

The Business:



is made up of a
number of parts!

An investment in Frega is an investment in an established and profitable business!

With an experienced team of over 100 competent professionals spread over 5-continent, Frega is a business poised for growth!



This document explains the Frega Business Model and presents a two-year strategy as to how it will expand to become the largest Software as a Service business in the world!

Frega is an established platform with a proven business model!

Frega has evolved over the past 25 years, to become a global business managed by over 100 competent professionals working with clients and businesses to manage their communications and data through over 11 500 hubs and processing tens of thousands of transactions and transaction-splits in 115 currencies 24/7.

It has developed a proven business model that is profitable and cash generative with free cash flow from operations exceeding 33 to 40% of generated revenues.

The Frega business model is unique as it is platform rather than product focused. All operational expenses are introduced as variable cost items covered by a share of revenues, while any capital introduced by investors is segregated to invest in products or services.

Eight of these services have become core elements within the Frega platform:



Our strategy for growth!

Each of the operating units represented above has the potential to be dominant in its own market sector. It is our strategy to spawn these into separate, registered companies and appoint a team of executives and experienced operators to take control of each of the businesses.

The first two 'spawned' businesses will be KnowledgePlus and Right Trade and the rest will follow over the next 12 to 18 months.

Shareholding

Every shareholder in Frega Limited (including those taking up shares in this limited offering) will receive a pro-rata, pari passu shareholding in each of the business companies as they are spawned. A 0.1% shareholder in Frega Ltd, for example, will receive an equal 0.1% share in each of the eight companies as they are incorporated.

The capitalization of each of the businesses

The Executives of each business will be tasked with all financial and operational aspects of the business including ensuring sufficient capital to meet business needs. As new capital is introduced there will be a change in the shareholding ratios.

Linking the businesses to Frega – Strength in Numbers!

All of the spawned businesses will continue to run on the Frega platform. If a user or client registers for any one of the services, from book keeping to trading or claiming reward points, this registration will grant them access to all the other available services.

This is referred to as a common registration. It is key in increasing stickability, engagement and usefulness to the client, which translates to increased ARPU (average revenue per user).

Each one of the spawned businesses will have its own Website, Hub Page and KnowledgePlus pages (linked to the website) to promote their product offering.



Specialist Consultants will be available to introduce customers to the suite of communication and engagement tools available to them as a result of registering through any one of the spawned businesses.

On many occasions free versions of the service will be used and when capacity thresholds are reached the client can continue to use the free version or scale up the service.

A clear exit strategy!

In time, each of the 8 'spawned' businesses will seek its own, separate IPO.

Each of the businesses in their own right will dominate different markets and the successful rollout of each of these businesses will compound the successful rollout of the others.

Each of the businesses will have its own board of directors and professional team, focused on its product offering. And under the control of their respective boards, each will look to raise additional capital as and when required.

Risk mitigation

Every business has risks and what we have sought to do in this investment offering, is to provide information that allows any prospective investor to assess these risks, one of which is that if Frega were to fail, any investment made will be lost.

Please seek external professional financial advice before investing.

