

Investment Opportunity

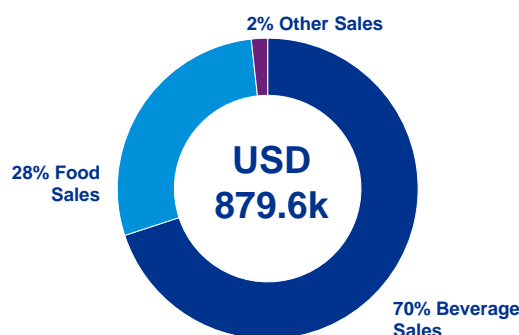
- Project Chain (the “**Company**” or “**Chain**”) owns and operates a retail network of boutique coffee shop outlets strategically located in prime CBD locations and in high-end shopping malls mainly in the Greater Jakarta area
- An established supply chain includes access to reputable coffee cooperatives across Indonesia which feed a centralized roasting facility operated by technicians with unique know-how of processing systems, all of which contribute to strong market and customer brand recognition and recall from a distinctive coffee flavour
- The Company reported revenue of USD 879.6k and gross profit of USD 596k in 2020 running at c.66.1% gross profit margin
- One of the shareholders is seeking to divest **up to a 75% stake in the Company**. A **separate right issuance** is also being considered for the purposes of supporting a strategic outlet expansion

Key Investment Highlights

1 STRONG BRAND EQUITY IN THE COFFEE INDUSTRY

- Chain's high-end boutique coffee shops are operated by management with 10 years of experience in sourcing high quality and distinctive coffee beans, complemented with successful mastering of the best coffee making preparation techniques
- Each coffee shop outlet offers a coffee product and a setting of choice for “coffee meetings” for both social goers and business executives. Each outlet exudes a thoughtful and distinct interior decor and concept
- While Chain has succeeded in carving a niche in the boutique coffee segment, it continually innovates beyond coffee to meet the needs of consumers, which includes offering a high quality selection of food menu items and bagged coffee beans with more than 35 different varieties
- Financial performance reported over the past three years with revenue and gross profit margin at USD 879.6k and 66.1% respectively in 2020

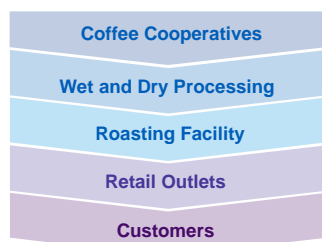
Revenue (by product category) 2020



Source: Management
 *Based on USD/IDR 14,300 for illustrative purposes

2 OPERATES ESTABLISHED VALUE CHAIN FROM PLANTATION TO OUTLET

Value Chain



Source: Management

- Chain sources coffee beans from local coffee cooperatives in prime coffee regions across Indonesia such as West Java, Bali, and Sulawesi to ensure only the highest quality coffee beans are fed into the Company's wet and dry processing
- Processed coffee beans are transported to a central roasting facility where a special roasting process ensures consistent and distinctive medium to dark roast coffee bean characteristics are maintained.
- Chain has recently extended its product and service offerings through partnerships with reputable food delivery enablers to accommodate customers looking to enjoy the Company's products and coffee experience from home
- Sustainable business policies and practices include creating long-term value for local farmers through harvesting education and related programs. Chain also plans to complement dairy-based milk inputs with non-dairy milks such as oat, soy or almond which have less carbon footprint as well as enhancing coffee flavor

3 DYNAMIC EXPANSION STRATEGY TO INCREASE MARKET SHARE

Having secured a strong and established footprint in the Greater Jakarta area through its existing store format concept and coffee product offering, Chain is developing strategies to reach a wider target market by:

- Improving branding and outlet interior** through a logo transformation and interior design refurbishment to attract higher patronage from the 25-34 year old customer segment
- Rolling out new beverage offerings** by developing drinks using coffee or tea as basic ingredient but attractive to a wider market segment
- Boosting online sales** by offering more RTD coffee and new beverage creations through targeted marketing initiatives for Chain to become the primary choice for coffee within the online food delivery platform

Chain's expansion strategy



Source: Management

3 DYNAMIC EXPANSION STRATEGY TO INCREASE MARKET SHARE (CONT'D)

- **Corporate sales of roasted beans:** plans to explore the potential upside of wholesaling segment and bagged coffee bean
- **Building café-cum-hub concept** with outlets serving Chain's signature coffee, complemented by an improved menu offering, and tapping into the growing co-working space and office worker segment

Chain's expansion strategy



B2B bagged
coffee beans



Co-working
space

Source: Management

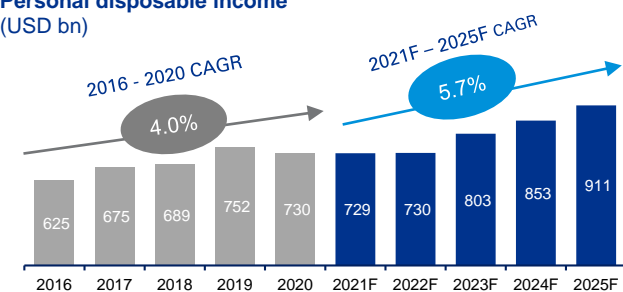
4 SKILLED MANAGEMET TEAM WITH HANDS-ON INDUSTRY EXPERIENCE

- Chain's senior management team comprises of entrepreneurs with a proven track record and combined experience in the F&B industry of over 36 years ranging from services, systems, logistics and specialty coffee, and have carved out successful careers in operating a diverse range of businesses prior to establishing Chain's high-end coffee shops in Indonesia
- Chain aligns corporate interests and those of its outlet management and staff through in-house training programs instilling people with the importance of continuously improving customer service standards and sales.

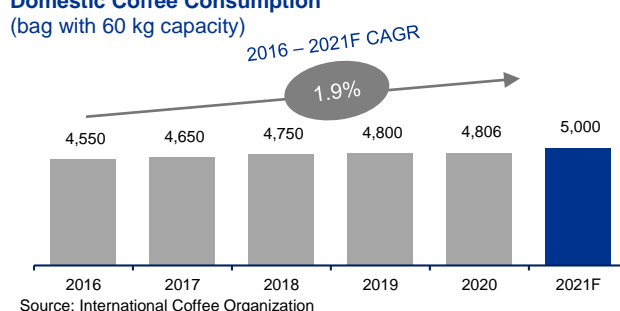
5 UNDERPINNING SALES GROWTH IS A BUOYANT F&B INDUSTRY IN INDONESIA

- Indonesia continues to be an attractive market for high-end F&B retailing due to its increasing affluent customer segment and a well documented growing middle class with higher levels of disposable income, which has been increasing at a CAGR of 5.7% between 2021F – 2025F
- Driven by consumption spends and habits of the middle and upper class segments which contribute up to 82% of total F&B consumption, F&B sales are estimated to reach at least 5% and 7% growth in 2021 and 2022
- Coffee consumption in Indonesia has continued to increase over the past five years at a CAGR of 1.9% and is forecast to increase by 4% in 2021

Personal disposable income
(USD bn)



Domestic Coffee Consumption
(bag with 60 kg capacity)



Key contacts

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