



Tangerine Agrees Monkhill Acquisition with Cadbury

Tangerine, the Blackpool-based confectionery firm, has agreed to acquire Monkhill Confectionery from Cadbury Schweppes for £58 million in cash. The deal is subject to completion in February.

Monkhill manufactures and sells the popular Butterkist popcorn brand, the iconic Barratt Sherbet Fountains and Jameson's chocolate confectionery. The company also produces an extensive range of branded boiled sweets, gums and jellies.

Monkhill has three factories in Yorkshire at York, Cleckheaton and Pontefract and operates its own distribution centre in Derbyshire at Holmewood, near Chesterfield.

Tangerine makes well-known brands including favourites such as Princess Marshmallows, Taveners and MOJO. It employs over 600 people at sites in Poole, Liverpool and two sites in Blackpool.

Commenting on the deal, Tangerine Chairman Steven Joseph said: "To acquire brands and products of such heritage is a mouth-watering prospect."

"There is no doubt that this major acquisition will significantly enhance Tangerine, creating a business with a turnover of £150 million and 1,500 employees. The combined entity will have an increased selling capability and a much wider product offering. Tangerine will be able to provide the trade and consumers with the most comprehensive sugar confectionery range available."

He added: "We very much welcome the skills, innovation and commitment that the staff and employees of Monkhill will undoubtedly bring to the enlarged company and we look forward to working with everyone connected with the business."

This will be the second major purchase by Tangerine. In August 2006, it bought the confectionery arm of Burton's Foods for an undisclosed sum.

Garrett Curran at Close Growth Capital, the hybrid equity and debt finance provider, said: "Since our original investment in Tangerine in January 2006 the business has expanded at an impressive rate, with the acquisition of Burton's Confectionery in August 2006 and now this latest acquisition of Monkhill. We continue to fully support the business and the management team and look forward to working with them to deliver further growth in the future."

Tangerine is advised by accountants KPMG, corporate and commercial law firm Dickson Minto and corporate advisors Stamford Partners.

Ends



Editors' Notes

About Close Growth Capital

Close Growth Capital provides combined equity and debt funding to UK mid market companies through a distinctive single source approach. This includes finance for management buy-outs/buy-ins, companies requiring growth capital and secondary buy-outs, with a typical transaction size of £5million - £30million.

The investment takes the form of a tailor-made instrument combining the best elements of a secured loan with those of equity. The management team in an MBO or MBI typically retain a greater proportion of their company's equity and benefit from significantly enhanced flexibility in the repayment of the funding package.

Recent transactions include backing the £32 million secondary buyout of A-Gas International, the MBI of Toms Confectionery Ltd, and the acquisition of the confectionery arm of Burton's Foods for an undisclosed sum.

Close Growth Capital, an investment arm of Close Brothers Group plc, was started in 1999 to provide combined equity and debt funding to UK SMEs. **CGC invests in mid-market businesses** in all sectors, but has a proven track record in: business support services, leisure, transport and distribution, consumer products and specialist engineering.

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