

Press Release

Hamburg, 10 November 2020

Otto Group well prepared for Christmas business

Undeterred by the corona pandemic and the recent lockdown, Otto Group companies are well positioned to cope with the very high number of online orders expected in the run up to Christmas. Given the current situation, Group companies are not anticipating any major bottlenecks in product availability nor do they envisage any delivery problems. Nevertheless, early orders are advisable as is the case every year.

Online retailer **OTTO** has assured customers of the availability of products across all categories. On the whole, customers would not have to worry about shortfalls in any product range. The same applies to **Bonprix**. This year too, the company has pledged to secure deliveries before Christmas with product ranges well stocked. Bonprix does not expect any supply bottlenecks.

The **Baur Group**, with its online shops baur.de and imwalking.de, is also predicting that it will be able to deliver all products offered in its online shops as promised. In some individual cases, however, delays of a few days could well occur due to the uncertainties inherent in the corona pandemic and the expected exceptionally high volume of orders. Ordering early is always reasonable, especially when it comes to technical and household articles, furniture, home accessories and home textiles.

Online retailer **Mytoys** is advising customers to place orders for Christmas presents as early as possible. The retailer for family shopping is not expecting any fundamental supply bottlenecks. In recent years, however, it has seen runs on particularly popular products, especially in the toy sector, and is advising customers to order early to enjoy a more relaxed pre-Christmas period.

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The Otto Group's sourcing and services company, Hong Kong-based **Otto International**, plays a decisive role with regard to the availability of the various product groups. Since the beginning of the corona pandemic, some 1,300 colleagues worldwide have been working to ensure that goods reliably reach the respective Group companies – and thus their customers – despite the worldwide lockdowns occurring around the globe. To this end, Otto International is working very closely and flexibly with suppliers and carriers. At present, there are no major bottlenecks in sourcing and delivery capacity with respect to the forthcoming Christmas business.

Dr Marcus Ackermann, Executive Board Member for Multichannel Distance Selling: “The current situation is presenting us and our Group companies with enormous challenges. So it is hugely beneficial that we were able to gain such valuable experience during the first lockdown and that we have managed to keep apace with deliveries and offer our customers our entire range of products. We will also succeed in doing this in the pre-Christmas period, in the face of some obviously difficult circumstances. I would therefore like to express my thanks to all colleagues who are working with great commitment and with all their energy to ensure that Christmas presents are under the Christmas tree on time this year too.”

The Hermes employees are also playing a major role in ensuring that this is achieved. Logistics service provider Hermes Germany is expecting around 120 million shipments between October and December 2020, making it the highest-volume ever in the run-up to Christmas. Still, it believes it is well equipped to meet this challenge, having secured the services of an additional 3,500 couriers and almost four thousand delivery vehicles. Hermes Fulfilment's warehouse and returns logistics and Baur logistics are also planning to deploy additional staff (up to 200 employees each) in the coming weeks.

Hermes is also benefiting from the fact that its delivery processes have been consistently digitalised in recent years and operational quality further optimised. It is also worth mentioning that, among other things, the expansion of its parcel shops – now numbering over 16,000 nationwide, most of which will remain open (as they were by and large during the first corona

lockdown) – and the speedy introduction of contactless deliveries have helped keep the population supplied with goods.

Otto Group

Founded in Germany in 1949, today the Otto Group is a globally active retail and services group with around 52,000 employees in 30 major company groups and does business in over 30 countries in Europe, North and South America, and Asia. Its business activities are grouped into three segments: Multichannel Retail, Financial Services, and Service. In the 2019/20 financial year (to 29 February), the Otto Group generated revenues of 14.3 billion euros. With online revenues of approximately 8.1 billion euros, the Otto Group is one of the world's largest online retailers. The Group's particular strength is its broad market presence and differentiated product and service offers to diverse customer target groups in almost all of the world's relevant economic regions. Numerous strategic partnerships and joint ventures provide the Otto Group with excellent opportunities to transfer know-how and leverage areas of synergy potential. Group companies demonstrate a high degree of corporate responsibility and willingness to collaborate with one another; at the same time this guarantees flexibility, customer proximity and optimum target-group appeal in their respective national markets.

For further information on the Otto Group visit www.ottogroup.com.

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