

Break-even Analysis		
Fixed Costs (Y1)	-130,000	RON
Net Margin (Sales - CoS/Sales)	75%	300% mark-up
Monthly Gross Sales required for Break-even	173,333	RON/month
Daily Gross Sales required for Break-even	5,778	RON/daily
Hourly Sales	413	RON/hour
Average spending per client	50	RON/customer
Customers/hours	8.3	
Customers/day	116	

Total Investment		
Fit-out of the pub (400 EUR/sqm x 200 sqm)	400,000	RON
Endowment of kitchen(50,000 EUR)	250,000	RON
Cash-flow needs till break-even (8 months)	420,156	RON
Total Investment	1,070,156	RON
	214,031	EUR

Rounded Investment 220,000 EUR

Crowd Funding (total amount):	200,000
Investment of founding associates	20,000
Total Amount	220,000

After the entire amount (220,000 EUR) is gathered, in the new established Company:
25% of Shared Capital (and the corresponding Dividends) will be allocated to the 75 investors (25 Platinum + 50 Gold):
 Platinum: $2\% \times 25\% = 0.5\%$ of Shared Capital (Dividends)
 Gold: $1\% \times 25\% = 0.25\%$ of Shared Capital (Dividends)
 Check: $25 \text{ Platinum} \times 2\% + 50 \text{ Gold} \times 1\% = 100\%$
75% of Shared Capital will remain with the 3 Founding Associates (25% each).

Pack 1 - PUBLICo Platinum ("Founding Fathers")		
Value (EUR):		2,000
Pieces:		25
Benefits:	free Birthday Party dividends always no mark-up consumption priority for reservations "founding star" in the pub	
Pack 2 - PUBLICo Gold ("Shareholder")		
Value (EUR):		1,000
Pieces:		50
Benefits:	dividends 24 no mark-up consumptions/year priority for reservations customized branded t-shirt individual caricature on the wall	
Pack 3 - PUBLICo Silver ("Trust Circle")		
Value (EUR):		500
Pieces:		100
Benefits:	-20% for all consumptions 12 no mark-up consumptions/year priority for reservations customized branded t-shirt mentioned in the Book of Honour	
Pack 4 - PUBLICo Bronze ("Groupie")		
Value (EUR):		250
Pieces:		200
Benefits:	-15% for all consumptions 6 no mark-up consumptions/year priority for reservations customized branded t-shirt mentioned in the Book of Honour	

Value of package	€ 2,000	€ 1,000	€ 500	€ 250
No of packages	25	50	100	200
Benefits \ Financing Package	1. Platinum "Founding Fathers"	2. Gold "Shareholder"	3. Silver "Trust Circle"	4. Bronze "Groupie"
1. "Walk of Fame" Star	✓	✗	✗	✗
2. Dividends	✓	✓	✗	✗
3. No mark-up (cons. tabs per year)	always	24	12	6
4. Additional Discounts (on top of usual loyalty)	n/a	-20%	-15%	-10%
5. Birthday Party	✓	✗	✗	✗
6. VIP Loyalty Card (priority for reservations)	✓	✓	✓	✓
7. Caricature on the wall	✓	✓	✗	✗
8. Branded T-shirt	✓	✓	✓	✓

EXECUTIVE SUMMARY

id	Indicators	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
1	Total Gross Sales (VvPam)	1,840	3,106	3,257	3,392	3,513	3,617	3,708	3,799
2	Client Discount	-184	-311	-326	-339	-351	-362	-371	-380
3	Total Net Sales	1,656	2,795	2,931	3,053	3,162	3,256	3,337	3,419
4	Net Margin	1,240	2,094	2,196	2,287	2,369	2,439	2,500	2,561
	Net Margin % (on Net Sales)	74.9%	74.9%	74.9%	74.9%	74.9%	74.9%	74.9%	74.9%
5	Other Revenue	17	28	29	31	32	33	33	34
6	Direct Costs	-1,536	-1,581	-1,628	-1,677	-1,727	-1,779	-1,833	-1,881
7	People Cost	-1,224	-1,267	-1,311	-1,357	-1,405	-1,454	-1,505	-1,550
8	Rent Cost	-240	-240	-240	-240	-240	-240	-240	-240
9	Utilities Cost	-24	-25	-26	-27	-28	-29	-30	-30
10	Other Costs	-48	-50	-51	-53	-55	-57	-59	-61
	Contribution Profit	-279	541	597	641	673	692	700	715
11	Marketing Cost	-12	-12	-12	-12	-12	-12	-12	-12
12	Indirect Cost (HQ)	-12	-12	-12	-12	-12	-12	-12	-12
13	EBITDA	-303	517	573	617	649	668	676	691
%	% EBITDA from Net Sales	-18.3%	18.5%	19.6%	20.2%	20.5%	20.5%	20.3%	20.2%
14	Depreciation	-130	-130	-130	-130	-130	0	0	0
15	Revenues from disposal of assets	0	0	0	0	0	0	0	0
16	Costs from disposal of assets	0	0	0	0	0	0	0	0
17	EBIT	-433	387	443	487	519	668	676	691
%	% EBIT from Net Sales	-26.2%	13.8%	15.1%	15.9%	16.4%	20.5%	20.3%	20.2%
18	Financial Costs	0	0	0	0	0	0	0	0
19	Financial Revenues	0	0	0	0	0	0	0	0
20	Income tax	0	-62	-71	-78	-83	-107	-108	-111
21	Net Profit/Loss	-433	325	372	409	436	561	568	580
%	% Net Profit/Loss from Net Sales	-26.2%	11.6%	12.7%	13.4%	13.8%	17.2%	17.0%	17.0%

	CF Adjustments								
	EBITDA	-303	517	573	617	649	668	676	691
	Income Tax	0	-62	-71	-78	-83	-107	-108	-111
	CAPEX	-10	-17	-18	-18	-19	-20	-20	-21
	NWC variation	34	23	3	3	2	2	2	2
	Free Cash Flow (FCF)	-279	462	487	523	549	544	550	561
	Discounting factor	0.87	0.76	0.66	0.57	0.50	0.43	0.38	0.33
	Discounted FCF	-243	349	320	299	273	235	207	184

Investment (space + fit-out) (650)
Exit Value (10 x EBITDA) 6,907

KPIs

NPV (Net Present Value)	3,232
Nominal profit (8Y)	9,654
Payback Period	3.0
Cash-on-cash return (8Y)	1585%
IRR	52.2%

Conclusions

In Year 1 Publico will generate a Net Loss of approx -80k EUR, mainly due to a slow ramp-up (maturization) of sales (conservative approach). Break-even will be reached only after 8 months. Year 2 Net Profit will be around +65k EUR, Year 3 to Year 5 around +80k EUR. The initial investment will be recovered in approximately 3 years, generating an Internal Rate of Return of 52.2% on a 8 year period.