

PRESS RELEASE

Advent Partners Takes a Lick of Frosty Boy

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Private equity fund Advent Partners has snagged a tasty deal that it hopes to serve up to hungry Asian food players in future.

The fund, led by partner Symon Vegter, has drawn on its \$500 million under management to take a stake in dessert and treat manufacturer Frosty Boy.

The Queensland-based business churns out the equivalent of two million serves of soft serve ice cream daily, alongside frozen yoghurts, slushies and flavoured syrups from its factory in Yatala. The goods are supplied to cafes, restaurants and fast food chains.

Frosty Boy, which is just over 40 years old, already has a significant overseas footprint, with three quarters of its sales coming from exports into 50 countries.

Advent is understood to be looking to ramp up operations in Asia, where the company already supplies chains like KFC, Burger King and Pizza Hut. The end game will be to catch the eye of trade buyers, particularly those with dairy experience.

The Melbourne-based fund will be hoping for a repeat, or better, of its experience with herbs and spices company Gourmet Garden. After investing in December 2013 and exiting in April 2016, Advent made 2.7-times its original investment and an internal rate of return of 55 per cent, the fund claims on its website. Frosty Boy represents Advent's second go at the global food export space after investments in over 80 companies from its six funds.

Advent writes equity cheques of between \$15 million and \$50 million for companies with an enterprise value in the range of \$20 million to \$150 million.

Frosty Boy chief executive Dirk Pretorius will stay with the business.

The company has invested heavily in its factory located between Brisbane and the Gold Coast, which it moved into in 2014. The 6000 square metre purpose-built facility draws heavily on automation at many points in the manufacturing process, from measuring raw materials to packing and wrapping.

Frosty Boy was advised by Oaktower Partnership.

Source: <http://www.afr.com/street-talk/advent-partners-takes-a-lick-of-frosty-boy-20170228-gumybs>

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