

## Press Release

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### **CenterOak Partners Acquires Wetzel's Pretzels**

DALLAS--(SEPTEMBER 2, 2016 BUSINESS WIRE)--CenterOak Partners LLC ("CenterOak"), a Dallas-based private equity firm focused on making control-oriented investments in middle market companies, today announced it has completed a majority investment in Wetzel's Pretzels LLC ("Wetzel's Pretzels" or the "Company"), the second largest owner and franchisor of soft pretzel stores. Financial terms of the transaction were not disclosed.

Headquartered in Pasadena, CA, Wetzel's Pretzels has been serving premium freshly baked soft pretzels since Bill Phelps and Rick Wetzel founded the company in 1994. Its pretzels come in a variety of unique flavors with several complementary toppings and dips. In addition to its signature hand-rolled soft pretzels, its menu includes Wetzel Dogs, Wetzel Bitz pretzel bites, fresh lemonade, granita and other beverages. Today, Wetzel's Pretzels has more than 300 company-owned and franchise locations in 28 states and six countries. Its stores are located in shopping malls, outlet centers, theme parks, select discount retail stores, train stations and airports.

"We are excited to partner with the Company and its tenured and successful management team," said Randall Fojtasek, Managing Partner of CenterOak. "The Company has demonstrated consistent, stable growth in its more than two decades of operation, and has developed an exceptional brand. CenterOak's proven approach of identifying opportunities for operational improvement and experience expanding companies' product offerings and reach makes us well suited to support the Company and its management team's strategic vision."

"Our Company has achieved significant growth since Rick Wetzel and I founded Wetzel's Pretzels in 1994, but we know that there is opportunity to further develop our brand," said Bill Phelps, Chief Executive Officer and co-founder of Wetzel's Pretzels. "CenterOak's team has a long track record of building value in consumer companies as well as partnering with companies to expand their footprint within the U.S. We look forward to leveraging the firm's expertise to continue to support and grow our network of franchise partners and to bring innovative new products to market."

CenterOak Partners invested in Wetzel's Pretzels with capital from its \$420 million CenterOak Equity Fund I, L.P.

Gibson, Dunn & Crutcher LLP provided legal counsel services to CenterOak Partners and Golub Capital provided financing for the transaction. North Point Advisors served as financial adviser to Wetzel's Pretzels.

### **About Wetzel's Pretzels LLC**

Founded in 1994, Wetzel's Pretzels is the second largest owner and franchisor of soft pretzel stores. Its menu includes a variety of fresh baked soft pretzels, Wetzel Dogs, Wetzel Bitz and beverages. Today, Wetzel's Pretzels has 305 locations in 28 states and six countries. Its stores

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are located in shopping malls, outlet centers, theme parks, select discount retail stores, train stations and airports. Wetzel's Pretzels is headquartered in Pasadena, CA. For additional information, please visit [www.wetzels.com](http://www.wetzels.com).

### **About CenterOak Partners LLC**

CenterOak Partners LLC is a private equity firm with a focus on making control-oriented investments in middle market companies organized or operating in the U.S. The Firm specializes in three key industry sectors: Industrial Growth, Consumer, and Business Services. Based in Dallas, Texas, the investment and portfolio management team has a strong historical track record of creating significant value through operational improvement in middle market companies across the U.S. CenterOak's senior leaders and their predecessor funds have managed over \$1.8 billion of equity capital commitments and have completed nearly 100 acquisitions representing over \$3 billion in transaction value. For additional information, please visit [www.centeroakpartners.com](http://www.centeroakpartners.com).