



Market

The retail salted snack market in Croatia in 2008 amounted to some 12,000 tons in total. Of this amount, the salted potato chips made up 2,400 tons. The Croatian savoury snack market is exceptionally strong and developed, and the chips market is the most dynamic (Source: Nielsen).

The Chio brand has been present on the Croatian market for 16 years. Since the very beginning Chio has been recognized as the brand that unites top quality products under its logo, with great tastes.

The key of the brand's success is in understanding consumers' needs, following market trends and constant innovation. Constantly working to maintain and develop its brand, Chio has achieved positive results at the market.

Thanks to the high quality and recognized character of the brand, Chio was very quick to conquer the Croatian market. With its well-developed distribution network Chio is available to all interested partners and buyers every day.

Achievements

The Chio brand is present in almost 40 European countries. Chio has a rich product palette in its portfolio, most of which is present at the Croatian market where Chio is reputed as one of the most important brands in the savoury snack category. The

values consumers associate with Chio are quality, innovativeness and original flavours for great tastes.

One of the reasons for Chio's success is the development of products, which not only taste great but also lends itself to all occasions with a variety of packaging styles.

History

Intersnack Knabber-Gebäck GmbH & Co. KG company was founded in 1995 by merger of two companies: Convent Group and Wolf Bergstrasse. Since then it has been a market leader in Germany in the savoury snack category with the recognized Chio, funny-frisch, Pom Bär and Wolf Bergstrasse brands.

Chio was the first potato-based savoury snack brand in Germany. Irmgard von Opel brought from his trip in the United States the secret of preparing thin crispy potato slices. In 1962 the Opel family started the first snack production plant on their estate in Petersau near Frankenthal, under the Chio trademark.

In 1968 Pfeifer & Langer, a company with a long-standing tradition founded the Chipsfrisch Company. The debut product "Chipsfrisch ungarisch" to this day remains one of the most successful salted potato snack brands. Chipsfrisch started operating its own "Frischdienst" sales network, which still guarantees maximum freshness of products on store shelves. In 1972 Chipsfrisch merged with Munich-based Pfanni's savoury snack division. This resulted in a common snack product line under the new funny-frisch name.

In 1977 Chio and funny-frisch united within the Convent group.



The manufacture of sweet and savoury snacks started in Darmstadt more than 95 years ago. In 1967 the Wolf Bergstrasse company created the popular "Goldfischli" snack in the form of sesame-covered goldfish, which still enjoys equal success. In 1995 the Convent group together with Wolf Bergstrasse founded Intersnack Knabber-Gebäck GmbH & Co. KG.

In 2007 the Intersnack company acquired the Austrian Kelly's company. With this, Intersnack has widened its program on Kelly's and Soletti brands.

Product

Chio is present at the Croatian market with around 40 products in the salted snacks category divided into three subcategories: salted potato chips, baked goods, nuts and specialty products. Potato chips are the most important subcategory and it features classical, ribbed and light chips. The baked goods subcategory consists of sticks, pretzels, crackers, popcorn, cocktail mixes. Specialty products combine flips, pellets, and tortillas.

One of the main features of Chio products is loyalty to the ingredients' natural flavours. Chio paprika chips have an intense flavour of a juicy, red paprika; the peanut flips preserve the identical taste of aromatic natural peanuts, chili tortillas present a





perfect blend of mild corn and powerful chili flavours.

These are just some of the great number of Chio flavours that keeps growing from year to year in an around-the-clock effort to follow new nutrition trends and to meet consumers' needs. The original flavour is preserved thanks to special technologies as well as the use of palm oil for frying, since palm oil belongs to the world's highest quality oils. The origin of Chio ingredients is carefully controlled and they are treated by traditional methods without the use of chemical additives.

A long-standing tradition and the combination of skill and professionalism have made Chio what it is today: one of Europe's and Croatia's market leaders in the salted snacks category. For many years Chio with its wide assortment of products has made it possible for all generations and both sexes to enjoy salted snacks.

Behind the Chio brand there is a team of top technology experts and nutritionists who, together with the marketing team and the market research team, work on the quest for new product ideas and manufacturing technologies. Their goal is the creation of tasty and innovative snacks that give a unique feeling of savouring phenomenal flavours.

Recent Developments

Every year sees the launch of a Chio novelty at the Croatian market. In 2007 Chio launched the Chio Extra chips, ribbed chips noted for their unique crispiness and original flavour combinations: pepper and tomato, chili and paprika, honey and ham. In 2008 Chio launched the Chio Classical Chips with barbecue-specialty flavour. The flavours, which reflect a mix of the most popular tastes, have been recognized since their very launch and accepted by consumers as extra crispy and tasty chips without competition.



Promotion

Chio represents the only brand to completely satisfy all savoury snack needs, ensuring top quality and unique flavour for every individual taste, any time and any place.

This is the message Chio continually conveys to the public via all marketing and sales instruments. Through various media forms Chio permanently keeps in touch with consumers to communicate constant innovations and brand values. The marketing mix combines television and radio commercials, outdoor advertising and advertising in the press. All this is accompanied by



Chio Tako ludo hrskav!

promotional samplings at points of sale where consumers are given the chance to try original Chio snacks and receive all the information related to the product.

In sync with media advertising Chio is regularly supported by promotional packs in which Chio rewards its consumers with additional contents. The goal is to satisfy customer needs and sustain their passion for savouring unique flavours and have fun on top of it all.

Brand values

Chio nowadays stands for a set of values, the first and foremost of which is people spending quality time together. Chio is a product that makes people come together and creates moments of happiness and joy rather than mere consumption. Chio has established a very close emotional bond with consumers, who always associate this brand with fun and moments of relaxation surrounded by family and friends.

Chio has a lasting value of quality, which keeps unfolding with the times. Chio grows with its consumers and accepts new trends, making sure to stay true to original quality.

To these values Chio adds the importance of service, demonstrated in the utmost care for product

freshness guaranteed by constant packaging quality control, expiry dates and a sweeping distribution network.

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THINGS YOU DIDN'T KNOW ABOUT...

Chio

- The Chio name derives from the initials of the Opel family members who first started manufacturing savoury potato snacks under the Chio brand (Carlo, Heinz and Irmgard von Opel).
- The production of 750 kg of chips requires 3,046 kg of raw potatoes, 263 l of vegetable oil and 35 kg of spices.
- The favourite salted snack in Croatia is potato chips (20 percent of total salted snacks market volume sales according to AC Nielsen 2008) while the most sought-after potato chips flavour is red paprika, which makes up as much as 44.7 percent of total Chio chips sales.
- The first successful potato chips launch took place in the Saratoga Springs resort in New York State on 24 August 1853. The 19 year-old sous-chef George Crum had to prepare dinner for an important guest in the "Moon Lake Lodge" restaurant.