



# Virtual Play King



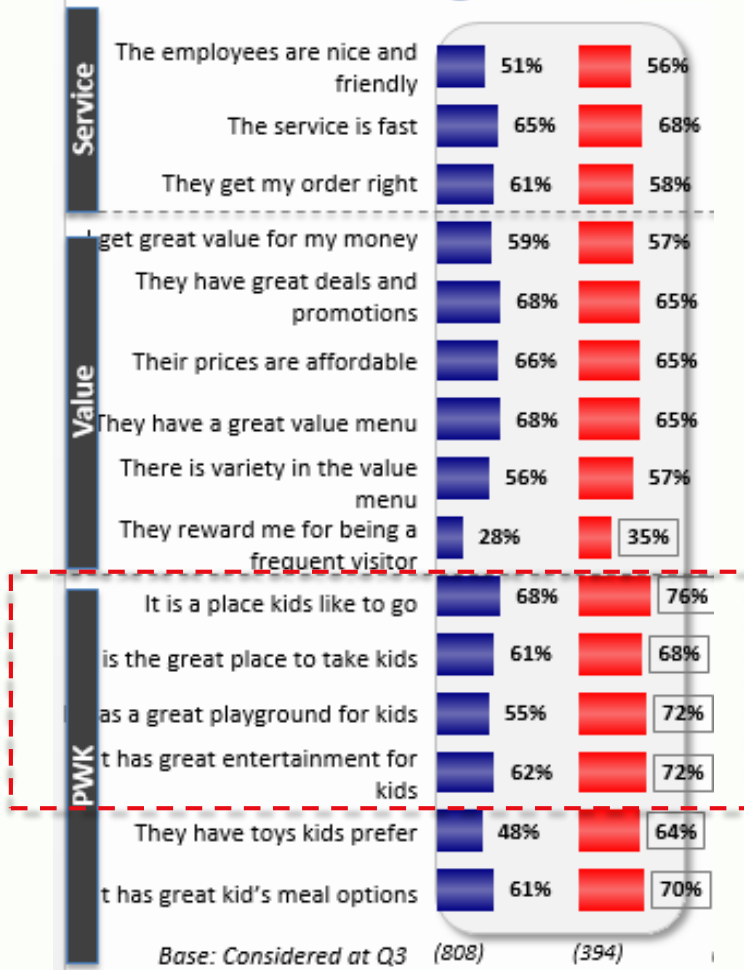
1. Brand tracker data and BK's situation
2. The advantages of virtual Play King
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# According to Millard Brown's brand tracker, BK's competition has a better perception in being a better place for kids.



## Brand Tracker data

October 2014



Currently only 24% of the restaurants in EMEA have a Play King. Some of the main reasons are:

- Limited space for Play King as there is low presence of the digital option. The traditional Play King requires large space.
- Wear and tear in traditional Play King is very high, making the investment have a lower rate of return
- Traditional Play King prices ranges between €13k (smallest one) and €32k, again reducing the rate of return of the investment

# The Virtual Play King creates a big opportunity in terms of space: It can be installed in any restaurant in both Drive Through and Inline formats.



The virtual Play King can be projected on to different places, giving a big advantage for space

## Walls



- Ceiling height: 2.5 – 4 meters
- Width: 1.4 – 2.7 meters
- Length: 1 – 2 meters
- Temperature for projector: 27 C
- Surface: White matte

## Floor



- Ceiling height: 3 – 5 meters
- Width: 1.9 – 5 meters
- Length: 1.5 – 3.7 meters
- Temperature for projector: 27 C
- Surface: White matte

## Tables

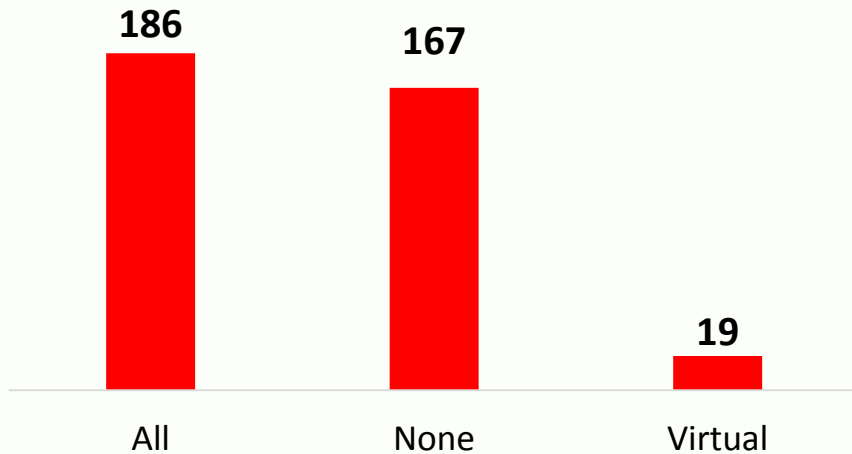


- Ceiling height: 2 – 3.4 meters
- Width: 0.9 – 2.2 meters
- Length: 0.7 – 1.7 meters
- Diameter: 0.7 – 1.7 meters
- Temperature for projector: 27 C
- Surface: White matte, round or rectangular

# Measuring the Virtual Play King's performance in terms of sales – Spain Effect

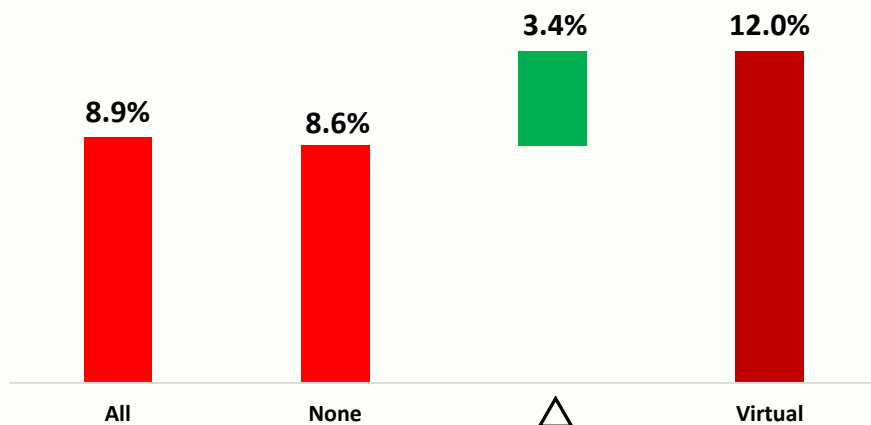


Out of a sample of 186 remodels, 19 had a virtual Play King installed with the remodel



- A sample was chosen consisting of **186** Remodeled restaurants in Spain from **September 2010** to **January 2014**
- 19 of them had no Play King and the remodel included the installation of a virtual Play King
- This way, one can understand what is the impact of making this investment in any restaurant that has no Play King currently

Restaurants with Play King increased their ARS by and additional 3.4%



- Comparing the growth in LTM sales of the restaurants with virtual Play King vs. restaurants without a Play King
- There is an increase of 8.6% in restaurants with no Play King and 12% in restaurants with digital Play King

# Following the sales uplift and taking average turnover and costs of the Spanish Market, the increase in sales improves restaurant EBITDA in €16k or 0.8 pp.



The increase in sales does not increase all the costs, hence has a higher EBITDA margin

<i>(Figures in EUR)</i>	Before Play King	Fall Through	After Play King
<b>Year Sales</b>	<b>1,113,431</b>	<b>38,298</b>	<b>1,151,729</b>
COGS	-29.1%	-29.1%	-29.1%
Labour	-27.1%	-19.0%	-26.8%
Rent	-6.7%	0%	-6.5%
Occupancy	-6.3%	0%	-6.1%
AdFund	-5.6%	-4.9%	-5.6%
Royalties	-4.9%	-4.9%	-4.9%
Other	-2.9%	0%	-2.8%
<b>EBITDA Margin</b>	<b>193,737</b>	<b>16,135</b>	<b>209,872</b>
<i>EBITDA Margin %</i>	<i>17.4%</i>	<i>42.1%</i>	<i>18.2%</i>

**With this EBITDA margin, the average payback period is calculated to be of close to 1 year**



**The Virtual Play King has low maintenance costs, and an attractive payback period**

<b>Financial Analysis</b>	<b>Floor (1 Unit)</b>	<b>Table (2 Units)</b>	<b>Wall (1 Unit)</b>
ARS (€)	1,113,431	1,113,431	1,113,431
Sales Uplift	3.4%	3.4%	3.4%
Sales Uplift (€)	38,298	38,298	38,298
EBITDA Uplift (€)	16,135	16,135	16,135
<i>Fall Through Uplift</i>	42.1%	42.1%	42.1%
Av. Maintenance cost / Year	2,040	3,900	2,040
Total Contribution / Year	14,095	12,235	14,095
<b>Av. Installation Cost</b>	<b>14,500</b>	<b>20,847</b>	<b>13,500</b>
<i>Beamer</i>	9,800	19,047	9,800
<i>Vinyl Flooring</i>	1,000	-	-
<i>Pladur Walls</i>	1,100	-	1,100
<i>Vinyl Walls</i>	1,700	-	1,700
<i>Beamer Structure</i>	150	300	150
<i>Hidden hole ceiling</i>	300	600	300
<i>Electrical Installation</i>	450	900	450
<b>Payback Period Years</b>	<b>1.0</b>	<b>1.7</b>	<b>1.0</b>

# Maintenance Cost Breakdown by Unit and Prices for bulk purchases



Number of units in same restaurant					
Same restaurant discount	1	2	3	4	5
Total per unit	€ 9,800	€ 9,247	€ 8,585	€ 7,831	€ 7,200
Maintenance per unit per month*	€ 170	€ 155	€ 140	€ 125	€ 125

Additional quantity discount (different restaurants)**						
10+	5%	€ 9,310	€ 8,784	€ 8,155	€ 7,440	€ 6,840
25+	10%	€ 8,820	€ 8,322	€ 7,726	€ 7,048	€ 6,480
50+	15%	€ 8,330	€ 7,860	€ 7,297	€ 6,657	€ 6,120
100+	20%	€ 7,840	€ 7,397	€ 6,868	€ 6,265	€ 5,760

\*Maintenance discount is only for several installations in the same restaurant. Price is per unit per month for a full service plan

\*\* For bulk 1 time purchase only.

**The Play King must be ordered at least 2 weeks in advance**



# Detailed requirements for the Digital Play King - Floor



## Floor

Smooth, non-reflective, white surface of any kind is required

## Ceiling

Recommended a height of 3-5 meters.

Make ready a square opening of at least 601mm / 23.66 Inches & service hatch next to the system for maintenance.

## Environment

Lighting: A shady-dark environment with no direct light is recommended. Ambient light is up to 200 Lux.

*There are smartphone apps that can help you estimate your environment's Lux reading. (Recommend not total darkness)*

Temperature: Air conditioned environment is required, up to 27°C/80°F in the designated installation area of the device.

## Electricity

Single socket of permanent and stable power supply (110-240v). In non-stable power systems, UPS is mandatory.

## Network

Ethernet LAN Cable Cat.5 with RJ45 Male connection. In order to receive system, game updates, and to keep maintenance remotely managed.

## Sizes

False Ceiling Height	Image Width	Image Height
2.5m	190-231cm	147-173cm
3m	230-305cm	173-227cm
4m	300-400cm	227-300cm
5m	375-495cm	280-370cm

*\*Numbers represent full zoom in and full zoom out*

# Detailed requirements for the Digital Play King – Wall



## Floor

Smooth, non-reflective, white surface of any kind is required

## Ceiling

Recommended a height of 3-5 meters.

Make ready a square opening of at least 601mm / 23.66 Inches & service hatch next to the system for maintenance.

## Environment

Lighting: A shady-dark environment with no direct light is recommended. Ambient light is up to 200 Lux.

*There are smartphone apps that can help you estimate your environment's Lux reading. (Recommend not total darkness)*

Temperature: Air conditioned environment is required, up to 27°C/80°F in the designated installation area of the device.

## Electricity

Single socket of permanent and stable power supply (110-240v). In non-stable power systems, UPS is mandatory.

## Network

Ethernet LAN Cable Cat.5 with RJ45 Male connection. In order to receive system, game updates, and to keep maintenance remotely managed.

## Sizes Recommended size

Ceiling Height	180cm from wall	150cm from wall	120cm from wall	90cm from wall	60cm from wall
2.5m	180X135cm, 35cm from floor	206X155cm, 40cm from floor	182X137cm, 40cm from floor	163X122cm, 40cm from floor	143X107cm, 50cm from floor
3m	240X180cm, 50cm from floor	220X165cm, 50cm from floor	203X152cm, 40cm from floor	182X137cm, 50cm from floor	163X122cm, 60cm from floor
3.5m	240X180cm, 90cm from floor	240X180cm, 50cm from floor	220X165cm, 50cm from floor	206X155cm, 50cm from floor	174X131cm, 90cm from floor
4m	270X202cm, 60cm from floor	255X191cm, 50cm from floor	230X173cm, 80cm from floor	230X173cm, 50cm from floor	N/A

# Detailed requirements for the Digital Play King – table



## Table Shape

Rectangular and Round shapes of any kind

## Table Surface

A smooth, non-reflective, white surface of any kind

## Ceiling

Recommended a height of 3-5 meters (we already installed in 2.5 meters taking into account the smaller projection area).  
Ready a square opening of at least 601mm / 23.66 Inches & service hatch next to the system for maintenance.

## Environment

Lightening: A shady-dark environment with no direct lights is recommended. Ambient light is up to 200 Lux. There are smartphone apps that can help you estimate your environment's Lux reading. (Recommend not total darkness)

Temperature: Air conditioned environment is required, up to 27°C/80°F in the designated installation area of the device.

## Electricity

Single socket of permanent and stable power supply (110-240v). In non-stable power systems, UPS is mandatory.

## Network

Ethernet LAN Cable Cat.5 with RJ45 Male connection. In order to receive system, game updates, and to keep maintenance remotely managed.

## Sizes

Distance between system and projection area	Recommended Table Diameter
140 cm	90 cm
150 cm	95 cm
160 cm	100 cm
170 cm	105 cm
180 cm	110 cm
190 cm	115 cm
200 cm	120 cm
210 cm	125 cm
220 cm	130 cm



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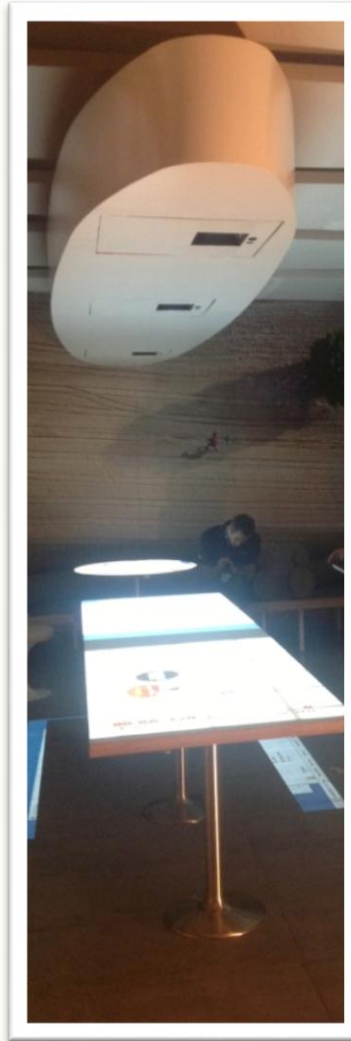
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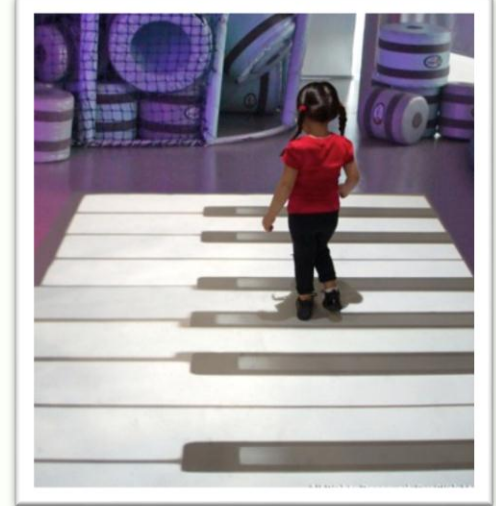
### Projector



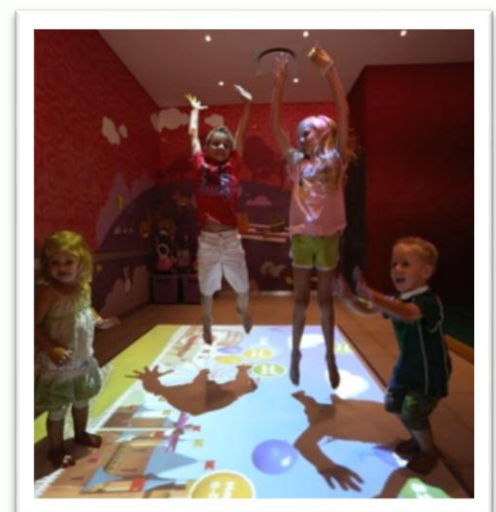
### Play King Table



### Play King Floor



### Projector installation





**THANK YOU**