

WOW TECH GROUP AND LOVEHONEY COMBINE TO CREATE THE WORLD'S LARGEST SEXUAL WELLNESS COMPANY

- Merger brings together some of the industry's best known consumer brands Fifty Shades of Grey, Womanizer, We-Vibe, and Arcwave
- Johannes Plettenberg will be CEO of Lovehoney Group
- 10 offices on 4 continents; Atlanta, Bath, Berlin, Brisbane, Hong Kong, New York City, Nuremberg, Ottawa, Shanghai, and Zurich
- Estimated revenue for 2021 is over \$400 million
- Values Lovehoney Group at over €1 billion

Bath, UK and Berlin, Germany; 12th August 2021: Lovehoney, a leading e-commerce retailer, manufacturer and distributor of pleasure products and accessories, and WOW Tech Group, a pioneering provider of premium sexual wellness products, today announced a €1 billion merger and the creation of Lovehoney Group ("the Group"). The newly formed Group will also include Amorana, a fast-growing Swiss sexual well-being retailer acquired by Lovehoney in September 2020. Financial terms have not been disclosed.

The [Lovehoney Group](#) combines excellence in B2C sales and marketing, a leading multi-channel distribution network and R&D capabilities, with a strong portfolio of brands and patented technologies. This transaction will bring together some of the industry's best known consumer brands Fifty Shades of Grey, Happy Rabbit, Womanizer, We-Vibe, and Arcwave.

The Group will have operations across EMEA, APAC and North America, supported by over 730 employees with a broad spectrum of talent across engineering, industrial design, sales, and marketing. The team will continue to provide best-in-class and truly innovative brands and premium products to its retail partners and consumers. The Group will be led by WOW Tech CEO Johannes Plettenberg.

In May 2017 Johannes Plettenberg, together with investors, acquired the Womanizer brand and in 2018 merged it with the Canadian brand We-Vibe, forming WOW Tech Group and one of the market leaders with focus on B2B business. In 2020, CDH Investments acquired a majority stake in the business to support product innovation and accelerate global expansion.

Richard Longhurst and Neal Slateford founded Lovehoney in 2002. They sought to create a company focused on exceptional product innovation, customer service and marketing that progressed the sexual wellbeing market. In recognition of the business' achievements, Lovehoney received the Queen's Award for Enterprise in 2016 and again in 2021 for outstanding continuous growth in overseas sales. In 2018, Telemos Capital became the majority owner of Lovehoney. In 2020, the online retailer Amorana was acquired.

Following the merger, Telemos Capital will retain a majority investment in the Group, with CDH, Neal Slateford, Richard Longhurst and Johannes Plettenberg retaining minority positions. Each will hold positions on the Board of Directors of the Group.

The global sexual wellbeing market is projected to grow at a CAGR of 8% from 2021 to 2028. In 2020 the market was valued at \$34 billion and is expected to increase to over \$52 billion by 2028.¹ In 2021, Lovehoney Group is forecast to deliver over \$400 million in revenue and will be profitable from its inception.

¹ <https://www.grandviewresearch.com/industry-analysis/sex-toys-market>



Total and partial lockdowns due to the COVID pandemic resulted in increased demand for sexual wellness products, as demonstrated by a 26% increase in sales between 2019 and 2020.

Johannes Plettenberg, CEO of the Lovehoney Group commented; *“Sexual wellbeing products have gained a mainstream position in today’s market, supported by liberalisation, acceptance of sexual awareness, and the influence of popular culture.”*

“Amorana, Lovehoney, and WOW Tech share the same mission to destigmatise sexuality, empower people to enjoy a fulfilling love life, and experience sexual happiness. Combined, Lovehoney Group will provide a specialist e-commerce platform with unmatched international reach, with the creator of the most well-known and innovative brands in the industry.”

Philippe Jacobs and Jacob Polny from Telemos said; *“Lovehoney and WOW Tech will bring together a unique proposition for both business and individual customers, providing best-in-industry service and innovative products in more countries than ever. This sector is rapidly mainstreaming with the sexual wellbeing category now offered by high-street retailers. We foresee consumer demand accelerating around the world, and with the Lovehoney Group, we will continue to innovate and progress the whole sexual wellbeing market.”*

Thomas Lanyi, Managing Director CDH Investments, adds; *“The marriage of WOW Tech and Lovehoney, the leading branded manufacturer and truly global retailer of sexual wellbeing products, presents an extremely exciting opportunity. Joining forces will benefit all our stakeholders, while also advancing the general acceptance and recognition of our industry, in a broader economic and societal context.”*

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About Lovehoney

Established in Bath in 2002 by Richard Longhurst and Neal Slateford, Lovehoney is a market-leading pleasure products brand. Its focus on exceptional product innovation, customer service and marketing has placed Lovehoney at the forefront of developments in the sexual wellbeing market. In recognition of the business' achievements, Lovehoney received the Queen's Award for Enterprise in 2016 and again in 2021 for outstanding continuous growth in overseas sales. In 2018 Telemos Capital became the majority owner of Lovehoney.

About WOW Tech Group

WOW Tech is one of the leading companies in the sexual wellness industry and a provider of premium products for consumers' love lives. The Company's primary focus lies in the research and development of new innovative products. CEO Johannes Plettenberg laid the foundation for WOW Tech as early as 2017



when he, together with investors led by Munich Rigeto, took over the German company Womanizer. The following year Womanizer merged with the Canadian sex toy manufacturer We-Vibe, and WOW Tech Group was born. In early 2020 CDH Investments became the majority owner of Wow Tech Group.

About Telemos Capital

Telemos comprises a team of highly experienced investment professionals that combine the best of private equity and permanent growth capital. Founded in 2017, Telemos identifies and supports exceptional management teams in consumer goods, healthcare services, and business services to help them realise their long-term objectives. As a flexible and nimble investor, Telemos' distinct structure and expertise make it a leading, new generation European private equity firm, looking to identify and unlock attractive opportunities for growth and value creation.

About CDH Investments

Founded in 2002, CDH is one of the most well-established alternative assets management firms in Asia, with offices in Singapore, Hong Kong, Shanghai and Beijing. CDH manages six USD-denominated private equity investment funds and other investment strategies, with cumulative assets under management of approximately USD26 billion (as of December 2020). CDH has partnered with over 150 companies, most of them leaders in a range of consumer and healthcare industries. CDH employs a long-term investment philosophy centred around empowering industry-leading teams in their efforts to grow and create value for all stakeholders sustainably.