

AE4 2017

Sweden AB

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Scandinavian Cosmetics and Coty are parting ways

Coty, one of Scandinavian Cosmetics' larger partners, has during the spring had a tender for all of their business in Norway and Sweden. As a result of the tender process, Scandinavian Cosmetics and Coty have amicably decided to cease their partnership as of July 1st, 2021.

The largest part of the Coty portfolio is in the mass market segment, with lower margins and relatively high proportion of distribution services rather than brand building activities. Scandinavian Cosmetics has a clear strategic goal to partner with brand owners that are willing to invest and build their brands in the Scandinavian countries. The departure of Coty portfolio creates the opportunity for Scandinavian Cosmetics to take on new brands and focus on further value creation for existing brands as well as new brands, which will allow for further growth within higher margin categories.

Scandinavian Cosmetics estimates that the loss of the Coty contract will have a negative impact on the 2021 EBITDA of SEK 10-15 million with an ambition to make up for the deficit with new business during 2022.

For further information, please contact:

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About AE4 2017 Sweden AB

AE4 2017 Sweden AB invests in companies operating in the Nordic cosmetics industry. AE4 is the parent company in a group with subsidiaries in Sweden, Norway, Finland and Denmark. Organic growth combined with selected acquisitions represent the foundation of AE4's growth strategy. AE4 is head quartered in Malmö and employs approximately 240 people.

For further information please visit: ae42017.com

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