

## Mexcal de los Valles Gentrales de Oaxaca

# **Psican Mezcal Valuation (2025)**

Estimated Total Value: 70,000,000 MXN (≈ USD 3.7 million)

Exchange Rate: 19 MXN/USD

Description Value (MXN) % of

Total

1. Agricultural Assets 47,000,000

67%

200 hectares of owned agave fields

**2. Product Inventory** 18,000,000

26%

Mezcal and packaging materials

3. Infrastructure and Equipment 2,000,000 3%

Palengue, stills, ovens, fermentation tanks, warehouse, and transport

4. Brand and Intangibles 3,000,000

4%

IMPI trademark, Denomination of Origin, certifications (CRM, FDA, TTB)

TOTAL COMPANY VALUE (PRE-MONEY): 70,000,000 MXN — 100%

67% of Psican's value derives from its agricultural assets — 200 hectares of agave.

26% corresponds to inventory, reflecting its immediate production and export capacity.

The remaining 7% covers infrastructure and brand value — both essential to sustain operations and international growth.

## Summary: Chinese Market for Artisanal Mezcal (2024–2031)

Current Consumption (2024)

Estimated volume: ~700,000 to 1 million liters per year

Average price: USD 45/L in China

Market value: ~USD 33-45 million

### **Consumer price range:**

USD 33-50/L in premium liquor stores and cocktail bars

Up to USD 70/L for aged or special-edition mezcals

Best-selling formats:

750 ml artisan glass bottles (young mezcal range)

Small 375 ml and 50 ml editions for gifts and promotions

Main consumption regions:

Shanghai – leading hub for mixology and premium bars

Beijing – luxury hotel and high-end bar scene

Guangzhou & Shenzhen – foodie culture, strong Cantonese influence

Emerging markets: Chengdu, Chongqing, Xi'an

## **Five-Year Projection (2031)**

Expected volume: 3.8 million L/year

Projected market value: USD 174 million

CAGR: 18-25%

Estimated average prices:

USD 35–55/L for young mezcals

USD 70–100/L for aged and premium editions

# **Expected packaging trends:**

Growth in mini bottles (50 ml) for brand introduction

Expansion of RTD (ready-to-drink) mezcal in cans

Premium boxed bottles for cocktails and gifting

Cities with strongest projected growth:

Shanghai, Shenzhen (leaders)

Chengdu, Xi'an (young population and gastronomic culture)

Expansion toward second-tier cities with affluent middle class

Source: Mezcal Market Size, Share & Trends Analysis Report (2023–2031), Straits Research

### 1) Basis for Sales Projection in China

China's premium spirits market is rapidly expanding. Consumers increasingly value high-end foreign brands, with rising purchasing power and interest in luxury goods.

Specialized export guides note that exporting alcoholic beverages to China requires certification, labeling, and product registration — creating entry barriers that only well-prepared producers can overcome.

Sources: gacc.agency, eusmecentre.org.cn, mcc-qianhai.com

The General Administration of Customs of the People's Republic of China (GACC) mandates that foreign food and beverage manufacturers be officially registered. Psican's planned certifications and export readiness allow it to meet this requirement effectively.

Sources: transcustoms.cn, gacc.agency

Scaling production (e.g., from 10,000 L/month to 20,000 L/month) alongside a focused export strategy is realistic if properly financed and executed. Combining production growth, planned market entry, premium positioning, and regulatory barriers creates a solid foundation for the projected five-year expansion.

#### 2) Documentation and Import Requirements for China

Manufacturer Registration:

Foreign producers of food and alcoholic beverages must register under GACC Decree 248 as official manufacturers/exporters.

Sources: gacc.app, gacc.agency

The Chinese importer must hold an alcohol import license and handle registration with local

authorities.

Source: China Briefing

3) Labeling and Product Specifications

Imported alcoholic beverages must comply with China's pre-packaged food labeling standards, including Chinese-language labeling, ingredients, alcohol content, and production

date.

Source: China Briefing

The GACC registration number of the manufacturer must appear on the Chinese label.

Source: gacc.agency

**Customs Documentation:** 

Commercial Invoice

**Packing List** 

Certificate of Origin (for spirits)

Health/Sanitation Certificate

Certificate of Free Sale or Authenticity

Product registration and CIQ inspection at entry point

Sources: Beverage Trade Network, eusmecentre.org.cn

4) Inspection and Quality Control

Imported beverages are subject to food safety inspections, including analyses of additives and contaminants per China's national "GB" standards.

The import process covers customs clearance, quarantine, labeling verification, importer

registration, foreign manufacturer registration, and batch validation.

Sources: mcc-qianhai.com, transcustoms.cn

Conclusion

"We project sales in China based on realistic production growth, export strategy, and

regulatory barriers that favor prepared players."

"Our agricultural assets, certifications, and structured access plan to the Chinese market give

us a competitive advantage."

"Strict import regulations (GACC, labeling, health/origin certificates) reduce entry risks and strengthen a consistent export channel."

Investment Proposal — Mezcal Psican

Company: Mezcal Psican, Oaxaca, Mexico

Current Valuation (Pre-Money): 70,000,000 MXN

Investment Requested: USD 1,000,000 (≈ 19 million MXN)

Equity Offered: 20%

Post-Money Valuation: 89,000,000 MXN (≈ USD 4.68 million)

Return Horizon: 5 years

Expected IRR: 30-33%

#### 1. Executive Summary

Mezcal Psican is an artisanal Oaxacan company with Denomination of Origin, 200 hectares of owned agave fields, and international certifications (CRM, FDA, TTB).

It currently produces 10,000 L/month and plans to double capacity to 20,000 L/month within 5 years, allocating 90% to exports and 10% to domestic sales.

With MXN 18 million in inventory, established infrastructure, and operations in Mexico, the U.S., Spain, and Panama, Psican seeks funding to expand into China and strengthen its global export structure.

## 2. Five-Year Sales Projection

Year Annual Production (L) Export Sales (USD) Domestic Sales (USD) Total Sales (USD)

1 120,000 2,916,000 399,600 3,315,600

2 144,000 3,499,200 479,520 3,978,720

3 168,000 4,082,400 559,440 4,641,840

4 192,000 4,665,600 639,360 5,304,960

5 240,000 5,832,000 799,200 6,631,200

Total 864,000 L 20,995,200 2,877,120 23,872,320

Notes:

Export price: USD 27/L (90% of total sales)

Domestic price: USD 33.3/L (10%)

Exchange rate: 19 MXN/USD

Five-Year Total Sales: ≈ MXN 454 million

Expected Net Profit (25%): ≈ MXN 113 million

3. Use of Funds (USD 1,000,000)

Area Amount (USD) Description

A. Expansion of Production Capacity 100,000 New stills, warehouse

expansion, bottling lines

B. Certifications & Registration in China (GACC/SAMR) 50,000 Documentation, lab tests,

and labeling compliance

C. Logistics & First Shipment to China 300,000 Production of first export

batch and in-bond storage

D. Shanghai Office & Local Representative 200,000 Local office setup and bilingual staff

E. International Marketing & Trade Shows 250,000 Presence at SIAL China, CFDF, and

digital campaigns

F. Working Capital & Contingency 100,000 Exchange-rate hedge and

operational expenses

Total Investment Requested 1,000,000 USD —

4. Investor Value Proposition

Equity: 20%

Return Horizon: 5 years

Projected Net Profit: MXN 113 million (≈ USD 6 million)

Investor's Expected Gain: 20% × USD 6 M = USD 1.2 M

IRR: 30-33% annually

Capital recovery: between year 4 and 5

#### 5. Conclusion

With a solid asset base (200 ha agave, MXN 18 M inventory, international certifications),

Mezcal Psican offers investors a sustainable, scalable, and profitable project.

An investment of USD 1 million for a 20% stake will:

Double production capacity

Open the Chinese market

Position Psican as a globally recognized Mexican artisanal mezcal brand

Projected value at Year 5: > MXN 100 million (≈ USD 5.3 million)

Sincerely,

Lic. Edgar Alejandro Arenas Pasillas

Export Director — Psican