



AQUA BIO TECHNOLOGY ASA

Aqua Bio Technology ASA - ABT agrees to acquire Cosmed Beauty AS and Ultrabody AB

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Aqua Bio Technology ("**ABT** or the "**Company**") has today, on 28 June, entered into a binding term sheet (the "**Term Sheet**") with Varming Holding AS ("**Varming**") regarding the Company's acquisition of all shares in the Norwegian company Cosmed Beauty AS and the Swedish company Ultrabody AB both of which are wholly owned subsidiaries of Varming (collectively "**Cosmed**"). The purchase price will be based on an earn-out based on a multiple of Cosmed's result before tax for each of the financial years 2022, 2023, 2024 and 2025. The majority of the purchase price (appr. 3/4) will be used to subscribe for new shares in ABT at a subscription price of NOK 8,20 following Cosmed's adoption of its annual accounts for 2022-2025. The transaction will be completed following a satisfactory due diligence and ABT's board approval. The Parties shall finalize a share purchase agreement within 31 July 2022.

Background for the acquisition of Cosmed: with this agreement, ABT and Cosmed secures the entire value chain from production to end user. ABT also secures distribution for Seidr, Seidr Clinique, Moana Skincare, B Natural and future products. Further in collaboration with Cosmed, new skincare products based on ingredients from Hofseth Biocare ASA ([HBC](#)) are planned for launch in the Nordics. HBC has a number of well-documented quality ingredients that, among other things, will have a good effect on acne, anti age and preservation of skin moisture.

The skincare distribution specialist [Cosmed](#) has its own retail store in Lillestrøm and have access to between 800-900 salons and spas to which they distribute various products in Norway. For the financial year of 2022, Cosmed is expecting a significant growth from its 2021 turnover of approx. 10 MNOK. The turnover in their online store as of May 2022 is already higher than in 2021 FY.

Cosmed has since October 2020 collaborated with [Equal Agency](#) for social media marketing in Norway and is also collaborating with many ambassadors and influencers, achieving good results with marketing made by influencers. Cosmed has recently also started with two new profiles that have a more adult following group (Aurora Hoff and Motesilje). Cosmed is expecting to duplicate their Norwegian business strategy in Sweden and has engaged [Metapic](#) for this work. The processes into the Swedish market has already started and Cosmed expects to have more collaborations in place from end of July.

This information was considered to be inside information pursuant to the EU Market Abuse Regulation, and is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act. The stock exchange announcement was published by Håvard Lindstrøm, CEO, on 28 June 2022 at 15:32 CEST.

Disclosure regulation

This information is subject of the disclosure requirements pursuant to section of 5-12 of the Norwegian Securities Trading Act.

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About Aqua Bio Technology ASA

Aqua Bio Technology (ABT) is developing and commercializing sustainable biotechnology for use in skin care products. ABT's cosmetics ingredients are highly effective and they provide the cosmetics industry with natural alternatives to traditional ingredients. ABT is also marketing and distributing natural skin care products developed by partners towards consumers and professional users. Aqua Bio Technology is listed on Euronext Expand.

Attachments

- [Download announcement as PDF.pdf](#)