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The Hut Group to Acquire Cult Beauty for 275 Million Pounds

The online beauty retailer is being bought from private shareholders, including co-CEO Alexia Inge and Net-a-porter cofounder Mark Quinn-Newall.

By NATALIE THEODOSI

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The screenshot shows the Cult Beauty website interface. At the top, there is a navigation bar with a shipping location dropdown set to France (EUR €), and links for Help, FAQs, Shipping, and Returns. The Cult Beauty logo is on the left, and a search bar is in the center. On the right, there are links for My Account, Register, and Login, along with a shopping bag icon showing 0 items. Below the navigation is a black menu bar with categories: New, Brands, Skin Care, Make Up, Hair, Bath & Body, Tools, Wellbeing, Fragrance, Sun & Tan, Men, Minis, Gifts, Cult Edits, and Offers. A yellow banner below the menu states: "We're shipping internationally as usual - FREE SHIPPING on all orders over €29". The main content area features a green banner for "THE UNSUNG HEROES GOODY BAG" with a value of over €410 and free shipping on orders over €195. Below this is a breadcrumb trail: HOME > FRAGRANCE. The featured section is titled "FRAGRANCE" and includes an image of various perfume bottles (Maison Margiela, Poet, etc.) and a descriptive paragraph about fragrance. At the bottom of the featured section, it says "REFINE (RESULTS)" and "Sort by: Featured" with a dropdown arrow, and "323 Items" on the right.

From Cult Beauty's homepage. WWD SCREEN SHOT

LONDON – **The Hut Group** (<https://wwd.com/tag/the-hut-group/>) keeps growing its brand portfolio and will add U.K.-based online beauty retailer Cult Beauty.

The group is buying the digital platform for 275 million pounds from private shareholders including co-chief executive officer Alexia Inge and majority investor Mark Quinn-Newall, who had also cofounded Net-a-porter.

The appeal was Cult Beauty's close-knit partnerships with independent beauty labels, which are not currently available on its e-commerce platform. It stocks more than 300 brands, including the likes of Drunk Elephant, Charlotte Tilbury and Huda Beauty – two-thirds of which have no other presence on THG existing beauty sites.

“Cult Beauty is frequently the partner of choice for emerging indie brands due to its personalized, content-led approach and enthusiastic consumer base who are continually seeking new, innovative solutions to complement their beauty routines,” said Matthew Moulding, executive chairman and chief executive officer of THG, also pointing to the retailer's network of 1.7 million engaged beauty shoppers and 1.6 million Instagram followers.

The idea is to keep Cult Beauty's separate branding and identity intact, and use the THG infrastructure to spearhead international expansion – as less than 50 percent of its sales are from overseas.

There's also an opportunity to offer Cult Beauty's brand partners access to THG's “beauty box subscription business, digital marketing services and manufacturing know-how.”

Within six months of the acquisition, THG will launch Cult Beauty on its THG Ingenuity technology platform, which offers trading, merchandising, marketing, real-time data, 14 THG fulfillment centers globally, seven content studios delivering digital brand building and content creation, in-house product development and manufacturing.

The company expects Cult Beauty to contribute sales of about 60 million pounds in the remainder of 2021, and sales of 140 million pounds in 2022.

The deal also expands the group's retailing scope: It can now serve Asia, Europe and the U.K. through both Cult Beauty and its existing site, Lookfantastic, according to

Moulding. It also plans to focus on North America through Lookfantastic and professional skin care retailer Dermstore.

THG, which filed for an IPO last summer, has been consistently growing its stable of beauty brands and retailers with other recent acquisitions including Dermstore and skin care brand Perricone MD.

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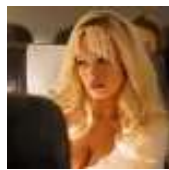
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