

## BFY Brands to be Acquired by PepsiCo

**Middletown, New York – December 2, 2019** – BFY Brands, Inc. (“BFY”), the snack company which makes PopCorners® and other better-for-you snacks, and Permira, the global private equity firm, today announced that BFY has entered into a definitive agreement to be acquired by PepsiCo, Inc. (NASDAQ: PEP), from the Permira funds. Upon closing, BFY Brands will become part of PepsiCo’s Frito-Lay North America division. Terms of the transaction were not disclosed.

BFY is a global, better-for-you snack provider directly addressing growing consumer trends toward healthier eating through its product portfolio. In addition to manufacturing PopCorners®, the fastest growing brand among healthier salty snacks in the U.S., BFY is a contract manufacturer of better-for-you popped snacks.

Following the completion of the transaction, BFY’s manufacturing facilities will remain in Middletown, NY, and Liberty, NY, and the Company expects to continue its current expansion plans under the leadership of CEO Paul Nardone and President and Chief Commercial Officer Dan Morgan.

“Our goal has always been to bring innovative and delicious better-for-you snacking options to more consumers around the world, and joining the PepsiCo family will allow us to do just that,” said Paul Nardone, CEO of BFY Brands. “With the fastest growing brand among better-for-you salty snacks, we look forward to leveraging PepsiCo’s world-class resources and distribution platform for this next chapter.”

BFY has achieved tremendous success and rapid growth under the Permira funds’ ownership, including:

- Investing heavily in research and development, including opening a new, state-of-the-art R&D facility;
- Strengthening the leadership team by hiring industry veterans Paul Nardone and Dan Morgan;
- More than doubling the size of its workforce from 350 to approximately 750 employees;
- Expanding distribution and sales of PopCorners®, which is now the fastest growing brand among better-for-you salty snacks in the U.S. and sold in over 40 countries and territories around the world;
- Launching popular new products like Flex Protein Crisps and Flourish Veggie Crisps; and
- Creating a robust pipeline of new, innovative better-for-you products still to come.

Nardone continued, “With the support of the Permira funds, we have transformed from our manufacturing heritage to become a leader in better-for-you snacking. With their deep knowledge of consumer businesses, broad contacts and collaborative approach, they were the ideal partner to back our growth and we are excited to continue our successful trajectory with Frito-Lay.”

John Coyle, Partner at Permira, said, “We are incredibly proud of what Paul, Dan and the 750-strong BFY team have built. Since the very beginning of the Permira funds’ ownership, we set out to fulfill consumers’ demand for great tasting snacks that are also better for you. Through continued investment in new product development, manufacturing and the team, the Company has lived up to its motto of *Do One Better*. As the Company sets its sights on the next level of growth, Frito-Lay is the ideal backer.”

Dan Morgan added, “It’s undeniable that consumer preferences have shifted towards healthier snacking options. We’re thrilled to join PepsiCo and enhance Frito-Lay’s portfolio of better-for-you brands, and continue growing on a regional, national and global basis.”

The transaction is subject to customary closing conditions, including regulatory review.

Fried, Frank, Harris, Shriver & Jacobson acted as legal advisor to BFY and the Permira funds. J.P. Morgan Securities LLC acted as financial advisor to BFY Brands.

**About BFY Brands**

BFY Brands is a global, diversified, better-for-you snack company, directly addressing the growing consumer trends toward healthier living and eating. The company's primary product, PopCorners®, is a high growth, better-for-you popped corn snack with a strong track record in the club and grocery segments within the U.S. and Canada and a presence in over 40 countries and territories worldwide. BFY is also a contract manufacturer of better-for-you popped snacks. BFY employs approximately 750 people, primarily at its manufacturing facilities in Middletown, NY, and Liberty, NY. For more information, please visit [www.popcorners.com](http://www.popcorners.com).

**About Permira**

Permira is a global investment firm. Founded in 1985, the firm advises funds with total committed capital of approximately €44bn (US\$48bn) and makes long-term investments, including majority control investments as well as strategic minority investments, in companies with the objective of transforming their performance and driving sustainable growth. The Permira Funds have made over 250 private equity investments in five key sectors: Technology, Consumer, Financial Services, Industrial Tech and Services, and Healthcare. Permira employs over 250 people in 14 offices across North America, Europe, and Asia.

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