

INVESTMENT PROJECT



Bo-bo lounge – a network of premium segment hookah bars, providing high quality services at an affordable price in the field of hookah industry.

Bo-bo lounge is a place created with a reference to the eponymous new elite of society, which is mentioned in the book "Bobo in Paradise" by David Brooks. This is a class of successful, entrepreneurial and educated people who care about the environment, comfort and quality of services they receive.

Invest in the successful and dynamically developing project and earn income on individual terms.



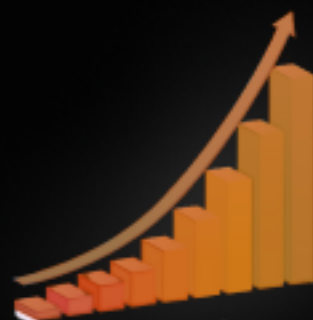
8 years of experience in this industry of the network founder



The average turnover of the company is over **60,000,000.00** RUB a year



A well-developed marketing system based on cooperation with well-known **bloggers**



Possibility of **passive** income earning by the investor without participation in the project's operating activity



The average turnover of the company is over **60,000,000.00** RUB a year



A strategic **plan** for the phased purchase of leased commercial property from the profit generated.

The volume of attracted investments – 250 million rubles

Цель: The objective is Development of the «**bo-bo Lounge**», brand, a network of **premium** Lounge bars providing high quality services at an affordable price, as a means for purchasing commercial property.

IMPLEMENTATION OF THIS PROJECT WILL PROVIDE AN OPPORTUNITY:



Create a **well-known** and **popular** brand



Increase the **investment attractiveness** of the company for Russian and foreign investors



Take a **strong** position on the lounge bar market of the **premium category**



Fill a **niche** in the regional market



Create a network of **high-margin** lounge bars and **consistent** purchase of leased premises into ownership.



Prepare the company to enter the **US, European** and **CIS** markets.



Purchase commercial property objects with a total cost of about **900 million rubles**



Create a company with an **ever-increasing** net asset value by purchasing **highly liquid** commercial property, without **additional investment**

PROJECT IMPLEMENTATION MECHANISM

1

order to implement the project in terms of opening new lounge bars, the company plans to choose premises in **large cities** in the **central part**, that is, the **most perspective** for doing business. Afterwards it is planned to purchase the most **financially advantageous** premises into ownership of the company

2

To purchase the leased properties, it is planned to take a loan from one of the **major banks** representing loan funds secured by the purchased property

3

Additional investment funds will not be required to make the **initial** payment for the property, the investment will be made by the **net profit of the project**

PROJECT IMPLEMENTATION MECHANISM

The principal reasons for control and increase in net assets of the company:

- 1 The equity capital amount characterizes the **financial stability** of the enterprise and is used to assess its **credit ratings** and **investment attractiveness**
- 2 The equity capital indicator **influences the acceptance of interest on loans as a tax expense** when loans are received by foreign companies

We opened the first **bo-bo lounge** in Moscow on Bolshaya Sadovaya Street, h.5 b.1, having invested about **12,500,000 RUB** in the start-up

2

Currently, the average monthly revenue is **4,600,000 RUB**, and net profit is on average **30%** of total revenue.

1

In the first month we reached the revenue of **3,800,000 RUB** without an alcohol license (we received it only a year later)

3

THE MAIN EXPENDITURE ITEMS
(IN AVERAGE PER MONTH):

820 000 RUB.

Lease

700 000 RUB.

Salary fund

1 430 000 RUB.

Purchase of products
(beverages, tobacco, coals, etc.)

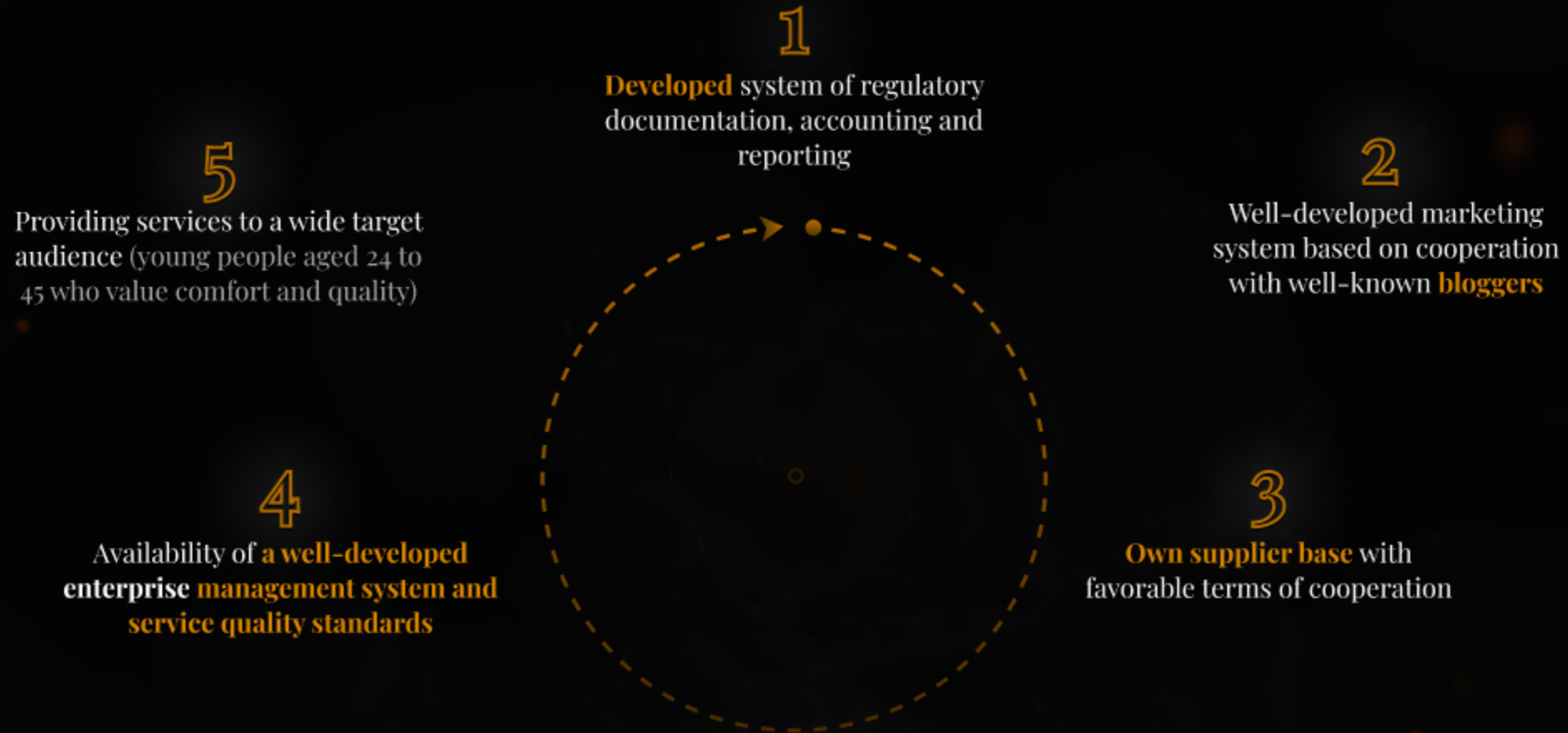
75 000 RUB.

Utility payments

Taxes and other expenses

*(The specified costs may vary depending on the specific object)

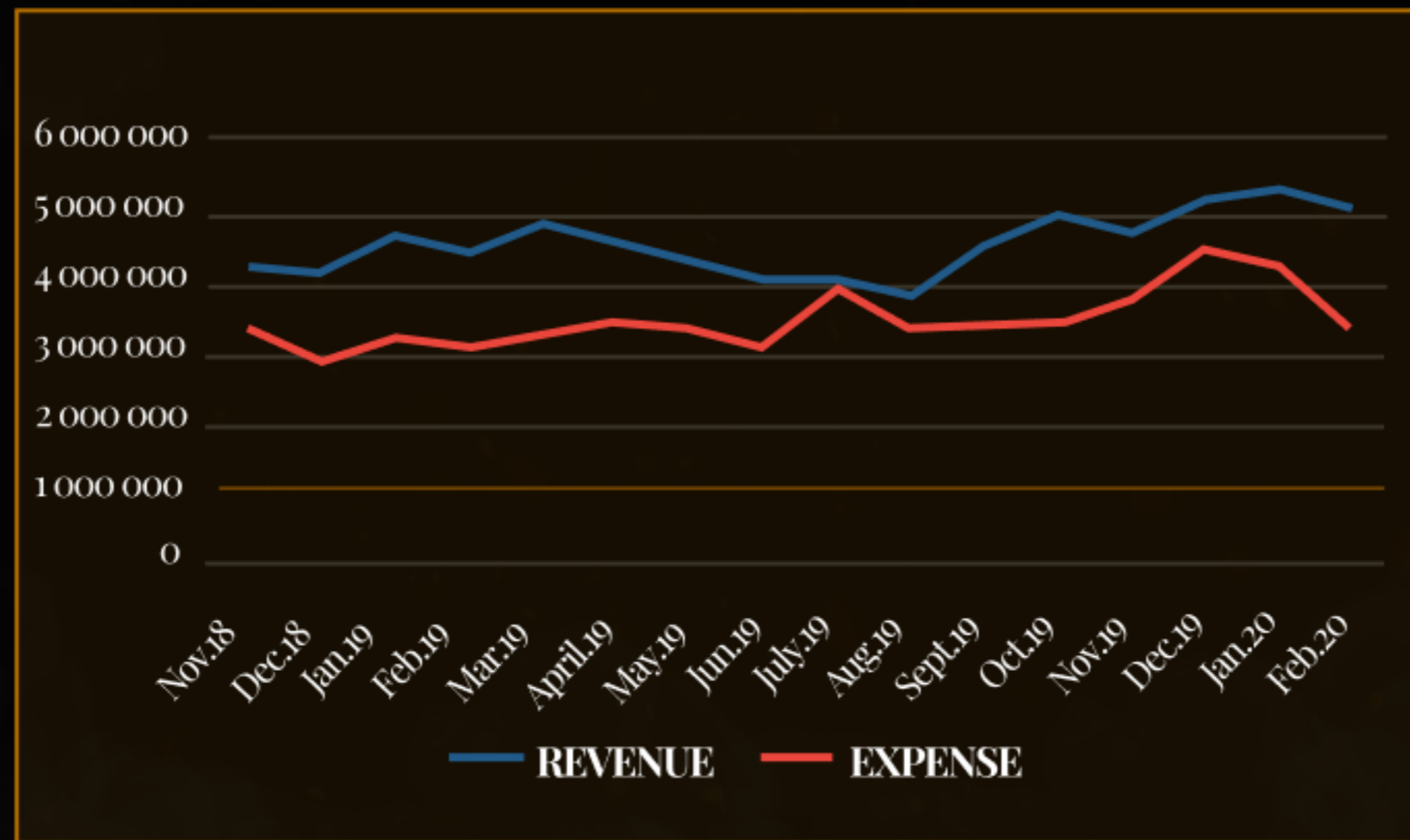
BUSINESS MODEL:



CURRENT RESULTS, DYNAMICS AND PLANS

Project performance indicators	Value	Unit of measure
Net profit (NCF)	62 053	thousand rubles.
Net present value (NPV)	23 932	thousand rubles.
Simple payback period (PB)	3,27	years
Discounted payback period (DPB)	3,79	years
Profitability index (PI)	2,02	Un.
Internal rate of return (IRR)	51,2	%

DYNAMICS OF INCOME AND EXPENSES (RUB)



THE STRATEGIC PLANS OF THE PROJECT IMPLEMENTATION INCLUDE

Opening of 20 hookah bars in the major cities of Russia, such as Moscow, Yekaterinburg, Kazan, Krasnodar, Saint Petersburg and others.



NEXT STAGE

The next stage is entering the international market, opening hookah bars in **EU** countries and the **USA**.



The project will be implemented by a qualified team of specialists with many years of experience in various fields of activity

Eduard Sayadov

Development director

Experience in the start-up of profitable projects and network management in catering and other business areas.

Anastasia Trudova

Managing director

Experience in the restaurant and hookah industry of 12 years, a proven skill level in human resources management

Ahmed Medzhidov

Founder of the project.

Works in the hookah industry since 2012.
Founder of the bo-bo lounge project.
A large number of implemented projects in the hookah business, such as "Marakesh" and "bo-bo lounge" in major cities of the Russian Federation

Andrey Afonin

Advertising and market support for businesses.
Well-known blogger in Russia and CIS countries, has an audience of 3.6 million people on YouTube and 1.6 million on Instagram

MODELS OF INTERACTION WITH THE INVESTOR

1

- 1) Payment of interest (%) for use of funds with refund of investment amount (at the end of the 3rd year of project implementation)

2

- 2) Joining the founders on the terms of assignment of the project implementation management rights to *A.G. Medzhidov.*

(In this case, the source of repayment of long-term liabilities will be the net profit generated by the project itself, and assets generated in the course of its implementation will act as collateral for financial liabilities. In case of investor's withdrawal from the project, its share is sold at market price, taking into account the company's capitalization in the market).

GUARANTEES AND RISKS

- 1 Dynamically growing market (the popularity of the hookah industry is growing every day)
- 2 High profit margin business
- 3 The extensive experience in this area of the management team
- 4 Competent and detailed financial model (Our investment plan includes expenditures to cover the working capital deficit at the initial stage of the project and also shows net discounted income with inflation risk)
- 5 Availability of a unique marketing channel - well-known bloggers with a wide audience (allows to work actively with potential and existing clients through social media).
- 6 Financial liabilities are secured by assets generated during the project implementation.
- 7 Working within the legal framework



Any more questions?

Contact us!

<https://bobo-russia.ru>

bo-bo.msk@yandex.ru

https://www.instagram.com/bo_bo_msk/

+7 928 164-56-39