



## **PRESS RELEASE**

**27 November 2015**

### **SAVOURY & SWEET LIMITED ANNOUNCE MULTI-MILLION POUND INVESTMENT PROGRAMME**

#### ***Investment programme key to support rapid demand for popcorn and other healthy snacking products***

Leicester-based Savoury & Sweet Limited ("S&S"), one of the UK's largest manufacturers of popcorn and other healthy snacking products for blue chip brands and retailers, today announces a multi-million pound investment programme. The funding package, from Permira Credit Solutions II ("PCS2"), a fund advised by Permira Debt Managers ("PDM"), sees a multi-million pound investment into the company which will enable S&S to invest heavily in both state of the art popcorn manufacturing equipment and R&D.

Explaining the rationale for the deal, Tinku Durrani, CEO commented "I am hugely excited to be able to announce this transaction which has been months in the making. I recognised the demand for popcorn and other health-related snacking products was rapidly increasing. This investment enables S&S to support its customers in driving innovation in the rapidly expanding popcorn market. Popcorn is no longer restricted to the cinema market – we are seeing consumers really take to popcorn in their daily eating routine as it is both healthy and there are lots of new flavours coming to market. Our investment programme enables us to now drive real product innovation and we have some exciting flavourings and other developments in the pipeline which consumers will see in early 2016".

John Harrison, Managing Director commented on the transaction. "This is a massive step for us. Having relocated to a 135,000 sq ft purpose-built state of the art manufacturing facility earlier in the year this investment now enables us to accelerate innovation in the health-snacking market, notably in popcorn. We will be expanding our R&D team, investing in new popcorn manufacturing equipment and providing our customers with world-class product. The demand for popcorn is going through the roof and we are seeing increased shelf-space devoted to popcorn as retailers react to consumers demanding healthier snacking products. The market for healthy snacking is growing at a rate of 38% per annum, with consumer demand showing no sign of slowing. This investment is great news and will enable us to deliver some fantastic new products in the coming months as we grow our footprint beyond the UK into Europe and other international markets.

Dan Hatcher, Investment Director at Permira Debt Managers commented "We are delighted to be able to back Savoury and Sweet's next phase of growth with PCS2 providing substantial growth capital to the company. We see a real uplift in the demand for popcorn and other related healthy snacking products, with this funding enabling S&S to continue its investment into product innovation and delivering outstanding service to the multi-national brands it partners with. We think this will be the best invested popcorn business in the market and as such the opportunity is hugely exciting".

Thomas Kyriakoudis, Chief Investment Officer at Permira Debt Managers commented “This investment represents the 15<sup>th</sup> investment from our 2014 vintage fund which has now provided close to €450m of capital to mid-sized, high quality businesses across Europe. We continue to see huge opportunities for our fund to provide innovative financing solutions to management teams considering their capital raising options.”

Paul Bevan, Partner for Mazars commented “This is an exceptional opportunity for S&S, and we are delighted to have led this transaction. Bringing Permira Debt Managers’ flexible lending solutions and S&S together makes for a formidable proposition, and together the business is set for rapid progression in what is a thriving market.”

The total size of the funding package has not been disclosed.

#### **About Savoury & Sweet:**

One of the UK’s largest manufacturers of high quality popcorn. We have helped to develop some of the strongest snack brands currently in the UK market and manage the popcorn category for a number of major private label customers alongside our in-house brand, Lord Poppington’s.

#### **About Permira Debt Managers:**

Permira Debt Managers is Permira’s independent debt management and advisory business. It is one of Europe’s leading specialist debt investors, advising investment funds and products which have provided more than €3bn of debt capital to over 100 European businesses. Wholly owned by Permira, PDM was established in 2007 and aims to partner with businesses to provide the capital they require and generate market-leading risk adjusted returns for investors. To achieve this PDM follows two key investing strategies: Direct Lending and Structured Credit. PDM also has a distinctive origination platform which benefits from the strength of Permira’s extensive network including 6 European investing offices in UK, France, Germany, Sweden, Italy and Spain, and 5 sector teams specialising in Consumer, Financial Services, Healthcare, Industrials and Technology.

#### **Advisers on the transaction:**

Advisers on the transaction were:

- Lead Advisers: Mazars (Paul Bevan, Lisa Huckerby)
- Legal Advisers to S&S: Eversheds (Antony Walsh, Nick Turner) and Gateley (Mark Rutherford, Anna Mayfield, Victoria Elliott)
- Legal Advisers to Permira Credit Solutions II: Freshfields (Sean Lacey, Max Millington)
- Financial due diligence: KPMG (Glynn Bellamy, Matthew Vernon, Richard Dwight)
- Tax due diligence and structuring: Mazars (Stevie Heafford) and KPMG (Anna Roberts)
- Banking: RBS (Andy Edwards, John Horne, Karen Moore)
- Insurance: AJ Gallagher (Peter Casciani)

#### **Enquiries:**

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