

Press release, 21 December 2007.

Accent Equity acquires Candyking – market leader in pick & mix candy in the Nordic countries and the UK

The Accent Equity 2008 investment fund is acquiring all the shares in Candyking International and its subsidiaries from the Fazer Group. The acquisition is made in partnership with company management. Candyking (which goes under the name Karamellkungen in Sweden) is the leading distributor of pick & mix candy (bulk candy) on the Nordic market and also has a strong position on the British market under the Candyking brand. The company is currently represented in more than 7,000 cinemas and shops. Candyking currently has sales of about EUR 150 million and 800 employees. EQT Expansion Capital I supported Accent in the acquisition with a minority equity investment and a mezzanine loan.

The acquisition of Candyking is the second investment made by the Accent Equity 2008 investment fund, with a total of about SEK 3.6 billion available for investments in large and medium-sized companies in the Nordic region. Just a couple of days ago, Accent Equity 2008 announced an investment in the load carrier manufacturer Mont Blanc. Since the start in the mid-1990s, Accent's five funds have invested in some 50-odd companies and divested about 40 of them with good results for the funds' investors.

The basic idea of Candyking is that the consumer puts together his own candy bag according to need, taste and occasion. The assortment is of the highest quality and contains select favourites from the best suppliers.

Candyking is the international name of the company, which goes under the brand name Karamellkungen in Sweden. Candyking and Karamellkungen are strong brands with an attractive assortment and an effective presentation. They can therefore offer grocery retailers, cinemas, amusement parks and service stations a package solution with marketing activities, displays, service and sales support.

“Candyking has a track record as an innovative market leader in pick & mix candy,” says Jan Ohlsson, CEO at Accent Equity Partners, who act as advisors to Accent Equity 2008. “For more than 20 years, the company has refined the basic idea where the customer picks the contents of his or her own candy bag. Together with the company's experienced management, we will now further develop this concept and take it into new markets. In my judgement, there is great potential to grow both organically and via acquisitions.”

Candy has been sold in bulk in one form or another for many years – in candy stores and kiosks. It was not until the mid-1980s that Candyking/Karamellkungen established a concept for pick & mix candy starting in grocery stores. Over the 20 years Candyking/Karamellkungen has existed, pick & mix candy sales as a percentage of total confectionery sales has gone from a few percent to over 30% in some markets.

“We are anxious to launch our business plan together with Accent,” says Mika Olenius, Managing Director of Candyking. “There is a lot to do when it comes to developing both the assortment and the concept and spreading our basic idea to new markets. Increased volumes will also enable us to further improve our internal efficiency and offer our customers an even more competitive concept with top-quality candy for the consumers.”

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Accent Equity Partners is a leading lower mid-market private equity company specializing in corporate buyouts in the Nordic region. Since the mid-nineties, the Accent team has advised six funds and carried out some 50 buyouts and 40 exits. Accent Equity Partners is an advisor to funds with a committed capital of about SEK 10 billion, of which SEK 3.6 billion is currently available for new investments. Accent invests in well-established Nordic companies with a clear potential for value creation via strong growth, operational improvements and strategic development. Further information: www.accentequity.se

Candyking/Karamellkungen was founded in 1984 under the name Karamellgrossisten i Sverige AB. The company changed its name to Karamellkungen AB in 1995, and was a member of the Fazer Group for the ten-year period 1997–2007. The company offers grocery retailers, cinemas, amusement parks and service stations a package concept for pick & mix candy with marketing activities, displays, service and sales support. Candyking is the international name of the company, which goes under the name Karamellkungen in Sweden. The company is a market leader in Finland, Norway, Sweden and the UK and has distribution in the Baltic States and Ireland. Estimated sales in 2007 will be about EUR 150 million. Candyking/Karamellkungen has about 800 employees. Further information: www.candyking.com