



**Project Gastropub:
Uniquely positioned restaurant & bar chain**

Preliminary note

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Image used is for representational purpose only.

Project Overview

Brief

- 📌 Project Gastropub (“Gastropub” or the “Project”) is a gastropub styled restaurant & bar chain present across Mumbai.
- 📌 Started with its first outlet in Dec’12 & expanded to four outlets by Nov’15 and is on track to have eight operational outlets by Mar’17.
- 📌 Promoted by a first generation entrepreneur who has a track record of successfully operating and scaling up hospitality concepts.
- 📌 Supported by a competent management team with hands on experience across various hospitality formats in India and overseas.
- 📌 Registered gross monthly sales of INR c.3.4 Crores, across all outlets, in May’16 and is on track to achieve gross quarterly sales of INR 10.0 Crore for the Apr-Jun’16 quarter and onwards.
- 📌 Historically, EBITDA margins have been to the tune of 20% and all operating outlets are bottom-line profitable.
- 📌 **Project Gastropub, with its unique characteristics, has successfully garnered customer recognition, category awards, social acclaim, and a high brand recall.**

Concept characteristics & positioning



Fine balance of high quality food & liquor varieties.

situated at enviable locations in midst of densely populated localities



Premium-feel furnishing and spacious interiors.

Capability to cater to diverse target groups and consumer tastes & preferences.



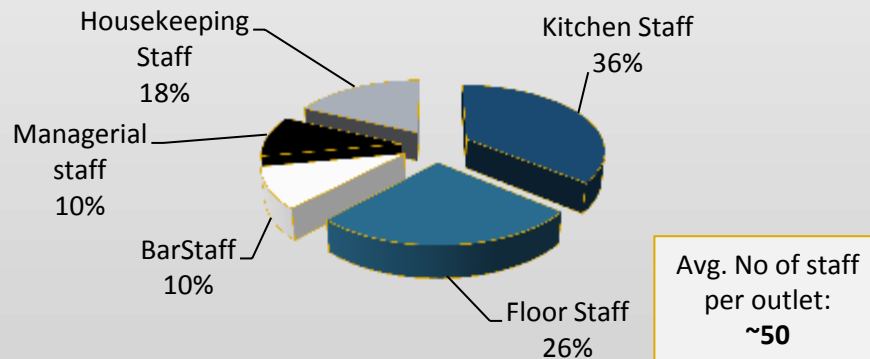
Source: Company, Images are used for representational purposes only

Management Overview

Founder Bio

- 1st generation entrepreneur with over 20 years experience in the hospitality industry.
- Has grown the chain from a single outlet concept to a recognizable gastropub chain with a growing presence.
- Previous ventures include:
 - Master franchisee for an internationally renowned casual dining chain in India. Was responsible for establishing the chain's operations, strategy and supply chain.
 - Hospitality Consulting venture – where he consulted hospitality ventures on staffing, operations, branding, etc
- Qualifications: MBA from Bharati Vidyapeeth University and an alumni of the Symbiosis International University.

Outlet Level staff profile



Key Management Bios

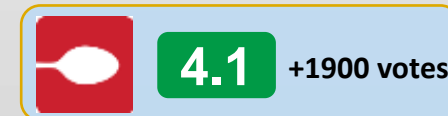
Brand & Operations Manager

- Over 18 years of experience in the hospitality industry in India and Overseas.
- Associated with BBCo since inception and oversees the Front-of-House department of all outlets and other related activities.

General Manager & Brand chef

- Over 13 years of experience in the hospitality industry in India and overseas.
- Associated with BBCo since inception and oversees the Back-of-House department of all outlets and other related activities.

Social Recognition



Source: Company, respective third party websites, News articles and Blogs, etc, Images are used for representational purposes only

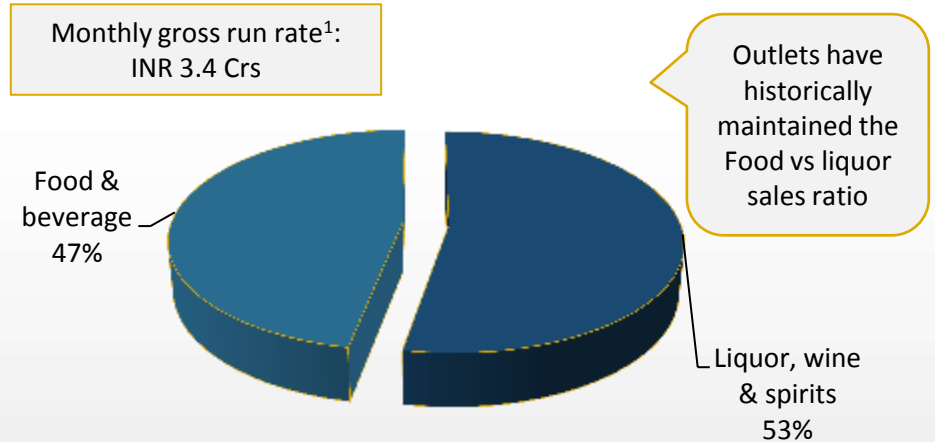
Menu

Food Philosophy

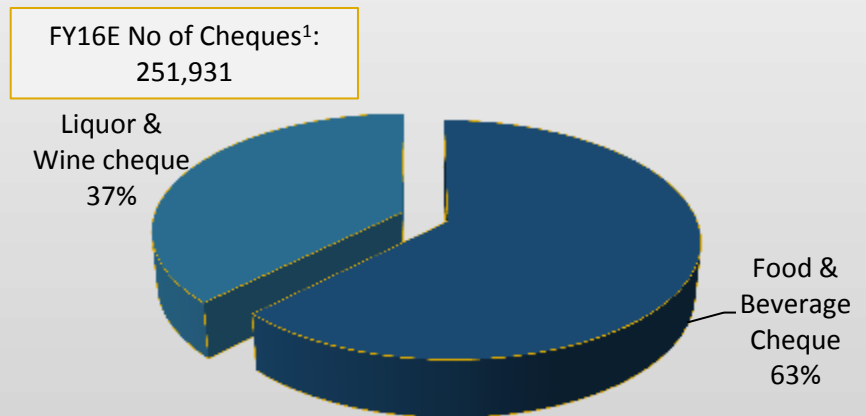
- 📌 The Menu has been crafted based on the philosophy that *'a customer shouldn't go wrong'*.
- 📌 The Chain boasts an expansive menu which aims to cater to the diverse tastes and preferences of consumers & target groups.
- 📌 The Food menus includes dishes falling in two categories:
 - **The Classical offerings** i.e Ceaser Salad (Salads), Paneer Tikka (Tandoor), Fish & Chips (British), Thai green Curry (Curries), Tiramisu (Deserts)
 - The **Chain's novel variety**: The in-house brand chef crafts novel recipes for the top offerings of various global and domestic cuisines i.e. Barbeque Satellite (Tandoor), Butterfly Prawns (Starters), Summer Chop (Salad), Chipotle Chicken (Pizza), Queen Pudding (Deserts)
- 📌 The Drinks menu has been engineered to give the consumer a vast variety of locally bottled & imported options in Beers, Whiskeys, Rums, Vodka, cocktails, shooters, Gins, liqueurs, etc along with a section of the chains self styled beverage cocktails, vodka golas, etc
- 📌 The Menu also includes sections for other target groups i.e. Jain, teetotalers, fresh bakes, etc

Source: Company | 1: monthly gross run rate & no of cheques figures are for all outlets.

Revenue Break-up



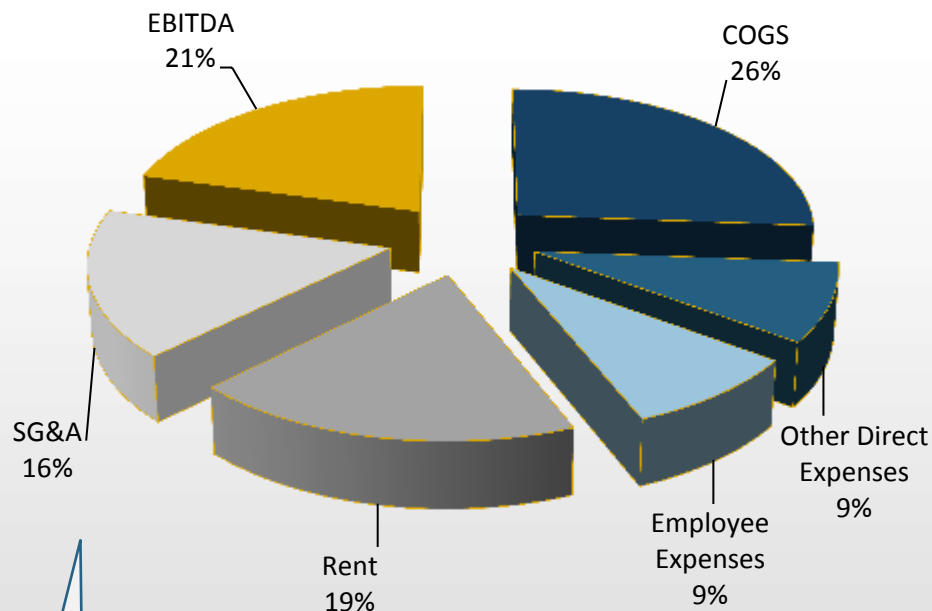
FY16 No. of Cheques Break-up



Financial & Operational Highlights

Net Revenue Break-up by expenses

FY16P Net revenues : INR ~21.7 Cr



SG&A Expenses Include business promotions expenditure, professional fees, conveyance, stationary, etc.

Other Direct expenses comprises of service charges & tips paid to employees, kitchen supplies & expenses, etc.

Outlet wise return estimates

Particulars ¹	Good Case	Avg. case	Base Case
Avg. Gross Revenues per Outlet per year (INR Cr)	12.0	9.0	7.2
EBITDA (INR Cr)	2.2	1.7	1.3
Payback Period (months)	14	18	22
EBIT (INR Cr)	1.9	1.4	1.0
ROCE	76%	56%	40%

🏠 Avg. Investment per outlet:	INR 2.5 Cr
🏠 Avg. annualized Gross revenues per outlet (FY16E):	INR 9.0 Cr
🏠 EBITDA margin assumption (on Gross Revenues):	~18.7%
🏠 First year depreciation:	INR 0.3 Cr

Source: Company | 1: indicative returns for first 12 months based on a simulated model with variable costs and other assumptions

Financial Projections

Revenue Projections (INR Lakh)	FY14	FY15	FY16P	FY17E	FY18E	FY19E
Total Gross Revenues	1,134	1,343	2,334	4,710	9,633	17,335
Total Net Revenues	z	1,291	2,213	4,448	9,053	16,257
COGS	294	332	568	1,189	2,431	4,376
Other Direct Expenses	91	115	192	396	811	1,458
Direct Outlet Employee expense	69	106	191	401	883	1,748
Total Direct Expenses	454	553	951	1,987	4,128	7,583
Gross Profit	608	738	1,262	2,461	4,928	8,673
<i>Gross Margin %</i>	<i>57.2%</i>	<i>57.0%</i>	<i>57.0%</i>	<i>55.3%</i>	<i>54.4%</i>	<i>53.4%</i>
Rental Expenses	227	261	408	770	1,441	2,431
Head office Salaries	-	-	-	29	134	222
S,G&A expense	146	220	361	705	1,351	2,269
EBITDA	236	257	492	956	2,001	3,751
<i>EBITDA margin %</i>	<i>22.2%</i>	<i>19.9%</i>	<i>22.2%</i>	<i>21.5%</i>	<i>22.1%</i>	<i>23.1%</i>

Source: Company | FY16P refers to provisional revenues for 12 months ending 31st Mar'16

Equity investment: profitable, unique & proven restaurant concept

Opportunity

- 📌 Project Gastropub is a restaurant & bar concept with a unique positioning, strong customer recognition, social acclaim, brand recall and sales growth.
- 📌 Driven by a seasoned entrepreneur and experienced hospitality professionals.
- 📌 Profitability across all outlets with steady growth in outlet revenues and operating metrics.
- 📌 Average payback period of ~1.5 years and ROCE of ~56% on a per outlet basis.
- 📌 **The Company is seeking interested equity partners who can infuse up to INR ~40 Crs for catalyzing its growth.**

Investment Thesis

- 📌 **Tried and tested restaurant & bar concept with an operational track record of approx. 4 years**
- 📌 **The Brand is successfully active in peripheral localities and is yet to tap premier localities i.e. BKC, South Mumbai, Powai, Juhu, etc**
- 📌 **Management has a track record of helping hospitality concepts achieve their potential**
- 📌 **Unique position and brand identity vis-a-vie competitors**
- 📌 **strong company culture which has seen lower than average attrition rates.**
- 📌 **Concept has successfully performed across various regions catering to a wide variety of customer tastes & preferences**
- 📌 **Footfall, consumer loyalty and profitability have been maintained without resorting to in-house events & activities or commonplace promotions such as “Happy hours” etc**
- 📌 **Average payback within 1.5 years & a ROCE of ~56%**

Source: Company

Thank You!

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