



LOHA
VETE

Business Plan



Executive Summary

An acronym of love and hate, Loha Vete is an apparel brand that couples the mindset of Keith Richards with the same manufacturing as Chanel to create the world's most desirable Italian made Denim and accessories.

We started with jewelry, Gold and Silver pieces all made by hand so we could create something unique, uncopiable and unmistakable. Today's market is heavily dominated by fast fashion companies such as H&M, Zara and Uniqlo, whom sell mass manufactured products all over the world but lacks originality and soul. This has in turn created a demand for more uniquely finished garments.

We soft launched our first denim collection in Paris, January 2016 which is now stocked in a growing selection of the top luxury retailers worldwide. in Japan, Korea, USA, Italy and Dubai to name a few.

LOVE Magazine recently commented on the collection:

“WITHOUT EVEN SEEING THE COLLECTION, YOU CAN TELL THEY MEAN SERIOUS BUSINESS. ...EXCITED TO SEE MORE FROM THESE GUYS”

The attention to detail and a drive to create an experience for our customers comes from the care and dedication we put into each and every garment in our collections that are manufactured by the most prestigious factories in Italy that manufacture goods for major luxury brands such as Chanel, Dior, Versace, Prada, Louis Vuitton and Marc Jacobs.

In our first year as a Denim Label we were able to sell +\$100K in only 20 days of sales and keep our accounts in a plus amongst with gathering a solid online fan base with 35k+ followers on Instagram and 3k on Twitter.



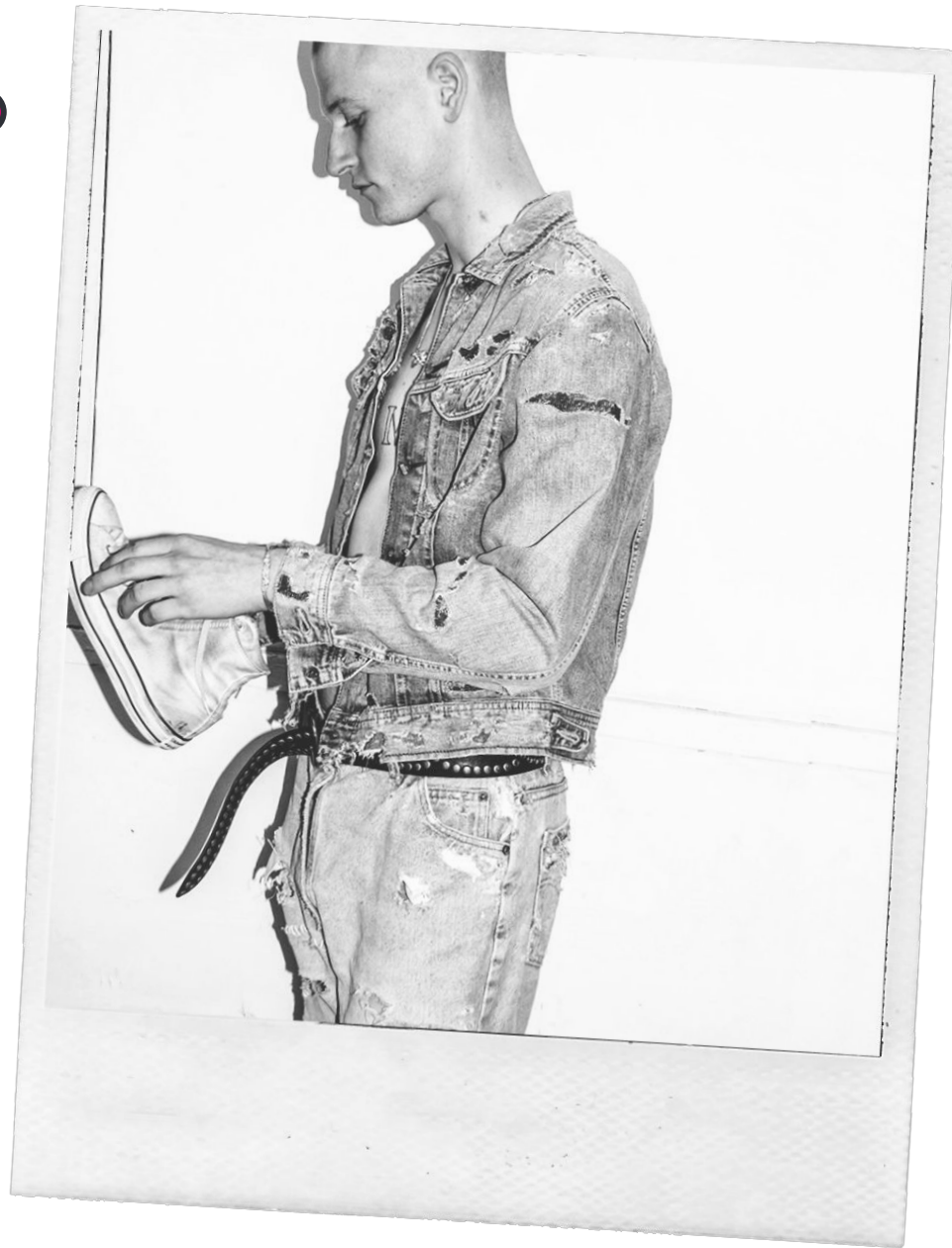
OUR PRODUCTS





Our Denim





The right Denim composition and fit can give you all the comfort without losing the appeal.

We currently offer each style in two of the best selling cuts, Boyfriend, a more relaxed denim, and Skinny, the classic skinny with stretch, with or without Memory Foam. It is important to give our clients the freedom to create their own style.. Allowing this freedom of choice but keeping it classic using the most popular fits and well developed we undertake the market by proving that Denim's strength lies on its versatility other than over complex products.

MEMO DENIM®

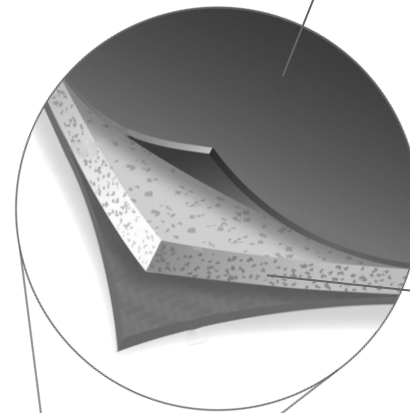
The form of how jeans are made has not changed much over the past 150 years. However with styles and body shapes ever changing, the engineering has never reflected this.

Memo Denim® is a Patent pending creation by Loha Vete. The concept is simple: within each pair of denim there are thin panels of High Grade Memory Foam built into the waistband that provides better circulation and comfort, ultimately giving the wearer a personal fit.

A new brand that invests in the comfort of its patrons, says a lot in a luxury market dominated by brands using advertising, over embellishment and expensive textiles to justify their price and market place.

Waistband of jeans

Memory Foam



● Unique Selling Proposition (USP)



Our unique detailing and extremely high quality provides a timeless product. Manufactured by the very factories that have made Chanel, Dior, Martin Margiela, Marc Jacobs collections for decades. The use of metal studs, highly detailed embroidery and gold or silver metal mesh panels in the jeans defines luxury as opposed to relying on a brand namesake to elevate a garment's value.



We started from a desire to fill in a gap in the Denim market that is currently focused on colours and construction, rather than quality and unique detailing. Our collections occupy themselves within the line between Love and Hate, transforming classic popular cuts into something that implies a story or origin. From using real gold to bringing more comfort with panels of memory foam. The key is to keep a distinct DNA whilst innovating in a competitive yet fickle industry.

● Target Market

● Denim is an ageless product and everyone has a favorite pair. Few garments are worth investing in for our daily wardrobe like Denim, Leather Jackets, Blazers and Shirts, all having a long life span. Timeless garments that you will be able to reuse, and as time goes by they ultimately carry hold a story and journey within the very fabric.

Denim is truly a product used by and appreciated by all ages, which ultimately makes it extremely relatable and desirable to one of the widest garment demographics.



● MARKETING PLAN



● Products and Services

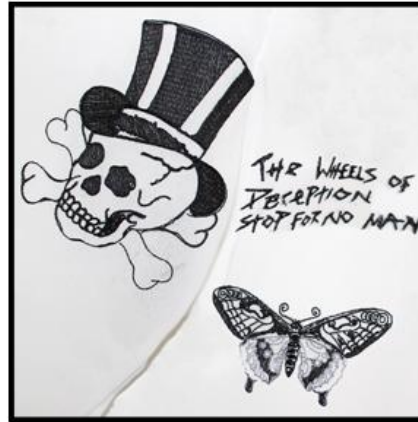
- There is a clear lack of choice in the denim market, especially in the luxury sector. At present it's the same styles and cuts with rips and patches or re-worked vintage. Rather than focusing on the silhouette of the jeans, Loha Vete is more concerned with innovating and embodying an aesthetic to create unique looking and engineered garments. Dragging the jeans behind cars, using precious metal panelling to repair holes or embroidered tattoos onto the fabric elevates what is currently considered luxury and ensures that an authentic hard to imitate product is created. In our mind, the detailing and finishing should justify the price. As a new brand, Loha Vete has to make an effort to engage consumers with its product by using intricate detailing, consider their experience with the product and allow freedom of choice within fits and styles which will create a bond that will make intrigue and eventually create loyalty.



Our Details



Exclusive Studs



Detailed Embroidery



Real Silver/Gold Mesh

Silver Chain Jacket



● Pricing

● The current denim market ranges from £200-2000. The pricing strategy is to place Loha Vete, above the mainstream brands and slightly below the top tier brands. The goods must be seen to be of higher quality than the competition but still more reasonable than an established fashion brand's goods.

There is a broad range of prices within the collections to allow the buyers to select different price tiers of products, which allows them to introduce the garments to different types of clientele they may have, often found with luxury departments stores worldwide.

- **T Shirts RRP from \$ 105**
- **Jeans RRP from \$ 499**
- **Jackets RRP from \$ 599**





Sales and Distribution



In our first year we presented our collection at Paris Fashion Week and quickly garnered a selection of the most prestigious retailers around the world.

Our presentations always have interactive installations which are able to bring the fun DNA of the brand to life, bringing a refreshing change to the clothing rail in white room buyers are constantly confronted with. In between walk through a crowd of celebrities, bottles of fake prescription pills with pill shaped USB pen drives with our look book, T-Shirts in pizza boxes and tables to graffiti on we always get our clients to have an experience whilst make their selection. More often than not, we have made physical installations in stores so that they experience they had in the showroom can be given to the customer's of their stores.

From June 2017, Loha Vete collections will be represented by the international showroom and distributor Tomorrow Ltd in Paris, London, Milan and New York.



Stockists

BOON THE SHOP

UFFIZI MODA

PARLIAMENT

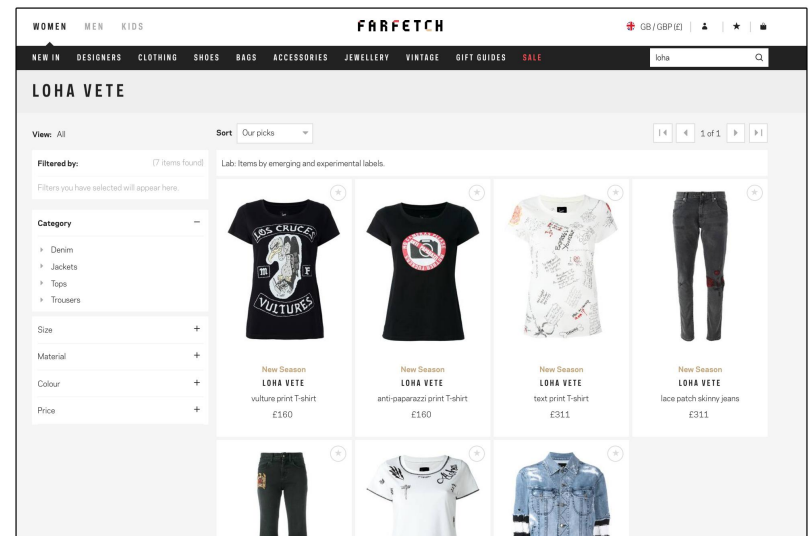
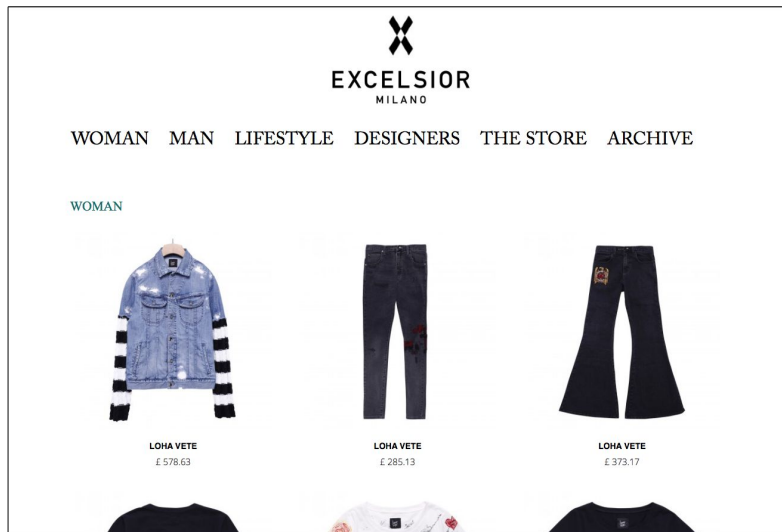
RAIL

bugatti
THE EUROPEAN BRAND

EXCELSIOR
MILANO

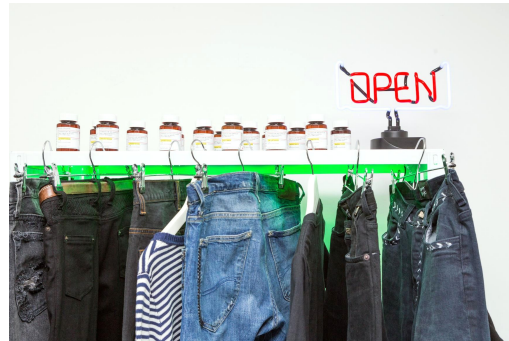
PIAFF
BOUTIQUE

Silvia
Bini
viareggio





FW16 Mens Installation at Moretti Gallery, Jan 2016



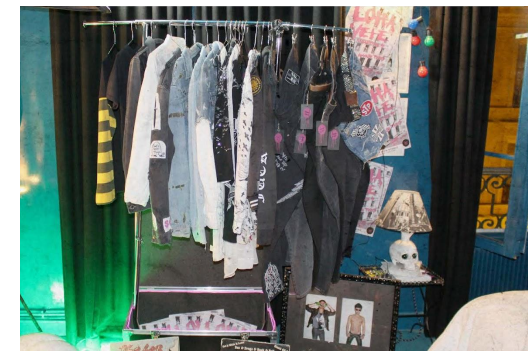
FW16 Womens Installation at Moretti Gallery , March 2016



Paris Fashion Week



SS16 Mens Installation, Moretti Gallery, June 2016



FW17 POP UP at Hotel Amour, March 2017

● Sales and Distribution

● **Direct Distributions Methods Used:**

Pop Up Store/Bars and entertainment events for buyers, VIPs, consumers and press.

“By creating a sort of fantasy hangout-space, the store itself becomes an effective billboard for the brand’s image”

Using profits for purpose is key, each event/pop up will have income generated from beverages as well as Loha Vete products.

Indirect Distributions Methods Used:

Installed Showroom spaces in conjunction with Tomorrow Ltd, for appointments with all major retailers from around the world in Paris, Milan and New York.

● PRESS + MEDIA

● Loha Vete has been featured in some of the most important Fashion Magazines around the world such as V Magazine, Vogue UK, Vogue Italia, Marie Claire, GQ, Highsobiety.com amongst others.

VOGUE

NYLON

NOWFASHION

marie claire

V MAGAZINE



HIGHNOBIETY

VELVET
magazine

PRESS



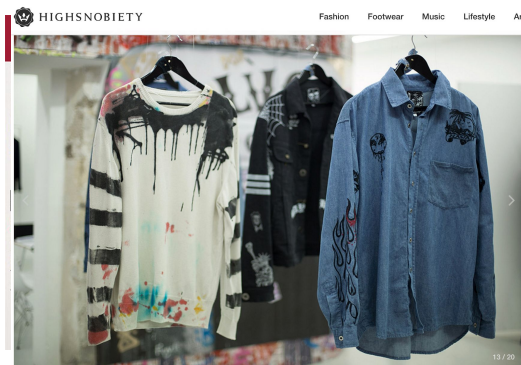
VOGUE UK



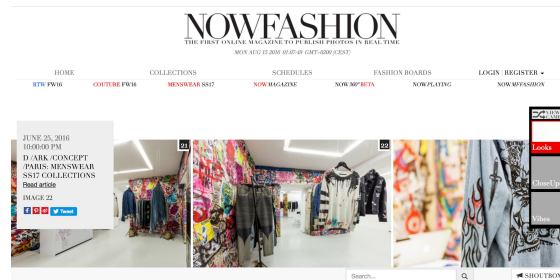
MET Museum - Chaos to Couture



Marie Claire CHINA



Highsnobiety



Now Fashion



VOGUE Italia



PRESS



Nylon Guys



Notion Magazine



Velvet



DEW Fashion Magazine



Inside Magazine



Boys By Girls



Promotions Strategy

- NON¢ Music Tour
- POP Up Stores in New York, LA, Paris and London
- Nogue Magazine (the brand's magazine released with every collection) sendouts to stores and press
- Customise your own Jeans, Jackets etc. on LOHAVETE.COM
- Editorial presence in Major Fashion Publications
- Very limited and Specific Celebrity Product Placement
- E Commerce partnership with FarFetch.com for Direct Sales



Conversion Strategy

1. **Competitively Priced;** having several price categories, requires a broad collection with aspirational expensive pieces as well as commercially priced styles to ensure good sale throughs with stockists.
2. **Limited Collection Releases;** Loha Vete is not a Ready to Wear brand, which means it does not aspire to using fashion shows and creating new collections twice a year. Creating a line of staple garments which can be re-sold in different colour ways and finishes, means less capital will be spent on development and more on Distribution and Promotion.

● Joint Ventures & Partnerships

- Ecommerce partnership with FarFetch.com, to have Loha Vete products displayed and purchased on their site.
- Sales and Distribution partnership with Tomorrow Ltd.
- Partnership with supplier in Italy to increase profit margins and have all product development and manufacturing costs covered.



FINANCIAL



1st Year Income Wholesale - 2016

INCOME per Product

| | |
|-------------------|------------|
| LVD000 - Denim | €49,580.00 |
| LVJ000 - Jackets | €24,865.00 |
| LVK000 - Knits | €7,995.00 |
| LVS000 - Shirts | €5,470.00 |
| LVT000 - T-Shirts | €15,330.00 |



Total €103,240.00

Profit

| Total Sales | Total Expenses | Total Profit |
|-------------|----------------|--------------|
| €103,240.00 | €77,240.00 | €26,000.00 |



2nd Year Income Wholesale / Retail - 2017 Projection

INCOME per Product - Wholesale

| | |
|-------------------|------------|
| LVD000 - Denim | €87,731.00 |
| LVJ000 - Jackets | €46,975.50 |
| LVK000 - Knits | €15,091.50 |
| LVS000 - Shirts | €9,299.00 |
| LVT000 - T-Shirts | €30,891.00 |



Total €189,988.00

INCOME per Product - PopUp Retail

| | |
|-------------------|------------|
| LVB000 - Denim | €38,750.00 |
| LVJ000 - T-Shirts | €48,300.00 |
| LVK000 - Knits | €42,300.00 |
| LVS000 - Jackets | €16,750.00 |
| LVT000 - Drinks | €55,200.00 |



Total €201,300.00

Total Wholesale/Retail = €391,288.00

Break Even Analysis 2016

Starting balance: €103,240.00



Fixed Costs

| | | |
|---------|------------|--|
| Planned | €50,240.00 | |
| Actual | €50,240.00 | |

Selling Price / Variable

| | | |
|---------------|-------------|--|
| Selling Price | €103,240.00 | |
| Variable | €27,000.00 | |

BEP= €77,240.00

Fixed Costs

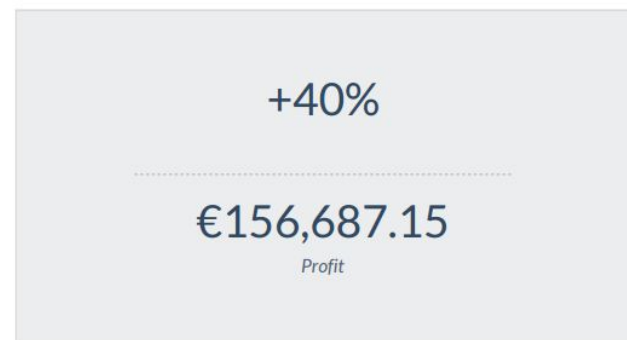
| | Planned | Actual | Diff. |
|--------------|------------|------------|-------|
| Totals | €50,240.00 | €50,240.00 | €0.00 |
| Traveling | €10,500.00 | €10,500.00 | €0.00 |
| Collection | €5,000.00 | €5,000.00 | €0.00 |
| Fashion Week | €27,000.00 | €27,000.00 | €0.00 |
| Rent | €5,040.00 | €5,040.00 | €0.00 |
| Marketing | €0.00 | €0.00 | €0.00 |
| Press | €1,700.00 | €1,700.00 | €0.00 |
| General | €1,000.00 | €1,000.00 | €0.00 |

Selling Price / Variable

| | Selling Price | Variable | Profit |
|------------------------|---------------|------------|------------|
| Totals | €103,240.00 | €27,000.00 | €76,240.00 |
| LVD000 - Denim | €49,580.00 | €10,500.00 | €39,080.00 |
| LVJ000 - Jackets | €24,865.00 | €9,000.00 | €15,865.00 |
| LVK000 - Knits | €7,995.00 | €3,000.00 | €4,995.00 |
| LVS000 - Shirts | €5,470.00 | €1,500.00 | €3,970.00 |
| LVT000 - T-Shirts | €15,330.00 | €3,000.00 | €12,330.00 |
| Average Price Per Unit | €189.00 | €0.00 | €0.00 |
| - | €0.00 | €0.00 | €0.00 |

Break Even Analysis 2017

Starting balance: €391,288.00



Fixed Costs

| | | |
|---------|-------------|--|
| Planned | €105,670.00 | |
| Actual | €105,670.00 | |

Selling Price / Variable

| | | |
|---------------|-------------|--|
| Selling Price | €391,288.00 | |
| Variable | €128,930.85 | |

BEP= €234,600.85

Fixed Costs

| | Planned | Actual | Diff. |
|-------------------------|-------------|-------------|-------|
| Totals | €105,670.00 | €105,670.00 | €0.00 |
| Sales and marketing | €22,000.00 | €22,000.00 | €0.00 |
| Travel Expenses | €6,180.00 | €6,180.00 | €0.00 |
| Fashion Week | €15,000.00 | €15,000.00 | €0.00 |
| Payroll and Payroll Tax | €20,000.00 | €20,000.00 | €0.00 |
| Rent Studio 1 | €5,040.00 | €5,040.00 | €0.00 |
| Rent Studio 2 | €4,200.00 | €4,200.00 | €0.00 |
| Administrative fees | €8,000.00 | €8,000.00 | €0.00 |
| Utilities | €3,650.00 | €3,650.00 | €0.00 |
| Distribution | €20,000.00 | €20,000.00 | €0.00 |
| Other | €1,600.00 | €1,600.00 | €0.00 |

Selling Price / Variable

| | Selling Price | Variable | Profit |
|--------------------------|---------------|-------------|-------------|
| Totals | €391,288.00 | €128,930.85 | €103,457.15 |
| LVD000 - Denim WHS | €87,731.00 | €38,305.95 | €49,425.05 |
| LVJ000 - Jackets WHS | €46,975.50 | €32,029.38 | €14,946.12 |
| LVK000 - Knits WHS | €15,091.50 | €1,979.20 | €13,112.30 |
| LVS000 - Shirts WHS | €9,299.00 | €5,010.88 | €4,288.12 |
| LVT000 - T-Shirts WHS | €30,891.00 | €9,205.44 | €21,685.56 |
| LVD001 - Denim Retail | €38,750.00 | €9,900.00 | €28,850.00 |
| LVJ001 - T-Shirts Retail | €48,300.00 | €6,000.00 | €42,300.00 |
| LVK001 - Knits Retail | €42,300.00 | €7,500.00 | €34,800.00 |
| LVS001 - Jackets Retail | €16,750.00 | €8,000.00 | €8,750.00 |
| LVB001 - Drinks | €55,200.00 | €11,000.00 | €44,200.00 |



Investment Options / 5 Years Evaluation

| INVESTMENT OPTIONS | | | | | |
|---|-------------|--|--|--|--|
| Loan with 6% Interest - Repaid in 3 Years | €250,000.00 | | | | |
| 5% Equity Sharehold | €400,000.00 | | | | |

| PROFIT AND LOSS ASSUMPTION | | | | | |
|--|-------------|---------------|---------------|---------------|----------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Annual cumulative price (revenue) increase | - | 70.00% | 80.00% | 90.00% | 100.00% |
| Annual cumulative inflation (expense) increase | - | 60.00% | 70.00% | 80.00% | 90.00% |
| Total Revenue | €103,240.00 | €391,288.00 | €704,318.40 | €1,338,204.96 | €2,676,409.92 |
| Total Evaluation | €516,200.00 | €1,956,440.00 | €3,521,592.00 | €6,691,024.80 | €13,382,049.60 |

5 Years Projection / Income

| INCOME | | | | | |
|-----------------------|--------------------|--------------------|--------------------|----------------------|----------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenue | | | | | |
| Denim WHS | €49,580.00 | €87,731.00 | €157,915.80 | €300,040.02 | €600,080.04 |
| Jackets WHS | €24,865.00 | €46,975.50 | €84,555.90 | €160,656.21 | €321,312.42 |
| Knits WHS | €7,995.00 | €15,091.50 | €27,164.70 | €51,612.93 | €103,225.86 |
| Shirts WHS | €5,470.00 | €9,299.00 | €16,738.20 | €31,802.58 | €63,605.16 |
| T-Shirts WHS | €15,330.00 | €30,891.00 | €55,603.80 | €105,647.22 | €211,294.44 |
| Denim PopUp Retail | - | €38,750.00 | €69,750.00 | €132,525.00 | €265,050.00 |
| T-Shirts PopUp Retail | - | €48,300.00 | €86,940.00 | €165,186.00 | €330,372.00 |
| Knits PopUp Retail | - | €42,300.00 | €76,140.00 | €144,666.00 | €289,332.00 |
| Jackets PopUp Retail | - | €16,750.00 | €30,150.00 | €57,285.00 | €114,570.00 |
| Drinks PopUp Retail | - | €55,200.00 | €99,360.00 | €188,784.00 | €377,568.00 |
| Total revenue | €103,240.00 | €391,288.00 | €704,318.40 | €1,338,204.96 | €2,676,409.92 |

5 Years Projection / Expenses

EXPENSES

Cost of Sales

| | | | | | |
|---------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| Denim WHS | €23,941.22 | €38,305.95 | €65,120.12 | €117,216.21 | €222,710.80 |
| Jackets WHS | €20,018.36 | €32,029.38 | €54,449.94 | €98,009.89 | €186,218.79 |
| Knits WHS | €1,237.00 | €1,979.20 | €3,364.64 | €6,056.35 | €11,507.07 |
| Shirts WHS | €3,131.80 | €5,010.88 | €8,518.50 | €15,333.29 | €29,133.26 |
| T-Shirts WHS | €5,753.40 | €9,205.44 | €15,649.25 | €28,168.65 | €53,520.43 |
| Denim PopUp Retail | - | €9,900.00 | €16,830.00 | €30,294.00 | €57,558.60 |
| T-Shirts PopUp Retail | - | €6,000.00 | €10,200.00 | €18,360.00 | €34,884.00 |
| Knits PopUp Retail | - | €7,500.00 | €12,750.00 | €22,950.00 | €43,605.00 |
| Jackets PopUp Retail | - | €8,000.00 | €13,600.00 | €24,480.00 | €46,512.00 |
| Drinks PopUp Retail | - | €11,000.00 | €18,700.00 | €33,660.00 | €63,954.00 |
| Cost of goods sold | €54,081.78 | €128,930.85 | €219,182.44 | €394,528.39 | €749,603.95 |

| | | | | | |
|---------------------|-------------------|--------------------|--------------------|--------------------|----------------------|
| Gross Profit | €49,158.22 | €262,357.15 | €485,135.96 | €943,676.57 | €1,926,805.97 |
|---------------------|-------------------|--------------------|--------------------|--------------------|----------------------|

5 Years Projection / Expenses

EXPENSES

Operating expenses

| | | | | | |
|---------------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| Sales and marketing | - | €22,000.00 | €37,400.00 | €67,320.00 | €127,908.00 |
| Travel Expenses | - | €6,180.00 | €10,506.00 | €18,910.80 | €35,930.52 |
| Fashion Week | €27,000.00 | €15,000.00 | €20,000.00 | €20,000.00 | €20,000.00 |
| Payroll and Payroll Tax | - | €20,000.00 | €34,000.00 | €61,200.00 | €116,280.00 |
| Rent Studio 1 | €5,040.00 | €5,040.00 | €17,000.00 | €24,000.00 | €36,000.00 |
| Rent Studio 2 | - | €4,200.00 | €7,140.00 | €12,852.00 | €24,418.80 |
| Administrative fees | €5,000.00 | €8,000.00 | €13,600.00 | €24,480.00 | €46,512.00 |
| Utilities | €300.00 | €3,650.00 | €6,205.00 | €11,169.00 | €21,221.10 |
| Distribution | - | €20,000.00 | €34,000.00 | €61,200.00 | €116,280.00 |
| Other | €1,000.00 | €1,600.00 | €2,720.00 | €4,896.00 | €9,302.40 |
| Total operating expenses | €38,340.00 | €105,670.00 | €182,571.00 | €306,027.80 | €553,852.82 |

| | | | | | |
|-----------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| TOTAL EXPENSES | €38,340.00 | €105,670.00 | €182,571.00 | €306,027.80 | €553,852.82 |
|-----------------------|-------------------|--------------------|--------------------|--------------------|--------------------|

| | | | | | |
|-------------------|-------------------|--------------------|--------------------|--------------------|----------------------|
| NET PROFIT | €10,818.22 | €156,687.15 | €302,564.96 | €637,648.77 | €1,372,953.15 |
|-------------------|-------------------|--------------------|--------------------|--------------------|----------------------|



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