



GODIVA Chocolatier, owned by Yildiz Holding, Enters into an Agreement to Sell Select Assets to MBK Partners to Fuel Future Business Growth Fivefold

- Transaction includes retail and distribution operations in four of GODIVA's 100 plus markets: Japan, South Korea, Australia and New Zealand, along with the production facility supplying these regions located in Brussels, Belgium
- The transaction will produce cash flow and provides financial flexibility for more agile action in high growth areas globally including expansion into new product categories, acceleration of distribution in all channels, entry into new geographies, and the build out of 2000 cafés
- GODIVA Chocolatier will retain brand ownership in all global markets granting a perpetual license to MBK Partners and continue to own and operate in the remaining 100 plus markets
- GODIVA will continue to source products from the Belgian facility, which will now be owned by MBK Partners
- Deal structure preserves Belgian origin and heritage while GODIVA continues to invest in the Belgian market and maintains its European headquarters, Center of Excellence for R&D, retail boutiques, CPG and Travel Retail in Brussels

NEW YORK, February 20, 2019 -- GODIVA Chocolatier, owned by Yildiz Holding, today announced a transaction for the sale of select GODIVA assets to MBK Partners as part of a global strategy to grow the business fivefold. Under the terms of the transaction, MBK Partners will purchase the retail and distribution operations in four of GODIVA's 100 plus markets: Japan, South Korea, Australia and the future rights to develop New Zealand. This includes Consumer Packaged Goods (CPG), digital-commerce, travel retail (for Japan and South Korea) and more than 300 retail stores. The transaction also includes the GODIVA production facility in Brussels that supplies product to these markets. All remaining 100 plus markets will continue to be owned and operated by GODIVA. The terms of the deal were not disclosed. The agreement executed today has been approved by the Boards of Directors of both parties and the transaction is anticipated to close in mid-2019, subject to the customary closing conditions of completion of standard Belgium employee works council consultations and expiry of the relevant competition authority waiting period.

Post-close, GODIVA Chocolatier will retain exclusive brand ownership in all global markets granting a perpetual license to MBK Partners and will continue to own and operate the remaining markets in over 100 countries. GODIVA will continue to source its products from the Belgian facility together with the production facility it owns in PA, USA, and its affiliate facilities in Istanbul, Turkey.

"Since 2008 we have been very pleased with the performance of GODIVA, having nearly doubled its revenue and the number of stores operating globally, and continue to see tremendous upside for this brand moving forward," said Murat Ülker, Chairman of GODIVA and Yildiz Holding. "Realizing the potential ahead, together with GODIVA leadership, we conducted a strategic review to explore new ways for generating the necessary cash flow to fuel the robust growth. This transaction is an ideal solution that provides the momentum to fuel expansion in other high potential areas of our portfolio."

Annie Young-Scriver, CEO of GODIVA Chocolatier added, "We believe this deal is a win-win for everyone. It gives us the financial flexibility we need to execute our 5x growth strategy by accelerating efforts in new and existing markets and



supporting the plan of opening of more than 2,000 cafes globally while preserving our Belgian legacy, quality, and craftsmanship that have helped to make our brand iconic.”

“We received remarkable interest from a dozen blue chip investors, many of whom were actively engaged in the negotiation until the last rounds,” said Nurtac Afridi, Head of Strategy and M&A in Yildiz Holding. “We have long treasured the GODIVA brand and believe it represents significant upside for any investor. The know-how of the GODIVA team and its R&D excellence coupled with [MBK Partners](#)’ expertise in these markets will deliver the next level of exponential growth and value creation for the brand.”

Strategic Business Rationale

Among GODIVA’s 100 plus markets, Japan, South Korea, Australia and New Zealand collectively have some of the strongest brand equity today and include more than 300 retail stores, making these regions the most compelling areas for monetization. In Japan, GODIVA has almost 90 percent aided brand awareness and is the number one retail brand in the country with the highest premium time spent in stores*.

At the same time, there is significant unrealized opportunity for the brand that, when coupled with the infusion of capital, infrastructure and capabilities from MBK Partners, is expected to deliver a strong return on investment.

Continued Commitment to Belgium Operation and Heritage

The structure of the deal will ensure the preservation of GODIVA’s Belgian legacy as it continues to invest in the Belgian market. GODIVA will maintain its European headquarters in Brussels, Belgium; it will continue to own and operate its Belgium retail stores, travel retail and CPG channels; and it will continue its Brussels-based Center of Excellence for R&D. GODIVA will also maintain exclusive rights to its iconic recipes, continue the development of chef-inspired creations, and uphold its commitment to the Belgian craftsmanship that defines its premium brand. The factory in Brussels will continue to produce and export GODIVA products globally under the ownership of MBK Partners. GODIVA will retain its prestigious Belgian Royal Warrant to supply goods to the royal court, an honor it has had for the last 50 years.

*Based on research by the Nikkei Marketing Journal in 2017.

Morgan Stanley acted as the exclusive financial advisor and Baker McKenzie acted as the exclusive legal counsel to Yildiz Holding and Godiva on this transaction.



About GODIVA Chocolatier

GODIVA Chocolatier is the global leader in premium, artisanal chocolate. The company was founded in Brussels in 1926 by Belgian Chocolatier, Pierre Draps. Nearly a century later, every piece of GODIVA chocolate is still bursting with quality, Belgian craftsmanship, and the world's finest ingredients. GODIVA has distribution in more than 100 countries across the globe. Customers can experience GODIVA at the iconic brand's chocolate boutiques, travel retail, cafés, digital commerce, and at many fine retailers. GODIVA is committed to innovative and delicious food and beverage products that exceed consumer expectations and create wonderful moments. From its famous truffles and shell-moulded chocolate pieces to its European-style biscuits, individually wrapped chocolates, gourmet coffees, hot cocoa, soft serve and other indulgences, GODIVA is dedicated to bringing the ultimate chocolate experience to the world. As a socially responsible business, GODIVA has global practices and programs designed to provide meaningful support to cocoa farmers, safeguard our environment, and empower the communities where we live and work.

About Yıldız Holding

Yıldız Holding, headquartered in İstanbul, has over 300 brands available in more than 120 countries. The company, which is 100 percent owned by the Ülker Family, operates globally and serves a population of 4 billion. It has 80 factories and 60,000 employees worldwide.

The company is focused on confectionary (chocolate, biscuits, cakes, gum, candy) and retail businesses.

Yıldız Holding is the largest food manufacturers in CEEMEA (Central and Eastern Europe, Middle East, Africa). It increased its share in global markets with iconic brands like GODIVA, Ülker, and McVitie's.

In addition to GODIVA retail operations, Yıldız Holding also owns two leading retail chain stores that are based in Turkey – Şok Marketler and Bizim Toptan. Şok Marketler is the fastest growing retail chain in Turkey and Bizim Toptan is the country's biggest cash & carry brand in terms of the number of stores.

In addition to snacks and retail business, the company also produces food, frozen food, vegetable oils, margarines, processed meat, personal care products and packaging material.

Gözde Girişim, a private equity fund that is listed on the İstanbul stock Exchange, is also owned by Yıldız Holding.

Yıldız Holding has seven companies listed in Borsa İstanbul Stock Exchange. Among them, Ülker and Kerevitaş have been listed among the first three largest listed public food companies.

The company and its brands contribute to society through its social responsibility and sustainability activities in the areas of environment, sports, education, health and art.

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