

Site Requirements

Oakman Inns & Restaurants are seeking locations (or funding to expand) for growth

Location

Primary: Affluent market towns; ideally central high street location

Secondary: Affluent suburban/rural locations on major trunk roads

Building type

- Current site usage is not an issue - we have successfully converted from retail and leisure units
- Units of circa 4,000 ft²
- Capable of 80+ covers
- Freehold and Leasehold of 20yrs or longer

Target county locations:

- Hertfordshire
- Bedfordshire
- Buckinghamshire
- Oxfordshire/Cotswolds
- Essex
- Cambridgeshire
- Berkshire
- Surrey
- Warwickshire

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Peter Borg-Neal
Chief Executive

"At Oakman we give each new property its own special character, combining a respect for its heritage and setting with contemporary design, and make it an important part of its local community.

Our success is founded on the experience we deliver, making every Oakman Inn a great place to be that gives its customers a great time every time they visit - with great food, great drink and a great welcome.

We do everything we can to make our customer's time with us a little bit special from the moment they walk through the door. Whether they are visiting for coffee, breakfast, lunch, dinner, or a drink at the bar our focus is always on delivering superb service, tailored to their occasion.

It's all in the detail and our passion is to get every detail right. We love what we do and hope that it shows."

A handwritten signature in blue ink, which appears to be Peter Borg-Neal's signature.

Oakman and our Marketplace

- Oakman operate modern public houses providing a quality food and beverage experience to the whole community
- The businesses operate in prosperous market towns in the South East of England
- The Oakman food offer is firmly positioned in the steadily growing casual dining market
- The current sites opened to date have generated industry leading average annual net sales of over £1.6 million per unit
- Each site maintains substantial site level EBITDA margins and cash flow generation. The average mature leasehold EBITDA return on investment comfortably exceeds 30%.
- The Board contains an impressive list of Non-Executive Directors who have achieved considerable business success personally and who are heavily invested in the company
- The management team has an excellent record of selecting and developing suitable sites and, given current market conditions, are confident that a high quality pipeline can be established
- The concept is proven in different types of sites, including former coaching inn, pub, restaurant, post office, office and newsagents
- The business is supported by a central office function called Oakman Basecamp, which is situated in Tring. With fifteen full-time and two part-time personnel the team provides top class support to colleagues in the frontline of the business
- Foodie culture is exceptionally strong across the UK, in part fuelled by the dynamic operator landscape. Social media, blogs and review sites have increased consumer knowledge and made food trendy; consumers want to follow the foodie buzz
- Branded/managed pubs are expected to be the strongest performing channel, as more pubs move from tenanted to managed, and will capture 50% of the £3.8bn overall growth in the restaurant market over the next three years

Awards & Accolades

2009 The Akeman wins Pub Design of the Year at *The Publicans*

2011 The Red Lion wins Best Italian Food Pub at the *Great British Pub Awards*

2013 Oakman achieved one star accreditation from *Best Companies to Work For* marking it out as having exceptional employee engagement for an SME

2013 Oakman named Pub Company of the Year by the influential *Eat Out Magazine*

2013 *Restaurant Magazine R200 Awards* Oakman was again named Pub Company of the Year beating companies such as Drake & Morgan and ETM in the final

2013 Every business in the Oakman portfolio is awarded its first star rating by the *Sustainable Restaurant Association*

2013 Oakman named Pub Company of the Year at *Restaurant Magazine's R200 awards*

2014 Oakman became one of very few companies to ever win two *Publican Awards* in the same year; Best Community Pub Operator and Best Pub Employer (2-50 sites)

2014 The *Sustainable Restaurant Association* increases their accreditation of all Oakman sites from a one to two star rating

A Bit About Us

Since it opened its first business in Tring, Oakman Inns has won a place in the hearts and minds of local people and has truly become a local institution. It is testament to the people involved that our inns are so easily recognised and held in such high regard.

Back in 2007 when The Akeman, our very first 'modern public house', opened its doors, the team had a simple belief that classic food, well delivered in a stylish environment would be a recipe for success - a belief that remains unchanged today. The business model is built on the three pillars of:

- Great buildings which are either local landmarks or have the capacity to be (with a little vision and love)
- An accessible concept for the community serving great quality food and drink all day
- And, most importantly, great people

The relevance of these pillars today is even more important in a rapidly evolving market place.

Oakman Inns are a safe and attractive refreshment point for middle classes in conjunction with other activity such as family commitments, work, recreation and sports.

The buzz and activity is key in creating the right environment - animated conversation best describes the atmosphere - a bustling place where friends, colleagues and families catch up and enjoy a great range of food and drink. Oakman Inns are for people of a discerning taste and appeal to a wide, multi-generational audience.

What differentiates Oakman Inns from everyone else?

1. **Our Product** - well-sourced, authentic food and drink, freshly made and perfectly served, all day, every day

2. **Our People** - attractive personalities with a passion for food and drink and a genuine desire to deliver the very best service
3. **Our Environment** - buzzing drinking and dining areas, always with an open kitchen, meticulous standards and attention to detail
4. **Our Community** - be it fund raising for a local charity, refreshments for sports clubs or a local event, each of our businesses is inextricably rooted in the community

Since opening, the Akeman has established itself as the flagship site in the group, maintaining average weekly net sales of £31K and a strong return on investment.

A later successful rights issue enabled the company to acquire and refurbish The Old Post Office in Wallingford in February 2009 and The Red Lion in Water End in December of the same year. Both sites were huge success stories in their own right. The Old Post Office delivered a payback period of less than 18 months.

Following a successful round of senior debt fundraising in 2010, two further sites were subsequently identified, acquired, refurbished and reopened. Both of these sites had bedrooms as Oakman extended its offer to include hotel accommodation.

The Kings Arms opened in Berkhamsted in December 2010 following a £1.2m fit-out and became the first Oakman Inn to break the £2m net sales turnover mark in



The Akeman
Opened: December 2007



The Old Post Office
Opened: February 2009



The Red Lion
Opened: November 2009

the year ending March 2013. A year later in December 2011 The Blue Boar in Witney, the company's first freehold, began trading. The success of both of these investments has encouraged the Oakman Board to make further investments in sites with accommodation.

In January 2013, Oakman acquired its sixth site, a former retail unit in Beaconsfield. Following an £850k refurbishment, the site reopened in April 2013 and continues to outperform both its investment target and its budget.

In September 2012, Oakman Inns acquired its second freehold (and third hotel), the Crown and Thistle in Abingdon for £1.6m. The site was shut in July 2013 and reopened in November 2013 to the public, following a £1.9m refurbishment. This is the company's seventh

trading site and has continued Oakman's consistent success record with sales already averaging over £30k per week

In September 2014 the second Beech House was opened in St Albans following an £800k investment programme. By its second week the site was achieving average weekly sales in excess of £40k. The business is situated on a busy high street and so it has a strong mix of takeaway sales as well as a small amount of retail alongside its core restaurant and bar trade.

In partnership with Downing Capital we added The Akeman Inn to our collection in November 2014. Another former coaching inn we refurbished the site and added a wood-fired pizza oven which is now synonymous with our out-of-town destination concepts.



The Kings Arms
Opened: December 2010



The Blue Boar
Opened: December 2011



The Beech House, Beaconsfield
Opened: April 2013



The Crown & Thistle
Opened: December 2013



The Beech House, St Albans
Opened: September 2014



The Akeman Inn
Opened: November 2014

The Senior Team

The Oakman Board consists of three Executive Directors and five Non-executive Directors who meet quarterly and provide the governance and strategic direction.

The Executive Directors

Peter Borg-Neal
Chief Executive Officer

Joseph Evans CIMA
Finance Director

Alex Ford
Operations Director

The Non-Executive Directors

Mike Smith
Chairman

Mark Radley
Non-executive Director

David Sherratt
Non-executive Director

David Sidwell
Non-executive Director

Keith Wilson
Non-executive Director

The Oakman Executive

The Oakman Executive meets monthly and is responsible for the management of the business.

The Three Executive Directors

plus

Jill Scatchard
Human Resources Manager

Armend Aljo
Commercial Manager

Sarah Sansom
Marketing Manager