



EXECUTIVE SUMMARY

Due to the fact that “Health Conscious” lifestyle is becoming a popular trend around the world including Thailand and the surrounding countries, it presents many opportunities to fulfill large demands. **Herb Club**, a center for the finest herb solution, is established to revolutionize the herb industry by “**Fulfilling the Needs**” of the “Health-Lover” with the best quality “Herb Solution” that people can trust.

Think big, but starting step by step; the Herb Club starts its first business plan by focusing on the “Herb Beverage” line of business. Its strategic business model is presented through two types of solutions; “Life Style Solution” and “Mass Solution”. The “*Life Style Solution*” is presenting the premium Herb Products and Services through the Retail Stores. We name these Retail Stores “*Herbally*”; which will serve the Healthy-focused herbal beverages to the working-people together with the Peaceful-type-of-people in the Relaxing atmosphere. The “*Mass Solution*” presents the Trade-Secret-Recipe in the form of ready-to-drink herb beverage to the mass market. The brand name of “*G-Herb*” will be used to make sure that it will not cannibalize the “*Herbally*” brand and Image.

Currently, the potential domestic market size for health beverage is roughly THB 3 billion with 10% annual segment growth, and THB2.28 billion with 10% growth for the “Premium Shop”. First year, “*Herbally*” is focusing only in Bangkok with 10 retail stores, and expect a 1 % market share (or THB17 million). Second year, it will start to expand throughout Thailand through franchising. Together, “*Herbally*” will expand into Asia Pacific Region in the second year, and into the USA in the fourth. The reputation of herbal health benefits in the US market will help promote Herb Club’s brand and image. “*G-Herb*” will start production in the second year, following the anticipated success of “*Herbally*” and is expected to capture 3 % of the market share (or 113



Healthy from Inside

million bahts) targets throughout the domestic areas using the distributor channels. The final destination for Herb Club is to expand worldwide within 5 years using a “multi-country” strategy; adopting local herb beverages, from local countries, to be part of our offering. Our conservative plan, by 2009, is to own and franchise 80 domestic branches and 60 international branches for “*HerbalLy*”, and to gain 19% of the total domestic market for “*G-Herb*”.

The Synergy of the Management team is foreseen by its enthusiasm and diversity with a strong blend of complementary skills and business experiences. They all are completing their Master of Management degree from Sasin, Chulalongkorn University. Mr. Aniruth-Deva, CEO, has a charismatic leadership and strong entrepreneurship in restaurant business. With his related to Thailand’s Royal Family, he has brought in with him the royal recipes of herbal beverage. Mr. Boonyasirikul, the CFO, has a strong background in engineering field and is currently working as financial operation for his printing business. Mr. Tangsubkul, CMO, has a great experience with IBM for seven years as Asia-Pacific region manager in Customer Relationship Management. Lately, he was in charge of sales and marketing for international IT business for the past three years. Dr. Poomsuwan, COO, has proven his credentials by running ten branches of very successful beauty clinics. Dr. Rojanapanthu, head of R&D, has strong research and development skills from her position as the head of Department of Pharmacy, Mahidol University.

We hope our plan above sounds attractive to you and we would like to take this opportunity to offer you, as our investor and true partner, a 40% equity stake in the company and two board of directors seats in exchange for THB 120 millions. Based on conservative assumptions, the project yields NPV of THB 416 millions with 40% discount rate to the investors. From *the investors’ viewpoint*, this investment including the dividend payment generates payback period of 3 years and 2 months.