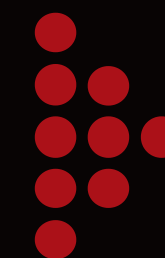




# FRANCHISE PROSPECTUS





# ABOUT US



## A Global Korean Tea Sensation!

Are you ready to be a part of a global sensation and bring the authentic flavours of the South Korean tea culture to Australia? Palgong Tea - a thriving franchise opportunity that promises sustainability, innovation, and exceptional taste, presents a rare opportunity to grow with a brand offering something new in a lucrative market. With over 350 stores across South Korea, Canada, the USA, and now Australia, Palgong Tea is rapidly becoming a global icon in the Asian tea industry.

Palgong Tea gives customers a taste of Korea's finest freshly brewed tea and coffee, offering a diverse selection of handcrafted teas, milk teas, fruit teas, toppings, ades, smoothies, coffees, and seasonal events/drinks.

Our name stems from the Korean word "PAL-GONG", which means 80, **the ideal temperature** in Celsius to brew tea.



This ideal brewing temperature reflects our motivation to create **the perfect environment** to warm and nurture one's life as we do our tea blends.

This ideal brewing temperature reflects our motivation to create the perfect environment to warm and nurture one's life as we do our tea blends. Customers across the globe love our unique flavours, creative combinations, and capacity to blend tradition and invention, breathing life into new tea creations.

At Palgong Tea, we make it our mission to serve customers a wide range of tea options made from the highest quality ingredients while fostering a warm, exuberant environment that keeps them coming back for more.





# A DAY IN THE LIFE



## THE STORE



- Opening and closing the store.
- Arriving early to brew tea.
- Brewing fresh tea multiple times a day.
- Making drinks.
- Serving customers.
- Handling Money
- Providing exceptional customer service.



## OPERATIONS



- Utilising our cutting-edge POS system.
- Ordering ingredients from Head Office.
- Liaising with Head Office.
- Marketing the business locally.

# EVERYONE'S CUP OF TEA

## At Palgong Tea, we are all about staying ahead of the game.

Our vision for growth involves taking Palgong tea across Australia, introducing Aussies to the refreshing flavours of South Korean tea, and seeing our tasty alternative to typical bubble tea take over the market!



It sounds ambitious, but we're up to the task of embracing a consistently evolving menu to reflect the latest trends and ensuring customers always experience something new and exciting.



Our commitment to sustainability means we employ carbonating cylinder machines and whipped cream dispensers to save on plastic waste and offer eco-friendly packaging and reusable cups, remaining environmentally conscious and aligned with regulatory and consumer demands.

From 2017 to 2021  
Palgong Tea grew from  
a humble traditional  
tea shop to a:

# 380

LOCATION-STRONG  
TEA EMPIRE

dominating the South Korean beverage market.

With the market size of the  
Bubble Tea Shops industry  
in Australia growing 1.4%  
per year on average  
between 2017 and 2022,  
tea is a faster growth  
industry than standard  
consumer goods.

This means we're now in a  
prime position to replicate  
our success and conquer  
the 415 million-dollar  
Australian market too.





# LIKE BUBBLE TEA - BUT BETTER!



## Unique and Traditional Flavors:



One of our greatest strengths lies in the high-quality tea leaves imported directly from South Korea - the highest-quality tea leaves supplier in the world. These exquisite flavours set us apart from competitors, and our ability to create signature flavour combinations that can't be replicated gives us an edge in the market. The introduction of Bingsu, a traditional South Korean dessert, is just one great example of our drive to bring delicious, traditional Korean menu items to Aussies everywhere.

## Global Popularity and Strong Brand Identity



As a worldwide company, Palgong Tea is already well-established, with a proven record of success internationally. Here at home, we are the first South Korean tea brand in Australia, presenting a unique opportunity for partners to capitalise on the K-Pop and K-cinema trends that are taking the country by storm. Our pride in Korean culture means we celebrate national pop culture phenomena like Squid Game, creating tailored menu items that delight and intrigue customers eager to get a taste of authentic Korean culture.





# BREW YOURSELF A BRIGHTER TOMORROW!



## 1. EXTENSIVE TRAINING

Our comprehensive training encompasses everything you'll need to know to run a successful Palgong Tea franchise, including brewing methodology, POS training, kitchen, customer service and sales training, along with delivery app protocol.

## 3. LOWER-COST, HIGH-QUALITY

Not only is our initial investment low, but our menu prices are, too, offering an affordable, high-quality product line our competitors can't match. Our exclusive Korean suppliers export Palgong ingredients worldwide, meaning partners benefit from the reduced imports rate available to the Australian Head office.

## 2. STATE OF THE ART TECHNOLOGIES, SYSTEMS, AND PROCESSES

At Palgong Tea, you'll rely on a suite of tried-and-true technologies and digital systems used by Palgong Tea operations across the globe. Refined and optimised through years of use in locations worldwide, our purpose-built POS system and machinery ensure you deliver efficient, consistent quality to every customer.

## 4. SUPPORT FROM HOME AND ABROAD

Along with a robust national brand strategy overseen by the Head Office, partners can also rely on marketing management support should they choose to undertake any paid campaigns. In addition to the support of a dedicated Australian Master Franchisor, partners also enjoy the added advantage of receiving expert guidance from our head office tea experts in South Korea.



# Join the Palgong Tea Family

## Franchise Partners

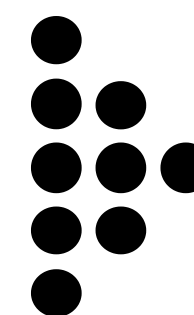
Palgong Tea Franchise Partners ideally have some retail or hospitality experience along with a strong work ethic and ready to serve our young customer base during busy after-school hours.

Strong customer service skills should accompany a customer-focused mindset, along with an appreciation for high store presentation and hygiene standards. Embrace the global tea sensation and become a part of a thriving brand taking the industry by storm.



**JOIN  
PALGONG TEA  
TODAY**

**And take the first step  
in a flavourful, rewarding  
journey into the  
Australian tea market.**





# FAQS

## How long is a Franchise Term?

The standard term is an initial period of five years and one further term of five years (ten years total).

## What financial detail will I get?

A closer look at our financials is provided later in the application process. In the meantime, we have provided some initial and ongoing fees as a guide.

## How long will it take before I operate my Franchise?

We estimate that from the time you sign the agreement to when your outlet is ready to open its doors to your first customers will be approximately 6 - 12 weeks.

## Who looks after advertising my Franchise?

Our approach is that Franchise Partners are given the freedom to market to their customers at an organic and local area level. Paid online campaigns can be managed by Head Office at a minimal cost per month. This ensures your online spending doesn't go to waste.

National advertising and marketing campaigns are organised through Head Office for efficiencies and cost advantages.

## How do territories work?

Your territory is exclusive, meaning regardless of the number of other Palgong Tea Franchises around you, you are the only Franchise Partner who can advertise and market in your area. Your Franchise Agreement lays out the exact boundaries of your territory, and this territory is protected from other Franchise Partner activities.





# PALGONG TEA **Investment**



**Franchise  
Purchase Fee**  
\$20,000



**Monthly  
Franchise Royalty**  
5%



**Expected Fitout /  
Equipment Cost**  
\$180,000 - \$220,000



**Initial Inventory  
Cost**  
\$14,000



**Initial Marketing Fee**  
NIL



**Ongoing Monthly  
Marketing**  
1.5%

Lets talk!



**Legal Fees**  
\$2,000 - 3,000



**Training  
Fee**  
\$5,000 - \$8000

**How do I move forward?**  
**[admin@palgongtea.com.au](mailto:admin@palgongtea.com.au)**

**BOOK A CALL**

While every effort has been made to ensure the accuracy of the information provided in this document, the Franchisor disclaims liability for inaccuracies. The projected establishment costs provided in this document are based on reasonable assumptions derived from our experience in operating this type of business. All costs shown exclude GST.