



The future's bright for Tangerine as it acquires Burton's confectionery arm

Tangerine Confectionery, the Blackpool-based confectionery business backed by Close Growth Capital ("CGC"), today announced that it has acquired the confectionery arm of Burton's Foods from current owners HM Capital Partners LLC (previously Hicks, Muse, Tate & Furst) for an undisclosed sum.

Burton's manufactures a wide range of gums, jellies, liquorice, and paste products under the Burton's and Henry Goode brand names as well as for private label. Also based in Blackpool it has annual sales of £14 million. The deal will consolidate Tangerine's position as the UK's largest independent private label sugar confectionery manufacturer and increase its turnover from around £45 million to nearly £60 million.

Tangerine Confectionery, then named Toms Confectionery, was backed in a management buy-in by Close Growth Capital in January this year, transferring ownership of the business away from Toms Gruppen of Denmark. In addition to its strong private label business, it owns a number of its own brands, including the leading marshmallow brand, Princess. The company is also the sole UK distributor of the Anthon Berg range of chocolate liqueurs and O\ZONE mints.

Tangerine chairman Steven Joseph said: "This is fantastic news for Tangerine, and confirms our position as the leading supplier of sugar confectionery." He added: "The acquisition of the confectionery division of Burton's Foods is a great opportunity for Tangerine. The products and expertise are an excellent fit with our business and development plans."

Garrett Curran at Close Growth Capital said, "This acquisition underlines how Tangerine continues to go from strength to strength. There are excellent synergies between the two businesses and the deal will both consolidate Tangerine's existing range and allow the company to move into new product areas. Tangerine are investing in an efficient manufacturing facility which will both boost capacity and help deliver further growth."

- Ends -

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About CGC

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 specialises in providing combined debt and equity investments to:

- Management buy-outs/buy-ins
- Companies requiring growth capital
- Secondary buy-outs

CGC invests in mid-market situations in any sector and aims to be the only (or main) financial institution involved. CGC looks for a UK business with a strong incumbent or incoming management team, a recognisable market position and a history of cash and profit generation.

The Product

Close Growth Capital provides innovative financing alternatives for SMEs through the use of a hybrid debt/equity product.

The investment made by CGC in a company 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.

Close Brothers Growth Capital Limited is authorised and regulated by the Financial Services Authority.
