



**NEWS RELEASE
FOR IMMEDIATE RELEASE**

KDC announces the acquisition of the Aromair Fine Fragrance Company Inc.

Montreal, November 9, 2017 – Knowlton Development Corporation ("KDC"), a leading contract manufacturer of health and beauty-care products with its head office in Longueuil, Québec, announces the acquisition of the **Aromair Fine Fragrance Company Inc. ("Aromair")**. Aromair is a leading New-Albany-based leading, full-service manufacturer and supplier specializing in Home & Air Care categories with over 20 years of global experience, offering Product Development, R&D Innovation, QA/QC services, regulatory services and manufacturing solutions. Aromair employs more than 200 full-time employees in state-of-the-art facilities totaling over 140,000 feet.

This transaction comes in the wake of a series of acquisitions carried out since 2014, and which were made possible by the private equity firm Novacap, with the support of the *Caisse de dépôt et placement du Québec* (CDPQ), the *Fonds de solidarité FTQ*, *Investissement-Québec*, Export Development Canada (EDC), *Fondaction CSN* and other institutional partners. This transaction is another step forward in KDC's evolution as a world-class leader in the supply of high quality, innovative products and delivery solutions to prominent brands. While KDC is active in many personal care categories such as deodorants, hair care, bath and body, and skin care products, Aromair represents a natural and adjacent expansion into the Home Care and Air Care products categories. KDC envisions Aromair as a growth platform in its portfolio of enterprises, as it will allow it to diversify its offering and develop new market opportunities, by leveraging the scale and core competencies of its combined network of companies, facilities, existing and future clients.

"We believe that the Home Care category offers a series of growth opportunities," said Nicholas Whitley, President and CEO of KDC. "We were particularly attracted to Aromair's product quality and innovation and, most of all, its team of talented, highly skilled professionals. KDC and Aromair have very similar operating principles and business cultures, representing a strong alignment from the outset. We will welcome some of Aromair's best practices into our business, while also exporting some of our best practices. The synergies from our alignment will bring tangible benefits to the combined network entity."

"This acquisition is adding a product category that, we believe, will add significant opportunities to expand KDC's growth," added Michel Cote, KDC's Chairman and Senior Partner of Novacap.

"KDC is the perfect partner for Aromair and shares similar values" said Jason Davis, President and CEO of Aromair. "KDC has a solid history of investing in their businesses, their plants and their people, and we can expect that to continue with Aromair. KDC has an excellent track record of sales growth, operational excellence, and superior customer service and shares our vision for Aromair as a leading supplier of Home & Air Care Products."

KDC plans to continue its growth and become the leader in its industry while remaining the only North American player with the critical mass needed to play a major role internationally.

ABOUT KDC

KDC is a leader and total solution provider in the contract manufacturing fields of regulated and non-regulated personal care products with sales of more than US\$775 million, nine operating facilities run by a most talented and experienced team of professionals. KDC has its head office in Longueuil, Québec. In addition to the Aromair facilities, KDC has plants in Knowlton (Quebec), Lynchburg (Virginia), Columbus (Ohio), Kolmar in Port Jervis (New York), Acupac in Mahwah and ChemAid in Saddle Brook (New Jersey), as well as the West Coast facilities located in Chatsworth and Newbury Park (California). Altogether, the company employs 2,900 people, including 700 in Knowlton. For more information, please visit: www.kdc-companies.com.

ABOUT THE AROMAIR FINE FRAGRANCE COMPANY INC.

Aromair is a leader in the large and growing Air Care category with unmatched scale and installed capacity. With the quality of its team, it is well positioned to capitalize on favorable market trends and category dynamics.

For more information about the Aromair Fine Fragrance Company Inc., please consult www.aromair.com.

ABOUT NOVACAP

Founded in 1981, Novacap is a leading Canadian private equity firm with \$2.26 billion of assets under management. The Firm has raised over \$2.6 billion in capital since its inception. Novacap's unique investment approach, based on deep operational expertise and an active partnership with entrepreneurs, has helped accelerate growth and create long-term value for its numerous investee companies. With an experienced management team and substantial financial resources, Novacap is well positioned to continue building world-class companies. For more information, please visit www.novacap.ca.

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 June 30, 2017, it held \$286.5 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 or consult our Facebook or LinkedIn pages.

ABOUT INVESTISSEMENT QUEBEC

Investissement Québec's mission is to foster the growth of investment in Québec, thereby contributing to economic development and job creation in every region. The Corporation offers businesses a full range of financial solutions, including loans, loan guarantees and equity investments, to support them at all stages of their development. It is also responsible for administering tax measures and prospecting for foreign investment. For more information: www.investquebec.com.

ABOUT THE FONDS DE SOLIDARITÉ FTQ

The Fonds de solidarité FTQ is a development capital investment fund that channels the savings of Quebecers into investments. As at May 31, 2017, the organization had \$13.1 billion in net assets, and through its current portfolio of investments has helped create and protect 186,440 jobs. The Fonds is a partner in more than 2,700 companies and has 645,664 shareholder-savers.

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