

# Czech Royal Beer Limited Franchise: 150,000 Hectoliters Brewery Plant

## Basic Details:

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<b>Franchise Cost:</b>	<ul style="list-style-type: none"> <li>- Intellectual Property – Know-How, Trademark,</li> <li>- Production Program;</li> <li>- Trademark;</li> <li>- Services;</li> <li>- Quality and Standards Policy;</li> <li>- Operating Methods; and</li> <li>- Training and marketing Support (from Royalty Fees);</li> <li>- Etc.</li> </ul>	<b>€ 200,000</b>
<b>Royalty Fees:</b>	- 4.5% of Gross Incomes (GI)	<b>4.5% GI</b>
<b>Development Fee:</b>	<ul style="list-style-type: none"> <li>- Project Administration Manual</li> <li>- Data collection</li> <li>- Forecasting process</li> <li>- Analysis</li> <li>- Reporting</li> <li>- Detailed Technical Designs</li> <li>- Franchise Operation Manual</li> <li>- Etc.</li> </ul>	<b>€ 150,000</b>
<b>Franchise Type:</b>	150,000 Hectoliters Brewery Plant and Retail	
<b>Exclusivity</b>	Yes, but the Franchisee shall show and provide its readiness, willingness and ability to build the Plant (Phase 1) with an expansion provision of 1.000,000 Hectoliters (hl) minimum per year within a period of 6-8 years.	
<b>Industry:</b>	Brewery Plant with or without own integrated power generation plant of a capacity of 2-4 MWh. The Plant shall be built in an area of 3ha with a provision of expansion up to 1,000,000 hl. Phase 1 of buildings is 1ha.	
<b>Brief Business Description:</b>	The CZECH ROYAL BEER took its history from Pivovar Litovel, which has started its production since 1893. The Company produces and supplies quality Czech beer to all over the world. The Company's motto is a high-quality product, brewed by the traditional recipe solely in the Czech Republic from Czech ingredients. The CZECH ROYAL BEER brand is spreading in all over the world: Germany, Slovakia, Austria, China, Vietnam, Hungary, Cambodia, Italy, Ireland, United Kingdom, Switzerland, Saudi Arabia, etc.	

A Franchise, CZECH ROYAL BEER d.o.o., has already been implemented in, Debeli Vrv 36, Cambodia in 16.07.2013.

### Production Program/Products:

<b>CZECH ROYAL BEER</b> <b>Beer Type:</b> <b>Alcohol Content:</b> <b>Ingredients:</b>  <b>Energy Value:</b>	<b>GOLD</b> pale lager beer 5,0 % vol. water, barley malt, sugar, hop products  172 kJ/100 ml	<b>BLACK</b> dark lager beer 4,8 % vol. water, barley malt, glucose-fructose syrup, sugar, hop products 179 kJ/100 ml
<b>CZECH ROYAL BEER</b> <b>Beer Type:</b>  <b>Alcohol Content:</b> <b>Ingredients:</b>  <b>Energy Value:</b>	<b>PIKOLA</b> mixed beverage from non-alcoholic black beer max. 0,49 % vol. water, barley malts, glucose-fructose syrup, roasted barley malt extract, prepared hop, acidity regulator 167 kJ/100 ml	<b>FREE</b> non-alcoholic pale beer  max. 0,49 % vol. water, barley malts, glucose-fructose syrup, hop products, acidity regulator : lactic acid  81 kJ/100 ml
<b>CZECH ROYAL BEER</b> <b>Beer Type:</b> <b>Alcohol Content:</b> <b>Ingredients:</b>  <b>Energy Value:</b>	<b>AMBER</b> non-filtered semi-dark beer max. 0,60 % vol. water, barley malts, sugar, hop products, yeast 208 kJ/100 ml	

### Total Investment Capital Summary per phase:

Phase	Implementation Phase	Total Investment Capital per Phase [€]
1	<b>PLANT (Without embedded power plant)</b> - 150,000 HL	<b>11,500,000</b>
2	<b>PLANT (With embedded power plant)</b> - 150,00 HL + 2-4MWh Own Integrated Power Plant	<b>13,500,000</b>
3	<b>Depending on Franchisee Financial Capacity</b>	--
4	<b>Depending on Franchisee Financial Capacity</b>	--

These Total Investment Capital provided per phase do not include the following:

- Land;
- Operation and Management Cost, including furniture and working materials and equipment;

### General Qualifications Conditions to purchase this Franchise:

1. Franchisee shall secure land/plant construction site.
2. After signing the Franchise Agreement, the Franchisee shall within a period of 24 hr. start processing the registration of CZECH ROYAL BEER LIMITED with a 100% shareholding ownership of local investor(s).

3. The Franchisor shall not be a shareholder of the franchise;
4. After registering the franchise Company CZECH ROYAL BEER LIMITED, the construction of the Plant shall commence within a period of six (6) months maximum (development period). If the Plant construction does not commence within this said period of time the Franchise Agreement shall be canceled, and the franchise fees shall not be refundable. Within this 6-month period of time, the Franchisee should acquire the necessary fund from banks or own resources to start construction and operation of the franchise.

**NOTE:** In the case you that cannot obtain a land for the construction of this brewery, MDACI can help you acquire a peace of land in free trade zones or in industrial parks, where you build the plant and benefit from government incentives.

## Pre-conditions for the acquisition of Financial Support up to 85%

1. Certificate of Registration/Incorporation of the franchise Company;
2. Shareholding Companies Ownership structure and their Certificate of Registration/Incorporation;
3. Shareholding Companies Profiles (*if applicable*);
4. Audited Financial Reports or Annual Reports of Shareholding Companies of the Three (3) previous years, showing acceptable net income of € 900,000 minimum per annum for a period of 60 months (5 years) with a moratorium of 6-12 months maximum. The loan lifetime is therefore Six (6) years (72 months) maximum

### NOTE: Implementation Responsibilities

#### MDACI/MDACI Consortium is responsible for:

1. **Development Agreement** – techno-economic studies, detailed technical designs, complete financial, technical and legal documentation, etc.;
2. **Financial Support/loan** – provided MDACI financial consortium;
3. **Engineering, Procurement and Construction (EPC) of the Plant Agreement** – civil works, installation of technologies and equipment, testing and commissioning;
4. **Follow-and-Support** – coordination of training, marketing and publicity of the products between the franchisor and the Franchisee, operations management of the Plant;

#### Franchisor is responsible for:

1. **Productions Program** – same production processes and methods (labeling, packaging, storing) as in the mother;
2. **Quality and Standards** – the products shall use the same quality and standards as in the original products (Czech and EU quality standards);
3. **Operation Management** – same operation and management procedures as in mother company;
4. **Training of the Personal** – advanced training using best available techniques, procedure and policies by MDACI and the Franchisor.

Engr. Marcel Dione

Chairman of Board of Directors/CEO

  
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