

# F undation for Exceptional Abilities and Talents

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## TOTAL INVEST (1 million HL-brewery) € 30 million

This investment amount of 30.000 TEUR includes a global product introduction campaign in the first two years. This amount depends on the location of the production site and is therefore somewhat inverse to the level of salaries. Pricing assumes a consumer price of ≈ 1,29 € per 0,2-liter-can. This has been verified by a first market study. If the operating expenses would be assumed as completely fix, break-even would be reached by a revenue in an amount of ca. 18.300 TEUR = ca. 50.850 HL. Worst case: If the net sales price would shrink to 0.32 € net per can, break-even would be reached at a revenue amount of ca. 25.300 TEUR = ca. 158.000 HL.

Based on these criteria you will find the following calculation:

|                             |   |                            |
|-----------------------------|---|----------------------------|
| annual income (best case)   | ≈ | € 360 million <sup>1</sup> |
| annual income (median case) | ≈ | € 260 million <sup>2</sup> |
| annual income (worst case)  | ≈ | € 210 million <sup>3</sup> |

|                      |            |   |               |
|----------------------|------------|---|---------------|
| cost of raw material | 0.08 €/can | ≈ | € -40 million |
| packaging per can    | 0.05 €/can | ≈ | € -25 million |

|                            |   |                            |
|----------------------------|---|----------------------------|
| gross profit (best case)   | ≈ | € 295 million <sup>1</sup> |
| gross profit (median case) | ≈ | € 195 million <sup>2</sup> |
| gross profit (worst case)  | ≈ | € 145 million <sup>3</sup> |

### Operating Expenses:

|                                       |                |   |               |
|---------------------------------------|----------------|---|---------------|
| advertising current                   | 0.02 €/can     | ≈ | € -10 million |
| employees 20 at                       | 50'/p. average | ≈ | € - 1 million |
| management + service                  |                | ≈ | € -0,5million |
| admin                                 |                | ≈ | € -0,5million |
| depreciation/amortization (30m/10ys.) |                | ≈ | € - 3 million |

|                    |   |                            |
|--------------------|---|----------------------------|
| Ebit (best case)   | ≈ | € 280 million <sup>1</sup> |
| Ebit (median case) | ≈ | € 180 million <sup>2</sup> |
| Ebit (worst case)  | ≈ | € 130 million <sup>3</sup> |

The above calculation results from the following computation:

|                             |   |             |
|-----------------------------|---|-------------|
| final selling price         | ≈ | € 1.29 /can |
| less VAT                    | ≈ | € 0.21 /can |
| net selling price           | ≈ | € 1.08 /can |
| less dealer's margin (≈1/3) | ≈ | € 0.36 /can |
| final income                | ≈ | € 0,72 /can |

### sales promotion:

|                                  |   |             |
|----------------------------------|---|-------------|
| less introductory discount (25%) | ≈ | € 0.18 /can |
| net final income                 | ≈ | € 0.54 /can |
| or                               |   |             |
| less seasonal discount (30%)     | ≈ | € 0.22 /can |
| net final income                 | ≈ | € 0.50 /can |

|                                   |   |             |
|-----------------------------------|---|-------------|
| final income less sales promotion | ≈ | € 0.52 /can |
|-----------------------------------|---|-------------|



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≈ 40% of the final selling price ≈ € 0,52 /can  
less transport costs (?) best case!

≈ 33% of the final selling price ≈ € 0.42 /can  
less transport costs (?) median case!

≈ 25% of the final selling price ≈ € 0.32 /can  
less transport costs (?) worst case!



2/3 capacity utilization of one-million-hl-brewery is expected within 5 years

This means:

|                             |   |                  |
|-----------------------------|---|------------------|
| annual income (best case)   | ≈ | € 173,000,000.00 |
| annual income (median case) | ≈ | € 140,000,000.00 |
| annual income (worst case)  | ≈ | € 107,000,000.00 |



All this without any sales promotion (2/3 capacity utilization of the brewery)

≈ 56% of the final selling price ≈ € 0,72 /can  
less transport costs (?) best case!

≈ 40% of the final selling price ≈ € 0.52 /can  
less transport costs (?) median case!

≈ 33% of the final selling price ≈ € 0.42 /can  
less transport costs (?) worst case!



This means:

|                             |   |                  |
|-----------------------------|---|------------------|
| annual income (best case)   | ≈ | € 240,000,000.00 |
| annual income (median case) | ≈ | € 173,000,000.00 |
| annual income (worst case)  | ≈ | € 140,000,000.00 |



Without any sales promotion (3/3 capacity utilization after the first 5 years)

|                             |   |                  |
|-----------------------------|---|------------------|
| annual income (best case)   | ≈ | € 360,000,000.00 |
| annual income (median case) | ≈ | € 260,000,000.00 |
| annual income (worst case)  | ≈ | € 210,000,000.00 |



**This must be treated confidentially, in the same way as information collected in accordance with FEAT**

Nuremberg, October 7, 2019, LP