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2021 Duff & Phelps YOUniversity Deal Challenge

DevourAll

DEVOURALL GROUP INC.

JOSE LUIS MARTIN | LAURA PASTINANTE | PAULA UNCIO

IE UNIVERSITY

CONTENT OUTLINE

EXECUTIVE SUMMARY – DEVOURALL GROUP INC.

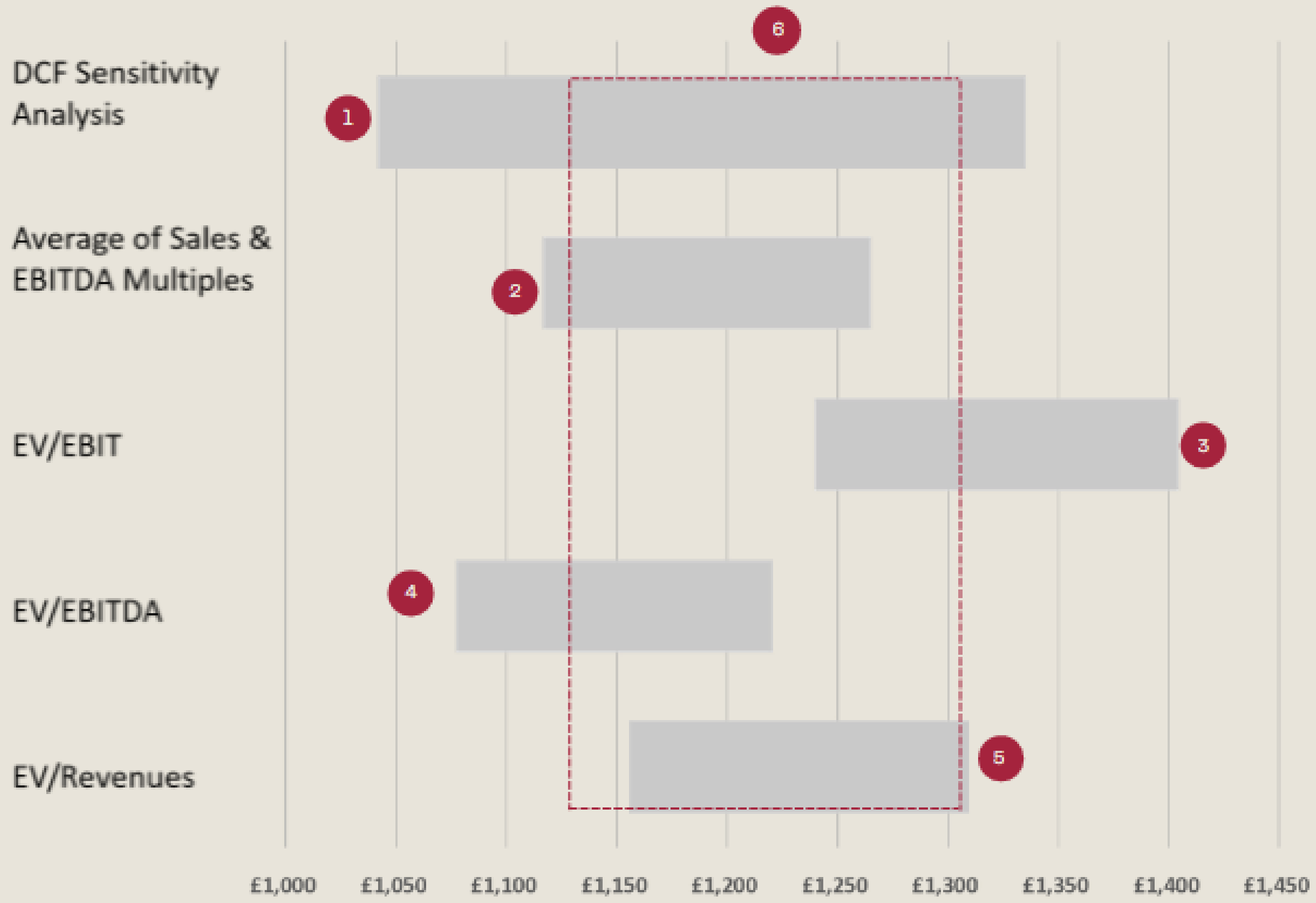
DEVOURALL

- **Founded** in 1991 **/ Headquartered** in London, UK
- **Geography**: Operations in UK, US and EU
- **Industry:** Quick services & casual dining restaurants, pubs & Cafés
- **Workforce**: 15,000 employees globally and an experienced senior management team.
- **Delivery sales in 2019 –** 8.2% of revenues.
- **Size and profitability:** Medium-sized with revenues of £856.8m; EBITDA of £112.6m in 2019 due to acquisition of Billy's Restaurant.

Sites per Geographic Market (2019)

PRE-COVID VALUATION

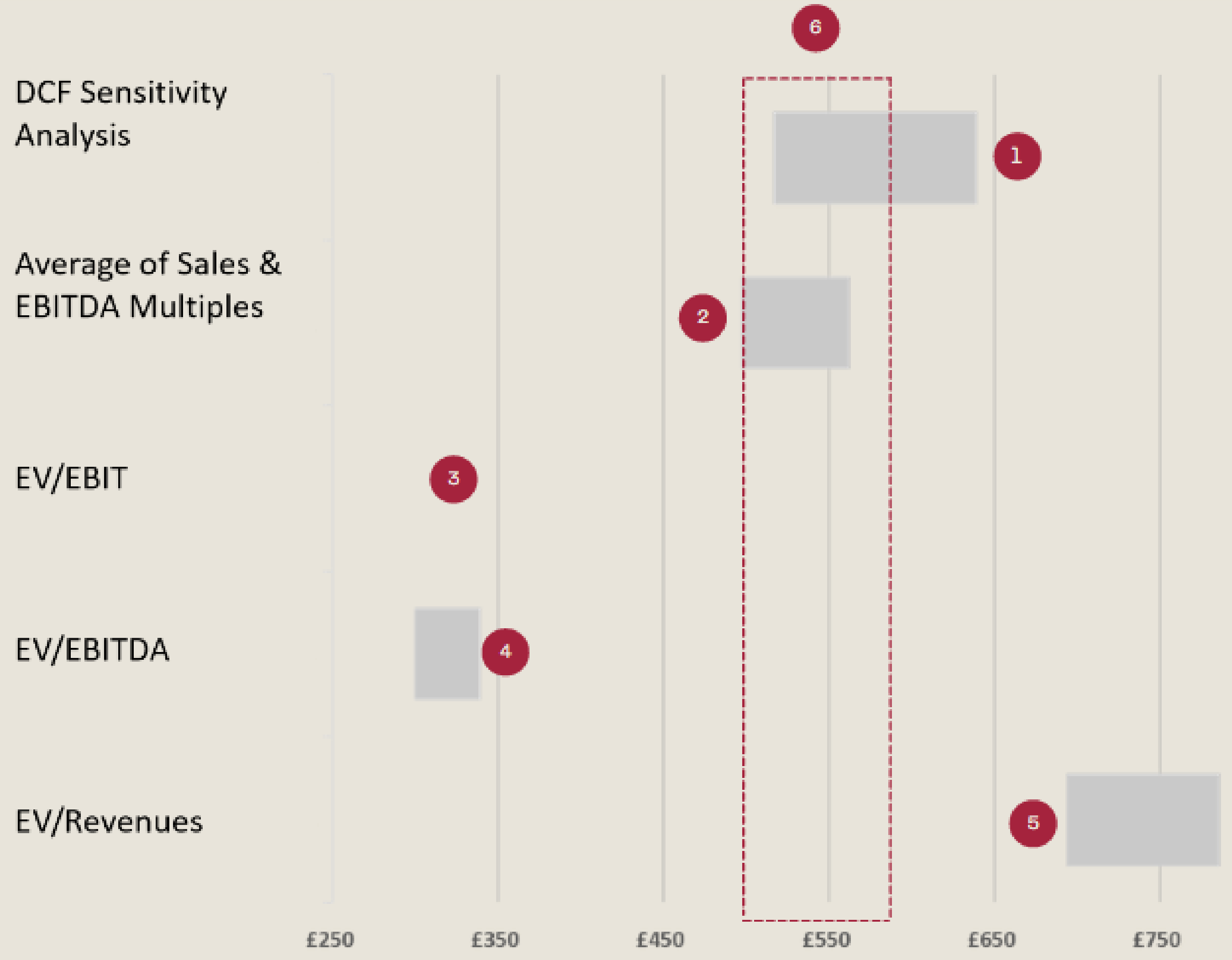
- **Market approach sensitivity analysis valuation range** (EV/EBITDA vs EV/SALES multiples)**: £1,116.3m – £1,265.1m**
- **WACC range 7.54% to 9.54%**
- **Enterprise value by DCF calculation £1,112.0m**
- **DCF Valuation Range based on WACC vs. Growth Rate sensitivity analysis: £1,041.3 – 1,335.0m**
- **Final Implied Valuation Range using interquartile range: £1,125.9 – £1,307.0**



EXECUTIVE SUMMARY - DEVOURALL GROUP INC.

POST-COVID VALUATION

- **Market approach sensitivity analysis valuation range** (EV/EBITDA vs EV/SALES multiples)**: £496.8m - £563.0m**
- **WACC range 8.67% - 10.67%**
- **Enterprise value by DCF calculation** (at 30 Sept 2020)**: £636.7m**
- **DCF Valuation Range based on WACC vs. Growth Rate sensitivity analysis: £516.3m - £639.8m**
- **Final Implied Valuation Range using interquartile range: £501.7m - £582.2m**



CONCLUSIONS

The strike of COVID-19 caused an unprecedented downturn to the economies of countries all around the world. With mobility and lockdown restrictions, retailers, including the hospitality sector, have taken one of the biggest hits. causing a decrease in revenues and company valuations.

MAIN REASONS FOR VALUATION CHANGES

- Structural changes in the industry regulations.
- Market risk has increased.
  - Harsher entry barriers and many exiting firms.
- Large decrease in revenue in 2020 which will gradually increase in the following years.
- Growth rate has decreased due to economic slowdown.
- Cost of capital increases.
- Percentage of debt increase has raised post-covid leverage.
- Closed down 144 sites in 2020, and expected to open only 40 from 2022 to 2024 according to Post-Covid projections.
- Valuations and assumptions on growth projections have been kept on a more conservative side.
- Already low Pre-Covid margins implied necessity for a structural change for greater efficiency.

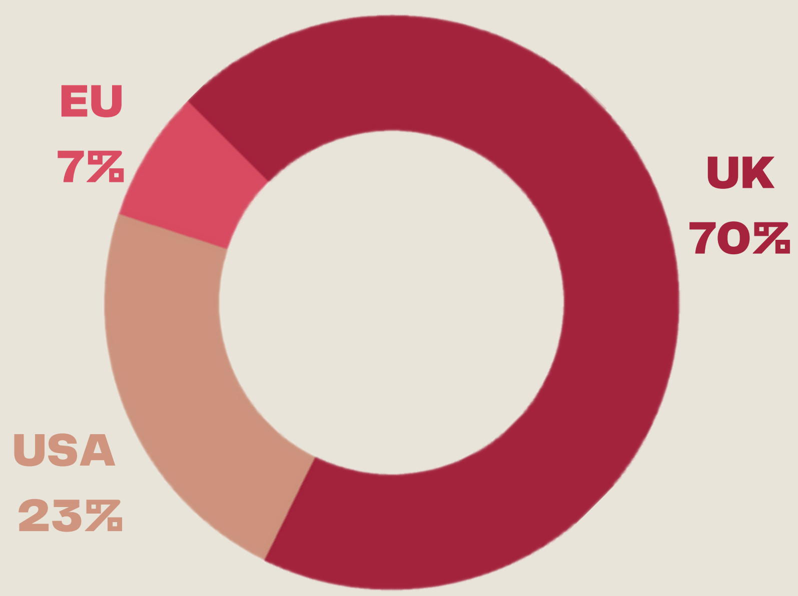
CONTENT OUTLINE

II. COMPANY OVERVIEW

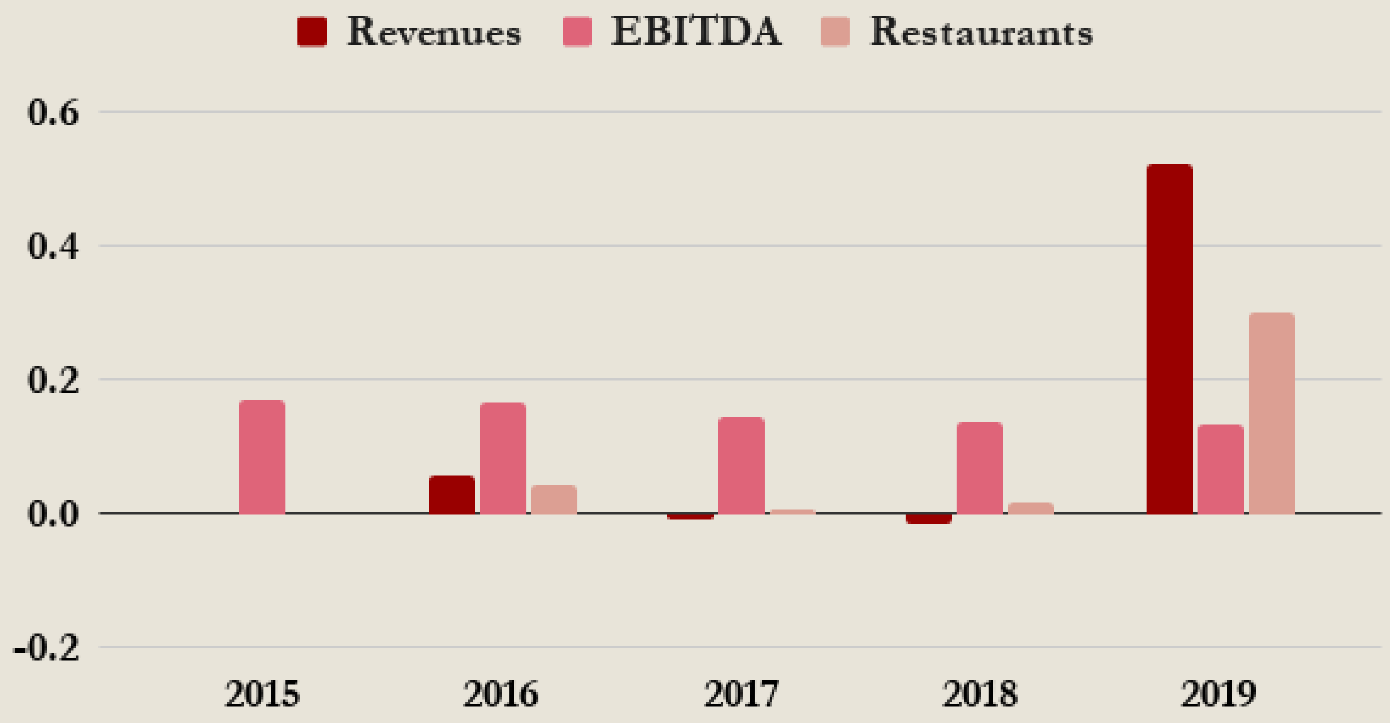
DevourAll Group plc

- **Underperformance** in the last 5 years.
- EBITDA margin has **contracted by 3.2%** from 2015 to 2019.
- Total revenue has **increased by 52.2%** from 2015 to 2019.

Sites per Geographic Market (2019)



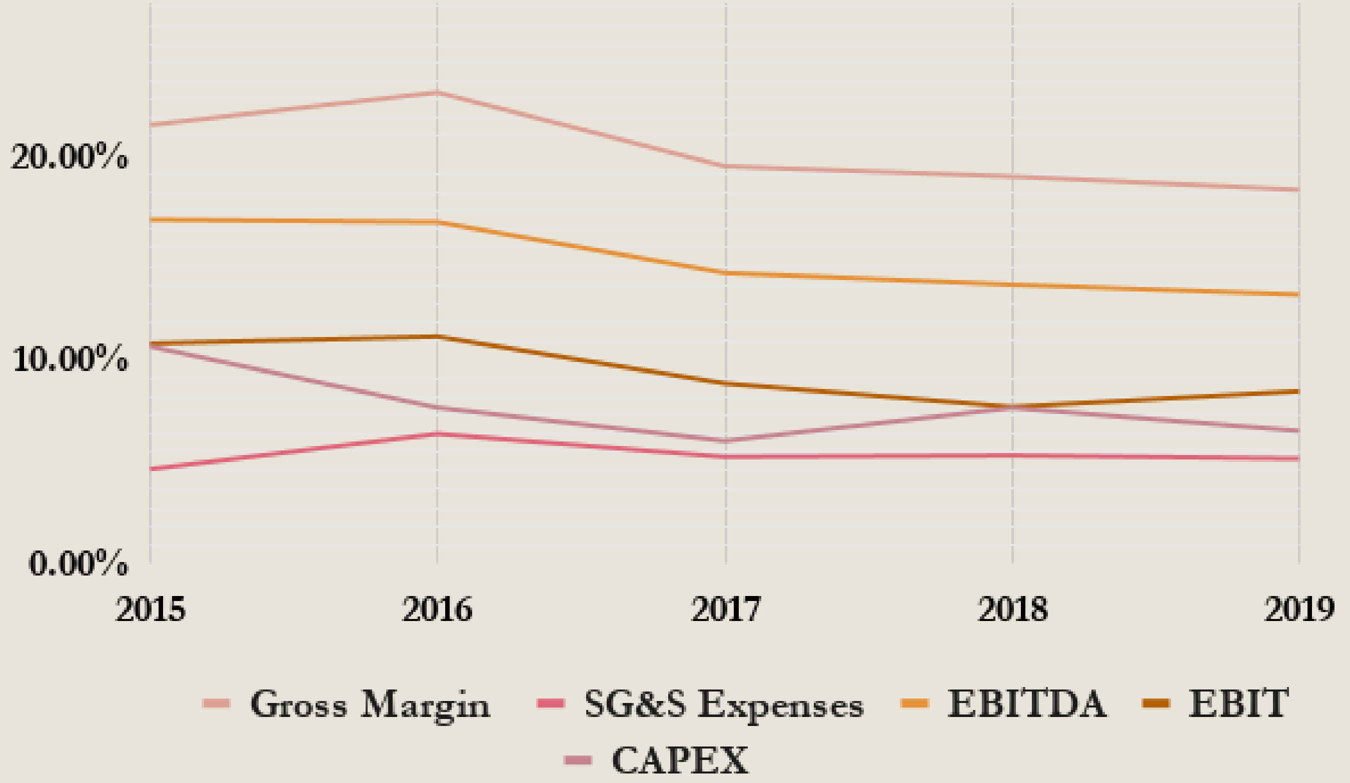
REVENUE, EBITDA & RESTAURANT YoY GROWTH 2015-2019



From 2015 to 2019

- **Revenue growth (2019) of 52.2%** with a **CAGR (15-19) of 9.38%., 13.11% growth in Revenue/Site** (15-19).
- The EBITDA CAGR (15-19) is 4.13%
- EBITDA/Revenues ratio **decreases by 3.7%** due to a **3.17% increase of COGS** as a % of revenues.
- Gross Margin has **decreased by 3.2%** & EBIT margin by 2.3% reflecting a **reduction in performance** although with positive returns.
- CAPEX maintained through the opening of new sites & restaurants.

ITEM AS % OF REVENUE



NOTE: COGS are kept constant at an average of 80% throughout the years

CONTENT OUTLINE

INDUSTRY ANALYSIS – GLOBAL MARKET OVERVIEW (PRE-COVID)

DELIVERY

- Over **17% growth in the delivery industry** during 2019
- Increasing availability of delivery platforms and restaurants offering **takeout**

TECHNOLOGY

- Importance of **online presence** (social media and online opinions)
- Users search convenience - payments & ordering
- Used in **management** for increased efficiency

FRANCHISE MODEL

- **Increasing trend** for international corporations to implement a franchise model with ownership of premises (secures long-term location lease)
- Emphasis on **location** of stores (essential to secure sales)

DECREASING MARGINS

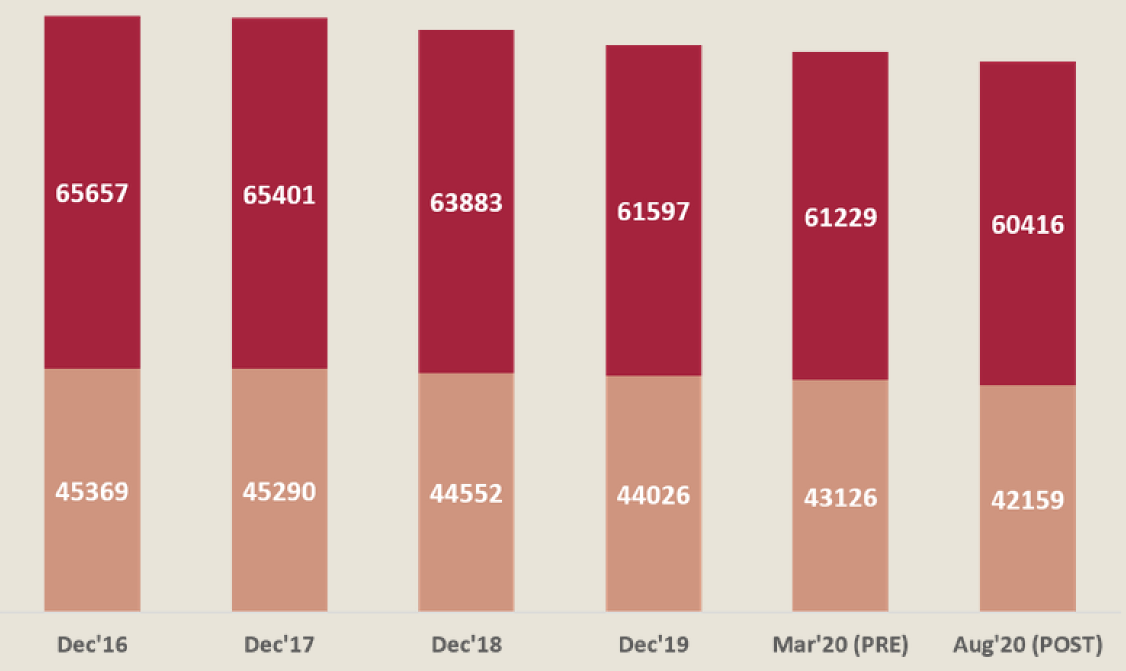
- **Rising labour costs** (60% of restaurants experienced this)
- Inflation in key food and drink categories (e.g Japanese)
- **Reduction of prices** due to saturated & competitive industry (growing variety of dining options)
- Alcoholic beverages account for **15% of overall sales**

SHIFT IN CONSUMER'S PREFERENCES

- **Healthy trend** (61% of dinners have healthier options)
- Veggie-based & Vegan options
- Global flavours
- **Smaller plates** due to more frequent meals

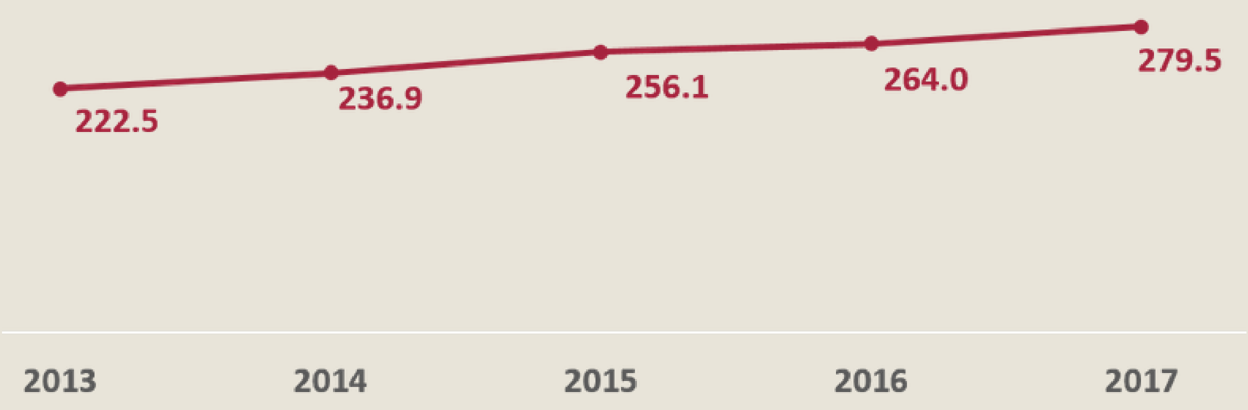
UK

NUMBER OF FOOD-LED & DRINK-LED PREMISES IN GB



EUROPE

Annual turnover of the restaurants and mobile food service in EU (billions)



USA

→ **3.6% nominal INCREASE** from 2018 revenues, despite the ongoing challenges

→ **Delivery increase** (72% casual-dining restaurants reported such increase)

→ **More confident customers** (pent up demand remains highest in lower incomes)

Sources: Statista, Market realist, CGA & National Restaurant Association

INDUSTRY ANALYSIS – GLOBAL MARKET OVERVIEW (POST-COVID)

(Appendix 1 for further information)

DELIVERY

- Delivery growth of **64% for fast food** and **160% for grocery** delivery services.
- **92%** of restaurant traffic is now **off-premise**
- The average online ordering **check size is 23% larger** than in-store checks

TECHNOLOGY

- **Greater importance of technology** for ordering, payment, and menu options to limit person-to-person contact
- 86% of Millennials try a new restaurant after seeing food-related **content online**

FRANCHISE MODEL

- Despite the sharp decrease in sales, **quick service and fast food have seen the largest rebound in sales**

INDUSTRY SHAKEOUT

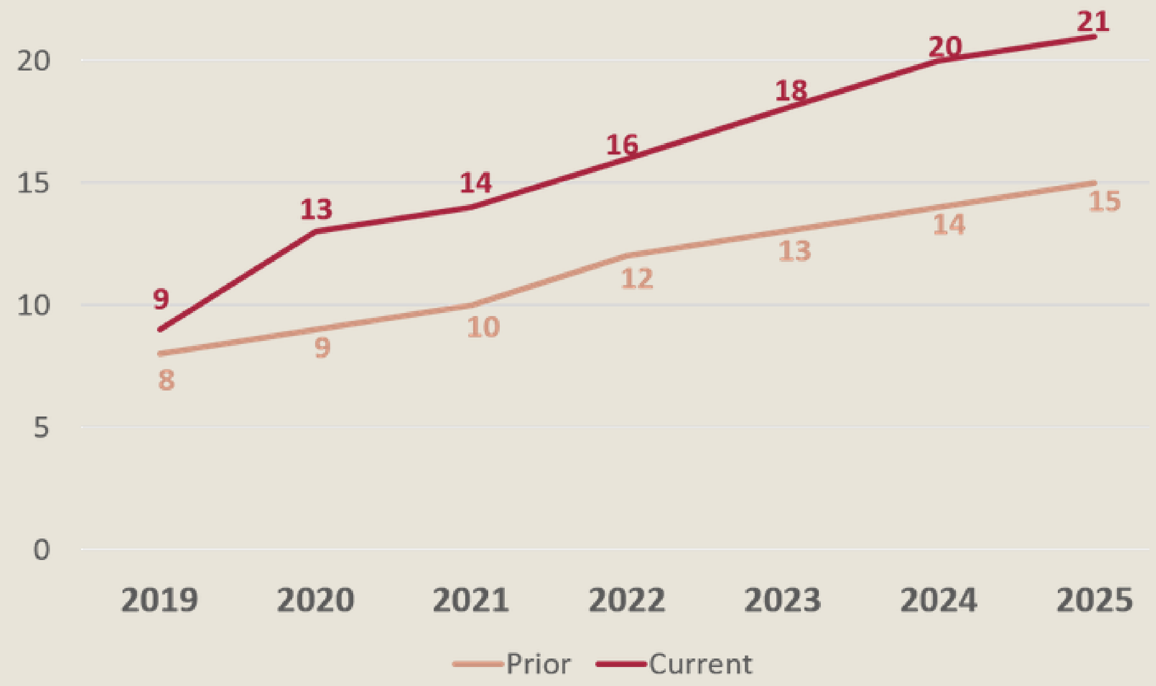
- Revenue **reduction of 60-80%** compared to 2019 levels
- **15%** of all eating and drinking establishments have **permanently closed** – $240 billion in restaurant sales will be lost this year
- **Quick service and casual dining** have grown in market share.
- Increasing importance of presence in **delivery services or drive-thru**

SHIFT IN CONSUMER'S PREFERENCES

- U.S. consumer **interest for restaurants has fallen** by 54%, and for nightlife businesses by 69%
- High expense of ordering food compared with home cooking **decrease preference for Restaurant Food deliveries**

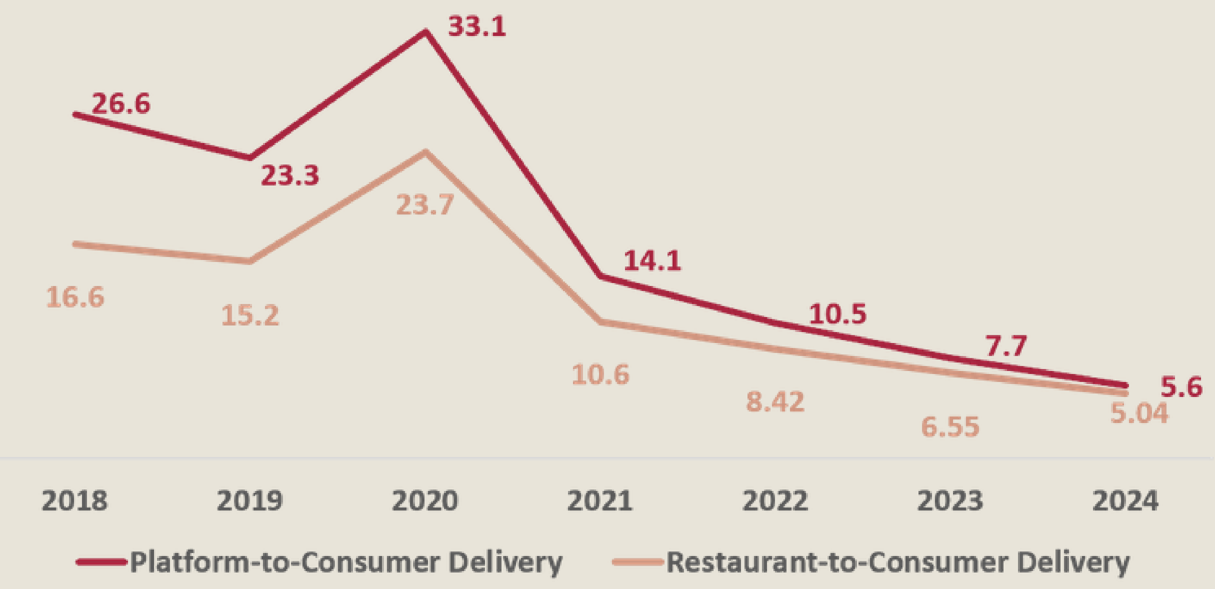
UK

DELIVERY SHARE MAY HAVE MOVED FORWARD 2 TO 3 YRS DUE TO COVID19
(Online Delivery Penetration Share of Total Addressable Market)



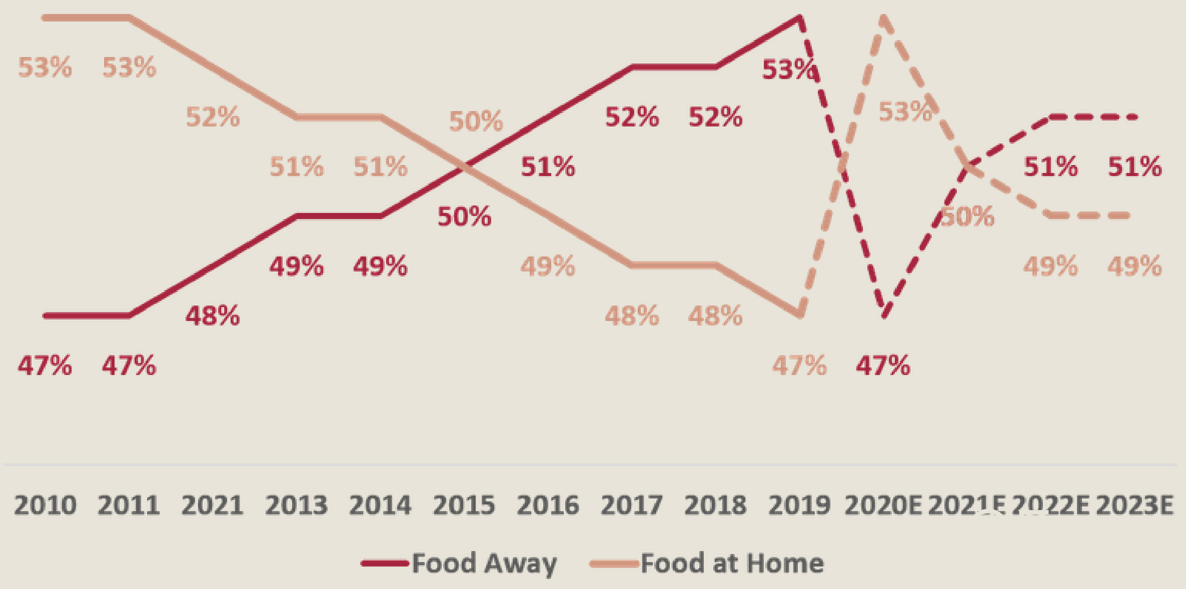
EUROPE

Source: Statista



USA

Source: US Census Bureau



Sources: Statista, US Chamber of Commerce, National Restaurant Association, BusinesWire

INDUSTRY ANALYSIS – PORTER'S FIVE FORCES – PRE COVID

ENTRANTS	RIVALRY	SUBSTITUTION	BUYER POWER	SUPPLIER POWER
MODERATE	VERY HIGH	HIGH	MODERATE	LOW

• No large upfront capital investments & low fixed costs
• High franchising opportunities
• Not easy to set economies of scale
• Ex-Post strategic barriers (predatory pricing)
  ◦ Lean & Hungry entry typology.
	• Competition is very high
	  ◦ Low firm concentration
	  ◦ Highly diverse competitors
	• Location as main advantage, product standardization
	• Low exit barriers
	• Higher visualization through apps
	• Intense competition as a key driver for low profitability
		• Delivery platforms compare various substitutes
		• Niche segmentation as key trend for competitive advantage
		• Low switching costs
		• Eating out as discretionary spending
			• Customers cannot bargain on price
			• The industry is affected by the buyer's choice and low switching costs facilitated by delivery apps.
			• Low loyalty from customers
			• Value to atmosphere and quality food
				• Depends on various suppliers
				• Not all suppliers have the same bargaining power
				• No need for highly skilled workforce for operations but high % of labour costs

Sources: Investopedia, Fernfort University, Statistica, The NDP Group Inc., Adhikari & Rao (2013), & BBC Reports 2019 & 2020

INDUSTRY ANALYSIS – PORTER'S FIVE FORCES – POST COVID

ENTRANTS

LOW

- Increase in marketing expenses & low fixed costs
- Lower profits
- Survivorship bias
- Higher structural barriers from new government regulations.
- Internal capital market increases chances of survival
- High shift in demand
  - Highly affected industry by new regulations

RIVALRY

HIGH

- Higher firm concentration
- Decrease in diverse competitors
- Lower demand
- Location no longer advantage, product standardization
- Lower visualization through apps
- Intense competition and decreasing demand as a key driver for low profitability

SUBSTITUTION

VERY HIGH

- Increasing trend towards grocery shopping
- Eating out spending reduces during recession / economic slowdown
- Delivery apps increase visibility & substitution combined with low loyalty drives losses in industry

BUYER POWER

HIGH

- Lower switching costs affected by delivery apps
- Low loyalty from customers
- Value to delivery and low prices
- Increased control of industry by customer demands.

SUPPLIER POWER

LOW

- No need for highly skilled workforce ; lower wages in the industry
  - Higher availability of skilled labour due to large unemployment in the sector caused by the failure of many businesses

Sources: Investopedia, Fernfort University, Statistica, The NDP Group Inc. & BBC Reports 2019 & 2020

INDUSTRY ANALYSIS – SWOT

(Appendix 2 for information on COVID restrictions)

Strengths

- **Diversified** restaurant chains that focus growth niches
  - Health trend – Monster Salad
- **Brand recognition**
  - E.g. Billy's Restaurants (UK) + Henry's Grill & Bar (US)
- Advertising and financial capabilities advantage over small businesses.
- Access to **internal capital market.**
- Experienced **senior management team.**

Weaknesses

- **Low penetration** in the **delivery market** (8% or revenues).
- Lack of **data-driven strategy, business intelligence** and technological R&D.
- Lack of suitable new restaurant locations.
- **High COGS** / low margins from high labour & food costs.
- Low customer **loyalty**, low customer **switching costs.**

Opportunities

- Sending **targeted customer communications** through apps and online channels.
- Installing more bespoke delivery stations in high traffic outlets.
- **Delivery takeout** has been increasing (around 25% of sales). Higher presence in delivery apps.
- Increasing **focus on supply chain management.**
- Applying for government incentives.
  - (EAT OUT TO HELP OUT – pay for half the meal, up to 10 pounds).

Threats

- High **risk of substitution** by customers.
- Intensified **competition** and change of customer preferences.
- **BREXIT** – difficulties in expansion to EU and the supply of resources
- Lockdown in March reduced revenues while maintaining fixed costs.
- The **shift in spending** from QSRs to grocery stores. Greater concern about hygiene and safety.
- EU/UK/US Government Regulations – **capacity constraints**.
- New **lockdown enforcements** amidst rise in second wave infections.
- **Straining distribution channels** as stricter travel and commerce regulations arise.

Sources: : www.gov.uk statistics, Alimarket.es, Daily News, , CREST NYD GROUP industry report 2020, BBC industry report 2020; MCKINSEY reports

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BUSINESS MANAGEMENT PLAN PRE- COVID (2020- 2024)

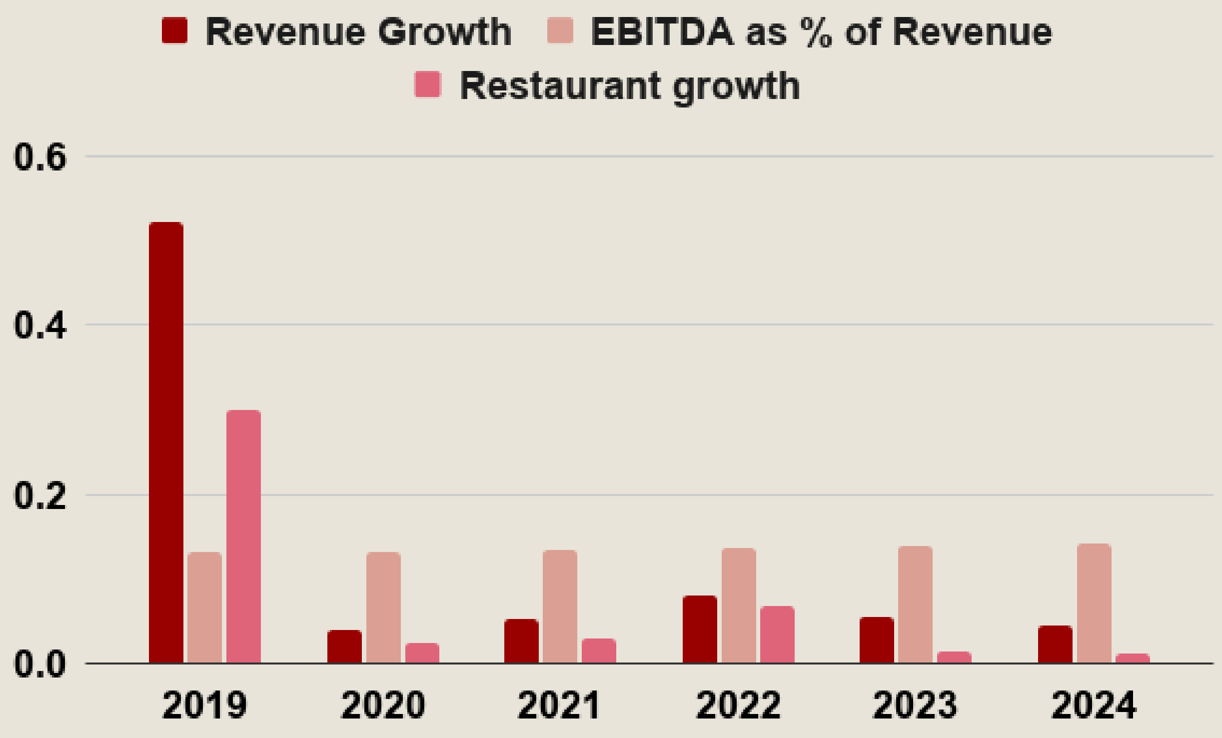
Main objectives

- Opening of **40-50 new sites by 2022** reflecting high CAPEX costs requirements in 2021 & 2022.
- Increasing revenue per site through menu renovation & technology for customer satisfaction.
- **Gross margin expected to increase by 1%** from 2020 to 2024 from **18.2% to 19.2% of revenue** due to supply chain integration.
- **EBITDA margin also aimed to increase by 1%** due to a reduction in operating expenses.
- Refinance long-term debt in 2023 at similar terms.

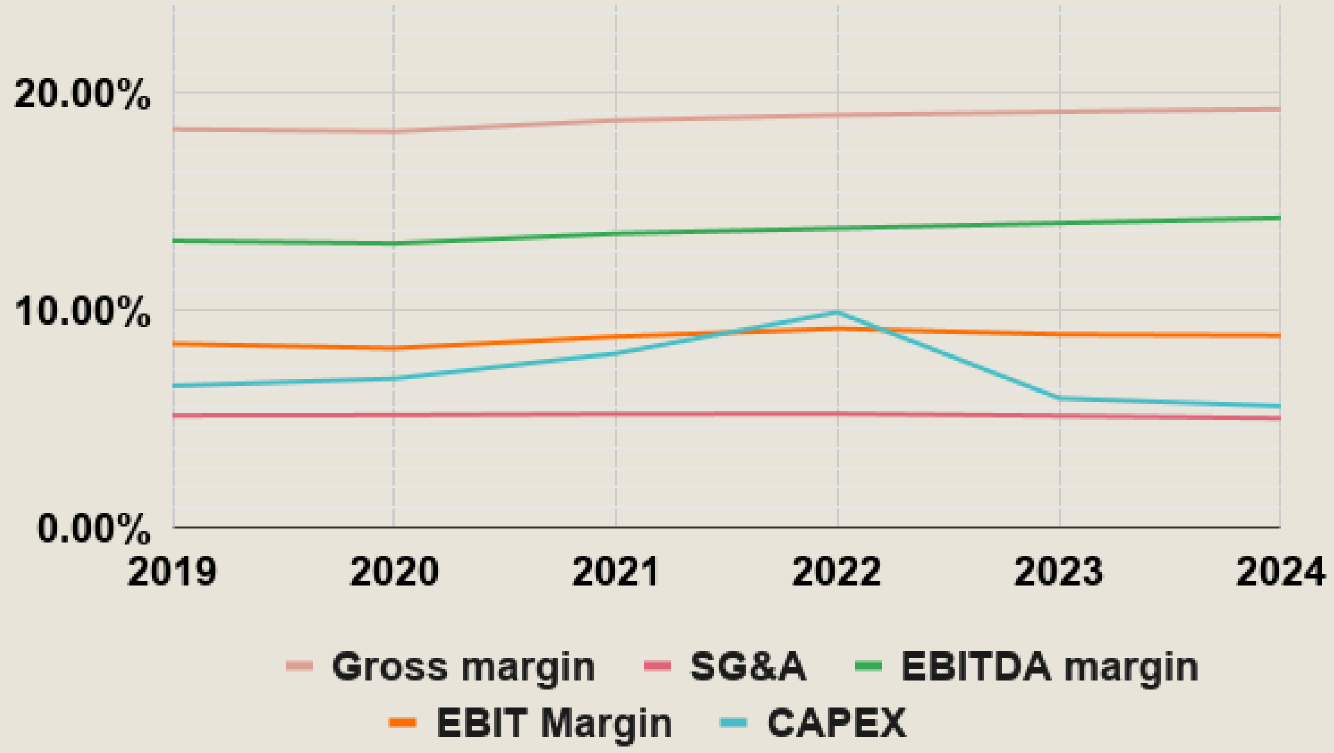
Other observations

- Restaurant division by geographic location expected to remain roughly the same as in 2015-2019 (70% UK, 20% US, 10% EU) although % in UK is being slightly reduced by the increase in the other 2 locations.
- Revenue expected to increase by 25.21% from 2020 levels by 2024 with a CAGR (20-24) of 4.60% implying expected increase in sales or price levels.
- Depreciation costs increase as a result of opening new restaurant sites but remain around 11-13% of land, buildings & equipment.

REVENUE, EBITDA & RESTAURANT YoY GROWTH 2019-2024



ITEM AS % OF REVENUE



NOTE: COGS are kept constant at an average of 80% throughout the years

BUSINESS MANAGEMENT PLAN PRE- COVID (2020- 2024)

*IN MILLIONS

PRE-COVID19 PROJECTIONS

	2019A	2020P	2021P	2022P	2023P	2024P	CAGR24/20
Total Revenue	856.8	890.5	938.1	1013.3	1068.0	1115.0	4.60%
% Growth	52.2%	3.9%	5.3%	8.0%	5.4%	4.4%	
Less: COGS	-699.9	-728.3	-762.4	-821.0	-863.8	-900.4	4.33%
% of Revenue	-81.7%	-81.8%	-81.3%	-81.0%	-80.9%	-80.8%	
Gross Profit	156.9	162.2	175.7	192.3	204.2	214.6	5.76%
% of Revenue	18.3%	18.2%	18.7%	19.0%	19.1%	19.2%	
Less: SG&A	-44.0	-45.9	-48.9	-52.9	-54.7	-55.9	4.02%
% of Revenue	-5.1%	-5.2%	-5.2%	-5.2%	-5.1%	-5.0%	
EBITDA	112.9	116.3	126.8	139.4	149.5	158.7	6.41%
% of Margin	13.2%	13.1%	13.5%	13.8%	14.0%	14.2%	
Less: Depreciation & Amc	-40.6	-43.0	-44.5	-46.8	-54.7	-60.3	7.00%
% of Revenue	-4.7%	-4.8%	-4.7%	-4.6%	-5.1%	-5.4%	
EBIT	72.30	73.3	82.3	92.6	94.8	98.4	6.07%
% of Margin	8.4%	8.2%	8.8%	9.1%	8.9%	8.8%	
CAPEX	-55.70	-60.9	-75.0	-100.2	-63.4	-62.1	0.39%
% of Revenue	-6.5%	-6.8%	-8.0%	-9.9%	-5.9%	-5.6%	
Number of Restaurants	519	531	546	583	591	597	
	30.1%	2.3%	2.8%	6.8%	1.4%	1.0%	
UK	362	367	375	393	398	401	1.79%
% weight	*69.7%*	*69.1%*	*68.7%*	*67.4%*	*67.3%*	*67.2%*	
US	118	121	126	136	139	140	2.96%
% weight	*22.7%*	*22.8%*	*23.1%*	*23.3%*	*23.5%*	*23.5%*	
EU	39	43	45	54	54	56	5.43%
% weight	*7.5%*	*8.1%*	*8.2%*	*9.3%*	*9.1%*	*9.4%*	
Sale per Unit	1.65	1.68	1.72	1.74	1.81	1.87	2.18%

PRE-COVID19 BALANCE SHEET

FYE 31 December	**2019A**	**2020P**	**2021P**	**2022P**	**2023P**	**2024P**
Cash	39.7	47.6	65.2	99	114.4	132.1
Receivables	17.4	18	18.4	19.2	19.8	20.4
Inventory	7.4	7.6	7.8	8.1	8.4	8.6
Prepaid Expenses and Other	24.2	24.1	24.1	24.1	24.1	24.1
Total Current Assets	**88.7**	**97.3**	**115.5**	**150.4**	**166.7**	**185.2**
Depreciations	(40.6)	(33.2)	(32.4)	(30.9)	(33.7)	(40.6)
Land, buildings and equipment	311.8	329.8	360.3	413.7	422.5	424.2
Intangibles & Goodwill	492.5	492.5	492.5	492.5	492.5	492.5
Other Assets	1	1	1	1	1	1
Total Non-Current Assets	**805.3**	**823.3**	**853.8**	**907.2**	**916**	**917.7**
Total Assets	**894**	**920.6**	**969.3**	**1057.6**	**1082.7**	**1102.9**
Trade Accounts Payable	52.2	64.2	61.6	62.9	67	68.3
Accrued Expenses	80.9	85.1	84.6	81.1	76.3	73.4
Short-term Debt	8.8	10	10	10	10	10
Other Current Liabilities	36.2	36.2	36.2	36.2	36.2	36.2
Total Current Liabilities	**178.1**	**195.5**	**192.4**	**190.2**	**189.5**	**187.9**
Long-term Debt	258.6	258.6	258.6	258.6	278.6	278.6
Capital Leases	9.5	10.0	12.0	15.0	15.0	15.0
Other Liabilities	83.1	82.2	71.9	69.5	67.9	67.1
Total Non-Current Liabilities	**351.2**	**350.8**	**342.5**	**343.1**	**361.5**	**360.7**
Total Liabilities	**529.3**	**546.3**	**534.9**	**533.3**	**551**	**548.6**
Total Equity	**364.7**	**374.2**	**434.5**	**524.4**	**531.8**	**554.3**
Total Liabilities + Equity	**894**	**920.5**	**969.4**	**1057.7**	**1082.8**	**1102.9**

MARKET ANALYSIS COMPARABLES – PRE-COVID

Peer group obtained from public companies in the **relevant industr**y (Quick services & casual dining restaurants; UK /US & EU) with sites ranging from **500 to 2000 sites;** slightly larger companies than DevourAll Group.

- Used an **exchange rate** to date 31.Dec.19 for single monetary terms.

Casual Dining Comparables (All monetary values in £)

Companies	Country	Market Cap*	EBITDA	EBIT	Revenues	Cash Equivalents	Debt	EV*	EV/Sales	EV/EBITDA	Debt/EBITDA	EV/EBIT	EV/EBITDA
The Restaurant Group	UK	2,800,000,000	136,700,000	74,500,000	1,073,052,000	49,756,000	286,628,000	3,036,872,000	2.8x	22.2x	2.1x	40.8x	22.22x
Greggs plc	UK	2,443,000,000	120,700,000	108,300,000	1,167,900,000	91,300,000	0	2,100,000,000	1.8x	17.4x	0.0x	19.4x	17.40x
Mitchels & Butler's	UK	195,645,747,440	436,000,000	177,000,000	2,237,000,000	133,000,000	1,564,000,000	3,480,000,000	1.6x	8.0x	3.6x	19.7x	7.98x
Whetherspoons	UK	1,999,500,000	219,327,000	95,419,000	1,818,793,000	42,950,000	786,092,000	2,790,000,000	1.5x	12.7x	3.6x	29.2x	12.72x
Darden Restaurants (30.11.2019)	US	10,950,226,244	896,078,431	638,838,612	6,418,099,548	673,152,338	2,512,594,268	14,600,301,659	2.3x	16.3x	2.8x	22.9x	16.29x
Bloomin' Brands	US	1,447,963,801	314,479,638	144,002,262	3,121,711,161	50,637,255	770,960,030	3,212,669,683	1.0x	10.2x	2.5x	22.3x	10.22x
AmRest	EU	1,887,590,994	333,841,205	89,385,475	1,660,318,266	89,893,347	1,340,951,414	3,064,161,165	1.8x	9.2x	4.0x	34.3x	9.18x
								Median Multiple	1.8x	12.7x	2.8x	22.9x	

- **Median multiple values** have been downward adjusted as a range from 60% -100%. to account for the firm size difference.
- **EV/EBITDA i**s the most reliable metric as it is not affected by depreciation and tax rates.
- **EV/SALES** used as alternative multiple for sensitivity analysis.

EV with median multiples(In £m)

Enterprise Value	2019
Sales	856.8
EBIT	72.3
EBITDA	112.9
EV acc. to Sales	1,540.6
EV acc. to EBITDA	1,436.2
EV acc. to EBIT	1,652.4

EV estimates adjusted for size difference (In £m)

(70-90% of EV/EBITDA and. EV/SALES to adjust for size difference)

	60%	70%	80%	90%	100%
EV/SALES	924.4	1078.4	1232.5	1386.6	1540.6
EV/EBITDA	861.7	1005.3	1148.9	1292.6	1436.2
EV/EBIT	991.4	1156.7	1321.9	1487.1	1652.4

EV by Market Approach: Sensitivity Analysis (In £m)

(EV as Arithmetic average of EV/EBITDA and. EV/SALES)

				1.8x		
	EV/SALES	60%	70%	80%	90%	100%
	EV/EBITDA					
	60%	893.0	970.1	1047.1	1124.1	1201.2
	70%	964.8	1041.9	1118.9	1195.9	1273.0
12.7x	80%	1036.7	1113.7	1190.7	1267.7	1344.8
	90%	1108.5	1185.5	1262.5	1339.6	1416.6
	100%	1180.3	1257.3	1334.3	1411.4	1488.4

Range for Enterprise Value per Market multiples: **£1,041.9m – £1,339.6m**

Sources: : Yahoo.finance, investopedia , investor.bloomingberg.com & annual 2019 reports from each company website except Nov. 2019 for Darden restaurants

CALCULATION OF WACC – PRE-COVID

(Appendix 3 for further information)

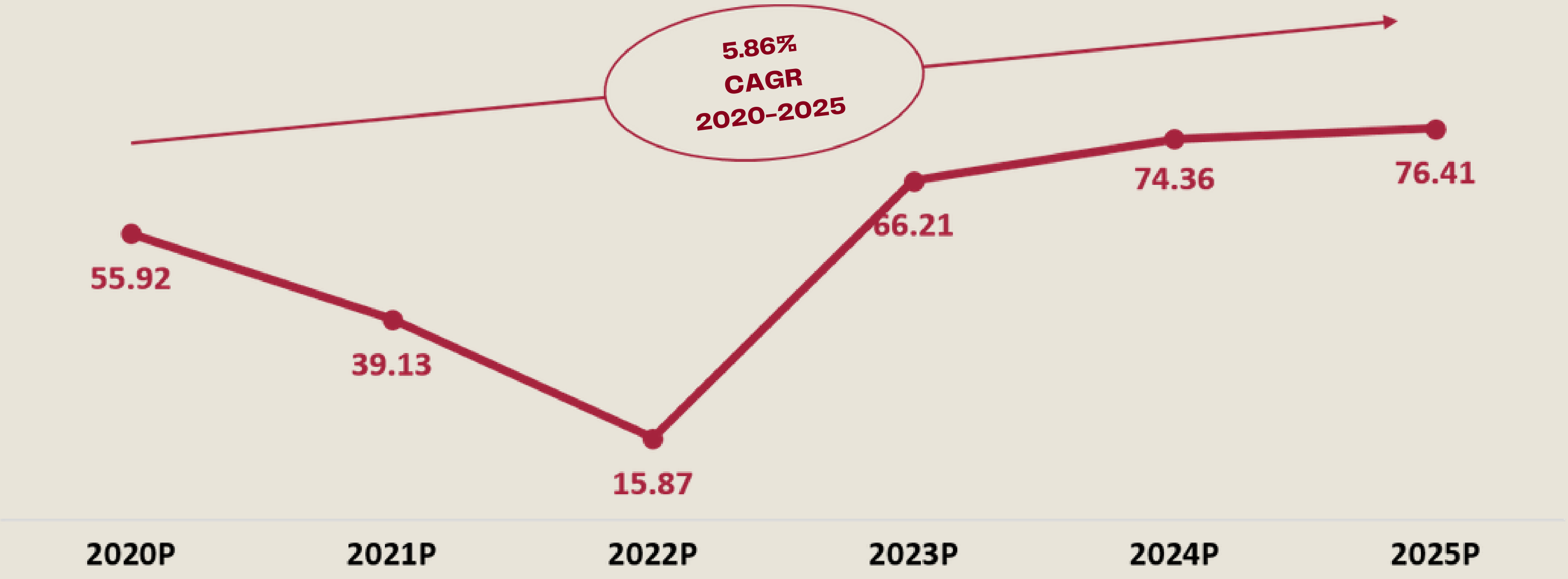
Components	Source	Value
After-tax Cost of Debt **4.78%**	• **Cost of Debt** calculated as a weighted average of of US/UK/EU store distribution. Resulting in a cost of debt of 4.90%.	4.90%
	• **Size Premium** (based on the difference of size with comparable public dining chains)	1.00%
	• **Effective Tax Rate** taken from KPMG (calculated weighted average based on geographical DevourALL store distribution).	21.00%
Cost of Equity **10.77%**	• 30 yrs government bonds [weighted average according to DevourALL store distribution - US (3.00%), UK (0.88%) & EU (1.98%)] as **Risk-Free Rate** taken from Duff&Phelps, ECB and statista.	1.56%
	• **Levered Beta** (Calculated by Unlevered beta taken from market analysis and weighted average UK/US/EU)	1.36
	• **Market Risk-Premium** weighted average according to DevourALL store distribution (US from Duff&Phelps, UK from KPMG and EU from ECB).	5.75%
	• **Size Premium** (to adjust for the difference of size with comparable public dining chains)	1.00%
Capital Structure	• **Equity** (£464.0m)	62.78%
	• **Debt** (£275.1m)	37.22%
WACC **8.54%**	• **Industry Unlevered Beta** (calculated through comparable companies in the casual dining industry and industry averages).	1.05
	• Based on the assumptions above, we obtain a Weighted Average Cost of Capital of **8.54%.**	**8.54%**

Sources: Damodaran, KPMG reports, Duff&Phelps, ECB, Statista & annual 2019 reports from each company website except Nov. 2019 for Darden restaurants

DISCOUNTED CASH FLOW ANALYSIS (DCF) - PRE-COVID

DCF Valuation

Cash Flows	2020P	2021P	2022P	2023P	2024P	Exit
(in millions)						
EBITDA	116.3	126.8	139.4	149.5	158.7	
EBIT	73.3	82.3	92.6	94.8	98.4	
Free Cash Flow						
EBIT	**73.3**	**82.3**	**92.6**	**94.8**	**98.4**	
Less: Taxes	15.4	17.3	19.4	19.9	20.6	
Plus Depreciation	43	44.5	46.8	54.7	60.3	
Less Changes in Working Capital	-15.5	3.7	3.3	1.6	2.4	
Less Capex	60.9	75	100.2	63.4	62.1	
Other Consumption of CF						
Other liabilities	-0.9	-10.3	-2.4	-1.6	-0.8	
Capital leases	0.5	2.0	3.0	0.0	0.0	
Unlevered Free Cash Flow	55.9	39.1	15.9	66.2	74.4	76.41
% of revenue	6.3%	4.2%	1.6%	6.2%	6.7%	
Perpetuity Present Value					**1,322.91**	
PV	**51.5**	**33.2**	**12.4**	**47.7**	**49.4**	



Observations:

- Marginal tax rate of 21% taken from KPMG (calculated weighted average based on geographical aspects in terms of DevourALL store distribution).
- Growth rate of 2.77% (1.77% inflation rate weighted average based on store distribution. 1.0% long term economy growth).
- Deferred Perpetuity PV, given perpetual cash-flow in 2025.

PV of Perpetuity Residual value	878.1
PV DevourAll	194.2
Total Present Value*	**1072.3**
Cash	39.7
Final Enterprise value	**1112.0**

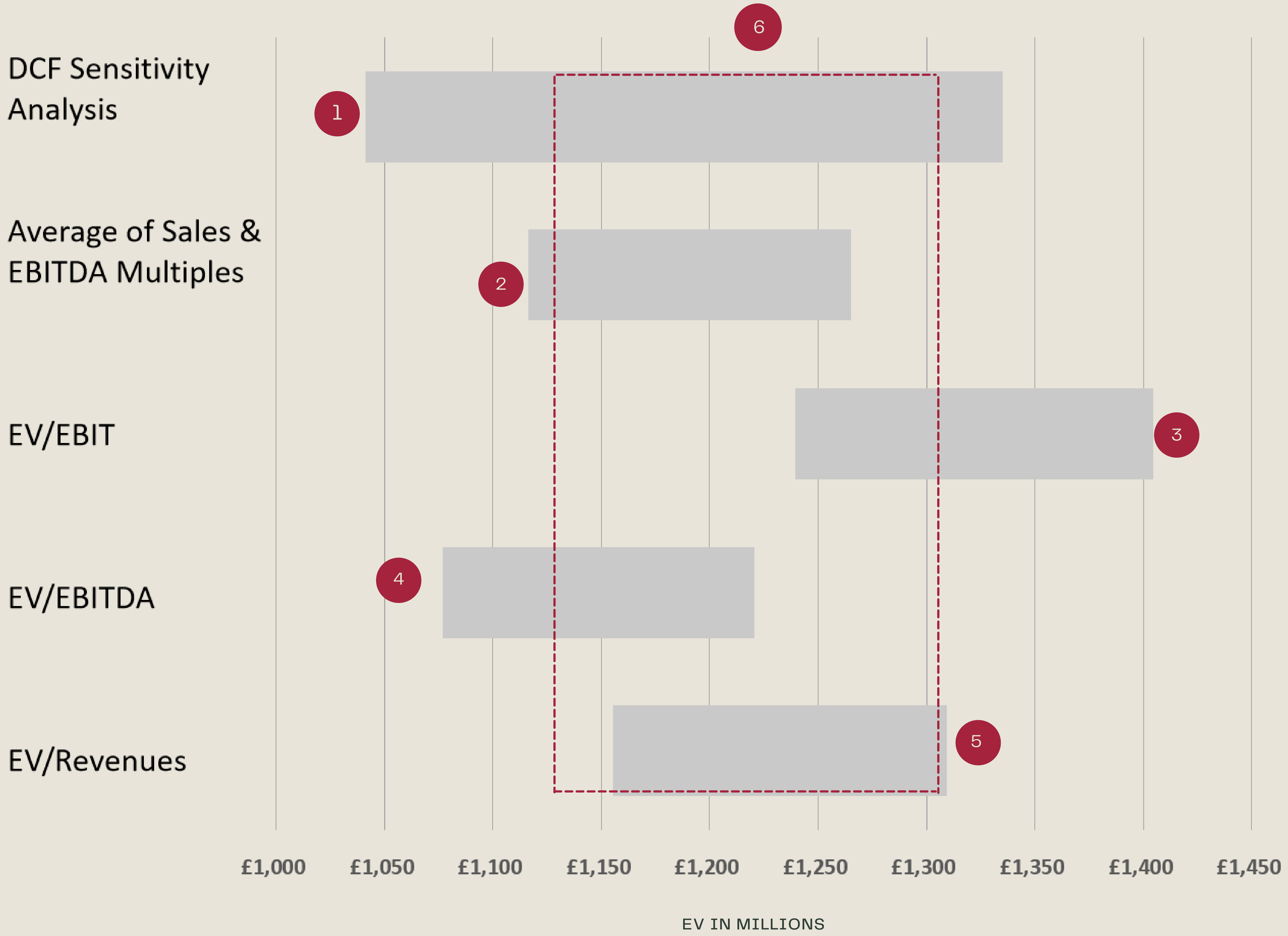
WACC vs Growth Rate Sensitivity Analysis (in £m)

Enterprise Value Range: **£894.4m – £1481.8.m**

		Growth Rate, G				
		1.77%	**2.27%**	**2.77%**	**3.27%**	**3.77%**
WACC, W	**6.54%**	1410.8	1547.1	1719.4	1944.4	2250.4
	7.54%	1159.2	1246.4	1351.8	1481.8	1646.3
	8.54%	982.4	1042.1	1112.0	1195.2	1256.2
	9.54%	851.6	894.4	943.6	1000.5	1067.3
	10.54%	751.0	782.9	818.8	859.7	906.7

FOOTBALL FIELD VALUATION PRE-COVID (BASED ON Q25-Q75)

(Appendix 7 for detailed calculations)



1. Resulting from DCF Sensitivity Analysis (7.40% - 9.40% WACC and 2.27% - 3.27% g): **£894.4m – £1481.8.m**

2. **Valuation** with Average of **EV/EBITDA and EV/Revenues** combination. 70% - 90% EV/Revenues multiple, and 70% - 90% EV/EBITDA multiple.

3. **EV/EBIT** multiple obtained from market comparable analysis. Applied valuation range of 70%-90% of comparable multiples to account for difference in firm size.

4. **EV/EBITDA** multiple obtained from market comparable analysis. Applied valuation range of 70%-90% of comps multiples to account for difference in firm size.

5. **EV/Revenues** multiple obtained from market comparable analysis. Applied valuation range of 70%-90% of comparable multiples to account for the difference in firm size.

6. **Final Implied Valuation Range** interval obtained from interquartile range, obtaining a valuation from **£1,125.9m – £1,307.0m**

CONTENT OUTLINE

BUSINESS MANAGEMENT PLAN POST- COVID (2020- 2024)

(Appendix 4 & 5 for detailed assumptions & projections)

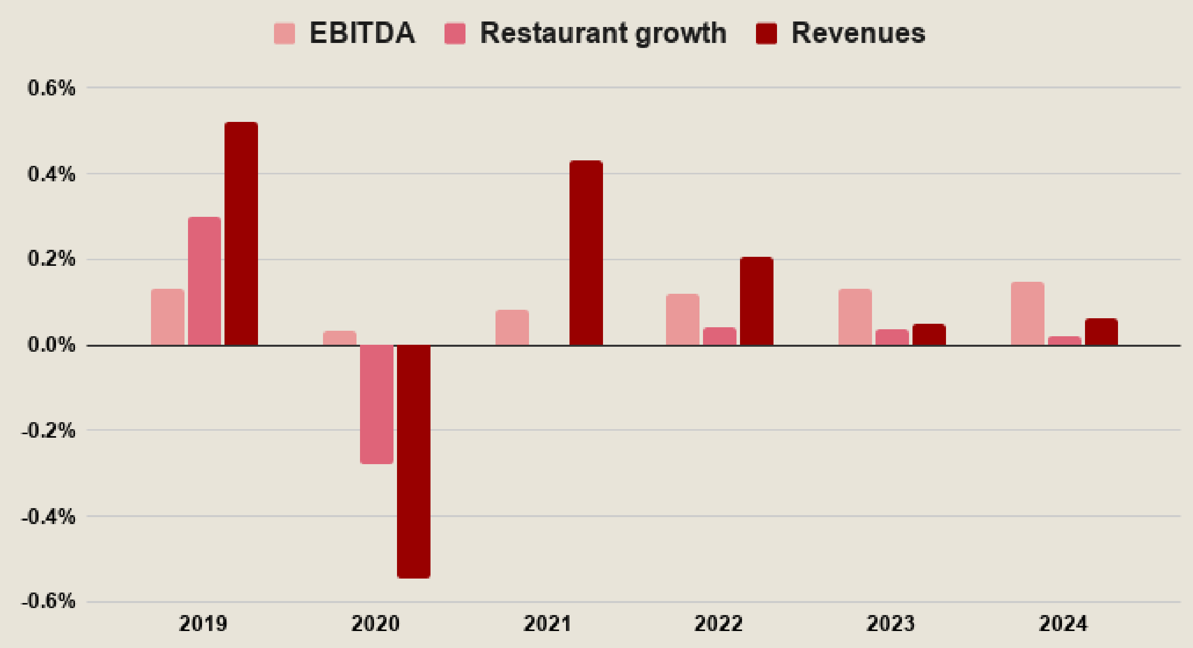
Main objectives

- **Exited 144 underperforming sites**, and halted opening of **40 new sites until 2022.**
- **High CAPEX investments** (£75m) beginning in 2022 to raise reach target revenue per site of 1.81 by 2024.
- Gross margin **aimed to increase in 2020** due to furloughs & cost-saving initiatives. **Expected to return to 19%** by 2024 from supply chain integration and normal operations.
- EBITDA margin to **decrease by 10%** in 2020 but gradually recover to 2019 levels in the next 3 years.
- **Capital expenditure to be £25.2m** in 2020, and approach a **long-term target of 5% of revenues**.
- Simplified balance sheet made according to financial projections (more info & assumptions shown in Appendix 3 & 4).

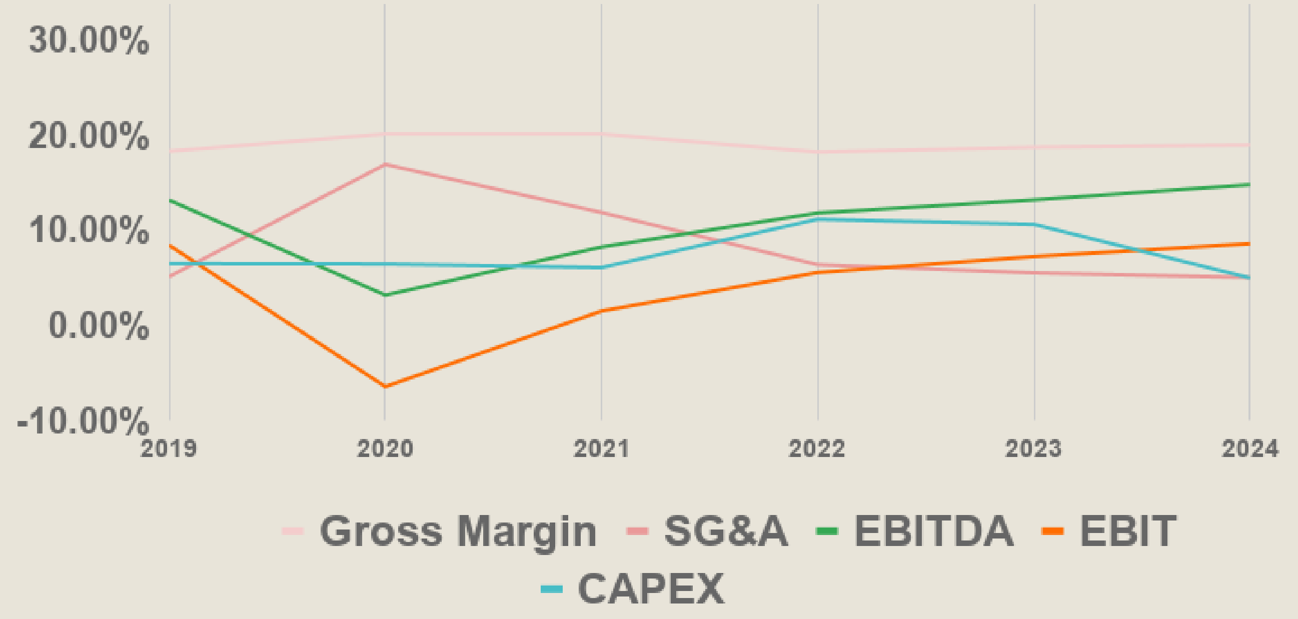
Other observations

- Restaurant division by geographic location **expected to remain roughly the same** as 2015-2019 (70% UK, 20% US, 10% EU) although % in the UK is being slightly reduced by the increase in the other 2 locations.
- Negotiated with its debtholders for covenant waivers and obtained a **new working capital facility of £30.0 million** to address liquidity issues.
- Store reopening plan to be resumed in 2022, assuming continuing with **40 new sites by 2024.**

REVENUE, EBITDA & RESTAURANT SITES YoY GROWTH 2019-2024



ITEM AS % OF REVENUE



NOTE: COGS are kept constant at an average of 80% throughout the years

BUSINESS MANAGEMENT PLAN POST- COVID (2020- 2024)

(Appendix 4 & 5 for detailed assumptions & projections)

POST-COVID19 PROJECTIONS

	2019A	2020P	2021P	2022P	2023P	2024P
Total Revenue	**856.8**	**389.8**	**557.2**	**671.8**	**705.7**	**749.9**
% Growth	52.2%	-54.5%	42.9%	20.6%	5.0%	6.3%
Less: COGS	(699.9)	(311.4)	(445.0)	(549.4)	(573.5)	(607.6)
% of Revenue	-81.7%	-79.9%	-79.9%	-81.8%	-81.3%	-81.0%
Gross Profit	156.9	78.5	112.1	122.4	132.2	142.3
% of Revenue	18.3%	20.1%	20.1%	18.2%	18.7%	19.0%
Less: SG&A	(44.0)	(66.0)	(66.2)	(42.9)	(39.0)	(37.9)
% of Revenue	-5.1%	-16.9%	-11.9%	-6.4%	-5.5%	-5.1%
EBITDA	112.9	12.5	46.0	79.4	93.1	104.4
% of Margin	13.2%	3.2%	8.2%	11.8%	13.2%	14.8%
Less: Dep. & Amort.	(40.6)	(37.5)	(37.5)	(42.0)	(42.0)	(40.0)
% of Revenue	-4.7%	-9.6%	-6.7%	-6.3%	-6.0%	-5.3%
EBIT	**72.3**	**(25.0)**	**8.5**	**37.4**	**51.1**	**64.4**
% of Margin	8.4%	-6.4%	1.5%	5.6%	7.2%	8.6%
CAPEX	(55.7)	(25.2)	(34.0)	(75.0)	(75.0)	(37.5)
% of Revenue	6.5%	6.5%	6.1%	11.2%	10.6%	5.0%
Number of Restaurants	519	375	375	391	406	415
	30.1%	-27.7%	0.0%	4.3%	3.8%	2.2%
UK	362	262	262	270	279	280
%	*69.7%*	*69.7%*	*69.7%*	*69.1%*	*68.7%*	*67.4%*
US	118	85	85.3	89	94	97
%	*22.7%*	*22.7%*	*22.7%*	*22.8%*	*23.1%*	*23.3%*
EU	39	28	28	32	33	38
%	*7.5%*	*7.5%*	*7.5%*	*8.1%*	*8.2%*	*9.3%*
Revenue per site	1.7	1.0	1.5	1.7	1.7	1.8
			New sites	16	15	9

POST-COVID19 BALANCE SHEET

FYE 31 December		2019A	2020P	2021P	2022P	2023P	2024P
Cash		39.7	24	34	25	22	69
Receivables		17.4	12.4	16	16	16	15
Inventory		7.4	4	5	6	6	6.5
Prepaid Expenses and Other		24.2	24.2	24.1	24.1	24.1	24.1
Total Current Assets		**88.7**	**65**	**79**	**71**	**68**	**114**
Land, buildings and equipment		311.8	311.8	311.8	311.8	311.8	311.8
Intangibles & Goodwill		492.5	492.5	492.5	492.5	492.5	492.5
New CAPEX accumulated			25.2	59.1	134.1	209.1	246.6
Depreciations accumulated			-37.5	-75.0	-117.0	-159.0	-199.0
Other Assets		1	1	1	1	1	1
Total Non-Current Assets		**805.3**	**793.0**	**789.4**	**822.4**	**855.4**	**852.9**
Annual depreciations forecast		-40.6	-37.5	-37.5	-42.0	-42.0	-40.0
Depreciations / tangibles		-13.0%	-12.5%	-12.6%	-12.7%	-11.6%	-11.1%
Total Assets		**894**	**858**	**868**	**894**	**924**	**967**
Trade Accounts Payable		52	62	62	57	55	55
Accrued Expenses		81	36	51	63	66	70
Short-term Debt		9	39	39	39	39	39
Other Current Liabilities		36	36	36	36	36	36
Total Current Liabilities		**178**	**173**	**188**	**195**	**196**	**200**
Long-term Debt		259	259	259	259	259	259
Capital Leases		10	10	10	10	10	10
Other Liabilities		83	83	83	83	83	83
Total Non-Current Liabilities		**351**	**351**	**351**	**351**	**351**	**351**
Total Liabilities		**529**	**524**	**539**	**546**	**547**	**551**
Total Equity		365	334	329	347	376	416
Total Liabilities & Equity		894	858	868	894	924	967
Interest expenses	**4.80%**		14.3	14.3	14.3	14.3	14.3
EBIT			**(25.0)**	**8.5**	**37.4**	**51.1**	**64.4**
EBT			**(39.3)**	**-5.8**	**23.1**	**36.9**	**50.2**
Earnings after Taxes	**21%**		**-31.0**	**-4.6**	**18.3**	**29.1**	**39.6**

MARKET ANALYSIS COMPARABLES – POST COVID

Peer group obtained from public companies in the **relevant industr**y (Quick services & casual dining restaurants; UK /US & EU) with sites ranging from **350 to 2000 sites;** slightly larger companies than DevourAll Group.

- **Exchange rate** to date 30.Sept.2020

Casual Dining Comparables (All monetary values in £)

AS OF SEPTEMBER 2020		Market Data						Valuation Multiples				
Companies	Country	Market Cap	EBITDA	EBIT	Revenues	Cash Equivalents	Debt	EV	EV/Sales	EV/EBITDA	Debt/EBITDA	EV/EBIT
The Restaurant Group	UK	396,640,000	18,900,000	(62,600,000)	784,353,000	132,853,000	310,900,000	1,530,000,000	2.0x	81.0x	16.4x	-
Greggs plc	UK	1,863,000,000	45,100,000	(65,200,000)	300,600,000	52,900,000	26,200,000	2,170,000,000	7.2x	48.1x	0.6x	-
Mitchels & Butler's	UK	1,064,000,000	255,000,000	(123,000,000)	1,475,000,000	225,000,000	2,104,000,000	3,500,000,000	2.4x	13.7x	8.3x	-
Whetherspoons	UK	1,390,000,000	86,150,000	(34,095,000)	1,262,000,000	174,451,000	817,000,000	2,760,000,000	2.2x	32.0x	9.5x	-
Darden Restaurants	US	11,922,345,000	313,631,460	37,203,930	6,063,619,230	763,300,000	931,107,960	15,316,524,000	2.5x	48.8x	3.0x	411.7x
Bloomin' Brands	US	1,289,322,000	229,210,384	114,883,250	2,421,133,124	160,032,000	863,915,643	3,013,596,000	1.2x	13.1x	3.8x	26.2x
AmRest	EU	1,152,144,000	81,829,440	24,040,800	620,524,800	62,700,000	1,442,448,000	2,431,296,000	3.9x	29.7x	17.6x	101.1x
								Median Multiple	2.4x	32.0x	8.3x	-

- **Median multiple values** have been downward adjusred from 60% -100% of value to account for the size difference.
- **EV/EBITDA** is no longer the most reliable metric because of an unusually large reduction in margins in the industry.
- **EV/SALES** used as alternative multiple for sensitivity analysis.
- **EV/EBIT** will not be used due to operating losses by most firms in the peer group – especially in the UK

EV with median multiples (in £m)

Enterprise Value	2020
Sales	389.8
EBITDA	12.5
EV acc to Sales	925.1
EV acc to EBITDA	399.7

EV estimates adjusted for size difference (in £m)

(70-90% of EV/EBITDA and. EV/SALES to adjust for size difference)

	60%	70%	80%	90%	100%
EV/SALES	555.0	647.5	740.0	832.5	925.1
EV/EBITDA	239.8	279.8	319.7	359.7	399.7

EV by Market Approach: Sensitivity Analysis (in £m)

(EV as Arithmetic average of EV/EBITDA and. EV/SALES)

		2.4x				
	EV/SALES	60%	70%	80%	90%	100%
	EV/EBITDA					
	60%	397.4	443.7	489.9	536.2	582.4
	70%	417.4	463.7	509.9	556.2	602.4
32.0x	80%	437.4	483.6	529.9	576.1	622.4
	90%	457.4	503.6	549.9	596.1	642.4
	100%	477.3	523.6	569.9	616.1	662.4

Range for Enterprise Value per Market multiples: **£463.7m – £596.1m**

Sources: : Yahoo.finance, investopedia , investor.bloomingberg.com & annual or semi-annual 2020 reports from each company website

RE-CALCULATION OF WACC – POST COVID

(Appendix 6 for detailed calculations)

Components	Source	Value
After-tax Cost of Debt **3.89%**	• **Cost of Debt** calculated as a weighted average of of US/UK/EU store distribution. Resulting in a cost of debt of 3.80%.	3.80%
	• **Size Premium** (based on the difference of size with comparable public dining chains)	1.00%
	• **Effective Tax Rate** taken from KPMG (calculated weighted average based on geographical DevourALL store distribution).	21.00%
Cost of Equity **14.11%**	• 30 yrs government bonds [weighted average according to DevourALL store distribution – US (3.00%), UK (0.26%) & EU (0.66%)] as **Risk-Free Rate** taken from Duff&Phelps, ECB and statista	1.04%
	• **Levered Beta** (Calculated by Unlevered beta taken from market analysis and weighted average UK/US/EU)	1.63
	• **Market Risk-Premium** weighted average according to DevourALL store distribution (US from Duff&Phelps, UK from KPMG and EU from ECB)	7.03%
	• **Size Premium** (based on the difference of size with comparable public dining chains)	1.00%
Capital Structure	• **Equity** (£387.5m)	56.58%
	• **Debt** (£297.4m)	43.42%
WACC **9.67%**	• **Industry Unlevered Beta** (calculated through comparable companies in the casual dining industry, and industry averages)	1.21
	• Based on the assumptions above, we obtain a Weighted Average Cost of Capital of **9.67%**	**9.67%**

Sources: Damodaran, KPMG reports, Duff&Phelps, Ycharts, Fenebris, ECB, Statista & annual 2020 reports from each company website

DISCOUNTED CASH FLOW ANALYSIS (DCF) – POST COVID

*IN MILLIONS

DCF Valuation

Cash Flows	2020P	2021P	2022P	2023P	2024P	Exit
(in millions)						
EBITDA	12.5	46.0	79.4	93.1	104.4	
EBIT	(25.0)	8.5	37.4	51.1	64.4	
Free Cash Flow						
EBIT	**(25.0)**	**8.5**	**37.4**	**51.1**	**64.4**	
Less: Taxes	0.0	0.0	4.4	10.7	13.5	
Plus Depreciation	37.5	37.5	42.0	42.0	40.0	
Less Changes in Working Capital	26.7	-10.3	-6.4	-0.8	-4.4	
Less Capex	25.2	34.0	75.0	75.0	37.5	
Other Consumption of CF						
Unlevered Free Cash Flow	(39.4)	22.3	6.4	8.2	57.9	59.0
% of revenue	-4.4%	2.4%	0.6%	0.8%	5.2%	
Perpetuity Value (Residual value)					768.5	
PV	-35.9	18.5	4.9	5.7	36.5	

Observations:

- **Marginal tax rate** of 21% taken from KPMG (calculated weighted average based on geographical aspects in terms of DevourALL store distribution).
- **Growth rate** of 1.99% (0.99% on inflation based on Eurostat & Statista and assuming a long term 1% economy growth).
- **WACC** of 9.67%.
- Deferred Perpetuity PV, given perpetual cash-flow in 2025
- Valuation at September 30, 2020, adjusts for FCF for cash flows discounted at irregular time intervals.

PV DevourAll	29.6
PV of RV based on perpetuity	**484.4**
Total Present Value*	**514**
Cash	39.7
Final Enterprise value	**553.7**

Valuation at Sept.30 2020

Years	0.25 2020P*	1.25 2021P	2.25 2022P	3.25 2023P	4.25 2024P	Exit
Unlevered Free Cash Flow	-9.9	22.3	6.4	8.2	57.9	59
Perpetuity Value (Residual value)					805.7	
PV of FCF	-9.6	19.8	5.2	6.1	39.1	

PV FCF DevourAll	60.6
PV of RV based on perpetuity	544.2
Sum of PV's	604.8
Add: Cash	31.9
Final Enterprise value	**636.7**

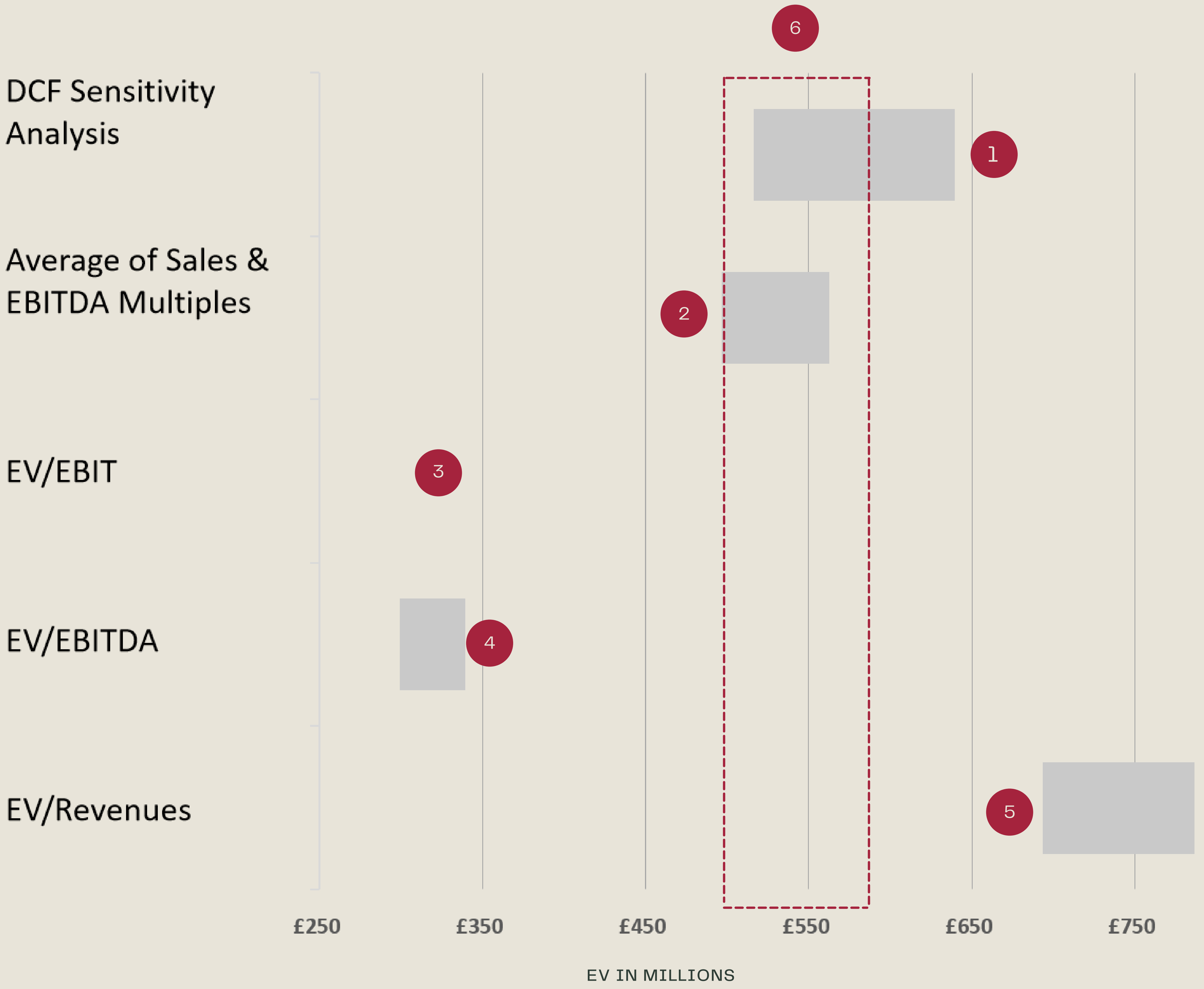
WACC vs Growth rate Sensitivity Analysis

Enterprise Value Range: **£454.6m – £701.6m**

		Growth Rate				
		0.99%	**1.49%**	**1.99%**	**2.49%**	**2.99%**
WACC	**7.67%**	684.2	733.6	791.7	861.0	945.2
	8.67%	578.5	613.8	654.4	701.6	757.1
	9.67%	497.9	524.1	553.7	587.4	586.5
	10.67%	434.6	454.6	476.9	501.9	530.2
	11.67%	383.7	399.3	416.6	435.7	457.0

FOOTBALL FIELD VALUATION POST-COVID (BASED ON Q25 - Q75)

(Appendix 7 for detailed calculations)



1. Resulting from Gordon Growth DCF (8.67% - 10.67% WACC and 1.49% - 2.49% g): **£445.6m - £701.6m**
2. **Valuation** with Average of **EV/EBITDA** and **EV/Revenues** combination. 70% - 90% EV/Revenues multiple, and 70%-90% EV/EBITDA multiple. (See Appendix 7)
3. **EV/EBIT** valuation not application in the Post-COVID19 scenario as the multiples obtained from the comparable casual dining companies presented negative EBIT in 2020.
4. **EV/EBITDA** lower valuation range is explained due to the lower sales revenue and low margins marking the casual dining industry during the unexpected global pandemic.
5. **EV/Revenues** higher valuation range is explained due to market comparison being done with public companies considered large compared to DevourALL.
6. **Final Implied Valuation Range** interval obtained from estimation through Inter Quartile Range, obtaining a valuation from **£501.7m- £582.2m**

CONTENT OUTLINE

ANALYSIS OF MAIN CHANGES PRE VS. POST COVID

ELEMENTS	PRE-COVID	POST-COVID	COMMENTS & CHANGES
Market Overview	• Experiencing revenue & industry growth in all three locations = high attractiveness • Large market entry due to industry profits • Delivery as % of sales increase by 17%, • Labour costs increasing; • Positive inflation • Importance of technology for social presence and convenience. • Trend towards franchising.	• Global COVID pandemic caused revenue reduction of 60-80% • Delivery percentages increased significantly especially through online platforms • Large availability of labour market • Decreasing prices due to competition • Importance of technology to comply with hygiene measures • QSR industry has seen the largest rebound in sales as measures relaxed.	• Key Success Factors have changed. • **Online payment** and delivery and **drive-thru** options are critical to surviving during the restrictions. • **Consumers will dictate** what operators have to do next; • **Changes in menu options** to fulfil larger families, and change to healthier, full-course meals at pickups or home deliveries. • Finding ways to continue the **differentiation strateg**y through service and meals.

Management Plan	• Opening of 78 new sites by 2024, revenue per site CAGR (20-24) of 2.18%
	  ◦ Gross margin to increase by 1% in the same period,
	• Refinancing Long-term debt by 2023, EBITDA margin to increase by 1%,
	• 597 sites by 2024 (67.1% UK /23.5% US /9.4% EU)
		• Exiting 144 sites by 2020 & beginning 2022 opening of 40 new sites by 2024
		  ◦ Revenue per site by 2024 increases by 9.4% compared to 2019 levels,
		  ◦ Gross margins increase to 20% then come back to 19% by 2024
		  ◦ EBITDA margin decreases by 10% but by 2024 exceed 2019 margins by 1%.
		• 415 sites by 2024 (67.4% UK / 23.3% US / 9.3% EU)
			• **Growth strategy put on hold until 2022** due to industry dynamics and government restrictions in consequence of COVID.
			• After 2022 growth strategy continued
			  ◦ Cash accumulated
			  ◦ **Short term debt increased** due to refinancing Work In Capital Facility
			• Converted **35 sites to delivery kitchen** to fulfil delivery demands in 2020.
			• **Large CAPEX increase in 2022 and 2023 to open sites** to increase EU & US percentage of sales, therefore diversifying revenue streams to handle liquidity reduction.

ANALYSIS OF MAIN CHANGES PRE VS. POST COVID

ELEMENTS	PRE-COVID	POST-COVID	COMMENTS & CHANGES
Market Approach Valuation	• EV by exact sales multiple: **£1,540.7m** • EV by to exact EBITDA multiple:**£1,436.2m** • EV range by EBITDA multiple adjusting for size (70-90%): **£1005.3m -£1,292.6m** • EV range by Sales multiple adjusting for size (70-90%)**£1,078.4m.- £1,386.6m** • EV Range by EBIT **£1,156.7m.- £1,487.1m** • EV Range from EV/EBITDA vs EV/Sales: **£1,041.9m – £1,339.6m**	• EV by exact sales multiple: **£925.1m** • EV by to exact EBITDA multiple:**£399.7m** • EV range by EBITDA multiple adjusting for size (70-90%) **£279.8m – £359.7m** • EV range by Sales multiple adjusting for size (70-90%): **£647.5m – £832.5m** • EV Range by EBIT **N/A** • EV Range from EV/EBITDA vs EV/Sales: **£463.7m – £596.1**	• To account for size discrepancy between DevourAll and its comparable competitors, **we adjust the multiples to reflect valuation at different sensitivities.** • Valuation by market multiple significantly **decreases after COVID due to average industry profitability decrease** as a result of restrictions and market consequences of the pandemic.
WACC	• After-Tax Cost of Debt – 4.78% • Cost of Equity – 10.77% • Levered Beta – 1.36 • Capital Structure – Equity (62.78%%) & Debt (37.22%%) • Industry Unlevered Beta – 1.05 • **WACC – 8.54%**	• After-Tax Cost of Debt – 3.89% • Cost of Equity – 14.11% • Levered Beta – 1.63 • Capital Structure – Equity (56.56%) & Debt (43.42%) • Industry Unlevered Beta – 1.21 • **WACC – 9.67%**	• Cost of capital increase by 113 basis points • **Cost of debt decreases** driven by easy monetary policy in all the countries • Higher cost of equity. • Levered beta increases due to an **increase in the unlevered beta** due to heavier industry barriers . • Cost of capital is therefore greater after COVID due to increased idiosyncratic and market risk in 2020 .
DCF	**At 31 Dec 2019** • Enterprise Value: **£1,112.0m**	**At 31 Dec 2019** • Enterprise Value: **£553.7m** **At 30 Sept 2020** • Enterprise Value: **£636.7m**	• DCF Calculation reflects a **drop in valuation by 42.7%**. by 31 Sept 2020 • **Higher market risk premium** and **higher cost of equity.** • **Reduced cash flows** and lower perpetual rates of growth. • Many firms will exit the market as is the **industry shakeout**. Eventually, few firms will be left and profitability will increase. • Post-Covid Valuation at date Sept.30, 2020, **increases** in regards to the end of the previous fiscal year (Dec,31) as it does **not account all the operational loss** (£25m) of the year.

ANALYSIS OF MAIN CHANGES PRE VS. POST COVID

ELEMENTS	PRE-COVID	POST-COVID	COMMENTS & CHANGES
WACC vs. Growth Rate Sensitivity Analysis	• Enterprise Value Range: **£894.4.6m – £1,481.8m** • WACC range: 7.54%-9.54% • Growth rate range: 2.27%-3.27%	• Enterprise Value Range: **£454.6m – £701.6m** • WACC range: 8.67%-10.67% • Growth rate range: 1.49%-2.49%	• DevourAll Group Inc. **valuation in 2020 has decreased between 21.5% - 69.3% from 2019** value reflecting a reduction in the size of operations and a reduction in overall profitability and cash flows. • This is a large margin, for which the interquartile range of all valuations has been taken below.
Final Implied Valuation Range	• Final Implied Valuation Range obtained from average interquartile range of all previous valuation methods (Appendix 7 for detailed calculations). • Final Implied Valuation Range from **£1,125.9m – £1,307.0m**	• Final Implied Valuation Range obtained from average interquartile range of all previous valuation methods (Appendix 7 for detailed calculations). • Final Implied Valuation Range from: **£501.7m – £582.2m**	• Both values have been **obtained using the interquartile range** to obtain narrower ranges • The Post-Covid valuation has been reduced between **48.3% – 61.6%** from its original Pre-Covid valuation. • Reduction as the management plan **scales down operations** to adjust capacity to decreased demand.

RECOMMENDATIONS AND CONCLUSIONS

POSSIBLE RECOMMENDATIONS FOR DEVOURALL GROUP

- Further **enhance delivery capabilities** beyond 2020 – During COVID, it will help boost up sales and cover costs even during territorial lockdown (Ghost Kitchens).
- Further **digitise customer experience** as social distancing will most probably outlast the pandemic, it will limit physical contact and enhance customer loyalty and experience.
- **Creating business synergies** to mitigate financial impacts and increase efficiencies since the company had been operating at low margins even before COVID. – Need to identify the main causes of inefficiencies through resources & capabilities restructuring.
- **Focus on Market Penetration and Market Development** as growth opportunities arise in the sector (Casual Dining).
- **Restructure the balance sheet** to reduce debt in order to obtain lower D/E ratios by paying back long-term and short-term debt or increasing equity financing.
- New menu to emphasise a zero-waste kitchen (fewer items with similar raw resources) to reduce costs and increase efficiency or other **lean strategies** like process standardization.
- **Increase cash inflows** from the US and EU due to higher political risk in the UK caused by BREXIT – this will diversify revenue streams and reduce market risk by **continuing the restaurant growth** until 2027 at least to match pre-covid management plan revenue per site of 2024.

DevourAll

RECOMMENDATIONS AND CONCLUSIONS

CONCLUSIONS

PRE-COVID IMPLIED VALUATION RANGE: £1,125.9M – £1,307.0M

POST-COVID IMPLIED VALUATION RANGE: £501.7M – £582.2M

MAIN REASONS FOR CHANGES IN VALUATION

- COVID caused **structural changes in the industry which will last around 5 years** such as increased % of delivery take-out and obligatory restrictions.
- **Large revenue reduction** in the industry after COVID which will **gradually return to 2019 levels in the next years**
- Market **risk** has increased due to **industry shakeout** which resulted from harsher entry barriers and many exiting firms.
- **Growth rate has decreased** due to economic slowdown.
- Closed down 144 restaurant sites in 2020 which **reduces revenue streams**, and even in 2024 Post-Covid Projections the number of sites is nowhere close to 2019 levels.
- Cost of capital increases due to further increase in **idiosyncratic risk**.
- Increase in debt and decrease of equity (in the first years of the forecast period) has **raised post-covid leverage.**
- Due to the **uncertainty** in the industry, valuations and assumptions on growth projections have been kept on a more **conservativ**e side.
- Low pre-covid margins have continued in the post-covid margins, implied **necessity for a structural change** for greater efficiency.
- Post-COVID valuation at date Sept.30, 2020, increases in regards to the end of the fiscal year (Dec,31) as it does not account all the operational loss (£25m) of the year.

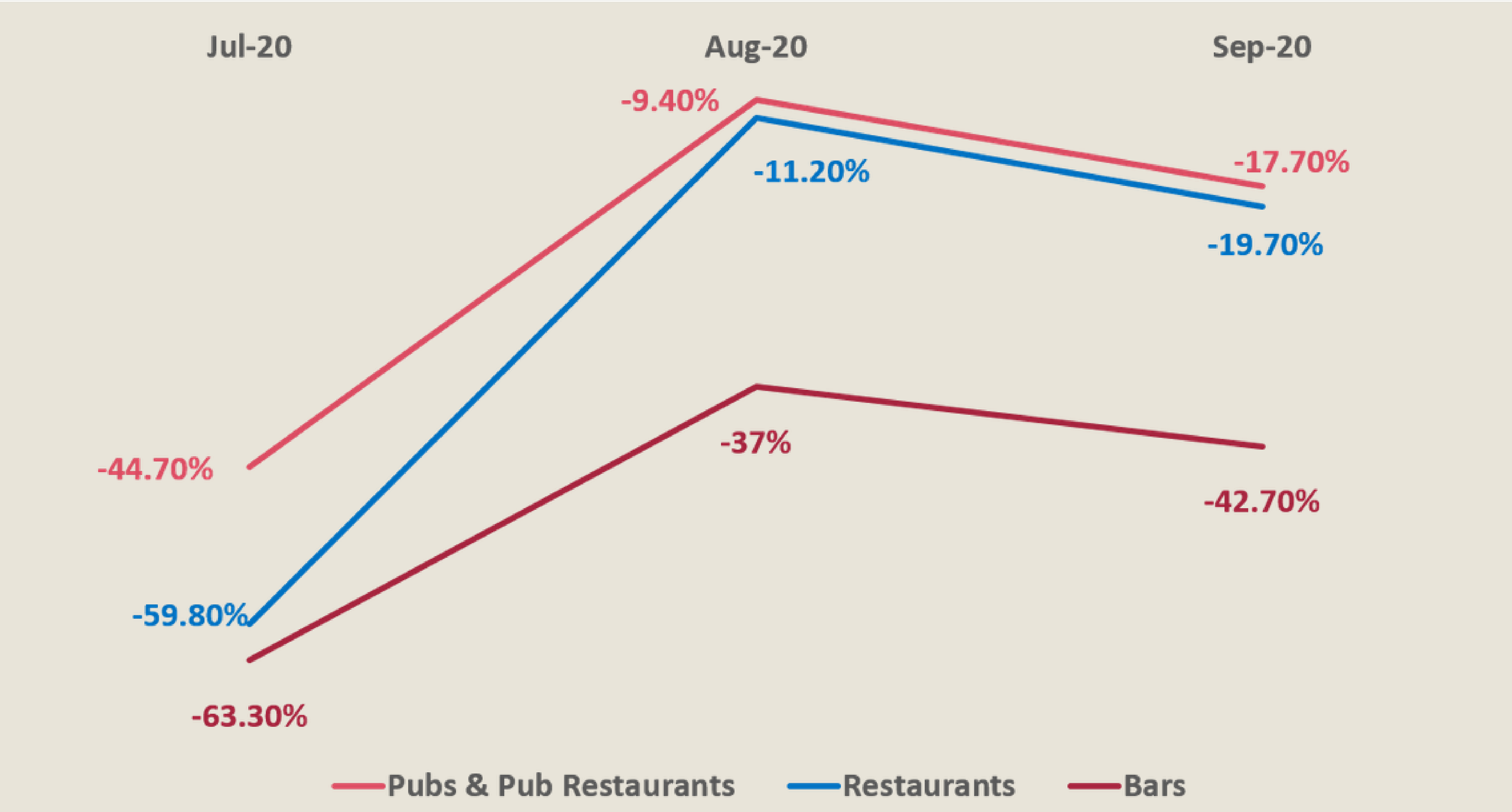
CONTENT OUTLINE

APPENDIX 1: FURTHER INFORMATION ON MARKET OVERVIEW POST-COVID

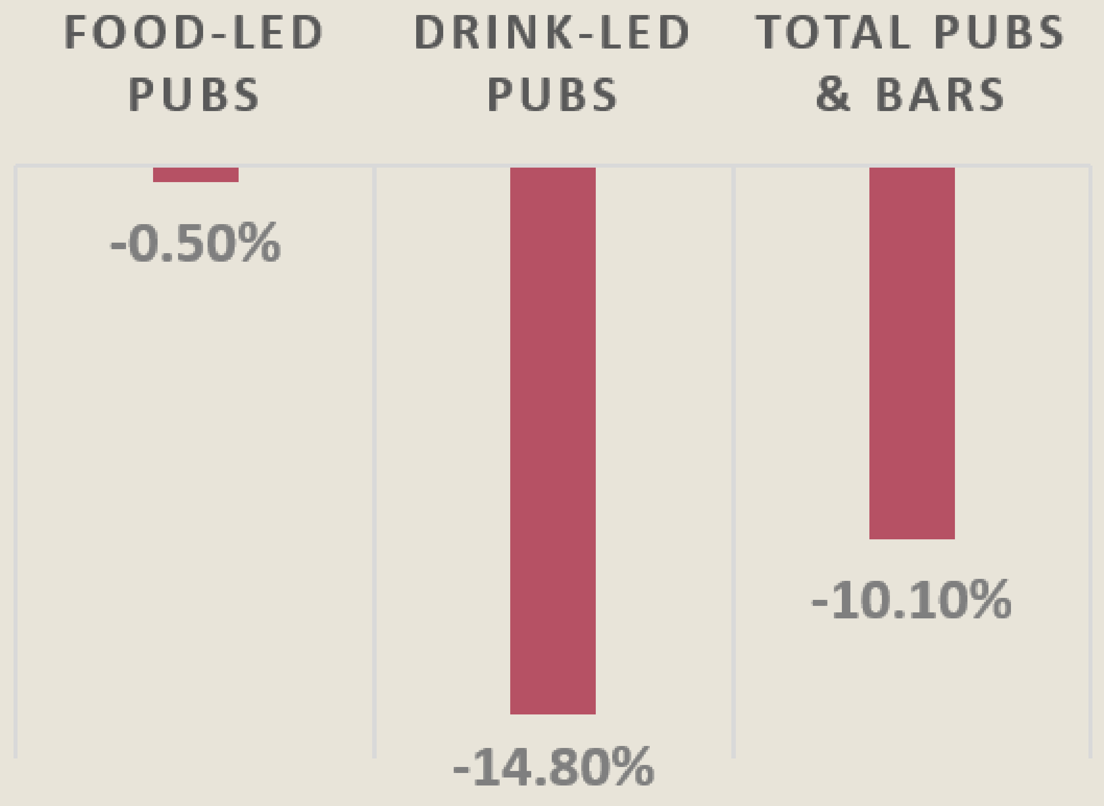
UK

With the rising uncertainty caused by Brexit and the unexpected global pandemic, the food and drink consumption industry has seen itself involved in an unprecedented downturn, with sales decreasing as new measures are imposed (especially for the drink-led sector) which has consequently led to the closure of numerous sites throughout the UK, regardless of the incentives (Eat Out to Help Out) implemented by the government for a smoother lockdown.

Percentage change in like-for-like sales of managed pubs, bars, and restaurants compared to pre-COVID levels in Great Britain from July to September 2020



Percentage decline in the number of pubs and bars in Great Britain between December 2014 and December 2019, by type



Sources: McKinsey Industry Reports and Statista

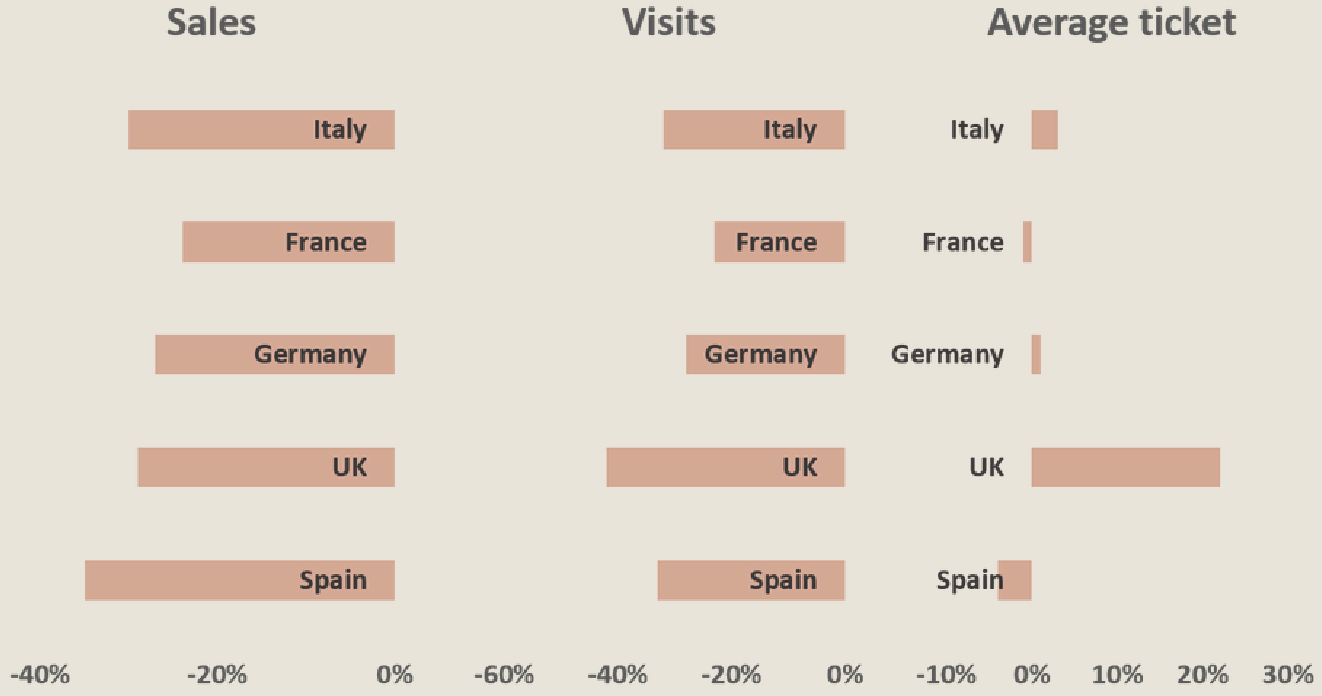
APPENDIX 1: FURTHER INFORMATION ON MARKET OVERVIEW POST-COVID

EUROPE

- Decreasing tendency in sales and visits to restaurants throughout the European Union although we can see a slight increase in the average expenditure per meal out.
- Whilst Dine-in and Take-out experiences have suffered a downturn during the pandemic, we can observe an increase in the delivery sector which was already in expansion in the pre-covid circunstances.

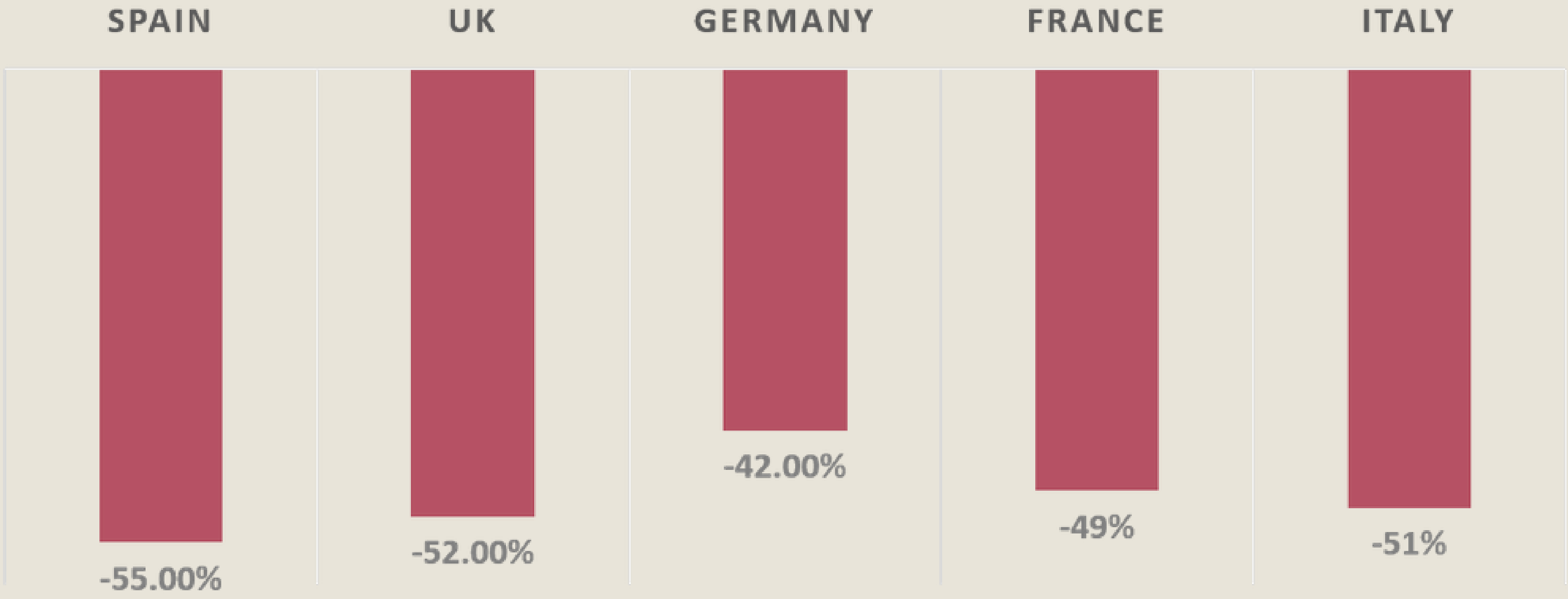
Barometer NPD

(Sourced by NPD Foodservice Informacion Group EU)



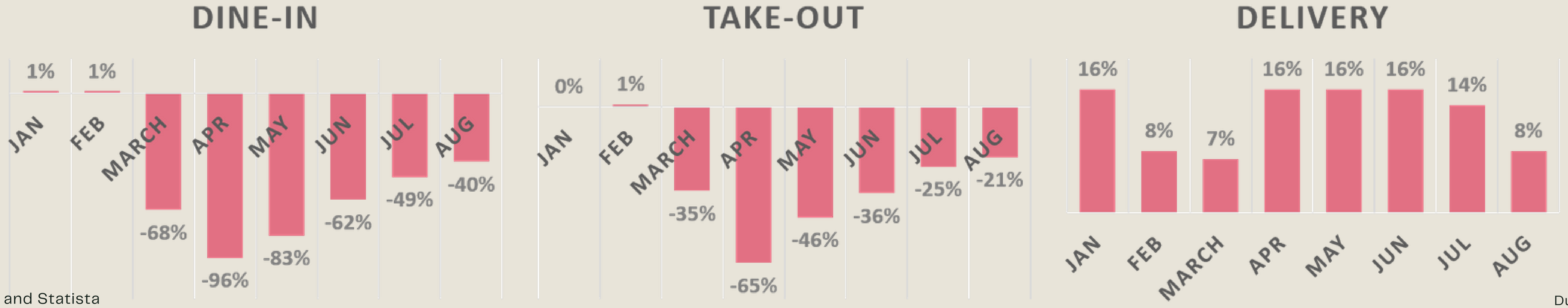
Expenditure Trend March to August 2019 vs 2020

(Sourced by NPD Foodservice Information Group EU)



Monthly Visit Trend for Europe Big 5 2019 vs 2020

(Sourced by NPD Foodservice Information Group EU)



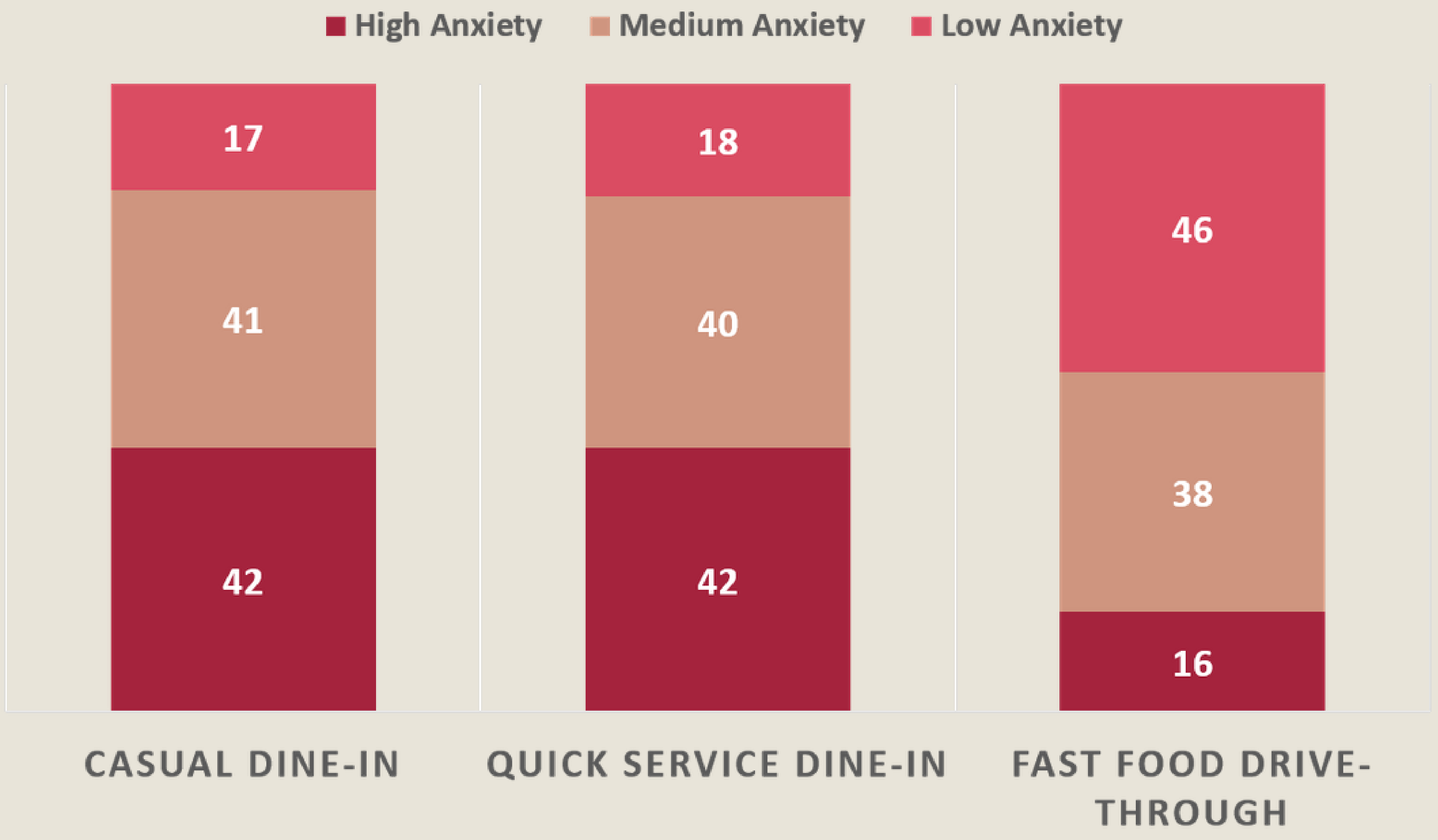
Sources: McKinsey Industry Reports and Statista

APPENDIX 1: FURTHER INFORMATION ON MARKET OVERVIEW POST-COVID

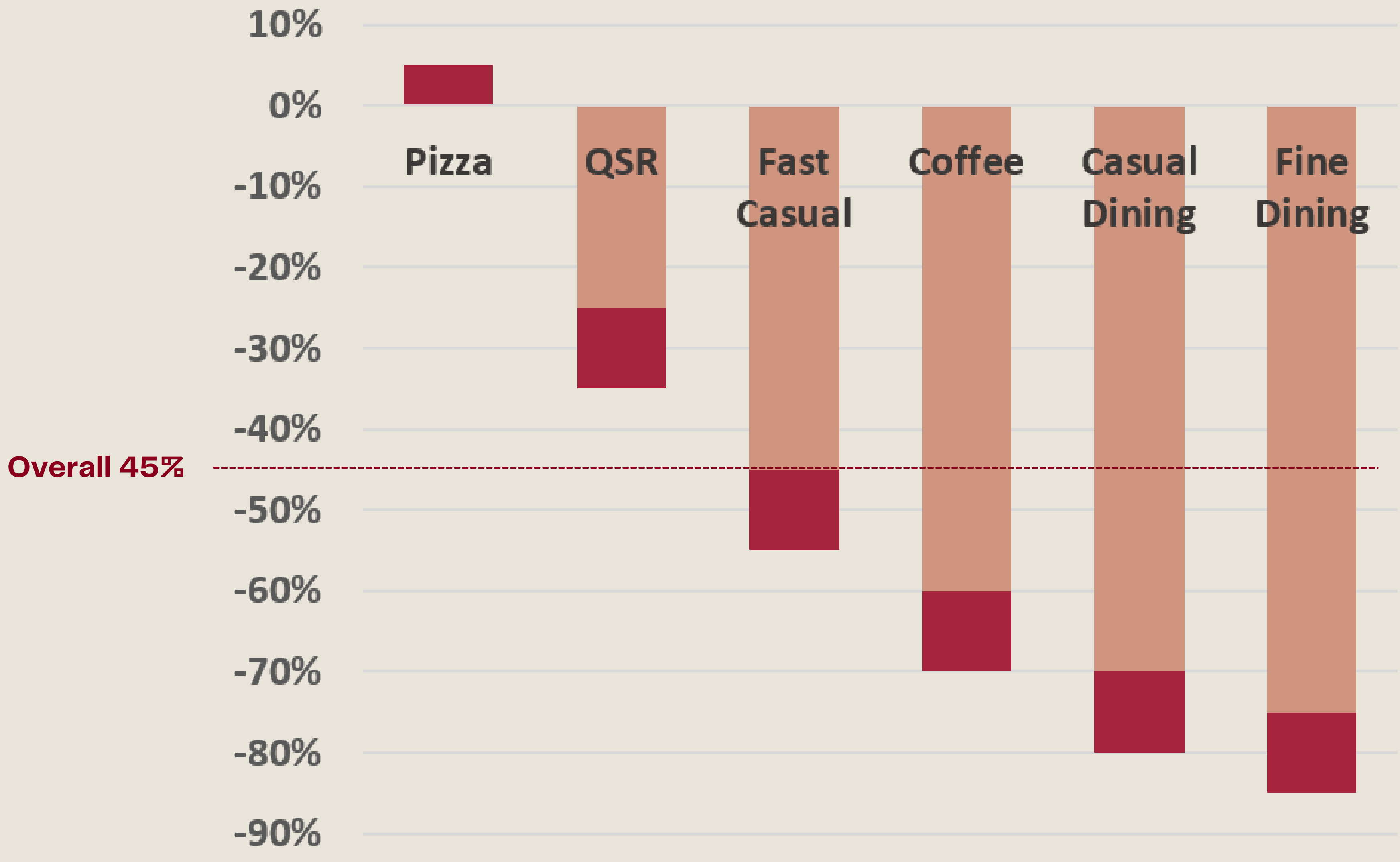
USA

- In the U.S, the trend reflected that slightly less than 25% of restaurant units were under restrictions on August for on-premises dining, although there was a decrease in traffic and expenditure average.
- Nonetheless, the in-dining experiences (causal and fine dining were the sectors taking the largest hit in terms of sales) were the most impacted as they provoked the largest amounts of anxiety on consumers (more exposed to contagion risk).
- More than 80% of consumers are anxious about indoor restaurant dining.

Consumer Restaurant-dining Anxiety
% of respondents



US Sales by Restaurant Type during COVID-19
% change from 2019 as of April 17, 2020



Sources: McKinsey Industry Reports and Statista

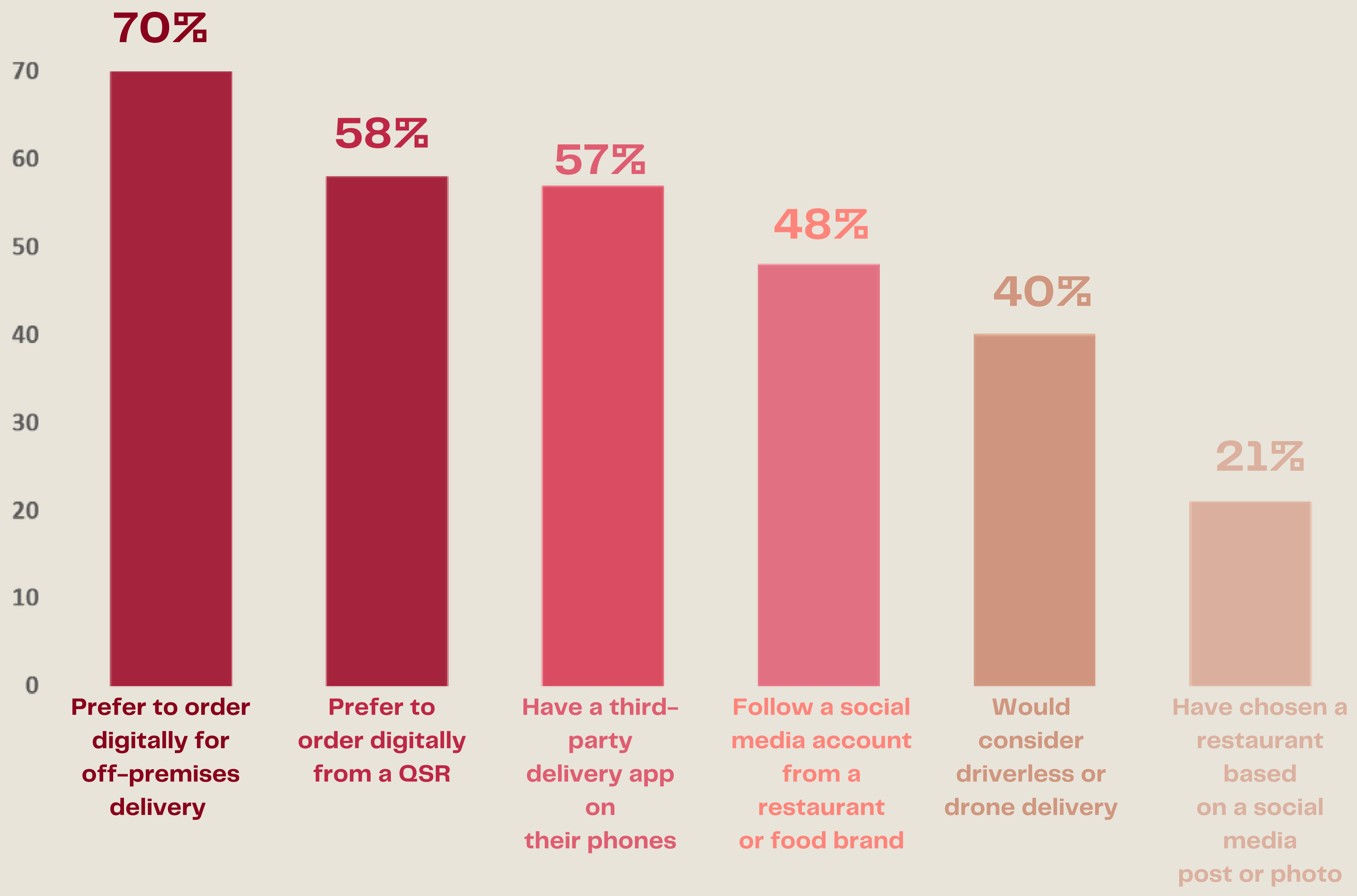
APPENDIX 1: FURTHER INFORMATION ON MARKET OVERVIEW POST-COVID

TECHNOLOGY IN THE RESTAURANT INDUSTRY

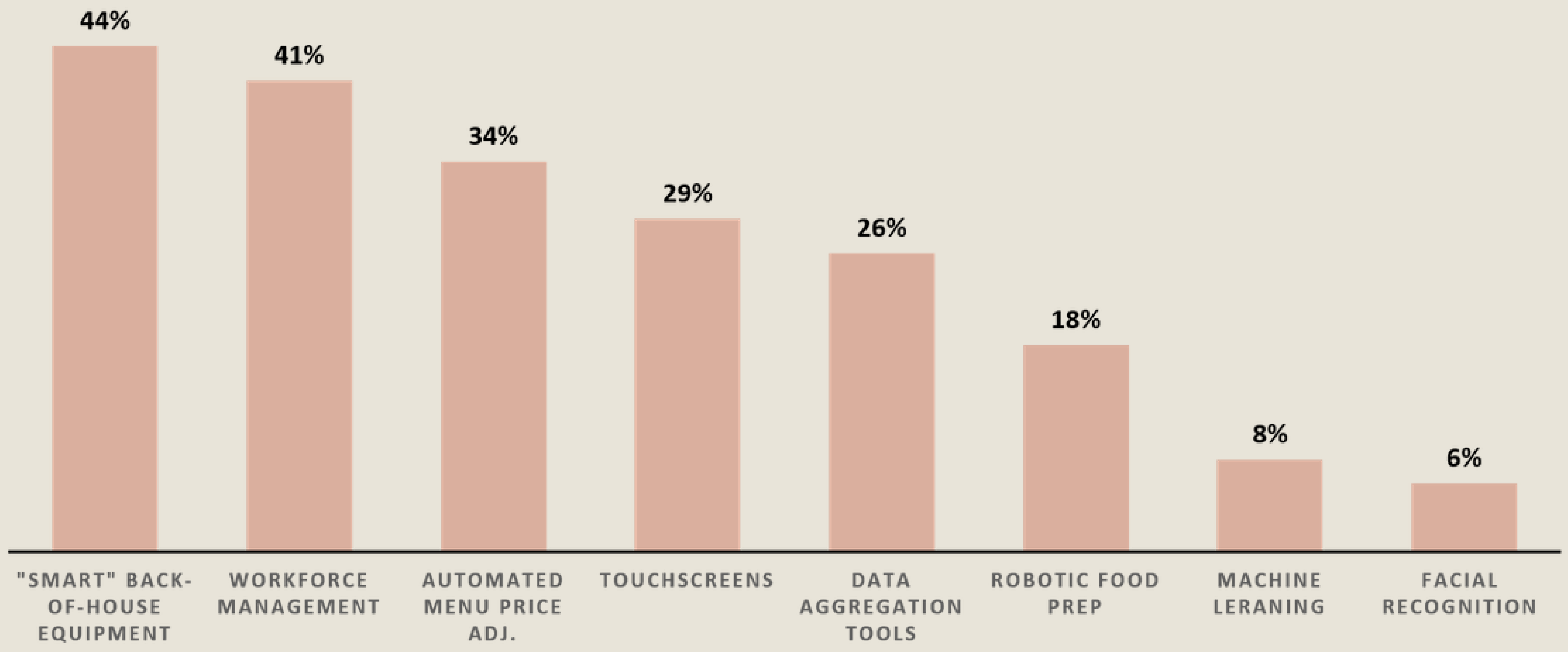
Technology is changing the way most industries function, internally speaking and towards their customer base. The restaurant industry has seen an enhanced technological use due to COVID19.

- Within consumers, delivery is one of the main aspects to consider, as well as an online presence.
- In terms of IoT technologies (Internet of Things) Human resource management and automatic price adjustment systems are among the most desired technologies for restaurant operators.

Consumer Trends: Technology Preferences
taken from Deloitte Inudstry Reports



Most Desired Technologies (IoT)
taken from 'El Periodico Digital de los Restaurantes'



Sources: Deloitte Industry Reports and 'El Periodico Digital de los Restaurantes'

APPENDIX 2: GOVERNMENTAL RESTRICTION DURING COVID-19. SEPT 30, 2020

UK

- Guidance stating that face coverings and visors should be worn in close contact services will now become law.
  - Customers in private hire vehicles and taxis
  - Customers in hospitality venues must wear face coverings, except when seated at a table to eat or drink. Staff in hospitality will no be obliged to wear masks.
- Businesses selling food or drink (including cafes, bars, pubs and restaurants) and other indoor leisure centres or facilities, funfairs, theme parks, adventure parks and activities, and bingo halls, must be closed between 10 pm and 5 am. This will include takeaways but delivery services can continue after 10 pm.
  - Customers must eat and drink at a table in any premises selling food and drink to consume on-site.
  - 100% capacity in terraces and 70% in indoor premises.
- Businesses will need to display the official NHS QR code posters so that customers can 'check-in' at different premises.
- Businesses and organisations will face stricter rules to make their premises COVID Secure:
  - Employers must not knowingly require or encourage someone who is being required to self-isolate to come to work.
  - Businesses must remind people to wear face coverings where mandated.
- Rule of six for social gatherings
  - Indoor organised sport for over 18s will no longer be exempt from the rule of six. Exemption for disabled sports
  - Household mixing not allowed in certain areas (locally attributed)
  - Weddings and civil partnership ceremonies and receptions will be restricted to a maximum of 15 people. Including funerals.
- Office workers who can work effectively from home should do so over the winter. Public sector employees working in essential services, including education settings, should continue to go into work ONLY where necessary.

EUROPE

Rather than implementing uniform, nationwide regulations, many countries are now opting for more localized approaches. The European Union has not enforced any global measures to its member states, it is a matter of national governments to establish the restrictions to its population. Serving as an example, Spain has established restrictive measures since the beginning of the pandemic:

- Restriction of mobility from and to affected regions, exempting reasonable justification
- Limitations on gatherings to less than 10 people, reduced to 6 in most affected areas.
- Stricter regulations to try and curb the spread of the virus could remain in place for the entire winter.
- Many new restrictions target bars, restaurants or other public venues that young people may be more likely to frequent.
- Restaurants, bars and hospitality businesses close early 8-10 pm.
- Mandatory facemask wearing for outside home and inside establishments.
- QSR and Casual dining has been reopened although still follow social distancing measures.
  - Capacity limited in affected regions to 50% in indoor dining and 70% in terraces.
- Businesses must follow guidelines from their regional governments, most of which are in line with WHO guidelines to observe social distancing, limit capacity, and restrict operating hours.
- Sports facilities will also be limited to 50% capacity indoors and 60% outdoors, reducing in both instances group practices to 6 individuals.

USA

- Mandatory mandate on facemasks to be worn at all times outside the house in public spaces (from 24 September)
- CDC guidelines and requirements went as follows:
  - Customers must wear face coverings, except when seated at a table to eat or drink.
  - Staff in restaurants are obliged to wear masks.
  - Social distancing (6 feet apart) to be in place at all times through limited seating availability.
  - Close any self-serve food or drink options, such as buffets, salad bars, and drink stations.
  - Mandatory hand sanitizer stations for customers.
- Closing of non-essential businesses is in effect in most of the 50 states.
- Some non-essential businesses have gradually begun to reopen to the public at limited capacity (between 25-75%) since May 2020.
  - Restaurants open for limited capacity dining indoors; some states allow for terrace dining.
  - Curfew for restaurants at between 8pm and 10pm
- Stay-at-home orders have slowly been lifted.
  - Indefinite stay at home stay for California, Massachusetts, Oregon, Kentucky, W. Virginia.

Sources: Gov.uk, Spanish Ministry of Health, CDC, New York Times

APPENDIX 3: FURTHER INFORMATION ON WACC PRE-COVID CALCULATIONS

Calculation of Levered Beta

- Industry Beta's taken from Damodaran sheets ; the industry unlevered beta is calculated by taking the market beta's of the peer group weighted average proportionally to % the company's business at each location. (around 70% UK / 20% US / 10% EU)
- Levered beta of DevourAll Group (1.41) calculated using levered beta and % of debt (21% tax rate)

Unlevered and Levered Beta's from peer group

(taken from infrontanalytics.com)

Companies	Levered Beta (last 3 yr avg)	Unlevered Beta (last 3 yr avg)
The Restaurant Group	N/A	1.67
Greggs plc	1.30	1.20
Mitchels & Butler's	1.87	0.68
Whetherspoons	1.41	0.74
Darden Restaurants (30.11.2019)	1.72	1.69
Bloomin' Brands	1.69	1.08
AmRest	1.3	0.74
Median	1.55	1.08
Mean	1.55	1.11

Beta Calculation Breakdown

Industry Unlevered Beta	1.05	
RTN.L	1.67	UK
GRG	1.2	UK
MAB	0.68	UK
JDW	0.74	UK
DRI	1.69	US
BLMN	1.08	US
EAT	0.74	EU
		SOURCE
Unlevered Beta Europe	0.52	Damodaran
Unlevered Beta US	0.65	Damodaran
%Debt	37.22%	Balance Sheet
Levered Beta	**1.36**	**Calculation**

Calculations of After-tax Cost of Debt

- Cost of debt in each country taken from Damodaran website for year 2019 and also weighted for the locations in each site, then added the size premium of 1%
- Effective tax rate taken from KPMG website - Corporate rates table for 2019 and also weighted for the % of sites in each geographical location
- After-tax Cost of Debt was then calculated by the formula
  - AfterTax Rd= Rd*(1-t)

Cost of Debt		SOURCE
Cost of Debt	5.90%	
US	4.18%	Damodaram
EU & UK	5.11%	Damodaram
Size Premium	**1.00%**	
Effective Tax rate	**21.00%**	
US	27.00%	KPMG
EU	21.10%	KPMG
UK	19.00%	KPMG
After-Tax CoD	4.78%	

Capital Structure

- Taken from balance sheet projections pre-covid (All monetary terms in £m)
  - Equity from average from 2019-2024
  - Debt from average from 2019-2024

Capital Weights		%
Debt	275.1	37.22%
Equity	464.0	62.78%
TOTAL	739.1	100.00%
WACC	**8.54%**	

Calculation of Cost of Equity

- Risk free rate of 1.56% calculated by taking 30 year bonds from each country and through the weighted average by restaurant sites. Data taken from Duff & Phelps reports, ECB website & Statistica
- Market risk premium calculated through equity risks taken from KPMG and Duff & Phelps reports and ECB website, weighted by restaurant sites and added a 1% size premium
- Cost of Equity 11.06% then calculated through CAPM formula

Cost of Equity		SOURCE
Risk-free rate	***1.56%***	
Risk-free rate US	3.00%	D&P
Risk-free rate EU	1.98%	ECB
Risk-free rate UK	0.88%	Statista
Levered Beta Estm.	***1.36***	
Market Risk Premium	**6.75%**	
Equity risk UK	5.75%	KPMG
Equity risk US	5.00%	D&P
Equity risk EU	8.00%	ECB
Size Premium	1.00%	
Cost of Equity	10.77%	

Sources: Stated above

APPENDIX 4: ASSUMPTIONS MADE ON FINANCIAL PROJECTIONS (INCOME STATEMENT)

Income Statement Post-COVID19

	2019A	2020P	2021P	2022P	2023P	2024P
Total Revenue	**856.8**	**389.8**	**557.2**	**671.8**	**705.7**	**749.9**
% Growth	52.2%	-54.5%	42.9%	20.6%	5.0%	6.3%
Less: COGS	(699.9)	(311.4)	(445.0)	(549.4)	(573.5)	(607.6)
% of Revenue	-81.7%	-79.9%	-79.9%	-81.8%	-81.3%	-81.0%
Gross Profit	**156.9**	**78.5**	**112.1**	**122.4**	**132.2**	**142.3**
% of Revenue	18.3%	20.1%	20.1%	18.2%	18.7%	19.0%
Less: SG&A	(44.0)	(66.0)	(66.2)	(42.9)	(39.0)	(37.9)
% of Revenue	-5.1%	-16.9%	-11.9%	-6.4%	-5.5%	-5.1%
EBITDA	**112.9**	**12.5**	**46.0**	**79.4**	**93.1**	**104.4**
% of Margin	13.2%	3.2%	8.2%	11.8%	13.2%	14.8%
Less: Dep. & Amort.	(40.6)	(37.5)	(37.5)	(42.0)	(42.0)	(40.0)
% of Revenue	-4.7%	-9.6%	-6.7%	-6.3%	-6.0%	-5.3%
EBIT	**72.3**	**(25.0)**	**8.5**	**37.4**	**51.1**	**64.4**
% of Margin	8.4%	-6.4%	1.5%	5.6%	7.2%	8.6%
CAPEX	(55.7)	(25.2)	(34.0)	(75.0)	(75.0)	(37.5)
% of Revenue	6.5%	6.5%	6.1%	11.2%	10.6%	5.0%
Number of Restaurants	**519**	**375**	**375**	**391**	**406**	**415**
	30.1%	-27.7%	0.0%	4.3%	3.8%	2.2%
UK	362	262	262	270	279	280
%	*69.7%*	*69.7%*	*69.7%*	*69.1%*	*68.7%*	*67.4%*
US	118	85	85.3	89	94	97
%	*22.7%*	*22.7%*	*22.7%*	*22.8%*	*23.1%*	*23.3%*
EU	39	28	28	32	33	38
%	*7.5%*	*7.5%*	*7.5%*	*8.1%*	*8.2%*	*9.3%*
Revenue per site	1.7	1.0	1.5	1.7	1.7	1.8
			New sites	16	15	9

Sources: Stated above

Duff & Phelps YOUniversity Deal Challenge

Assumptions & Premises

1. **Revenue** decreased by 54.5% in 2020; revenue per site by 90% of 2019 levels in 2021; from when stores open in 2022 the revenue is calculated through the goal revenue per site of pre-covid projections (2020 pre covid for 2022 por covid; 2021 pre covid revenue per site is 2023 post covid and so on.). Assuming delivery percentage increase but overall sales decrease due to the tendency for grocery shopping sustained over the next few years.
2. **COGS** as % of revenue remain constant in 2021 and stays between 79% and 81.5% like pre-covid levels. It is assumed that in 2022, COGS as a % of revenue will be the same as 2020 pre covid projections, 2023 is the same as the 2021 pre covid and so on.
3. **Gross profit** to decrease by 50% in 2020, which increases gross margin to 20.1%, margins to return to 18.2% in 2022 and gradually increase from then.
4. **SG&A expenses** calculated through gross profit estimates minus EBITDA estimates. Assuming large costs in 2020 & 2021 due to the exit of many sites and locations as well as operational initiatives and conversion of sites to kitchens, updating technology and more to adapt to industry change.
5. **EBITDA margin** to decrease by 10% in 2020 therefore in 2020 it is 3.2% of revenue. From then, it increases 3.33% each year until it goes back to 2019 levels in 2023.
6. **Depreciation & amortization** has always been between 11 and 13% of tangibles, and therefore assumed to be around 12% of tangibles for each year and assumed the same depreciation growth as pre-covid projections.
7. **EBIT** is assumed to be the operating income since none non-operating expenses are given. Therefore, the firm has an operating loss of £25m in 2020.
8. **CAPEX** in 2020 expected to be £25.2m - assuming positive due to transforming of sites into the kitchen for delivery. Expected to gradually reach 5% in 2024 - However, due to the large opening of 16 & 15 sites in 2022 and 2023 respectively, it increases greatly in these years. According to pre covid projections, this number of new sites has been associated with around £75m in CAPEX.
9. **Number of restaurants** has been increased by the prompt of opening 40 new restaurants by 2024 which was a goal before covid. The firm exits 144 sites in 2020 and does not open any sites until 2022. In 2022 they have been predicted to open 16 sites, in 2023 15 new sites and in 2024 9 new sites. The percentages of restaurants per location have been maintained as to pre covid projections of around 70% UK / 20% US & 10% EU with the increasing percentage in the latter two locations.

APPENDIX 5: ASSUMPTIONS MADE ON FINANCIAL PROJECTIONS (BALANCE SHEET)

Balance Sheet Post-COVID19

FYE 31 December		2019A	2020P	2021P	2022P	2023P	2024P
Cash		39.7	24.0	34.0	25.0	22.0	69.0
Receivables		17.4	12.4	16.0	16.0	16.0	15.0
Inventory		7.4	4.0	5.0	6.0	6.0	6.5
Prepaid Expenses and Other		24.2	24.2	24.1	24.1	24.1	24.1
Total Current Assets		**88.7**	**65.0**	**79.0**	**71.0**	**68.0**	**114.0**
Land, buildings and equipment		311.8	311.8	311.8	311.8	311.8	311.8
Intangibles & Goodwill		492.5	492.5	492.5	492.5	492.5	492.5
New CAPEX accumulated			25.2	59.1	134.1	209.1	246.6
Depreciations accumulated			(37.48)	(74.95)	(116.95)	(158.95)	(198.95)
Other Assets		1	1	1	1	1	1
Total Non-Current Assets		**805.3**	**793.0**	**789.5**	**822.5**	**855.5**	**853.0**
Annual depreciations forecast		(40.60)	(37.48)	(37.48)	(42.00)	(42.00)	(40.00)
Depreciations / tangibles		-13.02%	-12.47%	-12.62%	-12.73%	-11.57%	-11.10%
Total Assets		**894.0**	**858.0**	**868.0**	**894.0**	**924.0**	**967.0**
Trade Accounts Payable		52.0	62.0	62.0	57.0	55.0	55.0
Accrued Expenses		81.0	36.0	51.0	63.0	66.0	70.0
Short-term Debt		9.0	39.0	39.0	39.0	39.0	39.0
Other Current Liabilities		36.0	36.0	36.0	36.0	36.0	36.0
Total Current Liabilities		**178.0**	**173.0**	**188.0**	**195.0**	**196.0**	**200.0**
Long-term Debt		259.0	259.0	259.0	259.0	259.0	259.0
Capital Leases		10.0	10.0	10.0	10.0	10.0	10.0
Other Liabilities		83.0	83.0	83.0	83.0	83.0	83.0
Total Non-Current Liabilities		**351.0**	**351.0**	**351.0**	**351.0**	**351.0**	**351.0**
Total Liabilities		**529.0**	**524.0**	**539.0**	**546.0**	**547.0**	**551.0**
Total Equity		**365.0**	**334.0**	**329.0**	**347.0**	**376.0**	**416.0**
Total Liabilities & Equity		**894.0**	**858.0**	**868.0**	**894.0**	**924.0**	**967.0**
Interest expenses	**4.80%**		14.3	14.3	14.3	14.3	14.3
EBIT			**(25.00)**	**8.5**	**37.4**	**51.1**	**64.4**
EBT			**(39.30)**	**(5.80)**	**23.1**	**36.9**	**50.2**
Earnings after Taxes	**21%**		**(31.00)**	**(4.60)**	**18.3**	**29.1**	**39.6**

Assumptions & Premises

1 **Current assets** Receivables to decline by £5m in 2020 and inventory by 3.4 m in the same period, both are assumed to gradually return to 2019 levels and maintain around 2-3% and 1% of sales respectively like in historical financials. Other and prepaid expenses maintained for simplicity. Cash made to fit for balance. No large change in other working capital items therefore maintained relatively flat.

2 **Non- current assets** New CAPEX and depreciation are accumulated and included in this section to account for new sites opening up. Land buildings & equipment is assumed to stay constant, as unclear we assume exited & new sites are leases. Since we assume that they continue to work with the same brands, goodwill & intangibles remain constant. Other assets stay constant for simplicity.

3 **Current liabilities** Payables increase by £10m in 2020, then expected to stay constant until 2022 when the company begins to pay back; short term debt increases by £30m due to working capital facility and is maintained constant for liquidity aspects; Accrued expenses are taken as 11.5% of COGS as historically around this figure; other liabilities maintained constant. No large change in other working capital items.

4 **Non- current liabilities** Long term-debt, capital leases and other liabilities maintained constant. Assumes the firm expects no debt financing in the next five years.

5 **Equity** calculated by adding retained earnings (EBT) to the previous year's equity. We assume they pay no dividends.

6 **Interest expense** is taken as the pre-tax cost of debt to obtain EBT.

APPENDIX 6: FURTHER INFORMATION ON WACC POST-COVID CALCULATIONS

Calculation of Levered Beta

- Industry Beta's taken from Damodaran, and the industry unlevered beta is calculated by taking the peer group market beta's weighted average proportionally to % the company's business at each location. (around 70% UK / 20% US / 10% EU)
- Levered beta of DevourAll Group (1.83) calculated through unlevered beta and the % of debt (21% tax rate)

Unlevered and Levered Beta's from peer group

(taken from infrontanalytics.com)

Companies	Levered Beta (last 3 yr avg)	Unlevered Beta (last 3 yr avg)
The Restaurant Group	N/A	1.89
Greggs plc	1.49	1.39
Mitchels & Butler's	2.05	0.75
Whetherspoons	1.49	0.79
Darden Restaurants (30.11.2019)	2.02	1.99
Bloomin' Brands	2.26	1.45
AmRest	1.46	0.83
Median	1.76	1.39
Mean	1.80	1.30

Beta Calculation Breakdown

Industry Unlevered Beta	1.21	
RTN.L	1.89	UK
GRG	1.39	UK
MAB	0.75	UK
JDW	0.79	UK
DRI	1.99	US
BLMN	1.45	US
EAT	0.83	EU
		SOURCE
Unlev. Industry Beta EU	0.64	Damodaran
Unlev. Industry Beta US	0.74	Damodaran
% Debt	43.42%	Balance Sheet
Levered Beta	1.63	Calculation

Calculations of After-tax Cost of Debt

- Cost of debt in each country taken from Damodaran website for year 2020 and also weighted for the locations in each site, then added the size premium of 1%
- Effective tax rate taken from KPMG website – Corporate rates table for 2020 and also weighted for the % of sites in each geographical location
- After-tax Cost of Debt was then calculated by the formula
  - AfterTax Rd= Rd*(1-t)

Cost of Debt		SOURCE
Cost of Debt	4.80%	
US	3.27%	Damodaram
EU & UK	3.96%	Damodaram
Size Premium	1.00%	
Effective Tax rate	21.00%	
US	27.00%	KPMG
EU	20.90%	KPMG
UK	19.00%	KPMG
After-Tax CoD	3.89%	

Capital Structure

- Taken from balance sheet projections post-covid (All monetary terms in £m)
  - Equity calculated as average of all projected years from post covid balance-sheet projections
  - No need to average for total debt since it does not fluctuate

Capital Weights		%
Debt	297.40	43.42%
Equity	387.53	56.58%
TOTAL	685.00	100.00%
WACC	9.67%	

Calculation of Cost of Equity

- Risk free rate of 1.04% calculated by taking 30 year bonds from each country and through the weighted average by restaurant sites
- Market risk premium calculated through equity risks taken from Fenebris, Duff & Phelps reports and Damodaran website, weighted by restaurant sites and added a 1% size premium
- Cost of Equity 14.11% then calculated through CAPM formula

Cost of Equity		SOURCE
Risk-free rate	*1.04%*	
Risk-free rate US	3.00%	D&P
Risk-free rate EU	0.66%	YCharts
Risk-free rate UK	0.26%	Statista
Levered Beta Estm.	1.63	
Market Risk Premium	8.03%	
Equity risk UK	7.21%	Fenebris
Equity risk US	6.00%	D&P
Equity risk EU	8.41%	ECB
Size Premium	1.00%	
Cost of Equity	14.11%	

Sources: Stated above
Duff & Phelps YOUniversity Deal Challenge

APPENDIX 7: CALCULATION OF IMPLIED VALUATION RANGE PRE- AND POST- COVID

PRE COVID FINAL IMPLIED VALUATION

		Minimum	Q25	Q50	Q75	Maximum
DCF	DCF Sensitivity	894.4	1041.3	1188.1	1335.0	1481.8
Transaction	Multiples' Average	1041.9	1116.3	1190.7	1265.1	1339.6
	EV/EBIT	1156.7	1239.3	1321.9	1404.5	1487.1
	EV/EBITDA	1005.3	1077.1	1148.9	1220.7	1292.6
	EV/Revenues	1078.4	1155.5	1232.5	1309.5	1386.6

Inter Quartile Range		**1125.9**	**1216.4**	**1307.0**	
Final Valuation Range		**1125.9**	**-**	**1307.0**	

Implied Valuation Range

- Final Valuation Range obtained through Inter Quartile Range. Solved for each quartile per valuation method.
- Inter Quartile Range was calculated by the average of quartiles from the different valuation methods.

POST COVID FINAL IMPLIED VALUATION

		Minimum	Q25	Q50	Q75	Maximum
DCF	DCF Sensitivity	454.6	516.3	578.1	639.8	701.6
Transaction	Multiples' Average	463.7	496.8	529.9	563.0	596.1
	EV/EBIT	-	-	-	-	-
	EV/EBITDA	279.8	299.7	319.7	339.7	359.7
	EV/Revenues	647.5	693.8	740.0	786.3	832.5

Inter Quartile Range		**501.7**	**541.9**	**582.2**	
Final Valuation Range		**501.7**	**-**	**582.2**	

Implied Valuation Range

- Final Valuation Range obtained through Inter Quartile Range. Solved for each quartile per valuation method.
- Inter Quartile Range was calculated by the average of quartiles from the different valuation methods.