



## News Release

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Investment in innovative digital business models and premium brands in Beauty Care

### **Henkel to acquire majority stake in fast-growing direct-to-consumer (D2C) business**

- Further expanding digital D2C platforms in the beauty segment
- Leveraging 1:1 relationships to capture superior consumer insights
- Adding strong digital capabilities and unique brand building expertise

Düsseldorf – Henkel signed an agreement with Invincible Brands Holding, headquartered in Berlin, to acquire a 75 percent stake in a business comprising three fast-growing premium direct-to-consumer (D2C) brands: HelloBody, Banana Beauty and Mermaid+Me. Through this transaction, Henkel will significantly expand its D2C go-to-market footprint in Beauty Care and add strong digital capabilities in areas such as performance marketing, analytics and fast innovation.

The transaction comprises the three attractive brands HelloBody, Banana Beauty and Mermaid+Me, which are mostly sold in Europe. The brands offer premium beauty care products and they also address the growing trend of sustainable and clean beauty. HelloBody is active in the skin, body and hair care categories, Mermaid+Me focuses on hair care products. Banana Beauty offers decorative cosmetics such as lipsticks and eyeliners.

In the last twelve months as of June 2020, the businesses generated total sales of around 100 million euros and employed around 180 people, including an experienced incubator team with a strong track record of launching new D2C brands.

The three D2C brands capture more than 1.5 million active consumers and will significantly strengthen Henkel Beauty Care's digital footprint.

The remaining 25 percent stake in the business will stay with the founders of Invincible Brands Holding – Bjoern Keune and Gennadi Tschernow – and private equity fund manager capital D. The founders and existing management team will remain onboard to further expand the existing as well as establishing new businesses.

“As part of our strategic framework for purposeful growth we pursue value-adding acquisitions to strengthen our businesses. This agreement is a proof point of how we consistently implement our strategy. It is also in line with our objective to strengthen our competitive edge in the area of digitalization by expanding our direct-to-consumer activities,” said Henkel CEO Carsten Knobel.

“With this acquisition we will strengthen our portfolio with fast-growing premium brands in attractive categories. Through 1:1 interactions with consumers we will gain valuable insights that will help us to create meaningful innovations for the entire retail business,” said Jens-Martin Schwärzler, Executive Vice President and responsible for Henkel's Beauty Care business.

“I would like to thank our entire team at Invincible Brands, together with capital D, for executing a phenomenal growth plan over the past two years. With Henkel there is now an exciting opportunity to continue building on that. The combination of our direct-to-consumer and social media marketing skills with Henkel's R&D, product knowledge and global footprint provides a winning formula. I am very much looking forward to working with the team at Henkel,” said Bjoern Keune, Co-Founder of Invincible Brands.

Stephan Lobmeyr, Co-Founder of capital D, added: “Two years ago we identified the disruptive nature and strength of the business model of Invincible Brands, a pioneer social media marketing and first-class brand incubator. We have supported Bjoern, Gennadi and the team to grow and conquer this nascent market and are really

pleased that Henkel's investment validates the strengths of the brands and the concept and that we will continue to be part of the business alongside Henkel."

The agreement is subject to customary closing conditions, including regulatory approvals.

### **About Henkel**

Henkel operates globally with a well-balanced and diversified portfolio. The company holds leading positions with its three business units in both industrial and consumer businesses thanks to strong brands, innovations and technologies. Henkel Adhesive Technologies is the global leader in the adhesives market – across all industry segments worldwide. In its Laundry & Home Care and Beauty Care businesses, Henkel holds leading positions in many markets and categories around the world. Founded in 1876, Henkel looks back on more than 140 years of success. In 2019, Henkel reported sales of more than 20 billion euros and adjusted operating profit of more than 3.2 billion euros. Henkel employs more than 52,000 people globally – a passionate and highly diverse team, united by a strong company culture, a common purpose to create sustainable value, and shared values. As a recognized leader in sustainability, Henkel holds top positions in many international indices and rankings. Henkel's preferred shares are listed in the German stock index DAX. For more information, please visit [www.henkel.com](http://www.henkel.com).

### **About Invincible Brands**

Invincible Brands is a platform creating direct to consumer brands which pioneered innovative and data driven social commerce and performance marketing in Europe. It was founded in November 2015 in Berlin by Bjoern Keune and Gennadi Tschernow. Invincible Brands has a highly differentiated approach to marketing and a fast product innovation process leveraging deep consumer insights from millions of weekly client and influencer interactions as well as its 250 employees across all brands. [www.invinciblebrands.com](http://www.invinciblebrands.com)

### **About capital D**

capital D is a next-generation private equity fund manager focused on disruptive mid-market businesses across Europe. capital D invests at the intersection of macro, technological and behavioral trends, in businesses which will be the winners of the disruption economy. capital D adds purpose and agility to traditional investment lenses and believes companies with those characteristics are better equipped to succeed. capital D understands "what's next" through an ecosystem comprising experts in digital, innovation and sustainability which creates unique investment opportunities. [www.capitalD.com](http://www.capitalD.com)

This information contains forward-looking statements which are based on current estimates and assumptions made by the corporate management of Henkel AG & Co. KGaA. Statements with respect to the future are characterized by the use of words such as "expect", "intend", "plan", "anticipate", "believe", "estimate", and similar terms. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and results actually achieved by Henkel AG & Co. KGaA and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside Henkel's control and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. Henkel neither plans nor undertakes to update any forward-looking statements.

This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Henkel's net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its Consolidated Financial Statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently.

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