

Chufaland-Chufa Bistro Business Plan 2

CHUFA BISTRO
OUR FRANCHISE



Chufaland-Chufa Bistro
(Iyar® Biotechnology, Inc.)

Chufaland-Chufa Bistro Business Plan 2

Esther Perez – President, CPO
Joseph Shapiro – CEO/COO
Business Plan by Joseph Shapiro

Iyar Biotechnology, Inc
3439 Overcreek Road
Columbia, South Carolina, 29206

Tel: (770) 870-1316/1309

Email: gperez@iyarbiotech.com, jshapiro@iyarbiotech.com
Web: www.chufaland.com, info@chufaland.com
info@chufabistro.com (coming soon)

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Chufaland-Chufa Bistro Business Plan 2

Table of Contents

I. Executive Summary	2
Business Overview	2
Products Served.....	2
Customer Focus.....	3
Why this Location?.....	3
Founder Management Team	4
Why to Focus the Franchise Way	4
Success Factors	5
Financial Highlights	6
II. Company Overview	7
What is Chufa Bistro?.....	7
Chufa Bistro's History.....	7
Chufa Bistro's Products.....	8
Store Design	8
III. Industry Analysis	10
Market Trends	10
IV. Customer Analysis	11
Customer Segmentation.....	11
V. Competitive Analysis	13
Direct & Indirect Competitors	13
Competitive Pricing	14
Competitive Advantage	14
VI. Marketing Plan	15
The Chufa Bistro Brand.....	15
Promotions Strategy.....	15
Pricing Strategy	16
VII. Operations Plan	16
Functional Roles	16
Goals and Milestones.....	16
VIII. Management Team	17
Management Team Members	17
Hiring Plan.....	17
IX. Financial Plan	18
Revenue and Cost Drivers	18
Capital Requirements and Use of Funds.....	18
Key Assumptions & Forecasts	18

Chufaland-Chufa Bistro Business Plan 2

I. Executive Summary

Business Overview

Chufa Bistro, located under development at Columbia, South Carolina, USA, is a “bistro” health food restaurant franchise focusing on providing organic, healthy, and premium food and beverage products, based on Chufa. This franchise store will be our first and main “learning-and-building” store, but many more to follow. The Chufa Bistro franchise is unique in the USA, and unique in Canada, South America, and many other parts of the world. It is growing fast.

(See our Iyar Biotechnology’s pitch deck and “wholesale” business plan Chufaland-Chufa Bistro Business Plan (1), summary, and everything about Chufa, or as the British say, Tiger Nuts*.)

Chufa food shops and restaurant-bistros are from Spain, France, Italy, Poland and Africa, attended by all families and widely known and in the major cities, mostly Valencia—where the Chufa farms are located and outside—and other cities like Madrid and Barcelona. Chufa is also widely used in the green and watery countries, like Ghana and Côte d'Ivoire.

Chufa food has been around for thousands of years and goes back all the way to ancient Egypt when it was high-up in use, and never regarded and “weeds.” Our product line and our franchise division fit perfect with health trends nationwide – as individuals are seeking healthier lifestyles complimented by natural, low-fat, and organic foods.

Iyar plans to expand its bistro locations into the Spanish speaking communities in America, like states Florida, California, Texas, and New York, and hope we will get Chufa Bistros to owned by franchisees in all regions. From there, management is seeking to open Chufa Bistro locations in eight more regions over the next five years.

The goal for the Company will be to manage the Chufa Bistro restaurants over the next five years. This includes domestic growth in the U.S. as outlined above, as well the development of new locations in Canada and Mexico.

The restaurant’s business model—menu, décor, and service—will be replicated in each location to ensure consistency across the brand.

The first six-eight months of our corporate Chufa Bistro will involve set up, and positioned by highly well-known legal and business and economic people known requirements for franchisers. Chufa Bistro will be positioned accessible to franchisees, and people who grew up with Chufa may desire to become franchisees and thus be able to legally move to the USA and become legal citizens.

*Tiger Nuts is not a translation of Chufa.

Products Served

Chufa Bistro will offer a concise, but varied menu and list of the following initial products*:

- Horchata de Chufa (Chufa Milk) *
- Chufa Artisen Pastries *
- Chufa Deserts *
- Chufa Churros and Fritters *
- Chufa Falafel

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- Chufa Salad *
- Chufa Ice Cream *
- Coffee, Tea, and Granita *
- Chufa Soup and Heated *
- Chufa Bread, Rolls and Fartóns *
- Chufa Biscuits, Biscotti's, Cakes and Rusks *
- Chufa Essentials *
- Chufa Butter, Margarine, and Chufa Oil Combinations *
- Chufa Beer
- Chufa Sweets, Chocolates, Dates and Nougat *
- Chufa "Glorias" Candy*
- Chufa Rum Balls *
- Chufa Skin and Hair Nutritiva (nutritious and nourishing) *
- More to come (see Chufaland Pitch Deck).

*** See the initial selection for the first Chufa Bistro menu and Chufaland products to be offered.**

All our products are combined with Chufa and a variety of flavors and styles. Our variety is mostly from Spain, but our products are connected recipes from Africa, Europe, South America, and the Middle East.

All products will use 100% all natural and organic ingredients. Products on the menu are "gifted" naturally with Chufa which are the best milk, flour and oil best ingredients against bad fats, cholesterol, sodium, sugar and more.

In addition to food items, Chufa Bistro will also offer beer, coffee, tea, and soft drinks, connected with Chufa. We will also offer our products like Chufa Butter, Chufa Margarine, Chufa baby formula and Chufa Essentials that can be purchased to take home or deliver.

Customer Focus

Chufa Bistro will primarily serve the residents within a 15-mile radius of Iyar's location. The demographics of these customers are as follows:

- 140,000+ residents in the Richland and Lexington Counties
- Average income of \$76,000+
- 50,000+ households

Columbia has a growing Spanish speaking population of more than 25,000 in 2023. And "University Of South Carolina Columbia" is in our location, has about 35,417 students.

In addition to this prime adult demographic for an upscale and healthy bistro-restaurant, there are many elementary schools, middle schools, high schools, and colleges. This will make Chufa Bistro an ideal location for parents to spend time while waiting for their children or to bring their children to after school. We will cater to people for breakfast, brunch, and dinner and later meals.

Columbia is also alongside the largest US Army training facility in the USA, more than 44,000 soldiers in training each year and almost 15,000 on-base residents.

Why this Location?

Columbia, South Carolina, is where the main office of Iyar is located. The city is the capital of a best "Chufa farm" state in the USA and this is where our production and Chufa products are made. The Chufa Bistro costs to start and perfect will be less than Miami or Chicago or New York—and, to build as the first store we are able to cater to an exciting population that consists of many religions and cultures.

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There are many folks here from Europe, Eastern Europe, and Africa, and skins of many colors. Chufa Bistro helps us cover all kinds of people and we will be getting “reports and thoughts” from a wide range of customers.

Founder Management Team

Chufa Bistro is led by Esther Perez who has been involved with cooking and catering for more than 40 years. While she has never run a food restaurant herself, she has been a local culinary sous-chef and head chef at some of the most upscale communities. She has also catered for many children, in the Brooklyn, New York, schools and catering for guests on the Sabbath for almost 20 years. She has also been involved with kitchens, cooking and production in Morocco, France, Israel, and South Africa.

Joseph Shapiro has an in-depth knowledge of the food production business including the operations side (e.g., running day-to-day operations) and the business management side (e.g., staffing, marketing, etc.). He is well known in machines, technology, and data. He has also studied food and farm processing and is very involved with the religious laws for food. He has worked with companies like Disney World, Universal Studios, and Ameriserve for food distribution, technology, and food production services.

Esther and Joseph have spent numerous times in Spain and Africa, dealing with Chufa. They are looking forward to hiring great young people to take over the good future for the Chufaland products, the Chufa Bistros and to change the world via Chufa farms and more.

Why to Focus the Franchise Way

Chufa Bistro first started at the home-office of Iyar and became part of the Chufaland brand, and more than seven years development and self-investment in the Chufa food (see the main Iyar documents).

The intent is to sell Chufa products wholesale to stores around the world and provide retail. The effort is still in place, on Amazon and Etsy, and via Range.Me which has thousands of stores. It takes long to get Chufa out there to the communities in the USA. Companies like Walmart, Trader Joe, Costco, Whole Foods and many others, deal with thousands of existing food production firms that takes years to get considered and ordered.

Small private-owned stores are also approached by Iyar, like stores in Brooklyn, New York, or Boca Raton, Florida, and given ten seconds to present . . . and then . . . received orders for a small amount, and revenue from invoices taking several months to materialize.

To get placed Iyar fast it would need millions of dollars funding and long months for revenue. In late 2022 the Chufaland products on Amazon attracted several people in the franchise world and encouraged it to rise-up the “franchise way.”

Chufaland did not initially jump onto the franchise wagon. We studied several franchisers and saw them getting faster to market *careful* than just the wholesale and Internet way. Studying many franchises over 10 months and learning how Starbucks got to become part of more than 35,000+ stores (and a huge amount of Starbuck stores are owned by people outside of Starbucks) . . . and how the good products get bought up by supermarkets when they call the producers and order.

Our development project is moving as follows:

- Iyar Biotechnology/Chufaland/Chufa Bistro (CB) Business Plans
 - Core Store (CB) Research Report
 - CB Structure Report
 - CB Owner Profile
 - Territory Structure for CB
 - CB Support Programs
-

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- Internal Staffing
- CB Revenue Sources for Chufaland and Chufa Bistro
- Initial CB Fees
- Royalties
- Advertising Fees
- Selling of Products at CB
- Continuous CB Business Plans (for franchisees part)
- Brand Licensing
- Vendor and Supplier Management for Chufaland and Chufa Bistro
- Location Analysis
- Protection of Intellectual Property and Proprietary Work
- Corporate Structure and Defining Entities
- CB Disclosure Documents
- CB Agreements
- State Registrations
- Operations Services
- Chufaland and Chufa Bistro Manual Initial Analysis and Outline
- Operations Manual Table of Contents
- Establishing A CB Business
- Personnel
- Administrative Procedures
- Daily Procedures
- Selling & Marketing
- On Site Analysis and Consulting

Finally, it shows that Chufaland products can get to market faster, and revenue comes in from the first day, going live. And it can grow faster, around the world, and be more productive, profitable, safer and with less funding over less time. We also see and believe that the way to grow Chufaland to great heights—and bring Chufa farms to America—will be the best way via the include the franchisee way.

Success Factors

Chufa Bistro is uniquely qualified to succeed due to the following reasons:

- Chufa is well-known by people from Spain and green Africa, and thus Chufa Bistro will be the first and only place they can frequent in “America” to drink Horchata de Chufa—Chufa Milk—G-d’s most healthy milk for everyone.
 - There is currently no upscale and healthy* food restaurant franchise like Chufa Bistro in the USA and outside of Spain and green Africa (Chufa is being noticed in France, UK, and Italy). In addition, we have surveyed the local population and received extremely positive feedback saying that they explicitly want to frequent our business when launched.
 - Our location is in a high-volume area with little direct traffic and will thus be highly convenient to significant numbers of passersby each day.
 - The management team has a track record of success in the food production and catering business.
 - The upscale and healthy food restaurant business is a proven business and has succeeded in communities throughout the United States.
 - Market trends such as healthy and organic living support our business opportunity as well as growing awareness about the obesity epidemic and repercussions of non-nutritious eating.
 - And, finally, but not the least, we are introducing to people about Chufa—the best non-dairy milk and its nuggets, that goes back to the days before cows became domesticated.
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*Chufaland products are organic and Climate Pledge Friendly (CPF).

Financial Highlights

Chufa Bistro launch is part of the \$550,000 effort to get Angels. Specifically, these funds will be used as follows:

- **Chufaland Plant and Chufa Bistro Store design/build**
- **Working capital:** To pay for Marketing, salaries, and lease costs until Chufa Bistro reaches break-even.

See Chufaland-Chufa Bistro Financials Business Plans (3). Top line projections over the next three years can be shown.

II. Company Overview

What is Chufa Bistro?

Chufa Bistro, located at Columbia, SC, is a new upscale and healthy restaurant (a French-Spanish Bistro) focusing on providing organic and delicious foods from Chufa and related ingredients and feeding to the local community.

Chufa Bistro was founded by Esther Perez and Joseph Shapiro. While Esther has been in the food business for some time, it was in November 2019 that she decided to launch Chufa Bistro, as part of Chufaland, her brand. Specifically, during this time, Esther and Joseph took trips to Madrid, Valencia, and Málaga in Spain. During this trip, they frequented Chufa food restaurants and met the production companies and their farms that enjoyed tremendous success for more than 70 years. After several discussions with the owners, clearly understood over many discussions that a similar business would enjoy significant success in their hometown, and especially in the USA.

Specifically, the customer demographics and competitive situations in the foreign locations and in Columbia, SC were so similar that they knew it would work. Furthermore, after surveying the local population, this theory was proven.

The Company plans to expand its restaurant locations next year and beyond. From there, management is seeking to open Chufa Bistro in five to eight more regions over the next five years. And they believe additional franchises will rise from franchisees.

The goal for the Company will be to manage at least eight restaurants over the next five years. This includes domestic growth in the U.S. as outlined above, as well the development of new locations in Canada and Mexico.

The restaurant's business model-menu, décor and service- will be replicated in each location to ensure consistency across the brand.

Thus, Chufa Bistro will be the first "customer" for the Chufaland products, and the Company believes Chufaland will grow big into the wholesale and retail markets.

Chufa Bistro's History

Upon returning from Spain, France and South Africa and other countries, surveying the local customer base, and finding potential retail location, the Company added the name "Chufa Bistro" as a corporation owned by the Company.

The Company has selected three initial locations and is currently undergoing due diligence on each property and the local market to assess which will be the most desirable location for the Chufa Bistro restaurant.

Since incorporation by Iyar, it has achieved the following milestones:

- Developed the company's names, brands, and logos and website located at Chufaland.com and Chufabistro.com, a process over seven years.
- Created the products, and the menus for the first (web) store.
- Determined equipment and inventory requirements, based on seven years research, trials and training.
- Began research for key employees with experience in the food products and the restaurant industry.

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Chufa Bistro's Products

Below are Chufa Bistro's initial (development) menu. All items will be 100% natural and organic and connected to Chufa. As you can see all items are classified under the following two main categories-Initial Menu and Initial Products.

Chufa Bistro Initial Menu	
Chufa Milk – Horchata de Chufa	Choice of natural or choice of flavors
Chufa Cereal	Cereals with and without gluten
Chufa Ice Cream	Several flavors
Artisen Pastries	About 3 – 5
Chufa Falafels and Options	Choices of chufa bread and others
Chufa Salads	Three unique choices
Chufa Deserts	Three deserts
Churros and Fritters	Choose each or both
Coffees, Teas, Granitas, Fresh Juicers	Variety of coffee, tea and granitas

Chufa Bistro Initial Products	
Chufa Milk – Horchata de Chufa	Choice of natural or choice of flavors
Chufa Butter	Choice of five chufa types
Chufa Oil	Choice of two bottles
Chufa Soap	Two choices
Chufa Essentials	Choice of 5 essentials and a range of Chufa CBD
Chufa Cosmetic	Choice of Chufa Nutritiva

Store Design

Chufa Bistro will develop a 5,000 square foot food restaurant-store whose key elements will include the following:

- Kitchen / Production / Packaging
 - Ordering counter
 - Chufaland product area*
 - Waiting area
 - Tables to comfortably seat 50 customers.
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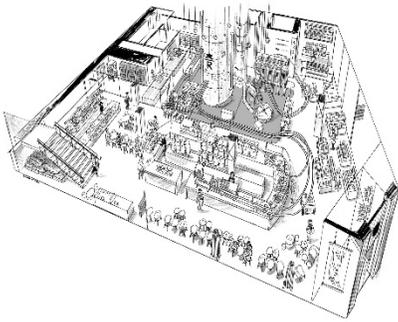
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- Restrooms

The design and development of the bistro store and the attached production plant is underway. The art-design brand book team selected are working with the location design and layout. We can say that the Chufa Bistro will have a Paris-Valencia look and feel like layout of the Starbucks shops, but with a Spanish French connection—and connection to ancient Egypt connections.

The bistro should be airy and open, and a large percentage of customers able to get served outdoors.

* “The premises revolve around the glass-enclosed workshop, which allows customers to see the process of making our most demanded product: organic natural Horchata de Chufa, a special family recipe that is passed down from generation to generation.” The “live” chufa will be done on all Bistro stores, offered plain, regular, and also offered with additional flavors, like chocolate, strawberry, coffee, mocha and more.



NB: The plan sketch above is a well-known Starbucks location and the “live” one is well-known chufa bistro store in Spain (picture by Joseph Shapiro).



The location will also be given dedicated parking spots which should suffice even in peak hours.

Chufa Bistro (CB1) plans to be open 6.5 days a week, from 12PM to 11PM. As demand dictates, we may extend or reduce our hours. Likewise, as demand dictates, we may offer delivery service.

III. Industry Analysis

Market Trends

The following industry trends and statistics will bode well for Chufa Bistro. The chain restaurants, franchisers, and single-owned industry has experienced steady growth over the past five years (despite the coronavirus). Our June-July 2023 research in USA, Spain and France shows more restaurants active than before the virus. Paris, for example, is packed by thousands of “bistros” with customers consuming inside and outside the restaurants (check the videos on Iyar’s YouTube videos).

During the five-year period, as per capita income increased and unemployment declined, consumer confidence improved, giving rise to greater spending on sit-down meals. Although the average industry profit margin remains slim, profit margins at most chains have increased over the past five years, as revenue has grown, and costs have been kept under control. As such, industry revenue is expected to increase at an annualized rate of 4.3% to \$107.6 billion.

Full-service chain restaurants operate within the increasingly competitive food service sector. Major chains, such as Dine Equity Inc. (which operates Applebee’s and IHOP) and Cracker Barrel Old Country Store, compete against independent full-service restaurants, major fast-food chains and a range of other eat-in or take-out establishments. Over the past five years, consumers have sought greater convenience at a lower cost, to the detriment of full-service establishments that serve sit-down meals. In response to greater competition, full-service restaurant chains have invested in labor-saving technology to cut down costs and have redesigned restaurant layouts to create a more modern ambiance.

Over the next five years, consumers will increase their spending at restaurants as the economy continues to improve and unemployment dissipates. However, increasing competition from a growing number of casual restaurants that serve high-quality food at reasonable prices and have business models that are not reliant on large overheads will continue to threaten industry profit margins. For this reason, major full-service restaurant chains will increasingly push operations abroad to emerging economies for growth.

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IV. Customer Analysis

The first Chufa Bistro will serve the residents of the Columbia, SC, and the immediately surrounding areas as well as those who work in Columbia. The area we serve is affluent and has an affinity to healthy and organic foods and beverages like we will be offering. (See our Pitch Deck about Chufa's health qualities.)

The precise demographics of the town in which our retail location resides is as follows:

Population Estimates, July 1, 2022, (V2022)		139,698
PEOPLE		
Population		
Population Estimates, July 1, 2022, (V2022)		139,698
Population estimates base, April 1, 2020, (V2022)		136,803
Population, percent change - April 1, 2020 (estimates base) to July 1, 2022, (V2022)		2.1%
Population, Census, April 1, 2020		136,632
Population, Census, April 1, 2010		129,272
Age and Sex		
Persons under 5 years, percent		5.3%
Persons under 18 years, percent		17.5%
Persons 65 years and over, percent		10.2%
Female persons, percent		50.0%
Race and Hispanic Origin		
White alone, percent		50.7%
Black or African American alone, percent (a)		40.9%
American Indian and Alaska Native alone, percent (a)		0.2%
Asian alone, percent (a)		2.6%
Native Hawaiian and Other Pacific Islander alone, percent (a)		0.2%
Two or More Races, percent		4.0%
Hispanic or Latino, percent (b)		5.6%
White alone, not Hispanic or Latino, percent		48.0%
Population Characteristics		
Veterans, 2017-2021		8,483
Foreign born persons, percent, 2017-2021		4.8%

Customer Segmentation

The Company will primarily target the following four customer segments:

- **Stay-at-home moms:** The town has a large population of stay-at-home moms who are active in the school and community. These moms often meet for lunch or coffee and Chufa Bistro will provide a perfect place for them to congregate. We also expect mothers to take their children to Chufa Bistro after school and for weekend snacks and meals.
- **Local office workers:** approximately 5,000 individuals work in offices within a quarter mile of our location, and we expect a fair portion of these individuals to frequent us during lunch hours.
- **Students:** there is several middle schools and several high school in the town and the high schools are within one half mile. Students from these schools will be targeted to frequent Chufa Bistro. We also expect many students from the university and the colleges.
- **Families and Couples:** We expect couples and families to frequent our food restaurant and enjoy our dinner atmosphere.

We also expect a great number of Spanish speaking people. Families from Spain know about Chufa, especially from its milk (Horchata de Chufa)

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V. Competitive Analysis

Direct & Indirect Competitors

The following restaurants are located within a 2-mile radius of Chufa Bistro, thus providing either direct or indirect competition for customers:

Hickory Tavern

Hickory Tavern is the town's leading local food restaurant and has been in business for 26 years. Hickory offers a wide array of foods, with local music as entertainment, and is a highly family friendly environment.

Hickory Tavern has an extensive menu, with some healthy options and some fried foods and bar favorites. While it has an established clientele, Hickory Tavern does not differentiate itself as a healthy food choice.

Good Life Cafe

Good Life Café offers great organic health food has been in business for more than a decade. It is downtown the city's main road and is close to main business hotels, the city hall, and the university. Good Life Café offers a variety of baked goods, organic teas and coffees, and sandwiches served to-go.

While Good Life Café food is entirely organic, they have a very limited selection of items and are not open for dinner (closing 7PM). The location only has eight to ten sit-down tables and is thus targeting to-go customers that are either stopping for a quick breakfast or picking up baked goods and coffee for work.

Freddy's Frozen Custard & Steakburgers

Freddy's Frozen Custard & Steakburgers is a recently opened fast food franchise restaurant in South Carolina (three in Columbia and approaching more than 20 South Carolina location). Freddy's started more than 20 years ago and is in 476 locations, 37 states and territories and in 362 Cities (and adding every month). Freddy's offers brunch (not breakfast), lunch, and dinner and is open 10:30 a.m. to 10 p.m. Sunday through Thursday and 10:30 a.m. to 11 p.m. Friday and Saturday.

The Freddy's are based on about 3,400 square-foot, freestanding restaurant seats 88 guests, has additional seating on the patio and drive-thru service. Mobile ordering through the Freddy's app and website is also available. Hours of operation are 10:30 a.m. to 10 p.m.

Chufa Bistro has several advantages over Freddy's including:

Freddy's does not offer healthy products, including healthy pastries, breads, milk, and ice creams and more, made with organic health ingredients. Freddy's has very little ambience and due to large portion sizes and common ingredients, the food is largely unhealthy. While we expect that Freddy's will continue to thrive based on its locations and excitement about a new fast-food restaurant, we expect that more and more customers will frequent Chufa Bistro based on the high-quality and organic ingredients we use and product selection.

Finally, to mention, Freddy's menu and style is very much the American way. Chufa Bistro is based on the foreign food choices and styles, based on Europe, South America, and the Middle East (about 10%). The population that will be attracted to Chufa Bistro is now at more than 60 million and growing fast. Furthermore, we get many calls from English speakers, many from Britain, Ireland, Sweden, and Switzerland and more. Chufa Butters and Chufa Flour is becoming very popular in Israel, in more than 200 stores.

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Competitive Pricing

Type of food	Hickory	Good Life	Freddy's
Breakfast	\$5 - \$12	\$6.95 - \$15	\$8.95 - \$16.95
Lunch	\$9 - \$12	\$7.95 - \$25	\$12.95 - \$15.95
Dinner	\$9-\$18	\$17-\$27	\$12-20
Drinks	\$3.5-\$8	\$3.5-\$8	\$2.50-\$4

Competitive Advantage

Chufa Bistro enjoys several advantages over its competitors. These advantages include:

- **100% Natural/Organic/High-Quality Healthy Ingredients:** getting 100% Natural/Organic and most healthy milks and ice creams, breads, and more in the local market is challenging and is being increasingly demanded by the local community.
 - **Management:** Our management team has years of business and marketing experience that allows us to market and serve customers in a much more sophisticated manner than our competitors.
 - **Relationships:** Having lived in the community for 5 years, Esther and Joseph know all the local leaders, newspapers, and other influences. As such, it will be relatively easy for us to build branding and awareness of our great bistro.
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VI. Marketing Plan

The Marketing Plan describes the type of brand this provided by Chufaland and Chufa Bistro. We seek to create and planned promotions and pricing strategies. Going forward we have team of great people ready to put six months learning and developing the Chufaland-Chufa Bistro effort (the franchise way coupled with Chufa products-to-go). The team has 80 years of experience and a great cost “gift” for their commission of less than \$25K.

The Chufa Bistro Brand

The Chufa Bistro/Chufaland brand will focus on the Company’s unique value proposition:

- Offering organic, high-quality food items including chufa milk and ice cream, baked goods, pastries, soups, salads and more.
- Offering a convenient location that offers both eat-in or take-out options and for Chufaland products.
- Providing excellent customer service.

Promotions Strategy

Chufa Bistro expects its target market to be individuals working and/or living within a 15-mile radius of its location. The Company’s promotions strategy to reach these individuals includes (see our main promotion strategy outlined in the Chufaland-Chufa Bistro Business Plan (1)):

Direct Mail

Chufa Bistro will blanket neighborhoods surrounding its locations with direct mail pieces. These pieces will provide general information on Chufa Bistro, offer discounts and/or provide other inducements for people to frequent the food restaurant.

Public Relations

We will contact all local and area newspapers and television stations to tell them about the opening and unique value proposition of Chufa Bistro.

Advertising/Promotion

Chufa Bistro will initially advertise in local newspapers and sponsor community events to gain awareness.

Sampling

Chufa Bistro employees will initially give free food samples to passersby to enable them to taste the quality of our products and learn about us.

Ongoing Customer Communications

Chufa Bistro will maintain a website and publish a monthly email newsletter to tell customers about new events, products, and more.

Pre-Opening Events

Before opening the store, Chufa Bistro will organize pre-opening events designed for prospective customers, local merchants, and press contacts. These events will create buzz and awareness for Chufa Bistro in the area.

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Pricing Strategy

Chufa Bistro's pricing will be moderate, so customers feel they receive great value when patronizing our facility.

VII. Operations Plan

Functional Roles

To execute on Chufa Bistro's business model, the Company needs to perform several functions, including the following.

Administrative Functions

- General & administrative functions including legal, marketing, bookkeeping, etc.
- Sourcing and storing products.
- Hiring and training staff

Kitchen and Production Functions

- Food and product preparation
- Ongoing menu creation and modification

Bistro Restaurant / Retail Functions

- Order taking and fulfillment (for take-out and dine-in)
- Customer service
- Janitor/maintenance personnel to keep the food restaurant clean and spotless.

Goals and Milestones

Chufa Bistro expects to achieve the following milestones in the following 6 - 8 months:

Date	Milestone
October 1, 2023	Finalize lease agreement
December 1, 2023	Design and build out of Chufa Bistro storefront, complete
January 1, 2024	Hire and train initial staff
January 15, 2024	Launch Chufa Bistro
2024	Reach break-even

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VIII. Management Team

Management Team Members

See Chufaland-Chufa Bistro Business Plans 1.

Hiring Plan

Esther and Yosef will, initially serve as the Chufa Bistro managers (about six to 12 months). To launch Chufa Bistro, we need to hire wait staff (2 full-time equivalents to start).

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IX. Financial Plan

Revenue and Cost Drivers

Chufa Bistro's revenues will come from the sale of natural and organic Chufa food products to its customers.

The Company will have dine-in, takeout, and possibly delivery systems to cater to a broad spectrum of customers in its target market.

The major costs for the company will be food production costs and salaries of the staff. In the initial years, the company's marketing spend will be high, as it establishes itself in the market.

Capital Requirements and Use of Funds

See the Chufaland-Chufa Bistro Business Plans (1). The capital outlined in first BP will be also used for funding capital expenditures, manpower costs, marketing expenses and working capital.

Specifically, these funds will be used as follows:

- Store design/build
- Working capital

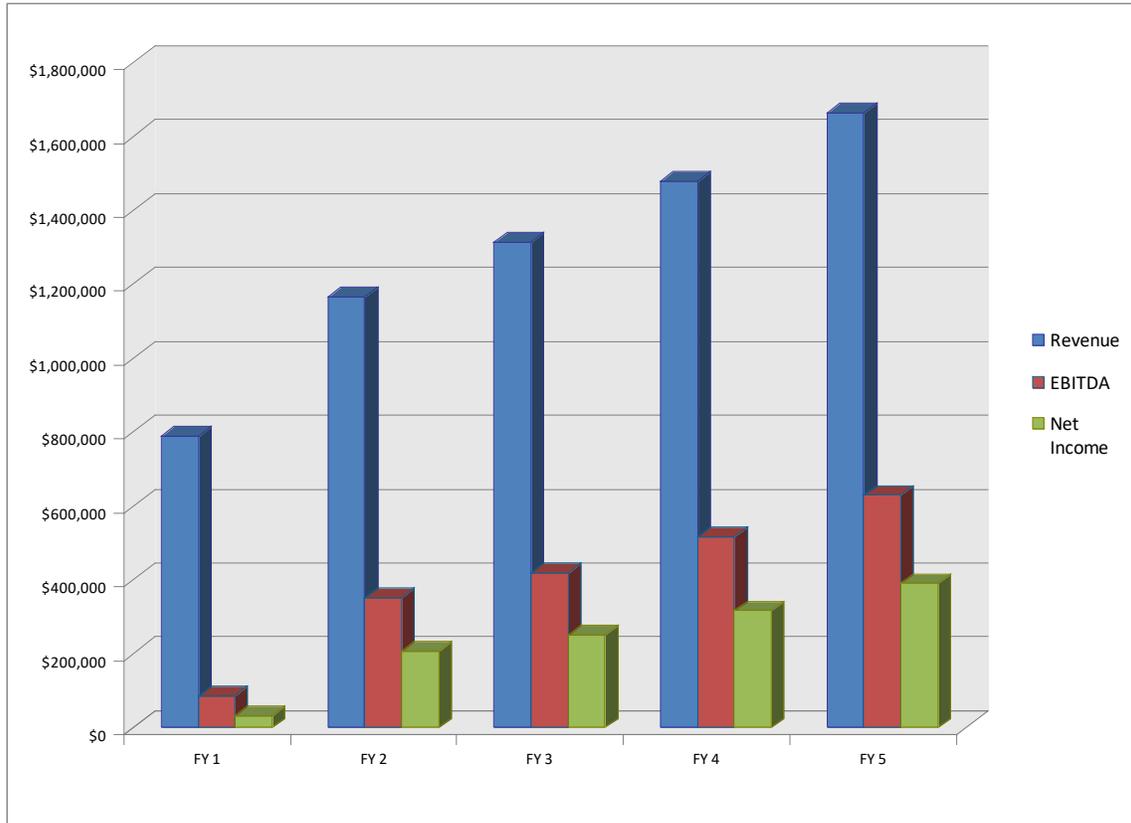
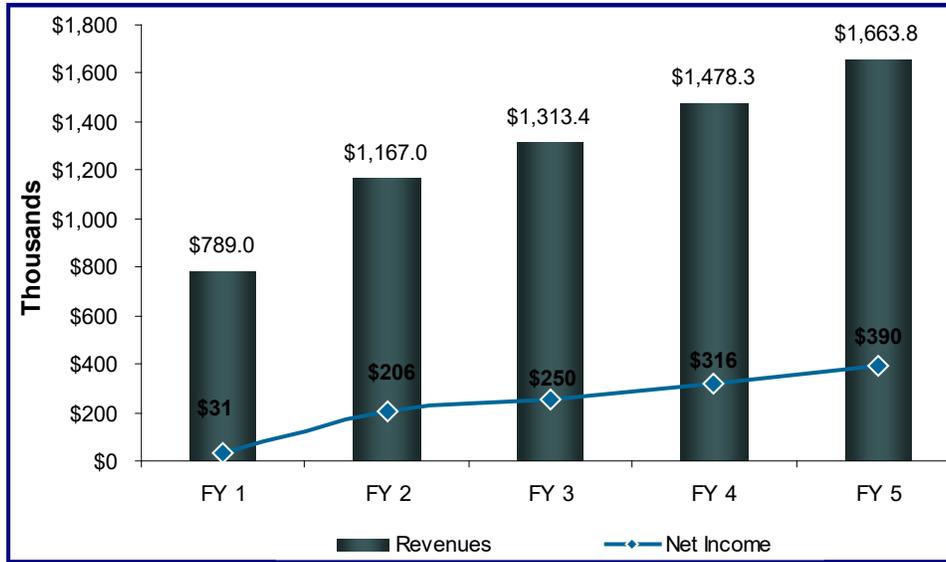
Key Assumptions & Forecasts

The following table reflects the key revenue and cost assumptions made in the financial model for Chufaland and Chufa Bisto.

Number of customers per day	Per location	Number of locations started	
FY 1	140	FY 1	1
FY 2	151	FY 2	0
FY 3	163	FY 3	0
FY 4	176	FY 4	0
FY 5	190	FY 5	0
Average order price	\$21.00	Cost of goods sold	
		FY 1	23.0%
Annual increase in order price	6.0%	FY 2	22.0%
		FY 3	20.0%
Annual Lease (per location)	\$80,000	FY 4	19.0%
Yearly Lease Increase %	2.5%	FY 5	18.0%

Income statement projections for the next five years are shown at Chufaland-Chufa Bistro Financials Business Plans (3). See also graphical representations of our Revenue, EBITDA and Net Income forecast for the next five years.

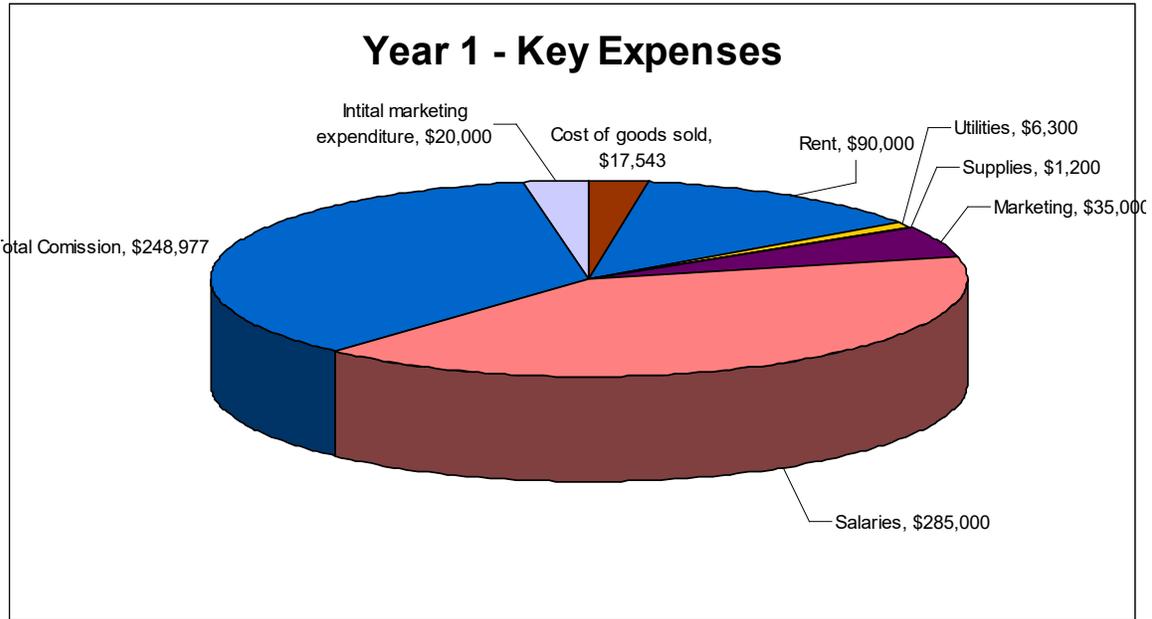
Chufaland-Chufa Bistro Business Plan 2



Key expenses for our first year of operations are as follows:



Chufaland-Chufa Bistro Business Plan 2



The pages that present detailed financial projections over the next five years. The specific tables to follow in Chufaland-Chufa Bistro Financials Business Plans (3) include:

- Startup Costs
 - 5 Year Annual Income Statement
 - 5 Year Annual Balance Sheet
 - 5 Year Annual Cash Flow Statement
 - Quarterly Income Statement for First 3 Years
 - Quarterly Balance Sheet for First 3 Years
 - Quarterly Cash Flow Statement for First 3 Years
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