4%	+4.8%
Segment Central Eastern Europe	€428.9m	€505.8m	+17.9%	+15.2%
Segment PD/NB	€131.5m	€147.1m	+11.9%	+12.3%
Adjusted EBITDA	€589.2m	€657.1m	+11.5%	
Liquidity (30 June)	€239.4m	€106.2m		
Net Income	€44.9m	€12.2m	-72.7%	

Segment Overview: DACHNL (Germany / Austria / Switzerland, The Netherlands / Belgium), France (France, Monaco), Southern Europe (Croatia / Slovenia, Italy, Portugal, Spain / Andorra), Central Eastern Europe / CEE (Bulgaria / Romania, Czech Republic / Slovakia / Hungary, Estonia, Latvia, Lithuania, Poland), PD/NB (Parfumdreams / Niche Beauty)

About the DOUGLAS Group

The DOUGLAS Group, with its commercial brands DOUGLAS, NOCIBÉ, Parfumdreams and Niche Beauty, is the number one omnichannel premium beauty destination in Europe. The DOUGLAS Group is inspiring customers to live their own kind of beauty by offering a unique assortment online and in around 1,870 stores. With unparalleled size and access to customers, the DOUGLAS Group is the partner of choice for brands and offers a premium range of selective and exclusive brands as well as own corporate brands. The assortment includes fragrances, color cosmetics, 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 DOUGLAS Group strategy "Let it Bloom - DOUGLAS 2026". The winning business model is underpinned by the Group's omnichannel proposition, leading brands, and data capabilities. In the financial year 2022/23, the DOUGLAS Group generated sales (net) of 4.1 billion euros and employed around 18,000 people across Europe. The DOUGLAS Group (Douglas AG) is listed at the Frankfurt Stock Exchange.

For further information please visit the [DOUGLAS Group Website](#).

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