MEMORANDUM · CONFIDENTIAL

Custodi

A holding company for Rome's historic restaurants

A "buy-and-build" aggregation model inspired by private equity, ***small, human, local***. Acquiring historic trattorias and pizzerias left without an heir, professionalising their management and ***preserving their identity*** instead of flattening them into a single brand.

Recipients	Business angels, family offices, investment funds with an F&B / heritage sensibility
Sector	Food & Beverage, traditional dining (ATECO 56.10) · Rome and its metropolitan area
Transaction	Incorporation of a vehicle (Holding) + a plan of serial controlling acquisitions
Round sought	€ 2.0m of equity (Round 1), part of it for the team and pre-operating structure · debt facility of up to ~€ 2.0m
Horizon	Five-year plan from 2027 to 2031 · indicative exit window between 2032 and 2033
Date	Preliminary document · November 2026

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1. Executive Summary

Italy's art cities are losing a silent heritage: the historic trattorias, osterias and pizzerias that define their culinary identity. They do not close because they are failing, many run at full service, but because they have no heir. The owner grows old, the children choose other paths, and a venue with a name, a clientele and sound accounts goes dark purely for lack of managerial continuity.

Custodi exists to capture exactly this gap. We are setting up a holding company that acquires, one at a time, historic Roman trattorias and pizzerias with an established goodwill but "old-style" management (no structured food costing, artisanal bookkeeping, unoptimised finances, a share of undeclared economy to be regularised). On each venue we deploy a centralised operating machine, namely management control, purchasing, digital marketing and HR, while leaving intact what makes its value: the name, the sign, the recipes, the long-standing staff and, where possible, the presence of the founder. We reinvest the profits into the next acquisition. It is Bending Spoons' serial-acquisition growth model, translated into an artisanal and local key.

Unlike a purely opportunistic fund, from day one Custodi funds a dedicated team and a real corporate structure: origination and due-diligence professionals who source and analyse the venues, a controller for food costing, an operations manager for integration, plus an office, the corporate vehicle, an accountant and legal advisors. This is why Round 1 is sized at € 2.0 million: about half funds salaries and structure over the first 24 months, before revenue turns into profit, and the other half the equity portion of the first acquisitions. It is a deliberate investment in quality and speed of execution, not a cost to be squeezed.

The investment thesis in five points

- **A large, fragmented market.** Rome's metropolitan area has over 20,000 food-service businesses; independent venues account for about 82% of the national market. Fragmentation is our raw material: no operator aggregates the "historic neighbourhood" segment.
- **A structural problem that creates supply.** The missing generational handover is by now a nationally recognised phenomenon: healthy venues close for lack of succession. This generates a steady flow of targets available at low multiples.
- **Measurable value creation.** On each venue we aim to double unit EBITDA in about 24 months (from 12% to 21% of revenue) through food costing, revenue management, digitalisation and purchasing economies of scale, without distorting the venue.
- **Multiple arbitrage.** We buy single venues at 3 to 4x EBITDA and build a platform that, once aggregated and professionalised, is worth 6 to 7x. The value comes from the sum of improved margins and the re-rating of the platform.
- **A mark of guarantee, not a single brand.** "Custodi" stays behind the scenes as a seal of quality and continuity. Each sign keeps its own history. This sets us radically apart from the chain model, towards which residents and tourists show growing distrust.

The headline numbers

Key metric	Value	Notes
Equity capital sought (Round 1)	**€ 2.0m**	Optional Round 2 € 0.5m
Priority use of Round 1	**Team + structure**	active from day 1, pre-revenue
Acquisition debt facility	**~ € 2.0m**	≈ 50% of each deal
Venues acquired in 5 years	**9**	1 → 2 per year

Key metric	Value	Notes
Consolidated revenue at plan end	**~ € 8.3m**	from € 0.85m in Y1
Group EBITDA at plan end	**~ € 0.85m**	steady-state run-rate ~€ 1.1m
Estimated equity value at exit	**€ 5.8 to 6.4m**	6.5 to 7x steady-state EBITDA
Indicative gross MOIC / IRR	**2.9 to 3.2x / 19 to 22%**	horizon of about 5 to 6 years

THE DUAL NATURE OF THE RETURN

Custodi offers investors a private-equity buy-and-build financial return and, at the same time, a tangible impact: every acquisition saves a piece of Rome's collective memory and a cluster of jobs. It is a project you can tell, with pride, both in an investment committee and over dinner.

2. Market analysis

2.1 Size and state of the sector

Italian food-service passed € 100 billion of consumer spending in 2025, with value added of about € 59 billion: it is Europe's largest market by turnover in the restaurant channel. Growth, however, is now driven by prices more than volumes, between 2024 and 2025 menu prices rose by over 3% a year while footfall in venues fell. Translated for an investor: in a mature, flat-volume market, value is not created by opening new venues (where mortality is very high) but by improving the management of already-established businesses. That is exactly our strategy.

On the structural side, the sector remains extremely fragmented: almost half of all businesses are sole proprietorships and independent outlets account for about 82% of the market. The number of businesses is falling (−1.2% in 2024, over 18,000 net closures a year): the fabric thins out, and with it grows the pool of "orphan" venues available for aggregation.

Indicator (Italy)	Figure	Source / year
Out-of-home food-service spending	**~ € 100bn**	FIPE, 2025
Sector value added	**€ 59.3bn**	FIPE, 2024
Active businesses	**~ 328,000**	FIPE, 2024
Change in number of businesses (YoY)	**−1.2%**	FIPE, 2024
Independent-outlet share	**~ 82%**	Mordor Intelligence, 2024
Sole proprietorships as a share of total	**~ 47%**	iCRIBIS / ATECO 56

2.2 Rome: a market of its own

Rome alone concentrates 8.8% of Italy's food-service businesses. The metropolitan area has over 20,000 venues, of which the City proper absorbs about 69%; traditional restaurants are the dominant type (~41% of the total). The market is lively but Darwinian: in a recent year, against ~1,500 openings there were ~700 closures. Rome is also Italy's largest tourism-driven dining market: spending by international visitors translates directly into turnover for venues in the centre and the iconic neighbourhoods (Trastevere, Testaccio, Prati, Monti).

This dual demand, loyal residents on one side and a structural tourist flow on the other, is what makes the historic Roman trattoria a defensive asset: the neighbourhood clientele sets the floor in weak months, tourism raises the ceiling in high season. The 2025 UNESCO recognition of Italian cuisine as intangible heritage further strengthens the symbolic and economic value of authenticity.

2.3 The generational dynamic: the engine of our pipeline

The phenomenon that generates our supply of targets is by now documented across Italy: healthy historic venues close not from economic crisis but from lack of succession. The trade press speaks explicitly of a "crisis that is more structural and generational than economic", of an entrepreneurial population that ages without handing over the baton. In Rome the script repeats itself: signs that disappear over a non-renewed lease or owner fatigue, often replaced by supermarkets or anonymous formats. I myself, the son of restaurant owners with over 40 years in the trade behind them, have lived through a similar situation, and I now find myself here looking for a single solution for the whole local restaurant sector.

WHY THIS IS AN OPPORTUNITY, NOT JUST A LOSS

Every owner without an heir is a potential seller. They almost always prefer to sell to someone who promises to keep the name, the recipes and the team rather than see the venue turned into a chain outlet. Custodi positions itself as the reference "good" buyer: this gives us privileged access to the best targets and negotiating power over multiples.

2.4 Anti-chain sentiment and the authenticity advantage

The market is polarising: chains, fast casual and dark kitchens are growing strongly (respectively +11%, +9% and +10% a year), while traditional full-service dining loses share. On the face of it a contradiction of our thesis, in reality its foundation. Precisely because the centre of the market standardises, authenticity becomes a scarce, premium good. Residents and tourists perceive chains as impersonal and actively seek out the "real" venue, family-run, with history and territory on the plate.

Guides and the food press systematically reward "hidden", local independent venues. Our strategy rides this sentiment instead of fighting it: we do not build a single recognisable brand (which would be perceived as a chain in disguise), but preserve the multiplicity of signs. Scale, and therefore savings, stay invisible to the customer, who goes on experiencing the trattoria as always.

Summary of the market drivers

- **In favour:** extreme fragmentation, a supply of targets growing for demographic reasons, a premium on authenticity, structural tourist demand in Rome, low entry multiples on single venues.
- **Against / to manage:** flat real volumes, inflation on raw materials and energy, difficulty finding qualified staff, high rents in iconic areas, dependence on the owner and on the undeclared economy in the targets.

2.5 Precedents and market comparables

Custodi's model is not theoretical: it has already been replicated successfully in adjacent forms, in Italy and abroad. This is the best form of de-risking for an investor, the thesis is proven, and what remains to be demonstrated is execution in the specific niche. The four cases below (external public sources) delimit the competitive perimeter.

Case	What it does	What it proves for Custodi
Heritage Group *New England (USA) · since 2021*	Aggregates "beloved" historic restaurants and inns while preserving their roots, providing capital and growth tools rather than changing their identity. In about 5 years: ~23 restaurants and ~$155m of revenue.	Roll-up by preservation of venues with intact identity is executable and scales quickly. It is, in effect, Custodi's very thesis already proven in the field.
Torino Society *Turin (Italy) · since 2022*	Takes over well-located historic venues with good turnover without distorting their soul, improving quality and management. Avowedly inspired by Paris Society.	A direct domestic precedent: the "neighbourhood custodian" positioning works in the Italian context too, with private capital and historically-run venues.
Paris Society *France · since 2013*	Revives iconic institutions in decline while preserving their soul and the history of the place. € 4 to 6m per project; ~€ 16m of revenue in 2021 (+64% in two years); sold to Accor for € 330m in 2022.	Proof of platform value at exit and of multiple re-rating. A useful warning: avoid flattening into "fake luxury", which our non-brand seal prevents.
Collection Accor *MGallery, Handwritten, Emblems*	Hospitality "collection" brands that offer independent owners a platform, services and global reach while preserving the individuality	The hotel analogue of the principle "centralise the costs, not the soul": it shows that the seal model, not the single-brand model, scales across

	and essence of each property.	dozens of sites.

THE COMPETITIVE GAP WE OCCUPY

Capital is already active in Italian food-service, but on chains and multi-brand formats (e.g. Rossopomodoro/Sebeto, Old Wild West/Cigierre, Panini Durini via club deal). Custodi's specific combination, historic Roman trattorias driven by generational handover, with full regularisation of the undeclared economy and preserved identity, is not yet garrisoned by a dedicated operator. It is at once confirmation of feasibility and white space to occupy. The two execution risks, both visible in the comparables, remain: not betraying authenticity (the mistake to guard against) and discipline on the entry price.

3. Analysis of acquisition targets

Below we present the target profiles, the three given as examples plus three comparable archetypes that describe the rest of the pipeline. A methodological note is due and will be repeated to investors: most of these venues are sole proprietorships or partnerships, which do not file public accounts at the Company Register; only limited companies (S.r.l.) do. The figures reported are therefore category estimates based on typical turnover, covers, average ticket and local comparables, not verified data on the single venue. The real quantification, including the emergence of any undeclared economy, is the subject of pre-acquisition due diligence (chamber-of-commerce records, managerial reclassification, checking of receipts/covers, analysis of the lease).

3.1 Comparative table of targets

Venue	Format / Area	Strengths	Main weaknesses	Est. revenue (€ k)	Indic. EV (€ k)
Da Teo	Trattoria · Trastevere (P. Ponziani)	Very strong brand with tourists and Romans; excellent reviews; Roman cuisine + fish; iconic location	High dependence on the owner; limited covers; high Trastevere rent; tourist seasonality	900 to 1,300	**350 to 520**
Bella Napoli	Pizzeria/rest. · Prati (v. S. de Saint Bon)	Loyal neighbourhood clientele; affluent area (offices+residents); Italian-cuisine format with good value for money	Less distinctive brand; freehold we know, possibility of acquiring 50% of the freehold at a discounted price.	600 to 900	**200 to 350**
Pizzeria Giacomelli	Historic pizzeria · Prati	Historic neighbourhood name; high volumes; takeaway/delivery-friendly format; high turnover	Low average ticket; dependence on volume; likely undeclared takeaway income to regularise	500 to 800	**170 to 300**
Comparable A	Authentic trattoria · Testaccio	Heart of Roman cuisine; decades-long goodwill; strong neighbourhood identity	Ageing family management; no food costing; artisanal bookkeeping; undeclared income	700 to 1,000	**250 to 400**
Comparable B	Suburban osteria · Garbatella/Centocelle	Low rents; loyal local clientele; manageable food cost; low property risk	Less tourist pull; purely local brand; no digitalisation; small scale	400 to 650	**120 to 240**
Comparable C	Fish restaurant · coast (Ostia)	High average ticket; strong summer season; events/ceremonies potential	Marked seasonality; fish working-capital needs; volatile margins	800 to 1,200	**280 to 480**

Indicative category estimates (not verified financial-statement data). EV = indicative enterprise value of the goodwill/business unit, about 3 to 4x normalised EBITDA or about 35 to 45% of revenue. To be confirmed in due diligence.

3.2 Pipeline selection criteria

Not all historic venues are targets: we look for a precise, replicable and financeable profile.

- **Real goodwill and reputation:** a history of at least 10 to 20 years, solid reviews, documentable recurring clientele.
- **Turnover in the € 0.4 to 1.3m band:** big enough to absorb central costs, small enough to buy at low multiples.
- **Absent or uncertain succession:** the driver that opens the negotiation and compresses the price.

- **Room for managerial improvement:** food cost not controlled, no digital marketing, purchasing not centralised, that is, the lever we act on.
- **Manageable property situation:** a lease with adequate remaining term or a purchase option; rent is the number-one risk in central Rome and beyond.
- **Regularisability of the undeclared economy:** any undeclared economy must be brought fully into the open. We treat it as a risk and as a value lever (see §5.6), never as an asset to preserve.

4. Operating acquisition model

4.1 Deal structure: flexible by definition

There is no single way to buy a family trattoria. Custodi's strength is to offer the seller the formula best suited to their personal and tax situation, thereby raising the closing rate and the quality of the post-acquisition relationship. We work on three main, combinable schemes.

Formula	How it works	When we use it
Full buyout (100%)	Purchase of the entire business unit/goodwill; the owner exits (immediately or after a paid handover of 6 to 12 months).	Owner ready to retire, no heir involved, venue with an already solid, autonomous team.
"Salaried ownership"	Purchase of the majority; the founder stays as a paid employee/collaborator (face and guarantor of the kitchen) and/or minority shareholder (10 to 25%) with an earn-out tied to results.	The owner is still the soul of the venue and wants to keep working there without the burden of administrative management and business risk.
Gradual entry	Initial minority purchase with an option agreement to move to control within 24 to 36 months, at a predefined multiple. We support management from the outset.	Undecided owner, or one attached to the venue; it allows the partnership to be "tried out" and interests aligned before full closing.

4.2 The "salaried ownership" formula in detail

This is our distinctive trait and the direct answer to the generational problem. To the founder who has no heir but does not want to "disappear", we offer a shift from entrepreneur-who-takes-the-risk to master-who-passes-it-on, paid and relieved of managerial burdens.

- **Guaranteed continuity:** the founder remains the face of the venue, guards the recipes and trains the staff. For customers and the neighbourhood nothing changes.
- **Know-how transfer:** a structured handover period (12 to 36 months) puts recipes, suppliers and the venue's rituals down in writing before that heritage is lost.
- **Economic alignment:** a minority stake and/or earn-out tie part of the consideration to future results, reducing the initial outlay and keeping the founder accountable.
- **Dignity and narrative:** the founder does not "sell and leave", but joins a project that enhances their standing. It is also a powerful marketing and reputation lever for Custodi with subsequent targets.

4.3 Governance and operating machine

The Custodi holding centralises everything the customer does not see and leaves autonomous everything the customer loves.

Level	Responsibilities
Holding (centre)	M&A strategy and origination · finance and relations with investors/banks · management control and food costing · central purchasing · marketing and digital · HR, payroll and compliance · quality standards
Venue (autonomy)	Identity, sign, recipes and menu · management of the dining room and the experience · relationship with the long-standing clientele · kitchen staff and chef · trusted local artisan suppliers
Founder / reference person	Guarantee of authenticity · staff training · oversight of quality · continuity of the relationship with the neighbourhood

Level	Responsibilities

THE GUIDING PRINCIPLE

Centralise the costs, not the soul. Every euro of synergy must be born behind the scenes, in purchasing, in accounting, in the till, and never at the expense of what the customer perceives as authentic. The day a customer "senses" the chain, we have destroyed value.

4.4 Post-acquisition optimisation levers

The heart of value creation. On every acquired venue we apply a standard playbook that acts on two fronts: reducing costs (margin) and increasing revenue (volume and ticket). The stated goal is to take unit EBITDA from ~12% to ~21% of revenue in about 24 months.

Lever 1: Food costing and management control

- Introduction of structured per-dish food costing (recipe card, yield, pricing), today almost always absent: target reduction of cost of goods sold from ~36% to ~31% of revenue.
- A single management system for till, inventory and bookings to have real-time data on every venue.
- Menu engineering: re-evaluation of dishes by margin and popularity, reduction of waste and low-rotation items.
- Reducing food cost without touching perceived quality: we work on yields, portioning and waste, not on lower-quality ingredients.

Lever 2: Purchasing economies of scale

- Group central purchasing: framework contracts with suppliers of raw materials, wine, beverages, energy and services, with progressive volume discounts as the number of venues grows.
- Selective retention of the single venue's "identity" artisan suppliers (the bakery, the pasta-maker, the trusted fishmonger): scale applies to commodities, not to the soul of the menu.
- Centralised negotiation of card terminals, utilities, insurance, waste and maintenance.

Lever 3: Revenue, revenue management and average ticket

- Optimisation of table turnover and booking management (no-shows, double seating in peak slots).
- Intelligent pricing on the wine list, desserts and higher-margin covers; measured introduction of high-value seasonal specials.
- Development of complementary channels: private events, themed dinners, catering, ceremonies, delivery/takeaway where consistent with the format (delivery is now worth 19 to 30% of turnover for those who offer it).
- Controlled extension of opening hours (aperitivo, quick lunch) where the location allows.

Lever 4: Marketing, brand and digitalisation

- Professional management of online reputation (Google, TripAdvisor, TheFork) and social presence, today typically neglected by the long-standing owner.
- Online booking, CRM and a loyalty programme for the neighbourhood clientele; data collection for targeted campaigns.

- Authenticity storytelling: the story of the venue and the founder becomes marketing content, an advantage chains cannot replicate.
- Curated photography, menus, website and social pages, keeping an aesthetic consistent with the venue's identity.

Lever 5: Staff, processes and compliance

- Centralised HR and payroll, regular contracts and training plans to retain staff (in a sector where finding qualified labour is the number-one challenge).
- Full regularisation of any undeclared economy and tax/social-security compliance: a prerequisite for the group's future financeability and saleability.
- Standardisation of back-office processes (invoicing, till, HACCP), freeing dining-room and kitchen staff from administrative work.

COMBINED EFFECT OF THE LEVERS: THE ECONOMICS OF A SINGLE UNIT

The tables below show the typical shift of a venue from "old management" to "optimised venue": about +13% of revenue and a doubling of unit EBITDA, without affecting the customer experience.

Item (typical unit)	At acquisition	Steady state (~24 months)
Revenue	€ 850k	€ 960k (+13%)
Cost of goods sold (food & beverage)	36% (€ 306k)	31% (€ 298k)
Staff cost	34% (€ 289k)	30% (€ 288k)
Rent / occupancy	8% (€ 68k)	7% (€ 67k)
Other operating costs	10% (€ 85k)	11% (€ 106k)
Unit EBITDA	**12% (€ 102k)**	**21% (€ 201k)**

4.5 Structure and headcount: the team the capital funds

Custodi is not a "part-time" project to be started at zero cost. The quality of the acquisitions depends on who sources and analyses them, and value creation depends on who executes it in the venues. This is why Round 1 funds, from day one, a real corporate structure and a core of professionals active months before the first venue generates profit.

Role	Responsibilities	Timing
Managing Partner / M&A	Strategy, target origination, negotiation, relations with investors and banks.	From month 1
Due-diligence analyst	Venue analysis, company records and accounts, checking of covers/receipts, valuation, a business case for each target.	From month 1
Controller / Food cost	Management control, recipe cards, food costing, per-venue and consolidated reporting.	From month 3
Operations manager	Post-acquisition integration, central purchasing, standards, staff training.	From the 1st acquisition
Office & advisors	Operating premises, management software; accountant, lawyer and labour consultant outsourced.	From month 1

The team stays deliberately lean: 3 or 4 key people at the centre, scaling across dozens of venues thanks to standardised processes. Digital marketing, payroll and part of the accounting are outsourced in the early years and internalised only when scale justifies it.

WHY A TEAM FROM DAY 1 CHANGES THE PROJECT'S RISK

Proprietary origination and rigorous due diligence are what separate buying well from merely buying. Paying salaries before revenue is not waste: it is the insurance that every euro of acquisition is spent on the right venue, at the right price, with an integration plan already in place.

5. Financial plan and Business Plan

5.1 Base assumptions of the model

The model is deliberately prudent and transparent. Every number derives from a few verifiable assumptions, listed here so that any investor can challenge them.

- Average unit acquired: revenue ~€ 850k, normalised pre-optimisation EBITDA ~12% (€ 102k).
- Purchase price: ~3.5x normalised EBITDA ≈ € 350k of enterprise value per venue (consistent with ~40% of revenue).
- All-in outlay per deal: ~€ 420k, including transaction costs, working capital and light initial capex (fittings/sign/technology).
- Financial structure: ~50% bank acquisition debt / ~50% equity + reinvested cash flow.
- Unit EBITDA ramp-up: € 100k (year 1 of ownership) → € 155k (year 2) → € 200k (year 3 and steady state).
- Central structure and dedicated team active from day 1: recurring costs from ~€ 260k (Y1) to ~€ 680k (Y5), plus a one-off ~€ 120k of startup (incorporation, legal, fit-out). It is the investment in the origination, due-diligence and integration machine that Round 1 funds.
- Debt: cost ~7% a year, amortisation over 5 to 6 years. Taxation: ~28% (IRES+IRAP) on positive results, using the initial losses.

5.2 Use of Round 1 (€ 2.0m)

The capital is not only there to buy: it is there to build a machine capable of buying well and integrating quickly. Here is how we allocate the € 2.0 million over the first two years.

Use of funds	Amount	% of round
Team and salaries (origination, DD, management control, operations), 24 months	**€ 700k**	35%
Equity portion of the first acquisitions (Y1 and Y2)	**€ 630k**	31%
Working capital and prudential reserve	**€ 370k**	19%
Offices, hardware and management software (till, inventory, food cost, CRM)	**€ 150k**	7%
Company setup (holding + vehicles), legal, accountant, compliance	**€ 150k**	8%
Total Round 1	**€ 2,000k**	**100%**

About 47% of the round funds structure and people before they generate profit: it is what distinguishes an executable project from an idea. An optional Round 2 of ~€ 0.5m can accelerate beyond 2 acquisitions a year, but is not necessary for the base plan.

5.3 Acquisition plan (≥ 1 venue/year)

Year	New acq.	Cumulative venues	Gross outlay	of which Debt (50%)	of which Equity/CF (50%)
2027 (Y1)	1	1	€ 420k	€ 210k	€ 210k
2028 (Y2)	2	3	€ 840k	€ 420k	€ 420k
2029 (Y3)	2	5	€ 880k	€ 440k	€ 440k
2030 (Y4)	2	7	€ 920k	€ 460k	€ 460k
2031 (Y5)	2	9	€ 940k	€ 470k	€ 470k

Year	New acq.	Cumulative venues	Gross outlay	of which Debt (50%)	of which Equity/CF (50%)
Total	**9**	**9**	**€ 4,000k**	**€ 2,000k**	**€ 2,000k**

The dedicated team makes it possible to move from 1 acquisition in the run-in year to a stable pace of 2 a year already from Y2. The first year funds the deal equity and the building of the pipeline with equity; from Y3 reinvested cash flow covers a growing share of the equity, keeping the 50/50 mix.

5.4 Consolidated income statement (5-year projection)

Item (€ k)	Y1 2027	Y2 2028	Y3 2029	Y4 2030	Y5 2031
Consolidated revenue	850	2,610	4,480	6,400	8,320
Unit EBITDA (post-optimisation)	100	355	710	1,110	1,510
Central holding costs (team & structure)	(260)	(340)	(440)	(560)	(680)
One-off startup costs	(120)	0	0	0	0
Group EBITDA	**(280)**	**15**	**270**	**550**	**830**
Group EBITDA margin	*neg.*	*0.6%*	*6.0%*	*8.6%*	*10.0%*
Depreciation & amortisation (D&A)	(25)	(55)	(100)	(150)	(190)
Finance charges (debt)	(15)	(32)	(56)	(80)	(100)
Pre-tax result	(320)	(72)	114	320	540
Taxes (~28%)	0	0	0	(12)	(151)
Net result	**(320)**	**(72)**	**114**	**308**	**389**

The loss of the first two years is deliberate and planned: it is the cost of having a real team and structure before scale, exactly what Round 1 funds. From Y3 the group is in profit; the margin grows with scale while central costs, largely fixed, dilute over a growing number of venues. At steady state the structure weighs ~8% of revenue against ~31% in Y1.

5.5 Rising costs vs rising revenue

Every investor's legitimate question is: will multi-site complexity and a heavier central structure not eat up the benefits of scale? The model's answer is no, provided there is discipline. Revenue and margins grow more than proportionally relative to central and financial costs, because the holding structure is largely fixed while the venues multiply.

Dynamic	What grows	Why it stays under control
Debt costs	From ~€15k to ~€100k a year as leveraged acquisitions increase.	Debt is ~50% per deal, amortised by the venue's own flows; interest cost stays ~12% of steady-state group EBITDA.
Central structure and team	From ~€260k to ~€680k a year (origination, DD, management control, operations, marketing, HR).	A front-loaded and then largely fixed investment: it dilutes from ~31% of revenue (Y1) to ~8% (Y5). Each new venue adds margin, not structure.
Revenue and margins	Revenue from € 0.85 to € 8.3m; group EBITDA from −€ 0.28m to +€ 0.83m.	They add acquisition growth, unit optimisation (+9 pp of margin) and purchasing economies of scale.

5.6 Financing structure and return for investors

Item	Indicative value
Equity Round 1 (2027)	€ 2.0m
Equity Round 2 (optional, to accelerate)	€ 0.5m
Total equity invested (base plan: Round 1 only)	€ 2.0m
Cumulative acquisition debt	~ € 2.0m
Total capital deployed (5 years)	~ € 4.0m
Steady-state run-rate EBITDA (9 mature venues)	~ € 1.1m
Exit multiple (professionalised platform)	6.5 to 7.0x EBITDA
Enterprise value at exit (Y6, ~2032)	€ 7.2 to 7.9m
Less: net financial position	~ (€ 1.0 to 1.5m)
Equity value at exit	**€ 5.8 to 6.4m**
MOIC (multiple on invested capital)	**2.9 to 3.2x**
Indicative gross IRR (horizon of about 5 to 6 years)	**19 to 22%**

The return is more modest than the "capital-light" version precisely because the group invests more in structure and people: it is a conscious trade-off between return and quality/speed of execution and lower risk. Value nonetheless comes from a double effect: (1) the doubling of EBITDA on each optimised venue and (2) multiple arbitrage, single venues are bought at 3 or 4x and a platform is sold at 6.5 or 7x. Beyond the exit, from the fourth year the group generates distributable cash, and returns improve further by continuing the aggregation beyond the fifth year, when the structure is by then amortised.

5.7 Note on the undeclared economy: risk and value lever

Many targets live with a share of undeclared economy. Custodi treats it with a clear, non-negotiable line: full regularisation. We do not acquire to "carry on as before", but to put things right. This has two implications, which we present honestly to investors:

- **In the short term it is a cost:** regularisation raises the tax and social-security burden and can reduce declared EBITDA in the first months. We factor it into the purchase price (multiples on normalised, declared EBITDA, not on the "grey" one).
- **In the medium term it is value:** a clean, bankable venue with transparent accounts is worth more, accesses credit and becomes saleable at a platform multiple. Regularisation is the bridge that turns an informal asset into a financial one.
- **It is also protection:** it reduces the group's legal/tax risk and is an indispensable condition for raising institutional capital and bank debt.

6. Main risks and mitigations

We present the risks without sugar-coating: the credibility of a memorandum is measured here too.

Risk	Impact	Mitigation
Loss of authenticity ("chain" risk)	The soul of the venue fades, the long-standing clientele leaves, the very value bought is destroyed.	No single brand; signs and recipes unchanged; "salaried ownership" formula; standards that touch only the back office.
Dependence on the founder / chef	With the owner's exit, quality and reputation collapse.	Paid handover of 12 to 36 months; codification of recipes and processes; earn-out and minority stake to retain them.
Undeclared income and hidden tax liabilities	Penalties, disputes, real EBITDA lower than declared.	Thorough tax due diligence; price on declared EBITDA; indemnity clauses; earn-out; full regularisation post-deal.
Property risk (rents, eviction)	In central Rome the rent or a non-renewal can wipe out the value (the "Qui non se more mai" case).	Priority to leases with long remaining terms or a purchase option; assessment of buying the freehold where sensible; target rent below 8 or 9% of revenue.
Multi-site integration and overstretch	Growing too fast erodes margins and quality.	Disciplined pace (1 or 2 a year); standardised integration playbook; each venue must reach its margin target before the next deal.
Staff and turnover	Finding and keeping cooks and dining-room staff is the sector's number-one challenge.	Regular contracts, training, internal career paths within the group, welfare; the group becomes a sturdier employer than the single venue.
Macro: inflation, falling volumes, tourism	Rising raw materials/energy and falling footfall compress margins.	Central purchasing; a mix of "resident" and "tourist" venues; dynamic pricing; geographic diversification (centre + suburbs + coast).
Financial execution risk	Reinvested cash flow arrives more slowly than expected and slows the plan.	Prudent leverage (50%); optional Round 2; acquisition pace flexible and subordinate to the cash actually generated.

7. Conclusions and next steps

Custodi is an operation similar to classic private equity in its mechanics, buy well, improve management, reinvest, aggregate, exit at a higher multiple, but rare in its object: a cultural and economic heritage, Rome's historic dining, that today disperses for the sole lack of a successor. We turn a demographic problem into a pipeline of discounted acquisitions, and managerial discipline into margin.

For the rational investor the attraction is a target return of 19 to 22% IRR and 2.9 to 3.2x on capital, with risk mitigated by the fragmentation of targets, by prudent leverage, by a professional structure active from day one and by defensive assets (recurring clientele + structural tourism). For the investor with a values-driven sensibility, there is something more: every euro invested preserves a sign, a team, a recipe and a piece of Rome's identity. It is patient capital that produces both return and memory.

Proposed next steps

1. Incorporation of the vehicle (Holding) and definition of the governance and shareholders' agreement.
2. Closing of the equity Round 1 (€ 2.0m) with a club of several investors, and hiring of the core team (M&A, DD, management control).
3. Arrangement of the acquisition debt facility with a banking partner.
4. Origination and due diligence on the first 3 targets (starting from the mapped examples), with an offer on the first within 6 months.
5. Closing of the first acquisition and launch of the optimisation playbook as a pilot case and proof of concept for Round 2.

INVITATION

We are looking for the right partners, business angels, private entrepreneurs, family offices and funds who see both the return and the meaning of this project. The first venue is the demonstration; the eight that follow are the scale. Rome has thousands of stories to safeguard: let us start with the first.

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