

KDC/ONE Acquires Cosmetic Laboratories of America

*Expands West Coast Footprint to Create Regional Innovation Powerhouse
for Prestige and Emerging Indie Beauty Brands*

LONGUEUIL, QC and CHATSWORTH, CA – March 3, 2020 – Knowlton Development Corporation ("KDC/ONE" or the "Company"), a global leader in custom formulation and manufacturing solutions for beauty, personal care and household brands, today announced it has acquired Cosmetic Laboratories of America ("CLA"), a market leader in the development, formulation and supply of personal care and beauty products based in Chatsworth, California. Financial terms were not disclosed.

This acquisition strengthens KDC/ONE leadership on the West Coast in delivering creative design, innovation-driven research, custom development and manufacturing to the prestige beauty segment, with a particular focus on skincare, haircare and color cosmetics for emerging indie brands. Following the Company's recent integration of Benchmark Laboratories and merger with HCT Group – both of which operate high-quality, cutting-edge facilities in the region – and together with KDC/ONE's existing Thibiant and Thibiant Naturals plants, the strategic acquisition of CLA creates the largest regional innovation hub and a one-stop solution for West Coast customers. The close proximity of these facilities creates significant opportunities for collaboration, future investment and increased scale for growth, while also providing CLA customers with access to KDC/ONE's worldwide network.

Established in 2002, KDC/ONE has grown organically and through acquisitions to become one of the world's leading custom formulators and manufacturers with 18 state-of-the-art facilities in North America, Europe and Asia. Backed by Cornell Capital, which acquired KDC/ONE in December 2018 together with Caisse de dépôt et placement du Québec, Investissement Québec and HarbourVest Partners, KDC/ONE offers high-touch innovation, operational excellence and speed to market to well-known and emerging brands. In the past year, the Company has nearly doubled in size, expanding its technology base and expertise. Most recently, KDC/ONE announced its acquisition of Zobe Group, further enhancing its global platform across beauty, personal care and household products.

For nearly 50 years, CLA has provided the highest quality personal care and beauty products to its customers across the skin care, hair care, naturals, over-the-counter, body care and fragrance segments from its manufacturing and warehousing facilities in Chatsworth. Today, CLA has approximately 350 employees and serves a broad base of customers ranging from Fortune 500 companies to well-known health, beauty, cosmetic and fragrance brands, as well as specialized health and beauty aid companies.

"CLA has been a premier early formulation developer for decades, as evidenced by the number of large, flagship beauty products the company has developed and launched over the years," said Nicholas Whitley, Chief Executive Officer of KDC/ONE. "With an exceptional leadership team, a reputation for speed-to-market and best-in-class assets producing prestige skin and hair care products, CLA is the ideal partner for KDC/ONE as we look to invest in and solidify our West Coast footprint, further enhance our creative, cutting-edge offerings and scale our end-to-end capabilities in the region."

"We are excited to join the KDC/ONE family and work alongside its world class team to provide our valued customers with an expanded suite of offerings as part of a growing global platform," said Oscar Saldarriaga, General Manager of CLA. "Over the years, CLA has built a platform recognized for innovation, quality and reliability. With KDC/ONE's unmatched track record of innovation and local and global scale, I am confident that together we will achieve our goal of cementing our position as the custom developer and manufacturer of choice on the West Coast."

About KDC/ONE

KDC/ONE is a leading global provider of manufacturing and packaging solutions for the beauty, personal care and household sectors. Established in 2002, KDC/ONE is headquartered in Longueuil, Québec and employs over 7,000 employees across 18 state-of-the-art facilities in North America, Europe and Asia. KDC/ONE also operates three state-of-the-art innovation and R&D centers. The business delivers high-

touch innovation, operational excellence and speed-to-market to a wide range of prestige and emerging brands. Over the past five years, KDC/ONE has experienced rapid growth through the successful completion of several acquisitions. Most recently, KDC/ONE completed its previously announced merger with HCT Group, a leading provider of full-service manufacturing solutions for cosmetic brands, and announced its strategic acquisition of Zobebe Group, further enhancing its global platform across beauty, personal care and household products. For more information, visit www.kdc-one.com.

About Cosmetic Laboratories of America

Founded in 1971 and headquartered in Chatsworth, California, Cosmetic Laboratories of America (“CLA”) has been formulating and packaging some of the most trusted and familiar brands in the world for nearly half a century. Operating from its manufacturing and warehousing facilities in Chatsworth, CLA employs approximately 350 employees and serves a broad base of customers that range from Fortune 500 companies to well-known health, beauty, cosmetic and fragrance brands, as well as specialized health and beauty aid companies.

About Cornell Capital

Cornell Capital LLC is a U.S.-based private investment firm with \$3.0 billion of AUM and offices in New York and Hong Kong. Partnering with strong, entrepreneurial management teams, the firm takes a value-oriented approach to investing across the consumer, financial and industrial sectors. Founder and Senior Partner Henry Cornell, who served as the Vice Chairman of Goldman Sachs' Merchant Banking Division prior to founding Cornell Capital in 2013, leads a highly-seasoned senior leadership team with decades of shared investing experience. For more information, visit www.cornellcapllc.com.

About Caisse de dépôt et placement du Québec

Caisse de dépôt et placement du Québec (CDPQ) is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans. As at December 31, 2019, it held CA\$340.1 billion in net assets. As one of Canada’s leading institutional fund managers, CDPQ invests globally in major financial markets, private equity, infrastructure, real estate and private debt. For more information, visit cdpq.com, follow us on Twitter [@LaCDPQ](https://twitter.com/LaCDPQ) or consult our [Facebook](#) or [LinkedIn](#) pages.

About Investissement Québec

The mission of Investissement Québec is to participate actively in Québec’s economic development by stimulating business innovation, entrepreneurship and the growth of exports and investment in every region of Québec. The Corporation provides enterprises and entrepreneurs with support services, including technology-based measures, as well as adapted financial solutions and investments. Through its Investissement Québec International division, the Corporation assists enterprises with exports and prospects for foreign investments.

About HarbourVest Partners

HarbourVest is an independent, global private markets investment specialist with 36 years of experience and more than \$58 billion in assets under management, as of March 31, 2019. The Firm’s powerful global platform offers clients investment opportunities through primary fund investments, secondary investments, and direct co-investments in commingled funds or separately managed accounts. Partnering with HarbourVest, clients have access to customized solutions, longstanding relationships, actionable insights, and proven results.

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