



## **B&S Group reaches agreement on acquiring majority stake in US leading online discount retailer FragranceNet.com**

Larochette, Luxembourg – August 28, 2018

- Acquisition underlines strategy of growth and expansion along the value chain, adding over USD 200 million to the Group's annual turnover
- Transaction is expected to be earnings accretive to the Group EPS immediately after anticipated completion in Q4 2018

**B&S Group S.A. ("B&S Group" or the "Group"), a fast-growing, global distribution partner for consumer goods, today announces it has reached agreement on the acquisition of a 75% stake in FragranceNet.com, Inc. ("FragranceNet.com") through JTG, a subsidiary of the HTG business segment of B&S Group.**

### **Strategic rationale**

FragranceNet.com is an online discount fragrance retailer, established in the US in 1997 and primarily engaged in the sale of brand name perfumes to end-consumers. The company brings a powerful focus on marketing, procurement and logistics and taps into an impressively broad supplier base via its automated procurement platform. This way of working allows the company to deliver value to consumers by matching demand for discount fragrance with efficiently procured supply.

FragranceNet.com's proprietary technology enables B&S Group to strengthen the Group's sourcing network, buying power and assortment in its Health & Beauty category. The acquisition allows B&S Group to generate a substantial footprint in North America for its Health & Beauty category and to roll out FragranceNet.com's business model to other geographical areas.

**Bert Meulman, CEO of B&S Group:** "The acquisition of FragranceNet.com is a significant step for the Group and underlines our strategy of value chain integration, further growing in our categories and expanding to new geographies. FragranceNet.com has a strong reputation as an online discount fragrance retailer which, combined with its customer base with a high retention rate, will significantly enhance our footprint in North America and accelerate our business going forward. By adding their knowledge and experience in online B2C retail to our distribution model we further expand our role in the value chain.

I am very pleased to be welcoming FragranceNet.com's 250 employees and their strong management to the Group. As FragranceNet.com has been a long-standing business partner of ours, we are very familiar with both its business model and its management. This, together with our experience in gradually embedding an acquired business into our organisation, makes me confident that together we will continue to deliver the highest value to our clients and all other stakeholders."



**Jason Apfel, CEO of FragranceNet.com:** “FragranceNet.com has become leading in the industry in the US. Working with a very diversified supplier base provides us the opportunity to offer a wide assortment to our continuously growing customer base. B&S Group provides the opportunity of expanding our business model by utilising the scale and sophisticated distribution structure of the Group.”

### **Group structure**

This transaction follows the Group’s strategy of carefully targeting companies that match the Group’s DNA and show potential for further organic growth. FragranceNet.com has an entrepreneurial and strong management team with many years of experience in the online fragrance market that will remain on board to drive further growth. This is in line with the Group’s philosophy to initiate acquisitions as a partnership or Joint Venture to foster the entrepreneurship and co-ownership that characterises the Group’s DNA. After completion of the transaction FragranceNet.com will be gradually embedded in the organisation, keeping its front face to the market.

### **Other information**

Completion of the transaction is subject to US regulatory and customary closing conditions and is expected in Q4 2018, the quarter in which FragranceNet.com’s sales historically peak. The acquisition is expected to be earnings accretive to the Group’s EPS immediately after completion. Funding of the transaction has been fully secured, mainly through bank facilities, while the consideration for the shares in FragranceNet.com is in line with average multiples paid by the Group in previous acquisitions.

### **Market Abuse Regulation**

This press release contains information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

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## About B&S Group

B&S Group is a global distribution partner for consumer goods in attractive channels and across specialised markets, such as Retail B2B (business-to-business), Maritime, Remote and Retail B2C (business-to-consumer). With a well-trained and experienced workforce of approximately 1,460 employees, the Group serves as a trusted and reliable partner to suppliers and customers, providing essential distribution services and solving their supply chain complexities. B&S Group operates a flexible, well invested and highly efficient distribution platform that comes with strong barriers to entry. Powered by high capacity warehouses and delivered with expertise in customs and compliance, the Group offers over 40,000 consumer goods to its customers in more than 100 countries.

Visit our corporate website: [www.bs-group-sa.com](http://www.bs-group-sa.com)

## Forward-looking information / disclaimer

This press release includes forward-looking statements. Other than reported financial results and historical information, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and management plans and objectives for future operations, are, or may be deemed to be, forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements are based on our current expectations and projections about future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond B&S Group's ability to control or estimate precisely, such as future market conditions, the behaviour of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.