

# Kung Fu Tea PAKISTAN

Every Cup Is Worth Looking Forward To

## INVESTOR PROPOSAL



# Executive *Summary*

## Opportunity

- Pakistan's bubble-tea market is virtually untapped.
- Young, affluent urbanites crave novel, social-media-friendly F&B experiences.
- Kung Fu Tea's proven international formula can capture 5–7% share of an evolving ₹15 billion tea-beverage sector within 24 months.

## Ask & Returns

- **Equity Ownership:** Investor retains 100% of the equity; brand team comes on board purely as a management partner, paid via fixed fees or performance bonuses.
  - **Capital Provision:** Entirely funded by the investor (covers setup, operations and working capital).
  - **Return Expectations:** Target IRR of 25–30% p.a.
- Management Model: Brand team handles day-to-day operations under a clear service agreement—no equity stake, no dilution

## Why Us

- Proprietary recipes & training academy.
- End-to-end support: site selection, design, supply chain, digital marketing.



# Market Analysis & Positioning

## 1. Demographics & Trends

- 220 million population; 60% under age 30.
- Rising discretionary spending: youth café visits +25% YoY.
- Social-media penetration >50% in key metros.

## 2. Competitive Landscape

- Traditional chai stalls dominate; premium bubble-tea brands scarce.
- Local cafés offer milkshakes/coffee—no true bubble-tea specialists.

## 3. Our Positioning

- Premium-casual: accessible price (PKR 350–600) + upscale ambience.
- Health-forward: low-sugar, natural ingredients, plant-milk options.
- Digital-first: mobile ordering, loyalty app, influencer partnerships.



# Brand & Product Differentiators

- **Heritage-Driven Craft**

- o Tea sourced from Taiwan's Alishan & Fujian high-mountain gardens.
- o Cold-brew extraction preserves antioxidants & enhances flavor nuances.

- **Innovative Menu**

- o Flagship Oolong Cheese (light, creamy layer + floral tea).
- o Seasonal fruit blends: Lychee Rose, Mango Passion, Pomegranate Mint.
- o Customization: sugar levels, ice intensity, dairy/plant-milk swaps.

- **Quality Assurance**

- o ISO-certified processes; real-time quality checks via QR-tagged batches.
- o Halal-certified ingredients; full allergen transparency



# Go-to-Market & Marketing Plan

## 1. Launch Strategy

- Week 1: Soft-opening VIP tasting for influencers & media.
- Week 2–4: Grand launch with city-wide pop-up events, live tea demos.

## 2. Digital Campaigns

- TikTok & Instagram challenges: “#LookForwardMoment.”
- Collaborations with top 10 local food-style influencers.

## 3. Loyalty & CRM

- Mobile app with tiered rewards: free drink every 10 purchases.
- SMS cart-abandon reminders & birthday bonuses.

## 4. Community Engagement

- Monthly “Tea & Talk” workshops on Chinese tea culture.
- CSR tie-ins: “Green Cup Initiative” – donate PKR 10 per cup to urban treeplanting.



# Operational *Blueprint*

## • Site Selection

- Target high-footfall malls & university precincts in Lahore, Karachi, Islamabad.

## • Store Design

- 800–1,200 sq ft; open bar counter, social seating pods, neon-accent wall.

## • Supply Chain

- Centralized warehouse in Lahore: chilled storage, automated portioning.
- Weekly restock shipments from China for specialized ingredients.

## • Staffing & Training

- Franchise Academy: 5-day barista + brand-culture immersion.
- Ongoing certification renewals & mystery-shop audits.



# Financial *Projections*

Metric	Month 1-6	Month 7-12	Year 2
Outlets Operating	3	5	8
Avg. Monthly Revenue/Outlet	PKR 2.5 M	PKR 3.2 M	PKR 3.5 M
Total Revenue	PKR 7.5 M	PKR 16 M	PKR 33 M
Gross Margin	50%	52%	54%
EBITDA Margin	18%	20%	22%

*Assumptions based on existing Kung Fu Tea operations in APAC markets.*



# Risk Mitigation & Exit

- **Supply Disruption:**

Dual-sourcing at origin; buffer stock for 30 days.

- **Regulatory:**

Halal & food-safety pre-approvals; experienced legal counsel.

- **Market Acceptance:**

Pilot pop-ups in each city; real-time feedback loops.

- **Exit Options**

- Secondary sale to strategic F&B conglomerate.
- Corporate buyback at predetermined multiple (3–4× EBITDA).



# Partnership & Support

## Brand's Commitments

- Turnkey store setup: design, procurement, staffing.
- 24/7 operations help &D: 4 new flavor drops per year.

## Investor's Role

- Capital infusion & territory development.
- Local network leverage for real estate & marketing tie-ups.
- Strategic guidance on growth & exit planning.

Together, we craft a legacy of flavor, community, and mutual success.



## Contact & Next Steps

### **Kung Fu Tea Pakistan HQ**

Plot 16, Fantom Mall, Shop #01, Ground Floor  
I-8 Markaz, Islamabad

### **Franchise & Investment Inquiries**

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### **Next Steps**

1. NDA & detailed financial model review
2. Site-visit & pilot store planning
3. Franchise agreement & cap-table finalization
4. Launch timeline confirmation

Let's brew the future—together.

