

PRESS RELEASE

Beiersdorf invests in K-beauty startup LYCL Inc.

- Beiersdorf acquires significant stake in rapidly growing Korean beauty and tech startup
- Venture investment in disruptive business model in line with Beiersdorf's C.A.R.E.+ strategy
- LYCL Inc. is part of the NIVEA Accelerator (NX) in Korea

Hamburg/Germany and Seoul/Korea, December 9th, 2019 – Beiersdorf has acquired a significant stake in Seoul-based LYCL Inc., thus becoming the second largest shareholder of the rapidly growing skin care and tech start-up. This investment out of Beiersdorf's venture fund is a natural fit with the C.A.R.E.+ strategy to win in skin care and drive consumer centricity through digitalization. Moreover, it further strengthens Beiersdorf's footprint in Korea and the region.

“We see great potential in LYCL's disruptive business model and its high degree of digital consumer connection,” Dessi Temperley, Chief Financial Officer of Beiersdorf said. With its two beauty platforms, LYCL already has access to more than 1.2 million consumers. Based on their insights, the company has implemented a disruptive data-driven innovation process to develop and market skin care products under the “unpa.Cosmetics” brand. “The digital innovation capabilities and strong consumer centricity of LYCL have resulted in triple-digit growth rates over recent years, and we believe the business model is geographically scalable,” Temperley added.

Endrik Hasemann, General Manager Beiersdorf South Korea, sees the investment into LYCL also as a proof of concept: “The decision to launch the NIVEA accelerator in Korea as part of our global venturing activities was made based on the belief that the Korean ecosystem is a frontrunner regarding beauty and tech trends. We strongly believe in the future success of LYCL, and we are looking forward to driving excellent consumer experiences and skin care innovations to the next level together.”

About LYCL Inc.

LYCL Inc. is a Korean skin care and tech startup established in 2013. The company combines three different business models: unpa.me, a review and content platform for K-Beauty products, palett.me, an influencer network platform, and unpa.Cosmetics, the startup's own skin care

brand. This setup leads to a fast development of data-driven, consumer-centric and highly innovative skin care products. LYCL Inc. already has a strong footprint in South Korea with the majority of product sales generated through a direct-to-consumer (DTC) business model via LYCL's own website.

About Beiersdorf AG

Beiersdorf AG is a leading provider of innovative, high-quality skin care products and has over 135 years of experience in this market segment. The Hamburg-based company has about 20,000 employees worldwide and is listed on the DAX, the German benchmark equities index. Beiersdorf generated sales of €7.2 billion in financial year 2018. Its product portfolio comprises strong, international leading skin and body care brands including NIVEA – the world's largest skin care brand* –, Eucerin, Hansaplast/Elastoplast, and La Prairie. Millions of people around the world choose Beiersdorf brands every day because of their innovative, high-quality products. Further renowned brands such as Labello, Aquaphor, Florena, 8x4, Hidrofugal, arix, Maestro, and Coppertone round off the extensive portfolio. Beiersdorf's wholly owned affiliate tesa SE, another globally leading manufacturer in its field, supplies self-adhesive products and system solutions to industry, craft businesses, and consumers.

*Source: Euromonitor International Limited; NIVEA by umbrella brand name in the categories Body Care, Face Care and Hand Care; in retail value terms, 2018.

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