

PRESS RELEASE

H2 Equity Partners announce sale of Hancocks holdings to innovative bites



H2 Equity Partners ("H2") is pleased to announce that it has signed and completed the sale of Hancocks Holdings ("Hancocks"), the leading UK confectionery specialist, to Innovative Bites.

Hancocks is the UK's leading confectionery specialist and generates over £145 million sales from 5,000 branded and own label products. Hancocks sells to all retailers of confectionery, including independents, symbol groups, convenience chains, larger retailers, discounters and leisure, via its 20 cash and carries, direct distribution, online sales and van sales fleet. The latter was added to Hancocks with the purchase of Bobby's Foods in October 2016.

H2 acquired Hancocks in an MBO from the Hancocks family in November 2012 and the business has almost doubled profitability over H2's ownership, having professionalised the business, focused on own-brand product and differentiation, as well as the acquisition of further confectionery companies to develop routes-to-market.

Innovative Bites is a growing UK confectionery importer and wholesaler founded by Vishal Madhu in 2008. Innovative Bites acquired Bonds of London 12 months ago and the combined group will have sales of c£200 million and the combined Group will have a sales team of over 150, sell to over 40,000 customers and offer more than 7,000 confectionery products. Vishal Madhu will be Chairman of the combined Group and Hancocks CEO (Wayne Beedle) and CFO/COO (Steve Foster) will maintain those roles for the combined Group.

The sale of Hancocks represents another successful exit from H2 Fund IV, which commenced investing in 2011 and continues to deliver market leading returns.