



FROSTED FROOTES HOLDINGS LTD

Equity Investment Opportunity - Executive Summary

Q2 - 2022

Investment Overview

Frosted Frooties Holdings Ltd is raising USD 300,000.

The capital will fund the manufacture and distribution of products to wholesalers and retailers in South Africa and Sub-Saharan Africa prior to expansion in North America.

Following an initial six months of trading, data analyses and feedback from retailer and consumer will be used to evaluate and enhance product lines, branding, and distribution prior to the launch of a targeted listing campaigns with selected global national retailers.

Distribution in the North American market is targeted to begin in Q1 2023 projecting an increase in overall monthly sales volume to 4,000,000 units by Q1 2024.



Projected Merger/Acquisition Q4 2025 by U.S. company World Chocolate Inc targeting a sale value of USD 50 million + cash balance.
<https://www.worldchocolateinc.com>

Company Overview

Frosted Frootes Holdings (FFH) is a privately owned limited company registered in the United Kingdom.

Frosted Frootes SA PTY Ltd is the operations division of FFH, a limited company registered in South Africa who is owned entirely by FFH. FFH Co-Founders and Co-Owners are British Nationals, *Jason Jones* and *Geoff Bond* who have invested time, effort, financial resources of USD 470,000 to complete considered product R&D, market R&D, consumer testing, secure private label manufacturing partner, secure a number of fruit suppliers, target distribution channels, bring together an experienced executive team, build global strategic alliances, engage overseas distributors in targeted global markets, build onsite proprietary storage, distribution, and office facilities, gain Import/Export licenses, gain BBBEE certification, develop online presence with website and social media campaigns.

Frosted Frootes is a global turnkey project with full operational blueprints including:

- Contractual manufacturing partnership with BEYERS CHOCOLATES South Africa's most successful independent confectionary company.
- Contracts with local South African organic fruit suppliers to ensure fixed prices, minimum delivery quantities and consistent supply.
- Full branding and packaging requirements in South Africa.
- Distribution agents (South Africa and International).



- Retailer listing contacts.
- Storage and distribution facilities (South Africa).
- Key professional advisors.

Website - <https://frostedfrooties.com>

Product Overview

- 100% Organically Grown Fruit Panned with Premium Belgium Dark and Milk Chocolate.
- Launch fruits - Strawberry, Raspberry, Mango, Pineapple, Banana, Blueberry, Cranberry.
- 100% organic fruit is hyper-dried then panned with premium Belgian dark and milk chocolate, packaged, and distributed in self stand, resealable, recyclable 100g pouches.
- Hyper-dried is an industry term for Freeze-dried, also known as lyophilisation or cryodesiccation.
- Frosted Frooties is a healthier alternative to over processed, artificially flavoured, highly sugared sweet treats. Our products are manufactured to appeal to taste buds of all ages.



Product benefits (USPs)

- Frosted Frooties only use 100% fresh locally produced fruit unlike the competition who use concentrates and jellies.
- Frosted Frooties use a hyper dry method, a low temperature dehydration process that involves flash-freezing fruit to remove 98% of the water prior to lowering the pressure in a vacuum to remove ice by sublimation vaporizing any remaining water.
- In contrast, the competition use dehydration by conventional methods that use heat to evaporate water resulting in a concentrate, a process that significantly lessens quality, nutritional value, and shelf life of the fruit.
- Dried organic fruits are an important source of vitamins, minerals and fibre in the diet that provide a wide array of bioactive components or phytochemicals.
- Dark chocolate is rich in minerals, such as iron, magnesium, and zinc. Cocoa in dark chocolate contains antioxidants called flavonoids, which may provide several health benefits.

Beyers Chocolates

- Beyers manufacture their own range of confectionery, including local South African favourites like *Sweetie Pie*, *Amarula*, and *Dream Bear*.
- Beyers have an extensive range of sub brands and private label products, including *Chuckles* which they also supply to airlines and the hospitality industry.



- Many of Beyers products are stocked by several of South Africa's leading retailers such as Pick'n'Pay and Woolworths with the longest relationship being over 25 years.
- Beyers also supply international brands such as *Marks & Spencer*

Marketable Value

- A healthy alternative to traditional highly sugared, artificial flavoured confectionary.
- Low carbon footprint using locally sourced ingredients with biodegradable packaging.
- Sourcing only the highest quality, locally sourced organic ingredients
Frosted Frootes can be produced from field to factory within 48 hours to ensure a 12-month shelf life without compromising nutritional values, quality, or taste.

Route to Market

- Frosted Frootes target local, regional, and national distributors to ensure product placement is maximised and maintained in supermarkets, petrol stations, local convenience stores, restaurants, cafes, bars, hotels, entertainment centres etc.
- Manufacturing by [Beyers Chocolates](#), Johannesburg, South Africa offers North America and South East Asia distribution timelines of approximately four weeks.



The Market

- The global confectionery market was valued at USD 210.3 billion in 2019, and is projected to reach USD 270.5 billion by 2027, registering a compound annual growth rate (CAGR) of 3.6%.
- In 2019, the chocolate segment accounted for the highest confectionery market share of 35.2%.
- Growth in economic prosperity coupled with the increase in an emerging wellness sector has driven the market within this specialist chocolate segment. Furthermore, chocolate is the highest per capita (kg) consumed confectionery product on every continent.
- Continued growth in an aging population will continue to boost Global market growth within the wellness bias chocolate confectionery sector.

Gross Profit Margin Per 100g Unit (36 units per case). Over 36 months.

- Manufacturing Cost: USD 1.47-USD 1.16
- Wholesale Price: USD 2.22
- **Gross Profit: USD 0.75 – USD 1.06**
- Recommended Retail Price Per Unit USD 4.25-4.95

Sales and Financial Projections, Month 1-12

- Revenue: USD 11 million
- 140,000 cases units of product (5 million 100g units)
- Net Profit: USD 2,5 million



Sales and Financial Projections, Month 1-36

- Revenue: USD 308 million
- 3,750,000 cases units of product (135 million 100g units)
- Net Profit: USD 109 million

Manufacturing Hub

Manufacturing in South Africa ensures year-round supply of finest quality organic fruit can be continuously sourced from accredited local farmers offering minimal field to retailer timeframes to maximise product quality, nutritional values, and shelf life.

Product Guidelines

- NAFNAC (No Artificial Flavours or Colours) recipes
- No HVO fats
- No GM (Genetically Modified) ingredients
- All fruits are organically grown by certified farmers
- All Ingredients are free of any chemical treatments
- No animal biproducts are used in our fats and oil
- Products are suitable for vegetarians
- Halaal certified where applicable



Executive Management Team

- Geoff Bond (60) Founder, Chairman, CEO
- Jason Jones (53) Founder, COO, Sub Sahara Africa Business Expansion Director
- Mark DeJohn (41) North America Sales & Business Expansion Director
- Jack Craciun III (74) Global Business Expansion Director

Working from South Africa, the UK, and the USA, the executive team are perfectly based to maximize Frosted Frootes product distribution to a Global wellness focused audience.

Executive Team Contact Details

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