

KDC/ONE to Acquire Swallowfield's Manufacturing Business

*£35 Million Transaction Expands KDC/ONE's Global Footprint
and Provides Immediate Value to Swallowfield Shareholders*

*Upon Transaction Closing, Swallowfield's Matthew Gazzard to be KDC/ONE Swallowfield President and
Jane Fletcher to be KDC/ONE Swallowfield Sales & Marketing Director*

Tim Perman to Remain Chief Executive Officer of Swallowfield's Brand Business

LONGUEUIL, QC – July 15, 2019 – Knowlton Development Corporation ("KDC/ONE"), a leading value-added partner to beauty, health and personal care brands, today announced that it has entered into a conditional agreement to acquire the Manufacturing business and associated assets of Swallowfield plc (AIM:SWL) ("Swallowfield" or the "Company"), a business engaged in the development, formulation and production of quality products for many of the world's leading personal care and beauty brands, for total cash consideration of approximately £35 million (approximately C\$57 million), subject to adjustment for the working capital of the Manufacturing business at the date of completion.

With more than 140 years of experience delivering world-class products, Swallowfield is an established leader in the personal care and beauty space. Swallowfield's Manufacturing business focuses on the development, formulation, and supply of products for customers which include many of the world's leading brands. Having built out key specialist product areas, Swallowfield's differentiated manufacturing offering includes aerosols, hot pour products, cosmetic pencils, fragrance and gifting. Headquartered in Wellington, UK, the Manufacturing business has approximately 560 employees and operates across three main facilities in Europe (two in the United Kingdom and one in Czech Republic), as well as a sourcing office in China and sales offices in Paris and New York.

Established in 2002, KDC/ONE has grown organically and through acquisitions to become the leading personal care, beauty and home, industrial and auto care brand in North America. In December 2018, KDC/ONE accelerated its international growth strategy by partnering with Cornell Capital, a private investment firm based in New York and Hong Kong, alongside other investors including Caisse de dépôt et placement du Québec (CDPQ), Investissement Québec and HarbourVest Partners. The transaction with Swallowfield represents the latest opportunity for KDC/ONE to expand its manufacturing capabilities in Europe, add strategic technologies and diversify its customer base, while continuing to bolster its existing distribution channels.

"Following KDC/ONE's successful acquisition of Paris-based ALKOS Group earlier this month, we are confident that Swallowfield's operations will further enhance our strategic presence in the region and solidify our leadership in beauty, health and personal care around the world," said Nicholas Whitley, President and CEO of KDC/ONE. "The Company's international capabilities make it a natural complement to KDC/ONE, and its strong reputation for quality, service and innovation matches KDC/ONE's own dedication to high-touch innovation, operational excellence and speed to market. Together with Cornell Capital, we look forward to working closely with Swallowfield's team to capitalize on the significant cross-selling opportunities, and further diversify KDC/ONE's customer base and channels."

"We believe that by joining a larger, focused entity, our Manufacturing business will move forward with a clearer vision for the future while protecting the value of the business," said Brendan Hynes, Chairman of Swallowfield. "We're excited the team will have access to world-class resources and a broader platform to continue to expand product lines and accelerate growth."

"We are excited to join the KDC/ONE team, as we bring together the unmatched product and technology portfolios and world-class manufacturing capabilities of these two companies," said Matthew Gazzard, Chief Financial Officer of Swallowfield, who in connection with the closing will be appointed President of KDC/ONE Swallowfield Ltd. ("KDC/ONE Swallowfield"). "As part of a private company, Swallowfield will be well positioned to continue investing in new technology and bringing product ideas to life, while creating increased value for all stakeholders."

Key Transaction Terms and Details

Following the transaction, Swallowfield plc will retain the owned brands division under the ownership of the PLC and will now be based in Teddington. It is expected that the group will change its name to Brand Architekts Group plc.

The entire manufacturing business and associated assets will be wholly owned by KDC/ONE and operate as KDC/ONE Swallowfield. At closing, all employees within the manufacturing business will transfer to KDC/ONE.

The transaction, which is expected to close in August of 2019, is subject to the approval of shareholders of Swallowfield plc.

Advisors

KPMG is acting as financial advisor to KDC/ONE, and Weil, Gotshal & Manges is acting as legal advisor. Baylor Klein is acting as financial advisor to Swallowfield plc, and Ashfords LLP is acting as legal advisor.

About KDC/ONE

KDC/ONE is the largest North American custom formulator and manufacturer serving the prestige beauty, personal care and household sectors. Established in 2002, KDC/ONE is headquartered in Longueuil, Québec and employs over 5,000 employees in 13 operating facilities located throughout North America and in France. The business delivers high-touch innovation, operational excellence and speed to market to well-known and emerging brands. Over the past four years, KDC/ONE has experienced rapid growth through the successful completion of eight notable acquisitions, most recently Aromair Fine Fragrance, Northern Labs and ALKOS Group.

About Swallowfield

Swallowfield is a market leader in the development, formulation, and supply of personal care and beauty products. Following completion of the transaction, the Owned Brands business will continue to work with a range of third-party suppliers to develop, formulate and distribute new products, including the Manufacturing business.

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, 2018, it held CA309.5 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 Québec

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.

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. HarbourVest has more than 500 employees, including more than 125 investment professionals across Asia, Europe, and the Americas. This global team has committed more than \$36 billion to newly-formed funds, completed over \$21 billion in secondary purchases, and invested over \$10 billion directly in operating companies. Partnering with HarbourVest, clients have access to customized solutions, longstanding relationships, actionable insights, and proven results.

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