6M FY 2020/21
Interim Financial Report

Kirk Beauty One GmbH / Douglas Group

as at March 31, 2021

DOUGLAS

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The consolidated statements have been prepared in millions of Euro (€ million). Due to rounding, numbers presented throughout this document may not add up precisely to the totals we provide and percentages may not precisely reflect the absolute figures.

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Disclosure Regarding Forward-Looking Statements

This financial report includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes,” “estimates,” “aims,” “targets,” “anticipates,” “expects,” “intends,” “may,” “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this financial report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate, other statements relating to our future business performance and general economic, regulatory and market trends and other circumstances relevant to our business.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this financial report. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this financial report, those results or developments may not be indicative of results or developments in subsequent periods.

We undertake no obligation, and do not expect, to publicly update or revise any forward-looking statement to reflect actual results, changes in assumptions based on new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this financial report.

We suggest you to read the section of this financial report entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the section “Risk Factors” of our Financial Report as at September 30, 2020 for a more detailed discussion of the factors that could affect our future performance and the industry in which we are operating.

Management’s Discussion and Analysis of Financial Condition and Results of Operations

Investors should read the following “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” together with the additional financial information contained elsewhere in this financial report including the financial statements and the related notes thereto. Our historical results are not necessarily indicative of the results to be expected in the future, and our interim results are not necessarily indicative of the results to be anticipated for the full financial year ending September 30, 2021 or any other period.

Following our current internal management approach all financial figures included in this section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” are stated before the impact of IFRS 16 “Lease”.

For any IFRS 16 effects and disclosures we refer to the section “Interim Consolidated Financial Statements” of this report.

These Interim Consolidated Financial Statements have been prepared following IAS 34 Interim Financial Reporting and should be read in conjunction with the Company’s last Annual Consolidated Financial Statements as at and for the financial year ending September 30, 2020.

The results of operations and related cash flows in the following text and tables refer to the first six months of the financial year 2020/21, i.e. from October 1, 2020 to March 31, 2021 compared to the first six months of the financial year 2019/20, i.e. from October 1, 2019 to March 31, 2020.

Please note that our key performance indicator “Adjusted EBITDA” is no longer adjusted for credit card fees (in the past, credit card fees within EBITDA were adjusted and reclassified to the financial result). The COVID-19 pandemic accelerated the shift from brick-and-mortar to e-commerce sales, thereby augmenting online or mobile cashless payments. Management expect that this trend will continue, turning credit card fees into regular transaction costs for sales. For comparison reasons, the previous year's periods figures have been adapted accordingly to the new “Adjusted EBITDA” definition.

All the financial data presented in the text and tables below are shown in millions of Euro, except as otherwise stated. Certain financial data (including percentages) in the following tables have been rounded according to established commercial standards. This may lead to individual numbers presented throughout this report not adding up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

The Company

DOUGLAS ("DOUGLAS Group", "Kirk Beauty One GmbH", the "Company", the "Group") is a German limited liability company (Gesellschaft mit beschränkter Haftung) incorporated on April 10, 2015 and has its registered office at Luise-Rainer-Straße 7-11, 40235 Düsseldorf/Germany.

DOUGLAS is a leading platform-based European specialist retailer of selective beauty and personal care products who generates the vast majority of its sales in the selective beauty distribution channel, i.e. it requires the formal approval by a supplier to distribute a selective product, as opposed to the mass market channel. As of March 31, 2021, the DOUGLAS Group operated stores and online shops in 26 European countries.

As a leading beauty platform in Europe and in line with our #FORWARDBEAUTY.DigitalFirst strategy we are closely monitoring our present footprint and constantly rethinking our market presence. Embedded in our mission to encourage people to live their own kind of beauty, our overall goal is to expand our position as first point of contact on all beauty lifestyle needs and desires.

Result of Operations[1]

The following table summarizes our financial performance for the periods indicated:

		10/01/2020 - 03/31/2021 EUR m	10/01/2019 - 03/31/2020 EUR m	01/01/2021 - 03/31/2021 EUR m
1.	**Sales**	**1,723.4**	1,948.8	**550.5**
2.	Cost of raw materials, consumables and supplies and merchandise	-997.2	-1,067.8	-337.3
3.	Gross Profit	726.2	881.0	213.2
4.	Other operating income	136.8	150.2	55.8
5.	Personnel expenses	-330.3	-319.8	-180.8
6.	Other operating expenses	-549.3	-505.3	-253.1
7.	Result from impairments on financial assets	0.0	0.0	0.0
8.	**EBITDA (=reported EBITDA)**	**-16.5**	206.1	**-164.9**
	Non-recurring effects on a regular basis	*186.3*	*19.2*	*163.5*
	Adjusted EBITDA	***169.7***	*225.3*	***-1.4***
9.	Amortization/depreciation	-59.6	-63.2	-28.7
10.	EBIT	-76.1	142.9	-193.6
11.	Financial income	130.6	25.0	42.7
12.	Financial expenses	-90.0	-58.6	-58.5
13.	Financial result	40.6	-33.6	-15.8
14.	EBT	-35.5	109.3	-209.4
15.	Income taxes	-25.1	-33.3	0.7
16.	Profit (loss) for the period	-60.6	76.0	-208.8

Six Months ending March 31, 2021 compared to six months ending March 31, 2020[2]

Ongoing COVID-19 pandemic lockdown still weighed on the first half results of the financial year 2020/21 – outstanding E-Commerce growth across countries

Also in the second quarter of the financial year 2020/21, the COVID-19 pandemic has not yet been overcome. Lockdowns with temporary store closures and restrictions across Europe continued once again, significantly impacting our brick and mortar business although partly compensated by our outstanding e-commerce business. Overall, the Coronavirus pandemic let to a decline of our net sales by 11.6 percent in the first half of the financial year 2020/21 compared to the first half of the previous financial year 2019/20.

[1] The comparative information in the prior year period were restated; please refer to the section “Interim Consolidated Financial Statements”, chapter “Retrospective restatement of comparative information for the first half of the prior financial year ending as of March 31, 2020”
[2] Like aforementioned, all figures stated in the MD&A are adjusted for IFRS 16 effects.

In view of the abnormal situation and uniqueness of the COVID-19 pandemic, and in line with our previous COVID-19 impacted reporting, certain related expenses and income have also, in the opinion of management, to be adjusted and have been disclosed separately in the category "COVID-19-effects" in our Segment Reporting. These adjustments comprise in particular staff- and rent-related idle costs resulting from lockdown-caused store closures as well as other additional costs caused by the Coronavirus pandemic such as costs in relation with our health and safety measures for our customers and employees.

Changed customer behavior - optimization of our store network

The longstanding trend of shifting from store to e-commerce purchases was further reinforced by the COVID-19 pandemic.

In response to this change in our customers' consumer behavior, around 500 of the currently around 2,400 stores across Europe will be closed. The majority of the permanent store closures will take place in the South-Western Europe region, which is particularly affected by the effects of the coronavirus pandemic and in which there is a very dense, partially overlapping branch network due to previous acquisitions. The necessary downsizing of the branch network goes hand in hand with investments in flagship stores in top locations, product innovations and the expansion of digital retail throughout Europe, as part of the consistent execution of our #FORWARDBEAUTY.DigitalFirst growth strategy.

Sales (net) (i.e. sales generated from third parties)

In the background of the coronavirus pandemic, our consolidated total sales (net) decreased by €225.5 million or 11.6 percent during the first half of our fiscal year ending March 31, 2021, compared to the first half of the previous fiscal year 2019/20.

The trend from store to online business was further accelerated by the COVID-19 pandemic and our focus on the e-commerce channel, have been benefited in an outstanding strong increase in our online sale amounting to 74.8 percent compared to the prior year reporting period which partially mitigated the decline in our brick- and mortar-business. Online sales accounted for 42.0 percent of total sales (prior year: 21.3 percent).

Overall, like-for-like sales (net) decreased by 8.2 percent.

In the first six months of the fiscal year 2020/21, sales (net) in our four reportable segments – Germany, France, South-Western Europe and Eastern Europe – developed as follows compared to the first six months of the previous fiscal year 2019/20.

Sales (net) in Germany decreased by €102.2 million or 13.7 percent to €641.3 million reflecting the especially enduring lock down in the second quarter of the fiscal year 2020/21.

In France sales (net) dropped by €30.8 million or 7.0 percent to €410.4 million.

Sales (net) in South-Western Europe, the region especially severe hit by the COVID-19 pandemic, decreased by €72.9 million or 13.0 percent to €489.0 million.

Sales (net) decreased in Eastern Europe by €19.7 million or 9.7 percent to €182.6 million.

Cost of raw materials, consumables, supplies and merchandise

The cost of raw materials, consumables, supplies and merchandise for the first six months of the financial year 2020/21 decreased by €70.7 million or 6.6 percent.

Gross Profit

Despite the COVID-19 pandemic we managed to keep our adjusted gross margin very attractive accounting for 43.2 percent.

Other operating income

In the first half of the financial year 2020/21, other operating income accounted for €136.8 million compared to €150.2 million for the prior year reporting period. The decrease of €13.3 million was mainly the result of lower marketing income partially compensated by higher income from reversal of provisions.

Personnel expenses

In the first half of the financial year 2020/21, personnel expenses increased by €10.4 million to €330.3 million. Adjustments amounted to €91.1 million and were especially related to our Store Optimization Program (SOP) and COVID-19.

Adjusted personnel cost ratio as percentage of total net sales accounted for 13.9 percent in the first six months of the current financial year, compared to 16.1 percent in the previous fiscal year reporting period, reflecting our liquidity safeguard measures like hiring freeze as well as the use of government subsidies such as short-term labor program and the execution of our strategic Store Optimization Program.

Other operating expenses

In the first half of the financial year 2020/21, other operating expenses increased by €44.0 million to €549.3 million especially due to increased goods handling costs and other services in connection with our successfully completed refinancing.

Adjusted for extraordinary effects amounting to €87.1 million and mainly due to COVID-19 and consulting fees related to our successfully completed refinancing, adjusted other operating expenses as percentage of total net sales sales accounted for 26.8 percent in the first half of the financial year 2020/21 compared to 24.9 percent in the first six months of the financial year 2019/20.

EBITDA and Adjusted EBITDA

EBITDA dropped by €222.6 million from €206.1 million to minus €16.5 million during the first half of the financial year 2020/21, in particular due to lower Gross Profit and marketing income in the background of COVID-19 lockdown-caused temporary store closures and traffic decline but also due higher personnel expenses and increased other operating expenses in relation to our Store Optimization Program going forward.

Adjusted EBITDA decreased by €55.5 million or 24.6 percent to €169.7 million[3] during the first six months ending March 31, 2021 from €225.3 million during the first six months ending March 31, 2020. As a percentage of sales (net), adjusted EBITDA margin decreased by only 1.7 percentage points.

Total adjustments to EBITDA, comprising especially SOP and COVID-19 effects as well as consulting fees, increased by €167.1 million to €186.3 million during the first six months of the financial year 2020/21 compared to €19.2 million during the first six months of the fiscal year 2019/20. This increase essentially results from the COVID-19 and SOP adjustments.

[3] Management Adusted EBITDA as per the covenant calculations based on LTM as of March 31, 2021 accounted for €395 million.

Adjusted EBITDA in our four regions – Germany, France, South-Western Europe and Eastern Europe – developed as follows:

Adjusted EBITDA in Germany, which was affected by heavy lock-down periods resulting in lower store contribution, decreased by €15.7 million to €43.4 million during the first six months ending March 31, 2021 from €59.1 million during the first six months ending March 31, 2020.

Adjustments on EBITDA of the German region totaled €110.2 million during the six months ending March 31, 2021, primarily resulting from SOP and COVID-19 effects and additionally consulting fees in connection with our successfully completed refinancing.

Adjusted EBITDA in France decreased by €9.9million to €69.8 million during the first six months ending March 31, 2021 from €79.7 million during the first six months ending March 31, 2020.

The adjustments on EBITDA of the French region accounted for €22.9 million during the first six months ending March 31, 2021 and mainly related to SOP and COVID-19.

Adjusted EBITDA in South-Western Europe, the region especially hard hit by the COVID-19 pandemic, decreased by €28.3 million during the six months ending March 31, 2021 from €54.9 million to €26.6 million, resulting especially from lower store contribution.

The adjustments in the South-Western region amounted to €46.6 million during the first six months ending March 31, 2021 and were primarily related to SOP and COVID-19 effects.

During the first six months of the financial year 2020/21 adjusted EBITDA in Eastern Europe dropped by only €0.1 million from €30.8 million to €30.7 million reflecting our consistently very attractive and sustainable margins in this region. The adjustments totaled €6.6 million during the first half of the fiscal year 2020/21 and mainly resulted from COVID-19 effects.

EBIT

In the first half of the financial year 2020/21, EBIT decreased by €219.0 million to minus €76.1 million from €142.9 million during the six months ending March 31, 2020. Amortization, depreciation and impairment expenses of €59.6 million, including €5.7 million due to store impairment losses, slightly decreased by €3,6 million. We refer to the above section "EBITDA and adjusted EBITDA".

Financial result

Due to IFRS 9-valuation effect of our loan receivables from the shareholder Kirk Beauty Two GmbH accounting for €105.5 million and higher interests income partially offset by higher interest expenses and some already accrued financial expenses in connection with our refinancing, the financial result increased by €74.2 million to €40.6 million during the first six months ending March 31, 2021 compared to the prior year reporting period.

Income taxes

Due to a lower tax base (the IFRS-9 valuation did not affect the tax base) income taxes decreased by €8.2 million to €25.1 million during the first half of the fiscal year 2020/21 compared to €33.9 million during the prior year reporting period.

Profit or Loss and Adjusted Profit or Adjusted Loss

Driven by the positive IFRS 9-valuation effect and lower income taxes, patially compensating our decreases in EBITDA, the Loss of the first half of the fiscal year ending March 31, 2021 amounted to

€60.6 million, compared to aPprofit accounting for €76.0 million during the first six months of the fiscal year ending March 31, 2020.

Adjusted Loss during the first six months ending March 31, 2021 amounted to €34.0 million compared to an Adjusted Profit accounting for €89.1 million in the prior fiscal year reporting period.

The adjustments in respect of EBITDA, already being disclosed above in the section "EBITDA and Adjusted EBITDA" and totaling €186.3 million in the first six months of the fiscal year ending March 31, 2021 are partially compensated by effects from valuation of financial instruments amounting to minus€103.5 million. Income taxes on adjustments have a decreasing effect of €62.2 million.

Segment Reporting

The reportable segments are categorized based on their organizational and decision-making structure and the content of the internal reporting to the chief operating decision-maker. Besides net sales the segment key performance indicator and DOUGLAS-Group's key performance indicator is Adjusted EBITDA, that is used to assess the performance of the segments and manage resource allocation.

Unchanged to the financial year ending September 30, 2020, the Douglas Group's countries are classified as operating segments which are allocated to the reportable segments Germany, France, South-Western Europe and Eastern Europe.

For more details please refer to the section "Interim Consolidated Financial Statements", chapter "Segment Reporting".

Sales

The following table shows the external sales of our regions, which exclude sales between the reportable segments, for the periods indicated:

	10/01/2020 - 03/31/2021	10/01/2019 - 03/31/2020	01/01/2021 - 03/31/2021
	EUR m	**EUR m**	**EUR m**
Sales	**1,723.4**	**1,948.8**	**550.5**
Segments			
Germany			
Sales (net)	641.3	743.5	188.3
Intersegment sales	30.1	28.3	10.4
Sales	671.4	771.8	198.8
France			
Sales (net)	410.4	441.2	123.1
Intersegment sales	0.0	0.0	0.0
Sales	410.4	441.2	123.1
South-Western Europe			
Sales (net)	489.0	561.8	176.6
Intersegment sales	0.0	0.0	0.0
Sales	489.0	561.8	176.6
Eastern Europe			
Sales (net)	182.6	202.3	62.5
Intersegment sales	0.0	0.0	0.0
Sales	182.6	202.3	62.5

EBITDA and Adjusted EBITDA

The following table shows our EBITDA and Adjusted EBITDA separated by segments for the periods indicated:

		10/01/2020 - 03/31/2021	10/01/2019 - 03/31/2020	01/01/2021 - 03/31/2021
Douglas-Group				
EBITDA (=reported EBITDA)	EUR m	-16.5	206.1	-164.9
EBITDA-margin	%	-1.0	10.6	-30.0
Adjustments	EUR m	186.3	19.2	163.5
Adjusted EBITDA	EUR m	169.7	225.3	-1.4
Adjusted EBITDA-margin	%	9.8	11.6	-0.3
Segments				
Germany				
EBITDA (=reported EBITDA)	EUR m	-66.8	51.7	-104.6
EBITDA-margin	%	-10.4	7.0	-55.6
Adjustments	EUR m	110.2	7.3	95.2
Adjusted EBITDA	EUR m	43.4	59.1	-9.4
Adjusted EBITDA-margin	%	6.8	7.9	-5.0
France				
EBITDA (=reported EBITDA)	EUR m	46.8	78.4	-9.3
EBITDA-margin	%	11.4	17.8	-7.6
Adjustments	EUR m	22.9	1.3	22.5
Adjusted EBITDA	EUR m	69.8	79.7	13.2
Adjusted EBITDA-margin	%	17.0	18.1	10.7
South-Western Europe				
EBITDA (=reported EBITDA)	EUR m	-20.0	46.1	-51.7
EBITDA-margin	%	-4.1	8.2	-29.3
Adjustments	EUR m	46.6	8.8	41.9
Adjusted EBITDA	EUR m	26.6	54.9	-9.8
Adjusted EBITDA-margin	%	5.4	9.8	-5.6
Eastern Europe				
EBITDA (=reported EBITDA)	EUR m	24.1	29.0	1.1
EBITDA-margin	%	13.2	14.3	1.8
Adjustments	EUR m	6.6	1.8	3.8
Adjusted EBITDA	EUR m	30.7	30.8	4.9
Adjusted EBITDA-margin	%	16.8	15.2	7.9

Reconciliation from EBITDA to adjusted Profit (+) or Loss (-)

	10/01/2020-03/31/2021 EUR m	10/01/2019-03/31/2020 EUR m
EBITDA (=reported EBITDA)	-16.5	206.1
Purchase Price Allocations (PPA)	3.2	1.8
Restructuring costs and severance payments	0.1	0.3
Consulting fees	23.8	8.3
COVID-19-effects	68.9	14.7
Store Optimization Program (SOP)	87.7	0.0
Other adjustments	2.6	-5.9
Sum of adjustments	186.3	19.2
Adjusted EBITDA	**169.7**	**225.3**
Amortization/depreciation	-59.6	-63.2
Impairment of non-current and current assets	6.1	0.0
Adjusted EBIT	116.2	162.0
Financial result	40.6	-33.6
Reclassification of credit card fees and valuation effects of financial instruments	-103.5	0.1
Adjusted EBT	53.3	128.5
Income taxes	-25.1	-33.3
Income taxes on adjustments	-62.2	-6.2
Adjusted Profit (+) or Loss (-)	**-34.0**	**89.1**

Liquidity and Capital Resources

Overview

The main sources of liquidity on an ongoing basis are the operating cash flows and a liquidity reserve amounting to €152.2 million as of March 31, 2021 and following the completion of the refinancing in April 2021, (possible) drawings under our new revolving credit facility.

Our ability to generate cash depends on our operating performance which in turn depends to some extent on general economic, financial, competitive, legislative, regulatory and other factors, many of which are beyond our control. We believe that, based on our successfully completed refinancing and the brightening outlook regarding the subsiding of the COVID-19 pandemic we are sufficient stable set up to fund our operations, capital expenditures and debt service for at least the next twelve months.

As of March 31, 2021, the outstanding borrowings (nominal) under the (previous) revolving credit facility (the "Revolving Credit Facility") amounted to €126.3 million[4].[5]

The ability of the subsidiaries to pay dividends and make other payments to us may be restricted by, among other things, legal prohibitions on such payments or otherwise distributing funds to us, including for the purpose of servicing debt.

We anticipate that we will continue to be leveraged in the foreseeable future. Our current level of debt may have negative consequences. In addition, any additional indebtedness that we do incur could reduce the amount of our cash flow available to make payments on our then existing indebtedness and increase our leverage.

Net Working Capital

We define our net working capital as the sum of the line items (i) inventories, (ii) trade accounts receivable, (iii) trade accounts payable, as well as (iv) other receivables and liabilities related to supplier receivables for rebates/bonuses and marketing subsidies and outstanding voucher liabilities. Our net working capital shows seasonal patterns with investments in inventory generally reaching a peak in October and November while our trade payables typically peak in December. The development of our net working capital is a key factor for our operating cash flow.

The following table summarizes our net working capital as at the dates indicated:

	03/31/2021 **EUR m**	03/31/2020 EUR m
Inventories	728.7	821.6
Trade accounts receivable	50.5	34.6
Trade accounts payable	-425.5	-497.6
Other	-67.3	-58.2
Net Working Capital	286.5	300.4

[4] Available amount for borrowings under the RCF is reduced by €37.7 million of outstanding securities in particular in the form of rental guarantees.

[5] Prior to completion of the refinancing, Douglas had also access to a further incremental Revolving Facility in the amount of €75.0 million, that was not used as of March 31, 2021.

Net Working Capital decreased by €13.9 million to €286.5 million as of March 31, 2021 compared to March 31, 2020. This decrease is mainly a result of lower inventories and bonus receivables partly offset by lower trade accounts payable and besides higher trade accounts receivables.

Investments in non-current assets

The investments made during the six months ending March 31, 2021 mainly related to the refurbishment, maintenance and (re-)design of existing stores as well as IT and E-commerce.

In the six months ending March 31, 2020, our cash-investment (Net cash flow from investing activities) in non-current assets amounted to €49.0 million, €6.6 million below prior year payments of €55.4 million.

The investments during the first half of the financial year 2020/21 in tangible and intangible assets (CAPEX) consisted of €31.4 million additions compared to €38.1 million during the prior year reporting period.

Consolidated Cash Flow Data

			10/01/2020-03/31/2021 EUR m	10/01/2019-03/31/2020 EUR m
1.	=	EBITDA (=reported EBITDA)	-16.5	206.1
2.	+/-	Increase/decrease in provisions	55.0	-16.3
3.	+/-	Other non-cash expense/income	1.9	-2.2
4.	+/-	Changes in net working capital without liabilities from investments in non-current assets	-18.9	6.1
5.	+/-	Changes in other assets/liabilities not classifiable to investing or financing activities	37.3	8.7
6.	-/+	Paid/reimbursed taxes	-12.9	-10.7
7.	**=**	**Net cash flow from operating activities**	**45.4**	191.8
8.	+	Proceeds from the disposal of non-current assets	0.9	0.2
9.	-	Investments in non-current assets	-49.0	-55.6
10.	**=**	**Net cash flow from investing activities**	**-48.2**	-55.4
11.		**Free cash flow (total of 7. and 10.)**	**-2.8**	136.4
12.	-	Payments for the repayment of financial liabilities	-58.7	-17.6
13.	+	Proceeds from borrowings	18.4	165.2
14.	-	Interest paid	-61.1	-55.6
15.	+	Interest received	0.1	0.1
16.	**=**	**Net cash flow from financing activities**	**-101.2**	92.0
17.		Net change in cash and cash equivalents (total of 7., 10. and 16.)	-104.0	228.4
18.	+/-	Net change in cash and cash equivalents due to currency translation	-0.1	-0.9
19.	+	Cash and cash equivalents at the beginning of the reporting period	256.3	81.0
20.	**=**	**Cash and cash equivalents at the end of the reporting period**	**152.2**	308.6

Six months ending March 31, 2021, compared to six months ending March 31, 2020

Cash Flow from operating activities

Cash provided by operating activities decreased by €146.4 million to €45.4 million during the first half of the fiscal year 2020/21, from €191.8 million during the first six months ending March 31, 2020. This decrease was mainly the result of lower Gross Profit in the background of the COVID-19 pandemic.

Cash Flow from investing activities

Cash used for **investing activities** (cash outflows) decreased by €7.3 million to €48.2 million during the first six months ending March 31, 2021, from €55.4 million during the prior fiscal year reporting period.

Cash Flow from financing activities

During the first six months ending March 31, 2021, cash used for **financing activities** (cash outflows) amounted to €101.3 million, compared to cash inflows of €92.0 million during the prior year reporting period. The decrease of €193.3 million primarily relates to the initial drawing of the RCF Ancillary Facility in the amount of €163.6 million during the previous fiscal year reporting period and the repayment during the fiscal year 2020/21, accounting for €37.2 million, partly compensated by the settlement of contingent purchase price liabilities from the LLG acquisition in the amount of €15.0 million in the six months ending March 31, 2020.

Liquidity as at March 31, 2021

As at March 31, 2021 (prior to the closing of the Refinancing) the cash balance amounted to €152.2 million and our total debt position includes in particular the nominal values of the Term Loan B Facility, the Revolving Credit Facility (RCF) and the existing Notes on March 31, 2021.

	03/31/2021 EUR m	03/31/2020 EUR m
Term Loan B	-1,670.0	-1,670.0
Senior Notes	-335.0	-335.0
Senior Secured Notes	-300.0	-300.0
Accrued interests	-10.5	-10.3
Revolving Credit Facility (RCF)	-126.3	-163.6
Other financial indebtedness	-1.7	-0.2
Total Debt	**-2,468.1**	-2,479.2
Cash and cash equivalents	152.2	308.6
Net Debt	**-2,315.9**	-2,170.6

Interim Consolidated Financial Statements

of Kirk Beauty One GmbH for the period from October 1, 2020 through March 31, 2020

The consolidated statements have been prepared in millions of Euro (€ million). Due to rounding, numbers presented throughout this document may not add up precisely to the totals we provide and percentages may not precisely reflect the absolute figures.

Interim Consolidated Statement of Profit or Loss

of Kirk Beauty One GmbH for the period from October 1, 2020 through March 31, 2021

		10/01/2020-03/31/2021 EUR m	10/01/2019-03/31/2020 EUR m restated[6]	01/01/2021 - 03/31/2021 EUR m	01/01/2020 - 03/31/2020 EUR m restated[7]
1.	**Sales**	**1,723.4**	**1,948.8**	**550.5**	**655.9**
2.	Cost of raw materials, consumables and supplies and merchandise	-997.2	-1,067.8	-337.3	-351.7
3.	Gross Profit	726.2	881.0	213.2	304.2
4.	Other operating income	132.7	145.2	53.8	50.8
5.	Personnel expenses	-330.3	-319.8	-180.8	-146.9
6.	Other operating expenses	-406.7	-354.0	-181.2	-143.5
7.	Result from impairments on financial assets	0.0	0.0	0.0	0.2
8.	**EBITDA (=reported EBITDA)**	**122.0**	**352.4**	**-95.0**	**64.8**
9.	Amortization/depreciation	-192.6	-205.5	-94.9	-104.1
10.	EBIT	-70.6	146.9	-189.9	-39.3
11.	Financial income	130.7	25.1	42.8	12.3
12.	Financial expenses	-113.0	-69.1	-71.2	-34.8
13.	Financial result	17.7	-44.0	-28.5	-22.5
14.	EBT	-52.9	102.9	-218.3	-61.8
15.	Income taxes	-25.1	-33.3	0.7	0.6
16.	**Profit (+) or Loss (-) of the period (Net Income)**	**-77.9**	**69.6**	**-217.7**	**-61.2**
	Attributable to owners of the parent	-77.9	69.6	-217.7	-61.2

[6] Restated; please refer to the chapter “Retrospective restatement of comparative information for the first half / second quarter of the prior fiscal year ending as of March 31, 2020”.

[7] Restated; please refer to the chapter “Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020”.

Interim Consolidated Reconciliation from Profit or Loss to Total Comprehensive Income

of Kirk Beauty One GmbH for the period from October 1, 2020 through March 31, 2021

	10/01/2020-03/31/2021 EUR m	10/01/2019-03/31/2020 EUR m restated[8]
Profit (+) or Loss (-) of the period (Net Income)	-77.9	69.6
Components that are or may be reclassified subsequently to the income statement		
Foreign currency translation differences arising from translating the financial statements of a foreign operation	-5.5	-4.5
Components that will not be reclassified to profit or loss		
Actuarial gains/losses from pension provisions	0.0	0.0
Other comprehensive income	-5.5	-4.5
Total comprehensive income	**-83.4**	**65.1**
Attributable to owners of the parent	-83.4	65.1

[8] Restated; please refer to the chapter “Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020”.

Interim Consolidated Statement of Financial Position

of Kirk Beauty One GmbH as of March 31, 2021

Assets		03/31/2021 EUR m	03/31/2020 EUR m restated[9]	09/30/2020 EUR m
A.	Non-current assets			
I.	Intangible assets	2,038.5	2,338.5	2,045.1
II.	Property, plant and equipment	248.6	275.1	278.0
III.	Right-of-use assets from leases	1,113.4	1,374.7	1,230.9
V.	Financial assets	752.9	610.5	851.8
VII.	Deferred tax assets	61.1	87.6	60.2
		4,214.6	4,686.5	4,465.9
B.	Current assets			
I.	Inventories	728.7	821.6	738.6
II.	Trade accounts receivable	50.5	34.6	37.5
III.	Tax receivables	32.9	49.3	23.2
IV.	Financial assets	357.3	150.1	164.8
V.	Other assets	33.8	34.6	34.8
VI.	Cash and cash equivalents	152.2	308.6	256.3
		1,355.3	1,398.7	1,255.2
Total		**5,569.9**	**6,085.2**	**5,721.1**

[9] Restated; please refer to the chapter “Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020”.

Equity and Liabilities

		03/31/2021 EUR m	03/31/2020 EUR m restated[10]	09/30/2020 EUR m
A.	Equity			
I.	Capital stock*	0.0	0.0	0.0
II.	Additional paid-in capital	1125.1	1125.1	1,125.1
III.	Reserves	-537.9	-203.1	-457.8
IV.	Non-controlling interests	0.0	0.0	0.0
		587.2	922.0	**667.3**
B.	Non-current liabilities			
I.	Pension provisions	37.3	39.6	37.9
II.	Other non-current provisions	54.7	52.9	58.1
III.	Financial liabilities	3,282.7	3,433.0	3,371.5
IV.	Other liabilities	18.0	10.8	14.6
V.	Deferred tax liabilities	193.3	192.8	193.7
		3,585.9	3,729.1	**3,675.8**
C.	Current liabilities			
I.	Current provisions	176.5	99.7	123.5
II.	Trade accounts payable	425.5	497.6	503.5
III.	Tax liabilities	124.6	111.3	68.7
IV.	Financial liabilities	425.6	491.9	458.6
V.	Other liabilities	244.6	233.6	223.7
		1,396.8	1,434.1	**1,378.0**
Total		**5,569.9**	6,085.2	**5,721.1**

*) Capital stock amounts to €25.000,00.

[10] Restated; please refer to the chapter "Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020".

Interim Statement of Changes in Group Equity

of Kirk Beauty One GmbH for the period from October 1, 2020 through March 31, 2021

	Attributable to owners of the parent						
				Reserves			
	Capital stock* EUR m	Additional paid-in capital EUR m	Retained earnings EUR m	Reserves for pension provisions EUR m	Differences from currency translation EUR m	Total EUR m	Non-controlling interests EUR m
10/01/2020	0.0	1,125.1	-450.5	-2.0	-5.3	667.3	0.0
Currency translation					-5.5	-5.5	0.0
Profit (+) or Loss (-) of the period (Net Income)			-77.9			-77.9	0.0
Total comprehensive income	0.0	0.0	-77.9	0.0	-5.5	-83.4	0.0
Share-based Payment			3.3			3.3	
Transactions with shareholders	0.0	0.0	3.3	0.0	0.0	3.3	0.0
03/31/2021	**0.0**	**1,125.1**	**-525.1**	**-2.0**	**-10.8**	**587.2**	**0.0**

	Attributable to owners of the parent						
				Reserves			
	Capital stock* EUR m	Additional paid-in capital EUR m	Retained earnings EUR m	Reserves for pension provisions EUR m	Differences from currency translation EUR m	Total EUR m	Non-controlling interests EUR m
10/01/2019	0.0	1,125.1	-260.2	-2.9	-2.9	859.2	0.0
Adjustment on initial application of IFRS 16			-2.3			-2.3	
Adjusted balance 01/10/2018	0.0	1,125.1	-262.5	-2.9	-2.9	856.9	0.0
Currency translation					-4.5	-4.5	
Profit (+) or Loss (-) of the period (Net Income)			69.6			69.6	0.0
Total comprehensive income	0.0	0.0	69.6	0.0	-4.5	65.1	0.0
03/31/2020	**0.0**	**1,125.1**	**-192.9**	**-2.9**	**-7.4**	**922.0**	**0.0**

*) Capital stock amounts to €25.000,00.

Interim Consolidated Statement of Cash Flows

of Kirk Beauty One GmbH for the period from October 1, 2020 through March 31, 2021

			Notes No.	10/01/2020-03/31/2021 EUR m	10/01/2019-03/31/2020 EUR m
1.		Profit (+) or Loss (-) of the period (Net Income)		-77.9	69.6
2.	+	Income taxes		25.1	33.3
3.	+	Financial result		-17.7	44.0
4.	+	Amortization/depreciation		192.6	205.5
5.	=	EBITDA (=reported EBITDA)		122.0	352.4
6.	+/-	Increase/decrease in provisions		55.0	-16.3
7.	+/-	Other non-cash expense/income		1.9	-2.2
8.	+/-	Loss/profit on the disposal of non-current assets		-0.5	0.0
9.	+/-	Changes in net working capital without liabilities from investments in non-current assets		-18.9	6.1
10.	+/-	Changes in other assets/liabilities not classifiable to investing or financing activities		44.9	-0.7
11.	-/+	Paid/reimbursed taxes		-12.9	-10.7
12.	=	Net cash flow from operating activities		191.4	328.7
13.	+	Proceeds from the disposal of non-current assets		0.9	0.2
14.	-	Investments in non-current assets		-49.0	-55.6
16.	=	Net cash flow from investing activities		-48.2	-55.4
17.		Free cash flow (total of 12. and 16.)		143.3	273.2
18.	-	Payments for the repayment of financial liabilities		-180.5	-144.5
19.	+	Proceeds from borrowings		18.4	165.2
20.	-	Interest paid		-85.4	-65.5
21.	+	Interest received		0.1	0.1
22.	=	Net cash flow from financing activities		-247.4	-44.8
23.		Net change in cash and cash equivalents (total of 12., 16. and 22.)		-104.1	228.4
24.	+/-	Net change in cash and cash equivalents due to currency translation		-0.1	-0.9
25.	+	Cash and cash equivalents at the beginning of the reporting period		256.3	81.0
26.	**=**	**Cash and cash equivalents at the end of the reporting period**		**152.1**	308.6

Notes to the Interim Consolidated Financial Statements

of Kirk Beauty One GmbH for the period from October 1, 2020 through March 31, 2021

Segment Reporting

Reportable Segments

		Germany		France		South-Western Europe	
		10/01/2020-03/31/2021	10/01/2019-03/31/2020 restated[11]	10/01/2020-03/31/2021	10/01/2019-03/31/2020	10/01/2020-03/31/2021	10/01/2019-03/31/2020
Sales (net)	**EUR m**	**641.3**	743.5	**410.4**	441.2	**489.0**	561.8
Intersegment sales	EUR m	30.1	28.3	0.0	0.0	0.0	0.0
Sales	EUR m	671.4	771.8	410.4	441.2	489.0	561.8
EBITDA (=reported EBITDA)	**EUR m**	**-24.6**	100.7	**71.3**	100.9	**34.7**	104.0
EBITDA-margin	%	-3.8	13.5	17.4	22.9	7.1	18.5
Lease expenses and income according to former IAS 17 which are to be capitalized following IFRS 16	EUR m	-42.2	-49.0	-24.4	-22.5	-54.7	-57.8
Key performance indicator to be adjusted	EUR m	-66.8	51.7	46.8	78.4	-20.0	46.1
Sales-margin on Key Performance Indicator to be adjusted	%	-10.4	7.0	11.4	17.8	-4.1	8.2
Sum of adjustments	EUR m	110.2	7.3	22.9	1.3	46.6	8.8
Adjusted EBITDA	**EUR m**	**43.4**	59.1	**69.8**	79.7	**26.6**	54.9
Adjusted EBITDA-margin	%	6.8	7.9	17.0	18.1	5.4	9.8
Inventories	EUR m	264.0	261.7	123.3	135.9	254.2	322.5
Capital expenditure	EUR m	19.8	18.1	3.7	4.8	3.3	6.8

[11] Restated; please refer to the chapter "Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020".

		Eastern Europe		Consolidation		Kirk Beauty One GmbH	
		10/01/2020-03/31/2021	10/01/2019-03/31/2020	10/01/2020-03/31/2021	10/01/2019-03/31/2020	10/01/2020-03/31/2021	10/01/2019-03/31/2020 restated[12]
Sales (net)	**EUR m**	**182.6**	202.3	**0.0**	0.0	**1,723.4**	1,948.8
Intersegment sales	EUR m	0.0	0.0	-30.1	-28.3	0.0	0.0
Sales	EUR m	182.6	202.3	-30.1	-28.3	1,723.4	1,948.8
EBITDA (=reported EBITDA)	**EUR m**	**41.3**	46.0	**-0.7**	0.8	**122.0**	352.4
EBITDA-margin	%	22.6	22.7			7.1	18.1
Lease expenses and income according to former IAS 17 which are to be capitalized following IFRS 16	EUR m	-17.2	-17.0	0.0	0.0	-138.5	-146.3
Key performance indicator to be adjusted	EUR m	24.1	29.0	-0.7	0.8	-16.5	206.1
Sales-margin on Key Performance Indicator to be adjusted	%	13.2	14.3			-1.0	10.6
Sum of adjustments	EUR m	6.6	1.8	0.0	0.0	186.3	19.2
Adjusted EBITDA	**EUR m**	**30.7**	30.8	**-0.7**	0.8	**169.7**	225.3
Adjusted EBITDA-margin	%	16.8	15.2			9.8	11.6
Inventories	EUR m	92.6	105.4	-5.4	-4.0	728.7	821.6
Capital expenditure	EUR m	4.6	8.4	0.0	0.0	31.4	38.1

Chief Operating Decision Maker, reportable and operating segments

In conformity with IFRS 8 “Operating Segments”, the reporting segments are categorized based on their organizational and decision-making structure and the content of the internal reporting to the chief operating decision-maker. Unchanged to the financial year ending September 30, 2020, the Douglas Group’s countries are classified as operating segments which are allocated to the reportable segments Germany, France, South-Western Europe and Eastern Europe.

Segment Performance Indicator

The segment performance indicator is Adjusted EBITDA.

Alongside sales, adjusted EBITDA is the Douglas-Group’s key financial performance indicator that is used to assess the performance of the segments and manage resource allocation.

Segment sales represent sales with external third parties. Intersegment sales present sales between individual segments. The allocation of segment sales is based on the registered office of the selling unit.

We evaluate each of our business segments using a measure that reflects all the segment’s income and expenses. We believe the most appropriate measure in this regard is Adjusted EBITDA as it is helpful for investors as a measurement of the segment’s ability to generate cash and to service financing obligations. EBITDA and Adjusted EBITDA are non-IFRS measures.

[12] Restated; please refer to the chapter “Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020”.

Internal licensing costs and other similar costs charged from the segment Germany to the segments South-Western Europe and Eastern Europe were not included in the presentation of segment EBITDA and adjusted segment EBITDA, in accordance with the internal steering logic.

Adjusted EBITDA is defined as follows:

The EBITDA reported in the Consolidated Statement of Profit or Loss is adjusted for those lease expenses and income in accordance with the former IAS 17 that are to be capitalized in accordance with IFRS 16. The resulting "key performance indicator to be adjusted" is adjusted for those items which, in the opinion and decision of the management of Kirk Beauty One GmbH, are non-regularly recurring, exceptional or unsuitable for internal control. Adjusted EBITDA is also decisive for calculating the underlying covenants of loan financing.

The resulting "key performance indicator to be adjusted" is adjusted for those items which, in the opinion and decision of the management of Kirk Beauty One GmbH, are non-regularly recurring, exceptional or unsuitable for internal control.

Because not all companies that publish financial information calculate EBITDA and Adjusted EBITDA on a uniform basis, our presentation of these measures may not be comparable to measures under the same or similar names used by other companies. Accordingly, undue reliance should not be placed on these measures.

Adjustments

Adjustments include, but are not limited to PPA effects, consulting fees, restructuring costs and other extraordinary costs. The definition of adjustments is unchanged compared to the Kirk Beauty One IFRS Consolidated Financial Statements as at September 30, 2020.

The adjustments are basically divided into the following four categories: Purchase price allocations (PPA)," "Restructuring costs and severance payments," "Consulting fees" and "Other adjustments".

Please note that our key performance indicator "Adjusted EBITDA" is no longer adjusted for credit card fees (in the past, credit card fees within EBITDA were adjusted and reclassified to the financial result). The COVID-19 pandemic accelerated the shift from brick-and-mortar to e-commerce sales, thereby augmenting online or mobile cashless payments. Management expect that this trend will continue, turning credit card fees into regular transaction costs for sales. For comparison reasons, the previous year's periods figures have been adapted accordingly to the new "Adjusted EBITDA" definition.

In view of the abnormal situation and uniqueness of the COVID-19 pandemic, certain related expenses and income have also, in the opinion of management, to be adjusted and have been disclosed separately in the category "COVID-19-effects". Due to the significance and materiality of our store optimization program, the associated adjusted costs were shown as a separate category "Store Optimization Program (SOP) ".

- Purchase Price Allocations (PPA):
  EBITDA effects in profit or loss concerning the amortization of hidden reserves disclosed in connection with business combinations
- Restructuring costs and severance payments (without SOP – see new category below):
  Expenses in connection with the sale or termination of a business unit, the permanent closure or sale of a group of stores, significant changes in the structure of management or fundamental reorganizations. Within this context, expenses in the form of severance payments and salary continuation payments without replacement of the position, furthermore in the case of management positions at national or Group level irrespective of the replacement of the position, are to be mentioned in particular.

- Consulting fees:
  In relation to strategic projects, acquisitions and financing.)
- COVID-19-effects:
  The COVID-19 related lockdown led to several temporary closures of our stores across Europe, resulting in a significant drop of our overall Net Sales. Furthermore, some of our employees were on short-time labor which led to a substantial decrease in our personnel expenses.
  COVID-19 adjustments particularly resulted from lockdown-caused temporary store closures, mainly in the form of rent-related idle costs and staff-related idle costs (comprising offsetting effects from payroll-related subsidies) as well as costs for external staffing. Additional direct costs included expenses for the purchase of hygiene articles such as disinfectants and masks and cleaning costs.
- Store Optimization Program (SOP)
  Effects related to our strategic Store Optimization Program (SOP) are adjusted and shown as separate line item. They comprise especially costs related to employee like ongoing salary payments, leave compensation and severance payments, promotion related write-downs on inventory, consulting expenses and ongoing rent obligation.
- Other adjustments
  Other matters that do not recur on a regular basis, are exceptional or are not suitable for internal management. These include in particular income from the reversal of previously adjusted provisions, restructuring expenses that are not personnel-related, write-downs of receivables that are not related to trade accounts receivables from customers in the ordinary course of business and impairment losses on inventories if not reported separately.

Reconciliation from EBITDA to Adjusted EBITDA

of Kirk Beauty One GmbH for the period from October 1, 2020 through March 31, 2021

	10/01/2020-03/31/2021 EUR m	10/01/2019-03/31/2020 EUR m restated[13]
EBITDA (=reported EBITDA)	122.0	352.4
Lease expenses and income according to former IAS 17 which are to be capitalized following IFRS 16	-138.5	-146.3
Key performance indicator to be adjusted	-16.5	206.1
Purchase Price Allocations (PPA)	3.2	1.8
Restructuring costs and severance payments	0.1	0.3
Consulting fees	23.8	8.3
COVID-19-effects	68.9	14.7
Store Optimization Program (SOP)	87.7	0.0
Other adjustments	2.6	-5.9
Sum of adjustments	**186.3**	**19.2**
Adjusted EBITDA	**169.7**	**225.3**

Other explanations on segment reporting

The recognized segment sales correspond to sales with external third parties. Internal sales account for sales between individual segments. The allocation of segment sales is based on the registered

[13] Restated; please refer to the chapter “Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020”.

office of the selling unit. The allocation of sales to the reporting segment is based on the registered location of the selling company.

The monthly reporting to the chief operating decision-maker only shows the inventories of individual segments as segment assets. Inventories shown in segment reporting include purchased goods, raw materials, consumables and supplies and advance payments for inventories.

Capital expenditure shown in segment reporting relates to additions made to intangible assets and property, plant and equipment.

Transfers between segments are generally performed at the same prices that would apply if the transaction were executed with third parties (arm’s length transactions).

General principles

Kirk Beauty One GmbH (Kirk Beauty One, parent company, company) is a German limited liability company (Gesellschaft mit beschränkter Haftung), has its registered office at Luise-Rainer-Str. 7-11, 40235 Düsseldorf, Germany and is registered in commercial register B of the district court of Düsseldorf under the registration number 79429.

Kirk Beauty One and Douglas GmbH issued Senior Secured Notes and Senior Notes at GEM segment of the Irish Stock Exchange in July 2015.

These Interim Consolidated Financial Statements cover the period of the first six months of the financial year 2020/21 from October 1, 2020 through March 31, 2021(interim period) as of March 31, 2021 (interim reporting date) and were prepared in compliance with the International Financial Reporting Standards (IFRS) endorsed by the European Union and mandatory for the financial year 2020/21.

These Interim Consolidated Financial Statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* and should be read in conjunction with the Company's last Annual Consolidated Financial Statements for the financial year ending September 30, 2020. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last Annual Consolidated Financial Statements.

The Interim Consolidated Financial Statements were prepared in euros (EUR/€). All figures are stated in millions of euros (EUR m) unless otherwise stated.

Assumption of going concern as the basis for accounting

The financial risks represent a going concern risk for the Douglas-Group. The following material uncertainties exist:

- the necessary and planned increase in earning power in the Group's transformation process must be achieved and thus solvency maintained, and
- the liquidity of the Group must not be further burdened by further significant delays in opening the stores.

The ongoing servicing of the cost of capital generally assumes that the Douglas-Group's planning will not be significantly missed in terms of sales, earnings and cash flow development.

The COVID-19 pandemic had and continues to have a substantial impact on the Douglas-Group's business in the 2020/21 financial year. At present, a reduction in financing reserves is assumed for the Douglas Group, considering the current lockdown-caused store closures and other restrictions in some countries and the assumed gradual openings and elimination of other restrictions from May 2021 on. Each additional week of lockdown-caused store closures or other restrictions further increases the liquidity risk.

The massive shift in business from brick and mortar to digital retail accompanied by the optimization of the store network is thus seen as a necessary step to increase profitability.

According to the liquidity planning there are only limited liquidity reserves beyond the reporting date of September 30, 2021 in order to maintain solvency at all times even in the event of further budget shortfalls or an extended period of lockdown-caused store closures.

Therefore Douglas-Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

Retrospective restatement of comparative information for the first half of the prior fiscal year ending as of March 31, 2020

The Group has identified and corrected the following errors in the first half of the prior year 2019/20:

Accrued expenses in the reportable segment Germany were overstated by €15.9 million. As a result, cost of raw materials, consumables and supplies and merchandise and related trade accounts payable were overstated in the same amount.

Some IFRS 16 related postings based on insufficient information were incomplete or incorrect (especially previously unidentified leases or subleases as well as incorrect lease terms). Based on current information appropriate correction have been made, with primarily effects on right-of-use assets from leases, and corresponding financial liabilities as well as financial assets for sub leases.

All restatements of comparative information for the first half of the prior financial year 2019/20 have been considered and corrected in the last Annual Consolidated Financial Statements as at and for the financial year ending September 30, 2020.

The errors were corrected by adjusting the affected items in the financial statements for previous years accordingly. The following tables summarize the effects on the Interim Consolidated Financial Statements.

Restatements effects on Interim Consolidated Statement of Profit or Loss

of Kirk Beauty One GmbH for the period from October 1, 2019 through March 31, 2020.

		Effects of the restatements As previously reported EUR m	Restatements EUR m	Restated EUR m
2.	Cost of raw materials, consumables and supplies and merchandise	-1,083.8	15.9	-1,067.8
3.	Gross Profit	865.0	15.9	881.0
4.	Other operating income	143.0	2.2	145.2
6.	Other operating expenses	-359.5	5.5	-354.0
8.	EBITDA (=reported EBITDA)	328.8	23.6	352.4
9.	Amortization/depreciation	-207.5	2.1	-205.5
10.	EBIT	121.3	25.7	146.9
11.	Financial income	25.0	0.1	25.1
12.	Financial expenses	-67.1	-2.1	-69.1
13.	Financial result	-42.1	-1.9	-44.0
14.	EBT	79.1	23.7	102.9
16.	**Profit (+) or Loss (-) of the period (Net Income)**	**45.9**	**23.7**	**69.6**
	Attributable to owners of the parent	45.9	23.7	69.6

Restatements effects on Interim Consolidated Statement of Financial Position

of Kirk Beauty One GmbH as of March 31, 2020

Assets		Effects of the restatements		
		As previously reported	Restatements	Restated
		EUR m	EUR m	EUR m
A.	Non-current assets			
III.	Right-of-use assets from leases	1,352.4	22.3	1,374.7
IV.	Financial assets	589.4	21.1	610.5
		4,643.0	43.5	4,686.5
B.	Current assets			
IV.	Financial assets	147.5	2.7	150.1
		1,396.0	2.7	1,398.7
Total		6,039.1	46.1	6,085.2

Equity and Liabilities		Effects of the restatements		
		As previously reported	Restatements	Restated
		EUR m	EUR m	EUR m
A.	Equity			
III.	Reserves	-224.6	21.4	-203.1
		900.5	21.4	922.0
B.	Non-current liabilities			
III.	Financial liabilities	3,415.5	17.6	3,433.0
		3,711.6	17.6	3,729.1
C.	Current liabilities			
II.	Trade accounts payable	513.6	-15.9	497.6
IV.	Financial liabilities	468.8	23.0	491.9
		1,427.0	7.1	1,434.1
Total		6,039.1	46.1	6,085.2

Restatements effects on Interim Consolidated Statement of Cash Flows

of Kirk Beauty One GmbH for the period from October 1, 2019 through March 31, 2020.

			Effects of the restatements		
			As previously reported EUR m	Restatements EUR m	Restated EUR m
1.		Profit (+) or Loss (-) of the period (Net Income)	45.9	23.7	69.6
3.	+	Financial result	42.1	1.9	44.0
4.	+	Amortization/Depreciation/ Impairment	207.5	-2.1	205.5
5.	=	EBITDA (=reported EBITDA)	328.8	23.6	352.4
8.	+/-	Changes in net working capital without liabilities from investments in non-current assets	22.1	-15.9	6.1
9.	+/-	Changes in other assets/liabilities not classifiable to investing or financing activities	15.9	-16.7	-0.7
11.	=	Net cash flow from operating activities	337.7	-9.0	328.7
15.		Free cash flow (total of 11. and 14.)	282.2	-9.0	273.2
16.	-	Payments for the repayment of financial liabilities	-163.4	18.9	-144.5
18.	-	Interest paid	-55.6	-9.9	-65.5
21.		Net change in cash and cash equivalents (total of 11., 14. and 20.)	228.5	0.0	228.4
24.	**=**	**Cash and cash equivalents at the end of the reporting period**	**308.6**	**0.0**	**308.6**

Restatements effects on Reportable Segments

of Kirk Beauty One GmbH for the period from October 1, 2019 through March 31, 2020.

		Germany 10/01/2019-03/31/2020	10/01/2019-03/31/2020	10/01/2019-03/31/2020	Kirk Beauty One GmbH 10/01/2019-03/31/2020	10/01/2019-03/31/2020	10/01/2019-03/31/2020
		Effects of the restatements			Effects of the restatements		
		As previously reported	Restatements	Restated	As previously reported	Restatements	Restated
EBITDA (=reported EBITDA)	EUR m	77.1	23.6	100.7	328.8	23.6	352.4
Lease expenses and income according to former IAS 17 which are to be capitalized following IFRS 16	EUR m	-41.4	-7.7	-49.0	-138.7	-7.7	-146.3
Key performance indicator to be adjusted	EUR m	35.8	15.9	51.7	190.1	15.9	206.1
Adjusted EBITDA	EUR m	43.1	15.9	59.1	209.3	15.9	225.3

New accounting standards

Any of the new standards not yet applied by Kirk Beauty One GmbH, have no material impact on the presentation of the Interim Consolidated Financial Statements of Kirk Beauty One.

Reference is made to the overview summary of newly implemented or revised IASB accounting standards and interpretations in No. 2 of the Kirk Beauty One's last Annual Consolidated Financial Statements as at and for the financial year ending September 30, 2020.

Consolidation principles

Group of consolidated companies

All of the German and foreign companies over which Kirk Beauty One GmbH has direct or indirect control are fully consolidated in the Consolidated Financial Statements.

	Germany	Other countries	Total
10/01/2020	**23**	**33**	**56**
companies consolidated for the first time	0	0	0
deconsolidated companies	0	0	0
merged companies	0	0	0
03/31/2021	**23**	**33**	**56**

Currency translation

The Interim Consolidated Financial Statements are presented in euros (Group currency), the functional currency of the parent company. The annual financial statements of foreign subsidiaries whose functional currency is not the same as the Group currency are translated into euros according to the functional currency concept.

The following exchange rates have been used for currency conversion for the foreign subsidiaries:

		Average exchange rate 10/01/2020-03/31/2021 EUR	Closing rate 03/31/2021 EUR	Average exchange rate 10/01/2019-03/31/2020 EUR	Closing rate 03/31/2020 EUR
Bulgarian Lev	BGN	0.51130	0.51130	0.51130	0.51130
Swiss Franc	CHF	0.92915	0.90334	0.91221	0.94473
Czech Koruna	CZK	0.03764	0.03825	0.03898	0.03661
Croatian Kuna	HRK	0.13229	0.13209	0.13450	0.13114
Hungarian Forint	HUF	0.00280	0.00275	0.00303	0.00278
Polish Zloty	PLN	0.22231	0.21502	0.23241	0.21975
Romanian Lei	RON	0.20583	0.20316	0.21005	0.20711
Turkish Lira	TRY	0.11648	0.10283	0.15349	0.13877
U.S. Dollar	USD	0.85682	0.85288	0.89988	0.91274

Foreign currency transactions are recognized in the functional currency as translated at the applicable exchange rate at the time of the transaction. Monetary assets and liabilities nominally denominated in such foreign currencies are translated at the exchange rate on the interim reporting date. All differences resulting from currency translation are recognized in profit or loss in the Consolidated Statement of Profit or Loss.

Accounting and valuation principles

The accounting and valuation principles for the reporting period are substantially consistent with those applied for the Kirk Beauty One's Annual Consolidated Financial Statements as of September 30, 2020.

In calculating the expense relating to taxes on income, the interim tax expense is determined on the basis of the estimated effective income tax rate for the current fiscal year.

Comprising the Christmas season and besides events like Black Friday or Singles' Day, the first quarter of our fiscal year is measured in terms of Net Sales and Adjusted EBITDA the most important quarter, which is typical for a retailer in the consumer sector. All sales-related, seasonal or cyclical issues have been considered during the interim financial and business judgement was applied accordingly.

Use of judgements

Douglas makes discretionary decisions when determining the term of leases, considering renewal and / or termination options. The assessment of whether these options are exercised with sufficient certainty affects the term and consequently also the measurement of the lease liability and the right of use of a lease. The classification of lessor-related leases as operating or finance leases is also subject to discretionary decisions.

Assumptions and estimates

Assumptions and estimates have been made in the preparation of the Consolidated Financial Statements that impact the disclosure and amount of the assets and liabilities, income and expenses carried in these statements. These assumptions and estimates were used, particularly, in assessing whether or not there are any triggering events indicating the need for testing non-financial assets for impairment and the impairment losses under IFRS 9 with focus on the determination of the probability of occurrence of scenarios and the credit risk (loss rate), the determination of useful lives and valuing provisions and pension provisions and uncertain tax positions and estimating the probability that future tax refunds will be realized. Actual values may vary in individual cases from the assumptions and estimates made. Changes are recognized in income as soon as more detailed information is known. In particular, the impairments of financial and non-financial assets were significantly affected by the COVID-19 pandemic and may involve greater uncertainty.

Net sales

	Germany		France		South-Western Europe	
	10/01/2020-03/31/2021	10/01/2019-03/31/2020	10/01/2020-03/31/2021	10/01/2019-03/31/2020	10/01/2020-03/31/2021	10/01/2019-03/31/2020
Net sales brick & mortar	236.8	479.6	288.5	377.0	336.1	487.4
Net sales e-commerce	402.5	262.0	116.8	58.8	151.2	70.6
Net sales other	2.0	1.8	5.1	5.4	1.7	3.8
Total	**641.3**	743.5	**410.4**	441.2	**489.0**	561.8

	Eastern Europe		Consolidation		Kirk Beauty One GmbH	
	10/01/2020-03/31/2021	10/01/2019-03/31/2020	10/01/2020-03/31/2021	10/01/2019-03/31/2020	10/01/2020-03/31/2021	10/01/2019-03/31/2020
Net sales brick & mortar	128.9	172.7	0.0	0.0	990.3	1,516.8
Net sales e-commerce	53.8	23.0	0.0	0.0	724.3	414.4
Net sales other	0.0	6.6	0.0	0.0	8.8	17.7
Total	**182.6**	**202.3**	**0.0**	**0.0**	**1,723.4**	**1,948.8**

Impairment of Assets

Impairment tests at store level, as cash-generating units (CGUs), lead to write-downs totaling €5.7 million (prior year: €0.0 million), of which €3.3 million (prior year: €0.0 million) were attributable to the segment Germany, €0.3 million (prior year: €0.0 million) to France, €2.1 million (prior year: €0.0 million) to South-Western Europe and €0.0 million (prior year: €0.0 million) to Eastern Europe. Triggering events for stores subject to impairment testing are, in particular, negative contribution margins as a result of a decline in customer frequency, also due to COVID-19 and planned, approved and announced permanent store closures.
For impairment testing the carrying amount of the CGU is compared to its recoverable amount. The recoverable amount is calculated as being the value in use based on discounted future cash flows from internal forecasts. Planning assumptions include sales growth, gross profit/EBITDA forecasts, estimates of replacement investments in the store network, the ratio of personnel expenses to sales and other cost ratios relating to individual stores. The forecasts are based on the residual term of the respective lease agreements including any extension options. The forecast term is between one and fifteen years. Calculations are based on interest rates of between 5.5 percent and 9.0 percent, before taxes and materially unchanged compared to the last Annual Consolidated Financial Statements for the financial year ending September 30, 2020.

We also saw the ongoing COVID-19 pandemic as a trigger for performing a goodwill impairment test. The parameters used in the test are essentially unchanged to those used in the impairment test as of September 30, 2020; this applies in particular to the planning assumptions. The range of capitalization rates after taxes is 6.4% to 9.7%. The calculation of the perpetual annuity continues to be based on a risk-adjusted growth rate of 1%. For operating segments whose value in use was below the carrying amount of the cash-generating unit, the fair value less cost of disposal was also determined. The recoverable amount is in all cases above the carrying amount, so that there is no need for impairment.

Fair value of financial instruments[14]

Financial instruments categorized in accordance with IFRS 9 as of March 31, 2021

	Net book value EUR m	Category	Not measured at fair value EUR m	Fair value through profit or loss EUR m	Fair Value through OCI EUR m	Fair Value EUR m	Level
Trade accounts receivable	50.5	AC					
Cash and cash equivalents	152.2	AC					
Financial assets							
Receivables against shareholders	960.2	AC	960.2			960.2	2
Equity participations	2.1	FVtPL		2.1		2.1	2
Miscellaneous financial assets	147.9	AC	147.9			147.9	2
Total financial assets	**1,110.2**						
Trade accounts payable	425.5	AC					
Financial liabilities							
Purchase price liability arising from derivative financial instruments	1.3	AC	1.3			1.3	2
Liabilities to bank	1,823.1	AC	1,823.1			1,823.1	2
Liabilities from Senior Secured Notes	301.8	AC	301.8			299.9	1
Liabilities from Senior Notes	337.3	AC	337.3			334.2	1
Liabilities from minority options	11.8	AC	11.8			11.8	2
Liabilities from minority options	5.4	AC	5.4			5.4	3
Miscellaneous financial liabilities	36.9	AC	36.9			36.9	2
Total financial liabilities according to IFRS 9	2,517.6						
Lease liabilities according to IFRS 16	1,190.7						
Total financial liabilities	**3,708.3**						

[14] Abbreviations used for the categories of financial instruments according to IFRS 9
AC – Measured at amortized cost;
FVtPL – Measured at fair value through profit or loss

Miscellaneous financial assets comprise several mainly short-term receivables.

Fair values of the Notes liabilities are calculated on the basis of market prices quoted on active markets (level 1).

A mark-to-market measurement based on yield curves available on the market is conducted for the interest rate caps presented as derivative financial instruments under “Assets” (level 2).

The contingent purchase price liability associated with the acquisition of the remaining 49 percent of the shares in Niche-Beauty.COM GmbH was recognized as a liability to minority shareholders at its fair value of €5.3 million as of the reporting date. The remaining 49 percent of the shares were acquired with economic effect from January 1, 2022 and subject to the condition precedent of payment of the second purchase price tranche. The purchase price of the 49 percent stake is also determined by the achievement of certain economic performance indicators. The expected value was determined on the basis of an equal distribution of the performance indicators within a range around the target achievement level. The expected value was discounted at an interest rate of 1.5 percent. The sensitivity of the fair value lies between the lower limit of €3.5 million and the upper limit of €6.0 million.

The contingent purchase price liability associated with the acquisition of the remaining 20 percent of the shares in Parfümerie AKZENTE GmbH was recognized as contingent consideration at its fair value of €8,0 million as of the reporting date. The put option can take place within a period of 90 days after October 1, 2021 for the remaining 20 percent of the shares. The purchase price of the 20 percent stake is nearly fix.

In terms of trade accounts receivable and trade accounts payable, fair values equal the carrying amounts due to the short maturities involved. In case of receivables from the parent company Kirk Beauty Two GmbH, the carrying amount is identical to the fair value as well, as the interest rate was negotiated in accordance with standard market conditions.

The IFRS 9-valuation of the receivables from the parent company Kirk Beauty Two GmbH as of March 31, 2021 resulted in a reversal of former write-down accounting for €105.5 million and is based on market parameters which are deducted from credit default swaps of a similar rating, without tax effects.

Since then, market interest rates have changed slightly. On the other hand, the credit risk has increased. Since the carrying amount already takes the credit risk until maturity into account, it substantially equals fair value still.

Fair values of liabilities to banks are based on expected cash flows of contractual agreements, discounted with a credit-risk-adjusted rate. Calculating the fair value of the syndicated bank loan, a particularity exists. In addition to the variable EURIBOR base rate, adjustments to the credit margin are also regularly made within legally defined boundaries. Credit margins are reassessed on a quarterly basis, regarding the development of certain corporate key figures. The reassessment is based on ratios that the syndicate would also include in the assessment of credit risk. As a result, interest expectations as of the reporting date are largely equivalent to fair credit interest assessment. As there were no interest accruals as of the reporting date, the fair value only deviates from the nominal value of the liability to an immaterial extent.

Fair values of other financial instruments are calculated using the present values of contractually agreed payments in consideration of country-specific interest yield curves.

Equity participations are measured at fair value. No sale of these equity participations is planned as of the reporting date.

Borrowing liabilities

As of March 31, 2021 (prior to refinancing), and as of September 30, 2020 the borrowings comprise Senior Notes and bank liabilities, including drawn Revolving Credit Facilities and other borrowings as follows:

	03/31/2021		09/30/2020	
	Nominal amount EUR m	Carrying amount EUR m	Nominal amount EUR m	Carrying amount EUR m
Senior Secured Notes	300.0	301.8	300.0	301.0
Senior Notes	335.0	337.3	335.0	336.5
Term Loan B Facility	1,670.0	1,670.0	1,670.0	1,670.0
Revolving Credit facility (RCF)	126.3	126.8	165.5	166.1
Other borrowings	1.7	1.7	2.0	2.0
Total	**2,431.3**	**2,436.0**	**2,470.5**	**2,473.6**

Carrying amounts include accruals.

The nominal value of the utilized Revolving Credit Facility amounted to €126.3 million at the reporting date, consisting of a Revolving Credit Facility Loan of €74.3 million and Ancillary Facilities of €52.0 million. In addition, the liquidity drawing of the RCF is limited by the use of security, in particular in the form of rental guarantees, in the amount of €37.7 million.

Kirk Beauty One and its subsidiaries have to meet certain obligations and key financial covenants, in the event that 40.0 percent of the nominal value of €200 million of the Revolving Credit Facility is drawn (corresponds to €80 million). The utilization of the RCF through Ancillary Facilities as well as collateral in the form of rental guarantees is of no significance for the calculation of and compliance with financial covenants. The Revolving Credit Facility Loan was drawn at €74.3 million as of the reporting date, which corresponds to a utilization of less than 40 percent of the RCF.

Besides these financial covenants Kirk Beauty One also has to meet certain qualitative covenants. If the obligations are not met, the lenders are entitled to cancel the loan agreements with immediate effect and call upon all pledged collateral. As of March 31, 2021, the Company was in compliance with all covenants.

Additionally, to the RCF of nominally €200 million, the Douglas Group had (prior to the Refinancing) access to an incremental Revolving Facility in the amount of €75.0 million, that was not used as of March 31, 2021.

Hedging of financing liabilities

Interest rate caps (separate financial instruments) are in place to hedge against the risk of interest rate fluctuations over a variable nominal volume of up to €1,100.0 million and a term until August 31, 2021. As of the balance sheet date, the nominal volume amounts to €1,100.0 million. The interest rate caps reduce the risk of an inclining EURIBOR to a maximum of 1.0 percent. The cash flows will affect interest income during the period from October 1, 2015 through August 31, 2021. The Term Loan B Facility agreement contains an interest rate floor at 0.0 percent EURIBOR.

	03/31/2021		09/30/2020	
	Reference amount EUR m	Fair values: Financial assets EUR m	Reference amount EUR m	Fair values: Financial assets EUR m
Interest rate caps	1,100.0	0.0	1,100.0	0.0
of which not part of a hedge relationship	1,100.0	0.0	1,100.0	0.0

Share-based payments

Second management participation program

On December 30, 2020, the Company implemented a new share-based payment plan, by establishing a second management participation company as a shareholder of Kirk Beauty Two GmbH, the direct parent of Kirk Beauty One GmbH.

Key management personnel and other senior employees were granted a participation in that entity which allows them to hold an indirect interest in the Douglas-Group and, in the event of the current majority shareholder departing (through a sale or Initial Public Offering), participate in the anticipated value increase. The interest granted is composed of ordinary shares in Kirk Beauty Two GmbH representing 5,6% percent of those shares, and a portion of a shareholder loan, bearing interest at 2%, against Kirk Beauty Two GmbH.

The participation is linked to a service agreement of a member with the group and therefore is subject to good and bad leaver provisions until an IPO or trade sale occurs. Upon occurrence of a leaver event, the majority investor may exercise a call option and repurchase the participation at a specified price. Good leavers will receive a vested portion of the fair value of their participation, with 100% being received after five years.

Since the Company is not obliged to settle any obligation related to the participation in the second plan, this participation is classified as an equity-settled share-based payment award, which is considered an option. The grant date fair value is thus derived using an option-pricing model. The total amount of benefits granted was determined to be €18.6 million. The grant date fair value will be expensed over the variable vesting period till the expected exit event occurs.

For the second management plan, personnel expenses accounting for €3.3million were recognized in the first half of the financial year 2020/21.

Events after the interim reporting date

The following events requiring consideration occurred between the Consolidated Financial Statements reporting date and the date on which the Consolidated Financial Statements were approved for publication:

Refinancing successfully completed

With the closing on April 8, 2021, Douglas successfully completed the refinancing.

A comprehensive refinancing package of €2.55 billion was agreed to replace the existing financing of €2.58 billion. The company has thus created the prerequisites for continuing to consistently implement the #FORWARDBEAUTY.DigitalFirst growth strategy.

The financing package includes a senior secured loan in the amount of €600.0 million, a senior secured bond in the amount of €1,305.0 million, a senior secured PIK bond in the amount of €475.0 million and a revolving credit line in the amount of €170.0 million.

The Douglas shareholders – including the financial investor CVC and the Kreke family- have also confirmed their commitment and continued support for the company by providing additional liquidity in the amount of €220.0 million.

As of April 8, 2021, the existing debt financing was repaid in full and completely replaced by the new financing structure. With the refinancing, the company will receive around €100 million in additional cash reserves.

New pro-forma Core Financing Structure (April 8, 2021)	EUR m	Maturity	Core Financing Structure (March 31, 2021)	EUR m
Cash and cash equivalents	251.00	-	Cash and cash equivalents	152.2
Total Cash and cash equivalents	**251.0**	**-**	**Total Cash and cash equivalents**	**152.2**
Revolving Credit Facility (RCF)	170.0	Jan 26	Revolving Credit Facility (RCF)	275.0
Term Loan B	600.0	April 26	Term Loan B	1,670.0
Senior Secured Notes	1,305.0	April 26	Senior Secured Notes	300.0
Senior PIK Notes	475.0	Oct 26	Senior Notes	335.0
Total Debt Volume	**2,550.0**		**Total Debt Volume**	**2,580.0**

The revolving credit facilities, listed in table above, reflect the total (contractual) nominal volume, regardless the actual use.

As at March 31, 2021, prior to the closing of the Refinancing, the nominal value of the utilized (through borrowings) Revolving Credit Facility amounted to €126.3 million.

Under the new financing structure, closed as of April 8, 2021, the Revolving Credit was not used through borrowings.

The coronavirus pandemic – still ongoing

The COVID-19 pandemic is still ongoing. Also in April many of our stores were closed with significant impact on our business, although the decline in brick and mortar sales was partially absorbed by our very strong e-commerce business.

With the currently high availability of vaccine, speeding vaccination rate and total number of vaccinated people across Europe and hence the estimated decrease in the average COVID-19 incidence number we are assured that lockdown restrictions will ease and life will return to “normal”. We already can observe in other regions of the world that a higher number of vaccinations clearly leads to more private consumption and corresponding GDP growth.

Overall, we are confident that our customers will return to our stores and take advantage of our offer and service, supporting us to get our sales figures back to normal.

Mark Langer appointed as new Chief Financial Officer

Douglas, Europe's largest beauty platform, appointed Mark Langer as its chief financial officer (CFO), who joined the company's management as of May 1, 2021. After successfully completing the recent refinancing, his predecessor, Matthias Born, is leaving the company by mutual consent and on the friendliest terms in order to pursue a new professional challenge.

Mark Langer, deeply experienced as CFO in the MDAX environment, will bring his expertise to make optimal use of Douglas's prospects in line with its #FORWARDBEAUTY.DigitalFirst strategy.

Before the move to Douglas, Langer worked for Hugo Boss for almost 18 years, initially occupying various management positions in finance before becoming CFO in 2010 and then CEO in 2016 (until 2020). Prior to his time at Hugo Boss, Langer worked for McKinsey and consumer goods company Procter & Gamble.

Day of preparation and authorization for issue

Management prepared and authorized for issue the Interim Consolidated Financial Statements on May 12, 2021.

Düsseldorf, May 12, 2021

Douglas Group
Management

Tina Müller	Mark Langer
Vanessa Stützle	Dr. Michael F. Keppel

Appendix

Kirk Beauty Two GmbH

Interim Consolidated Statement of Profit or Loss

of Kirk Beauty Two GmbH for the period from October 1, 2020 through March 31, 2021

		10/01/2020-03/31/2021 EUR m	10/01/2019-03/31/2020 EUR m
1.	Other operating income	0.0	0.0
2.	Other operating expenses	0.0	0.0
3.	EBITDA (=reported EBITDA)	0.0	0.0
4.	EBIT	0.0	0.0
5.	Financial expenses	-51.1	-53.8
6.	Financial result	-51.1	-53.8
7.	EBT	-51.1	-53.8
8.	Income taxes	0.8	0.0
9.	**Profit (+) or Loss (-) of the period (Net Income)**	**-50.4**	-53.8

Interim Consolidated Statement of Financial Position

of Kirk Beauty Two GmbH as of March 31, 2021

Assets		03/31/2021 EUR m	03/31/2020 EUR m
A.	Non-current assets		
	Financial assets	1,035.9	763.4
		1,035.9	763.4
B.	**Current assets**		
I.	Tax receivables	0.4	2.4
II.	Financial assets	0.0	5.2
		0.4	7.6
Total		**1,036.3**	771.1

Equity and Liabilities		03/31/2021 EUR m	03/31/2020 EUR m
A.	Equity		
I.	Capital stock*	0.0	0.0
II.	Additional paid-in capital	448.8	448.8
III.	Profit retained	-1,320.9	-1,175.0
		-872.1	-726.2
B.	**Non-current liabilities**		
	Financial liabilities	1,354.0	1,263.8
		1,354.0	1,263.8
C.	Current liabilities		
I.	Current provisions	0.3	0.3
II.	Trade accounts payable	0.0	0.0
III.	Tax liabilities	10.0	8.4
IV.	Financial liabilities	544.1	224.7
		554.4	233.4
Total		**1,036.3**	771.1

*) Capital stock amounts to €25.000,00.

Kirk Beauty SUN GmbH

Interim Consolidated Statement of Financial Position

of Kirk Beauty SUN GmbH as of March 31, 2021

Assets		03/31/2021 €	03/31/2020 €
	Current assets		
	Cash and cash equivalents	25,000.0	-
Total		**25,000.0**	-

Equity and Liabilities		03/31/2021 €	03/31/2020 €
	Equity		
	Capital stock	25,000.0	-
Total		**25,000.0**	-