

A close-up photograph of a tall, condensation-covered glass filled with a golden beer. The glass is on the left side of the frame. To the right of the glass, there are several stalks of wheat or barley, showing their grainy texture. The background is dark and out of focus.

SAN FRANCISCO EAST BAY BREWING

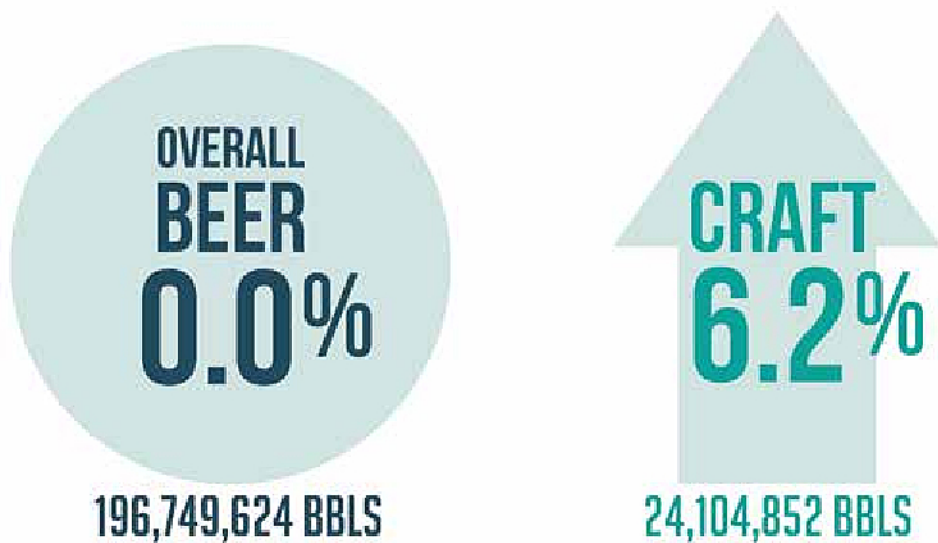
— West Coast Handcrafted Beer —

THE AMERICAN CRAFT BEER REVOLUTION



SOURCE: BUSINESS INSIDER

U.S. BEER SALES VOLUME GROWTH 2016



SOURCE: BREWERS ASSOCIATION, BOULDER, CO

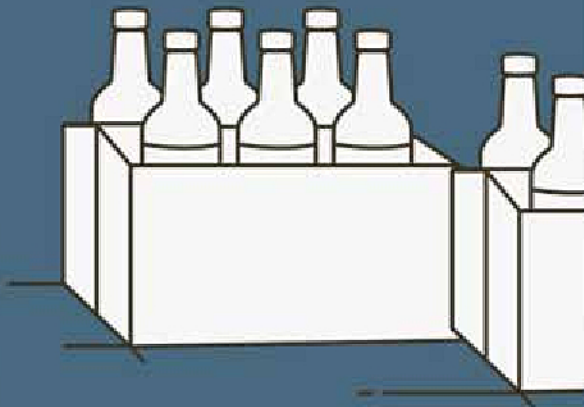
2016 Craft Retail Dollar Value Growth

\$23.5 billion

(10% growth over 2015)

Craft Dollar Share = 21.9%

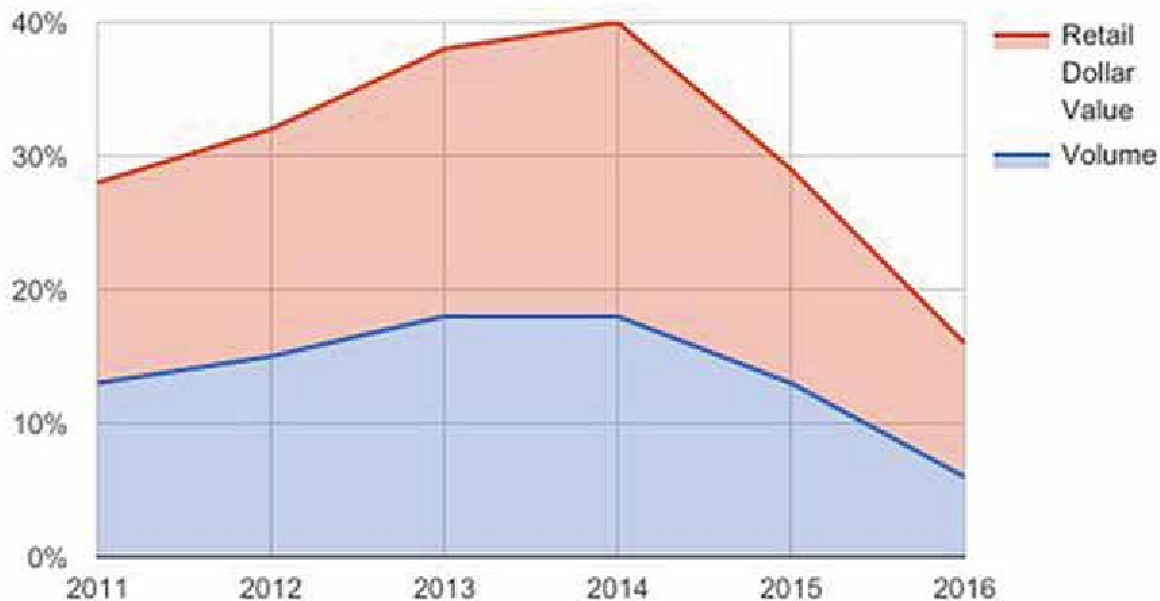
(Total U.S. beer market retail dollar value \$107.6 billion)



SOURCE: BREWERS ASSOCIATION, BOULDER, CO

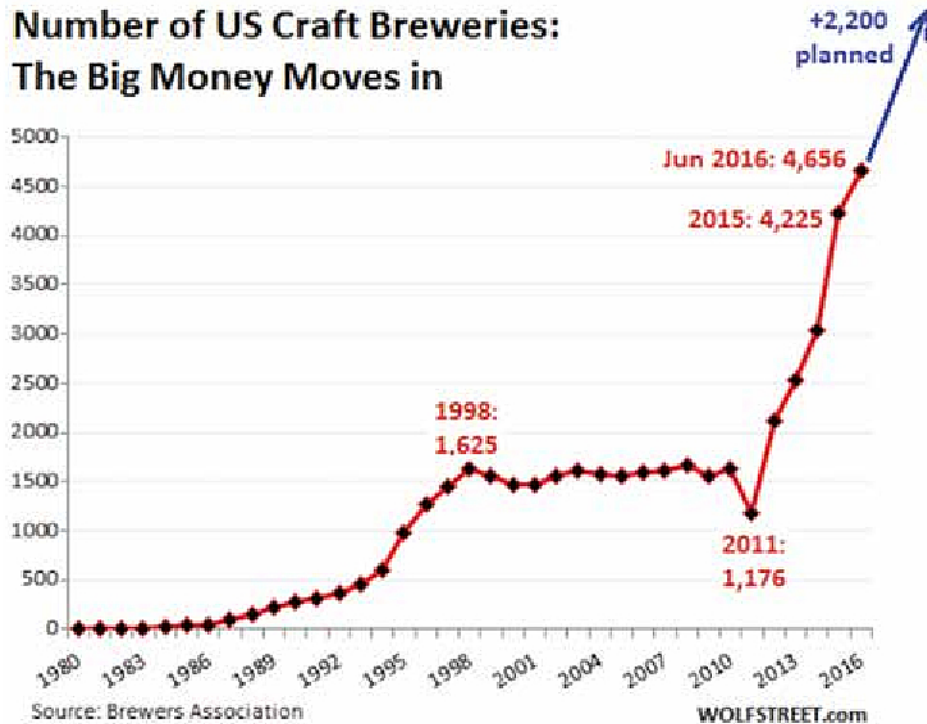
— BUT —

U.S. Craft Beer Volume and Retail Dollar Value Growth



DATA SOURCE: BREWERS ASSOCIATION. CHART BY AUTHOR.

Number of US Craft Breweries: The Big Money Moves in



TTB Permitted Brewery Count

7,180 as of 12/31/2016

| State | Count | State | Count | State | Count |
|-------------------|------------|----------------|-------|----------------|-------|
| Alabama | 37 | Kentucky | 60 | North Dakota | 15 |
| Alaska | 36 | Louisiana | 34 | Ohio | 236 |
| Arizona | 110 | Maine | 102 | Oklahoma | 26 |
| Arkansas | 34 | Maryland | 88 | Oregon | 304 |
| <u>California</u> | <u>927</u> | Massachusetts | 146 | Pennsylvania | 333 |
| Colorado | 386 | Michigan | 379 | Rhode Island | 17 |
| Connecticut | 76 | Minnesota | 165 | South Carolina | 59 |
| Delaware | 25 | Mississippi | 14 | South Dakota | 21 |
| DC | 13 | Missouri | 116 | Tennessee | 101 |
| Florida | 284 | Montana | 79 | Texas | 266 |
| Georgia | 69 | Nebraska | 47 | Utah | 34 |
| Hawaii | 23 | Nevada | 44 | Vermont | 73 |
| Idaho | 67 | New Hampshire | 73 | Virginia | 209 |
| Illinois | 244 | New Jersey | 96 | Washington | 424 |
| Indiana | 163 | New Mexico | 86 | West Virginia | 24 |
| Iowa | 94 | New York | 394 | Wisconsin | 217 |
| Kansas | 47 | North Carolina | 260 | Wyoming | 33 |

Source: NBWA and TTB, 2017.



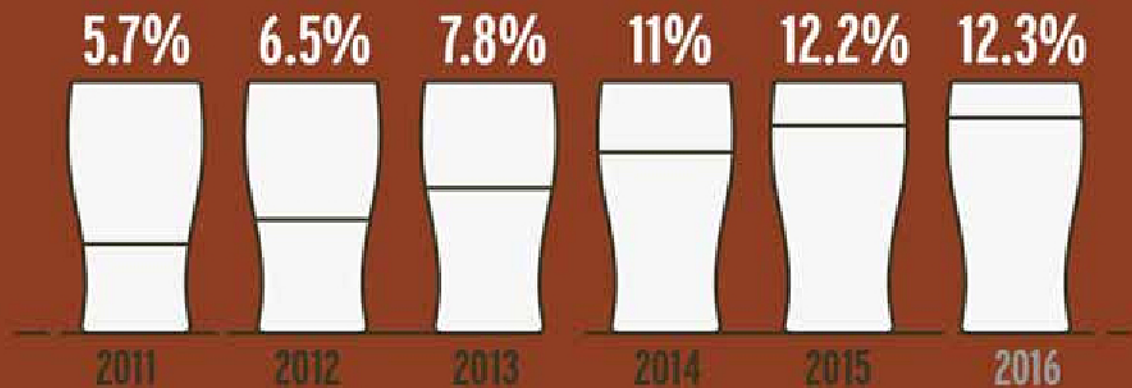
“AMERICA'S BEER WAR IS GETTING UGLY”

by Wolf Richter, Wolf Street | Oct. 17, 2016

**"IN 2015, OVERALL BEER SALES FELL 0.2%.
CRAFT BEER SALES ROSE 12.8%.
BUT THE NUMBER OF CRAFT BREWERS ROSE BY NEARLY
40%!!"**

2016

Volume Share for Craft Brewers



SOURCE: BREWERS ASSOCIATION, BOULDER, CO

HEINEKEN NV

**U.S. CRAFT BEER MARKET IS “ABSOLUTELY”
SLOWING DOWN,**

- CEO JEAN-FRANCOIS VAN BOXMEER SAID IN AN INTERVIEW





TOO CROWDED

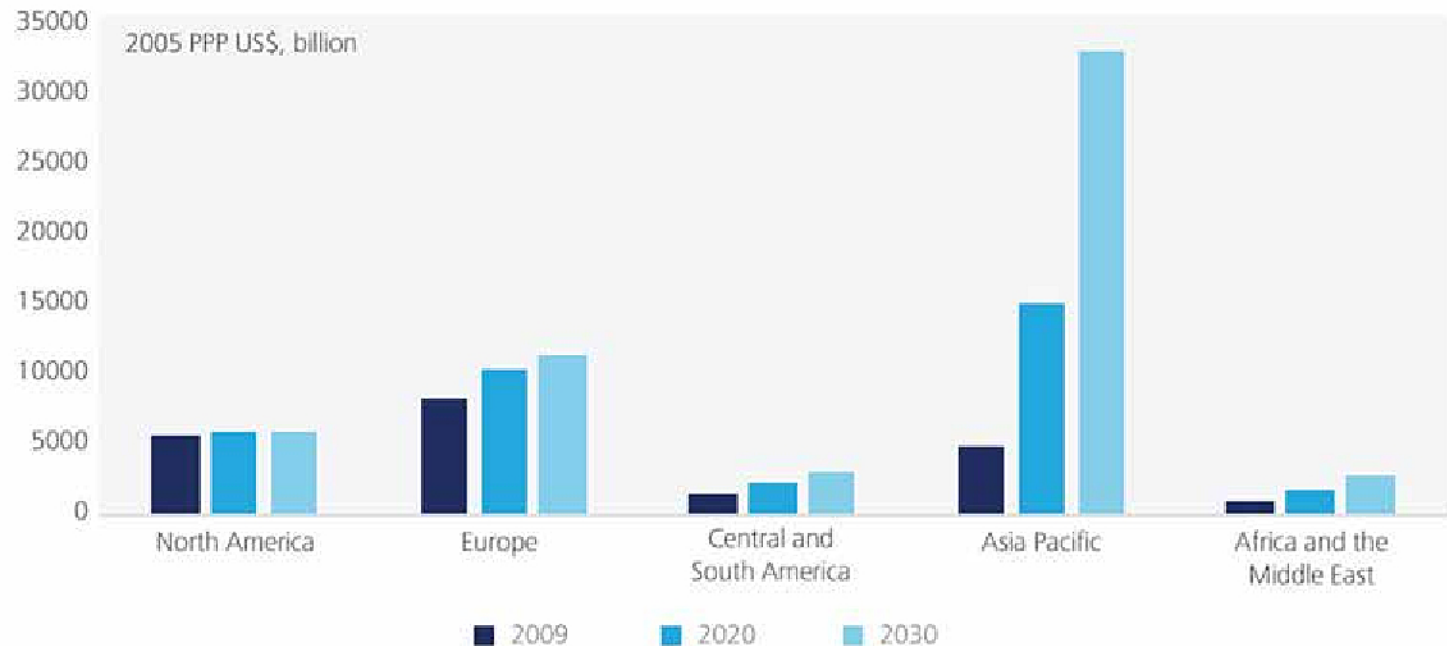


**IS THERE STILL OPPORTUNITY
SOMEWHERE?**

A world map with a dark blue background. The continents are shown in a lighter blue. The continent of Asia is highlighted in a vibrant red color. Overlaid on the right side of the map, specifically over the Asian continent, is the word "ASIA" in large, bold, white capital letters with a thin black outline. A bright white starburst or lens flare effect emanates from the top right corner of the letter "A".

ASIA

Figure 7. Middle class spending in Asia is poised for sharp growth



Source: Brookings Institute, OECD, Deloitte Services LP economic analysis.

Graphic: Deloitte University Press | DUPress.com

TOP BEER CONSUMERS IN ASIA 2015

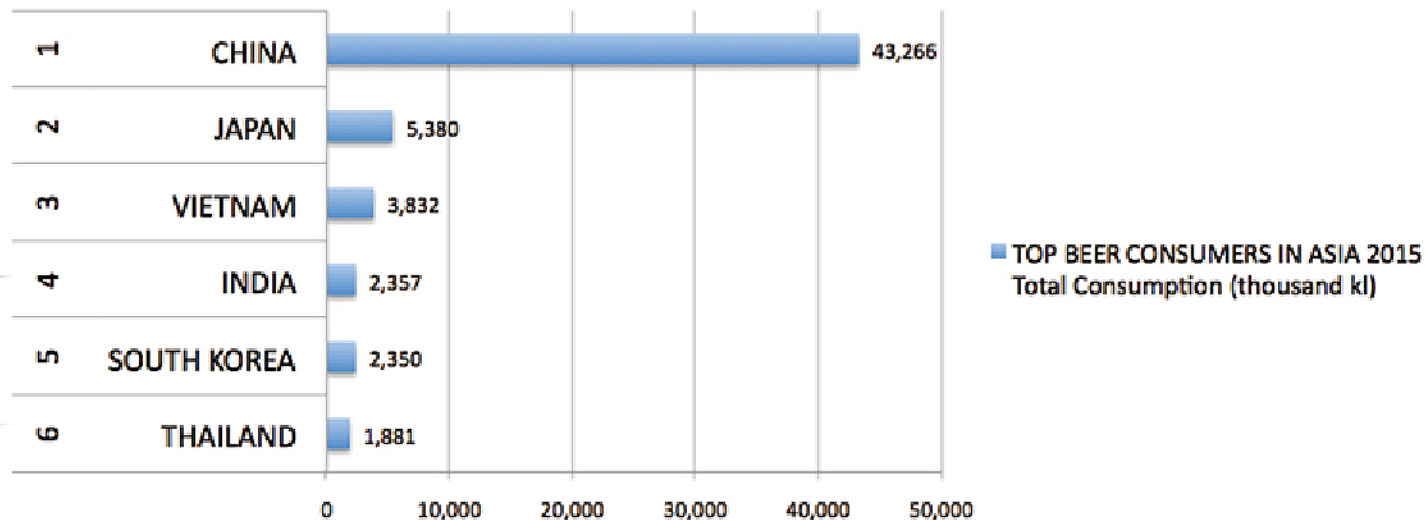


Chart: Based on Kirin Report Global Beer Consumption by Country in 2015



CHINA

GLOBAL BEER CONSUMPTION BY COUNTRY IN 2015

| 2015 Ranking | 2014 Ranking | Country | 2015 | |
|-----------------|-----------------|----------------|---------------------------------------|---------------------------|
| | | | Total Consumption (thousand kl) | Global Market Share |
| 1 | 1 | China | 43,266 | 23.5% |
| 2 | 2 | United States | 24,245 | 13.2% |
| 3 | 3 | Brazil | 9,283 | 5.1% |
| 4 | 4 | Russia | 8,633 | 4.7% |
| 5 | 5 | Germany | 8,450 | 4.6% |
| 6 | 6 | Mexico | 7,371 | 4.0% |
| 7 | 7 | Japan | 5,380 | 2.9% |
| 8 | 8 | United Kingdom | 4,404 | 2.4% |
| 9 | 11 | Vietnam | 3,832 | 2.1% |
| 10 | 9 | Poland | 3,823 | 2.1% |

TOTAL BEER MARKET SIZE (VOLUME)





NUMBER OF BREWERIES

New Hampshire (73*) > China (53**)



*JUNE, 2016

**DECEMBER, 2015

CHINA IS NOW THE WORLD'S LARGEST BEER MARKET

“IN 2015, THEY DRANK **ALMOST TWO TIMES**
(ABOUT 25 BILLION LITERS) THE AMOUNT OF
BEER THAN AMERICANS”

HOWEVER, IT'S NOT JUST ANY BEER.

**“2010 TO 2015, CRAFT BEER IN CHINA HAS
GROWN IN MARKET SHARE BY ABOUT 23
PERCENT,”**

-DONNIE EVERTS, VICE PRESIDENT OF INTERNATIONAL DEVELOPMENT FOR WORLD OF BEER



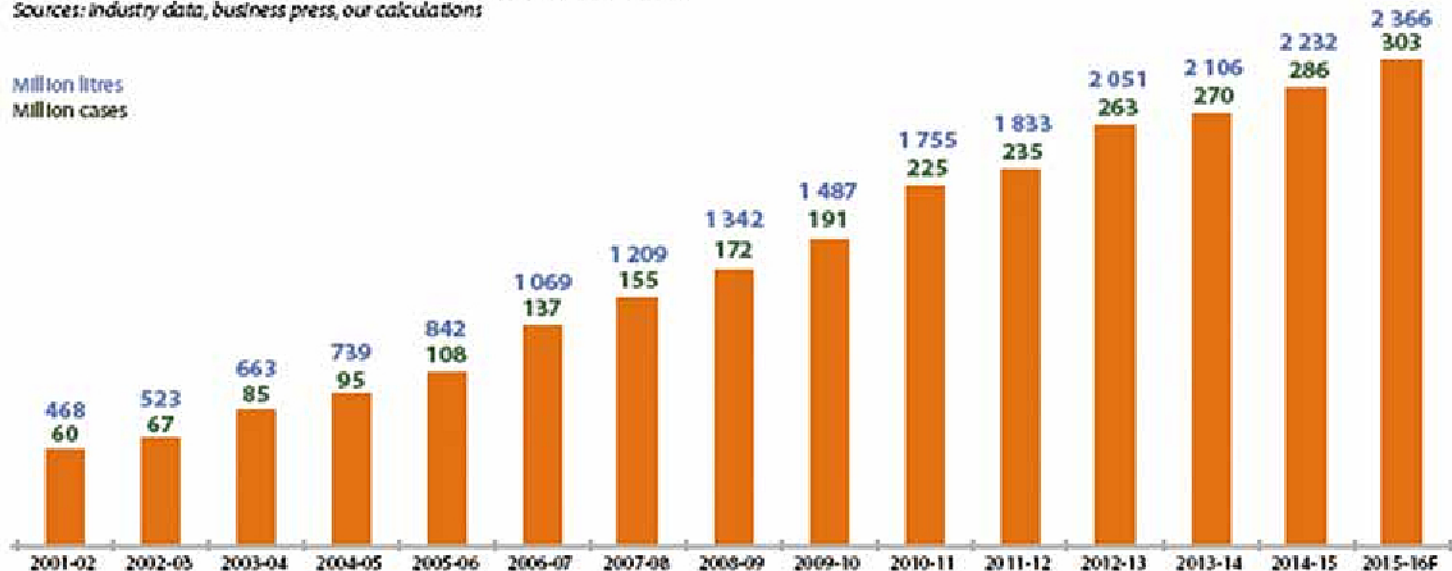
INDIA



India beer market volume, mln. liters / mln. cases

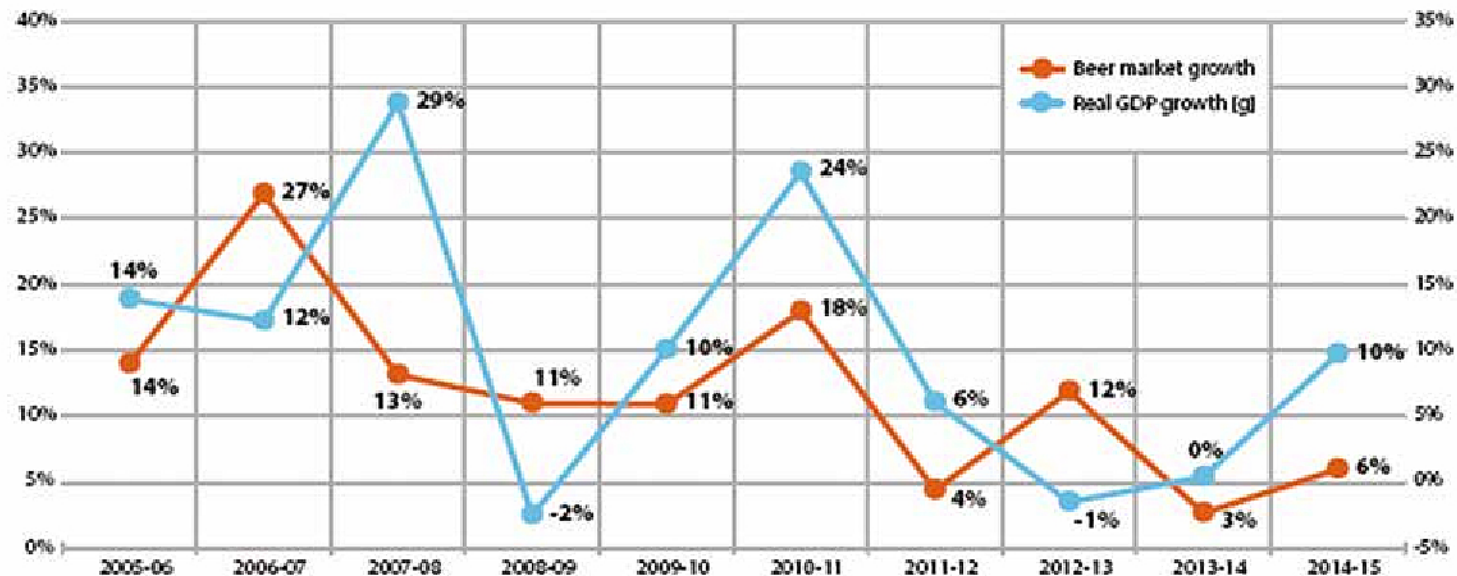
Sources: industry data, business press, our calculations

Million litres
Million cases



Correlation between Indian beer market and real GDP growth, %

Sources: World Bank, our calculations



WHY INDIA IS THE FASTEST-GROWING ECONOMY ON THE PLANET

ECONOMICS & POLICY

CHAZEN GLOBAL INSIGHTS | December 9, 2016

One of the world's foremost economists suggests which catalysts propelled India out of desperate poverty – and predicts how the subcontinent will turn its sprint into a marathon.

Bloomberg

INDIA'S DAYS AS A BEER-DRINKING LIGHTWEIGHT MAY SOON BE OVER

January 5, 2017

CRAFT BREWS: WITH MORE THAN 80 OPERATING
MICROBREWERIES VERSUS JUST TWO IN 2008,
SALES OF CRAFT BEER ARE **RIISING 20 PERCENT**
ON-YEAR



VIETNAM



VIETNAM'S BOOMING CRAFT BEER SCENE

By Kate Springer, Dan Tham, **CNN** Updated 3:33 AM ET, Wed July 5, 2017

(CNN)A night out drinking in Vietnam used to mean one thing: sipping Bia Hoi, a local draft beer with 3% alcohol content, from a tiny stool on the sidewalk.

But feather-light lagers aren't the only game in town anymore.

The country's craft beer scene is booming, having welcomed more than a dozen micro-breweries in the past two years.



Photos: Vietnam's new brews
[East West Brewing Company](#) opened on a busy street in the city's central District 1 in January, 2017

April 13, 2016

ON THE FRONTIER OF BEER IN VIETNAM

Brett Davis , Contributor

“IN 2015 THE COUNTRY CONSUMED 3.4 BILLION LITERS OF BEER, ROUGHLY 38 LITERS FOR EVERY INDIVIDUAL IN THE COUNTRY.”

April 13, 2016

ON THE FRONTIER OF BEER IN VIETNAM

Brett Davis , Contributor

“THAT WAS UP 10 PERCENT ON THE PREVIOUS YEAR, AND A WHOPPING 41 PERCENT COMPARED TO 2010.”



JAPAN

THE COUNTRY IS IN THE TOP TEN BEER CONSUMERS

7TH LARGEST

| 2015 Ranking | 2014 Ranking | Country | 2015 | |
|-----------------|-----------------|----------------|---------------------------------------|---------------------------|
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KIRIN

Kirin Beer University Report Global Beer Consumption by Country in 2015

March 1, 2017

NEW TAXES COULD TRIGGER A JAPANESE CRAFT BEER RENAISSANCE

Unifying rates for all beer makers is good news for craft brewers.

The Japan Times

Saturday, June 4, 2016

BY DANIEL MORALES
SPECIAL TO THE JAPAN TIMES

“BEER ESSENTIALS: THE CRAFT BEER BOOM IN JAPAN SHOWS NO SIGN OF RUNNING DRY”



OUR BEER

CORE FOUR



PASSPORT

S E R I E S









DRINK

Prehistoric yeast fuels a craft brew

By Alyssa Pereira

Around 45 million years ago, a leaf became ensconced in a small chunk of Burmese amber. It was a mundane enough event at the time, until the piece fell into the right hands.

Today, through the scientific maneuverings of two very dedicated molecular biologists and a rather adventurous East Bay brewer, microscopic bacteria within the amber are being crafted into — go figure — beer.

Dr. Raul Cano, a molecular biologist and retired Cal Poly San Luis Obispo professor, acquired the Eocene Epoch piece of amber in the early 1990s. He successfully extracted a yeast, and then managed to revive it from dormancy shortly thereafter. His achievement, however, was not met with universal applause. As supposedly the first person to pull off such a temporally irreverent feat, critics were naturally skeptical.

Another molecular biologist, Clint Lambert, was one such cen-



Photo: Fazio Brewing Company

A 45 million-year-old yeast strain in this amber, above, was used to craft a saison, right, by an East Bay brewery.

"It needs to be roused. — A lot of modern yeasts are like that, but this is much more."

San Sebastian, brewer

it, "high maintenance."
"It needs to be roused," Schun-



AQOTANGO

BREWED WITH QUINOA

LOW GLUTEN BEER

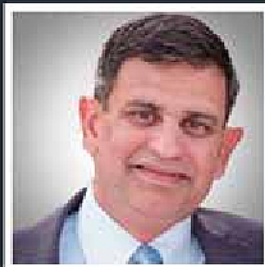




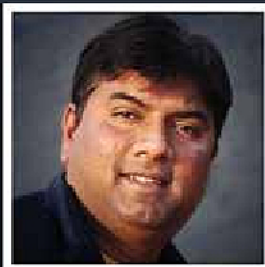
TEAM



IAN SCHUSTER
Founder/CEO



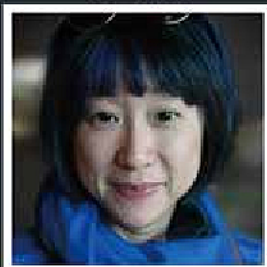
MURTY CHENNOBOTHLA
President, India



ATUL MADNE
COO



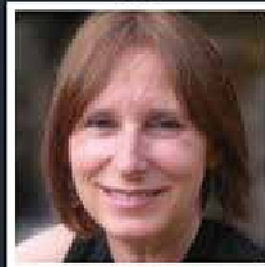
CUONG VAN NGUYEN
President, SBC-Brewmaster



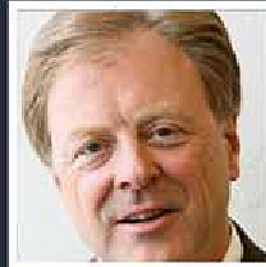
GILLIAN QIAN
President, China



CHRIS HAMPTON
Chief Restaurant Officer



GILLIAN GRAY
Special Projects Officer



DARRON BRACKENBURY
Director

MORE INFO:

[HTTPS://WEFUNDER.COM/SFABB](https://wefunder.com/sfabb)

Music: Going Higher <http://www.bensound.com>

Music: Energy <http://www.bensound.com>

Billionaire Sam Adams founder explains how he helped spark the craft-beer revolution
<http://www.businessinsider.com/samuel-adams-founder-jim-koch-on-craft-beer-revolution-2015-6>

PRESS RELEASES | STEADY GROWTH FOR SMALL AND INDEPENDENT BREWERS, March 28, 2017
<https://www.brewersassociation.org/press-releases/2016-growth-small-independent-brewers/>

U.S. now has over 4,000 breweries. How many is too many?
<http://celebratethesuds.blogspot.com/2015/09/us-now-has-over-4000-beweries-how-many.html>

Brewers association: U.S. PASSES 4,000 BREWERIES, September 28, 2015
<https://www.brewersassociation.org/insights/4000-breweries/>

China is Now The World's Largest Beer Market
<http://www.foxbusiness.com/features/2016/03/31/china-is-now-worlds-largest-beer-market.html>

Kirin Beer University Report Global Beer Consumption by Country in 2015
http://www.kirinholdings.co.jp/english/news/2016/1221_01.html

Global off-trade of beer segmented by region
<https://www.slideshare.net/Adrienna/the-global-beverage-market2013>

Surfing the ebb and flow of the Asian alcohol market

<http://blogs.reuters.com/data-dive/2015/04/14/surfing-the-ebb-and-flow-of-the-asian-alcohol-market/>

<https://dupress.deloitte.com/dup-us-en/economy/asia-pacific-economic-outlook/2016/q1-asia-economic-growth-continues.html>

Why India Is the Why India Is the Fastest-Growing Economy on the PlanetFastest-Growing Economy on the Planet

<https://www.bloomberg.com/news/articles/2017-01-06/india-s-beer-market-to-fizz-thanks-to-youth-culture-change-bmi>

On The Frontier Of Beer In Vietnam

<https://www.forbes.com/sites/davisbrett/2016/04/13/on-the-frontier-of-beer-in-vietnam/#4a20adf87be7>

Columbia Business School - Why India Is the Why India Is the Fastest-Growing Economy on the PlanetFastest-Growing Economy on the Planet

<https://www8.gsb.columbia.edu/articles/chazen-global-insights/why-india-fastest-growing-economy-planet>

New Taxes Could Trigger a Japanese Craft Beer Renaissance

<https://www.bloomberg.com/news/articles/2017-03-02/new-taxes-could-trigger-a-japanese-craft-beer-renaissance>

Beer essentials: The craft beer boom in Japan shows no sign of running dry

<http://www.japantimes.co.jp/life/2016/06/04/food/beer-essentials-craft-beer-boom-japan-shows-no-sign-running-dry/>