

SEVEN STILLS



Series A Investor Deck
July, 2018



Seven Stills was founded by Tim Obert and Clint Potter in August of 2013 in San Francisco.



We began by renting a 400 sq ft storage unit and contracting local brewery & distillery production space.



We quit our day jobs, invested \$50k of our savings, and began self-distributing in San Francisco.



By the end of 2014 we had won two medals at the World Spirits Competition...



...were voted Zagat's Top 30 Under 30...



...and secured a distribution agreement with Pacific Edge for sales throughout the state of California.

Whiskey Made from Craft Beer

COGS
\$7.50
/bottle

WS
\$17.59

d Tc
\$36

\$4.1 Million
Sales to date

70,000+ units
sold since 2014

2500+ accounts
in California

WHOLE
FOODS
MARKET

BevMo!

Total
Wine
A MORE



In 2015 we completed our first financing round via friends & family and private lenders.



We moved out of the storage unit and opened a 4,400 sq.ft. brewery, distillery and tasting room in San Francisco's Bayview district.



We were the first distillery open to the public in San Francisco, and business took off.



With the increased cash flow, we opened our first satellite location in 2016, and generated \$1.2M in our first year.



By the end of 2016, we had grown from three people to a team of 18.

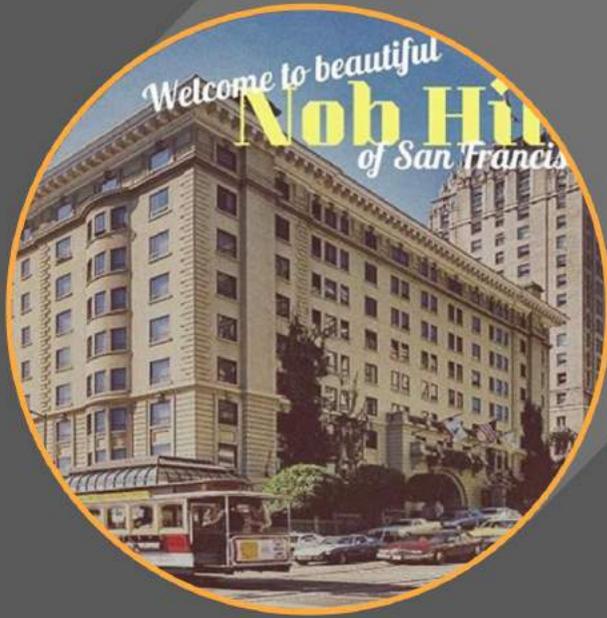
Adding craft beer to the mix



In October 2017 we expanded our portfolio to include a line of craft beers. The response was overwhelming. sales spiked again, with a projected natural growth of \$3.5M by the end of 2018.



We've hired three sales reps, one driver, a logistics manager, and a dedicated marketing/social media manager to support the growth.



We've opened a second satellite bar atop San Francisco's Nob Hill, in the heart of the City's tourist and business center.



Our existing facility is now at capacity and we are turning down an average of 50 inquiries per week to carry our beers nationwide.

Craft Beer Packaged cans



COGS
\$19
/ case

ws
\$72

dTc
\$102

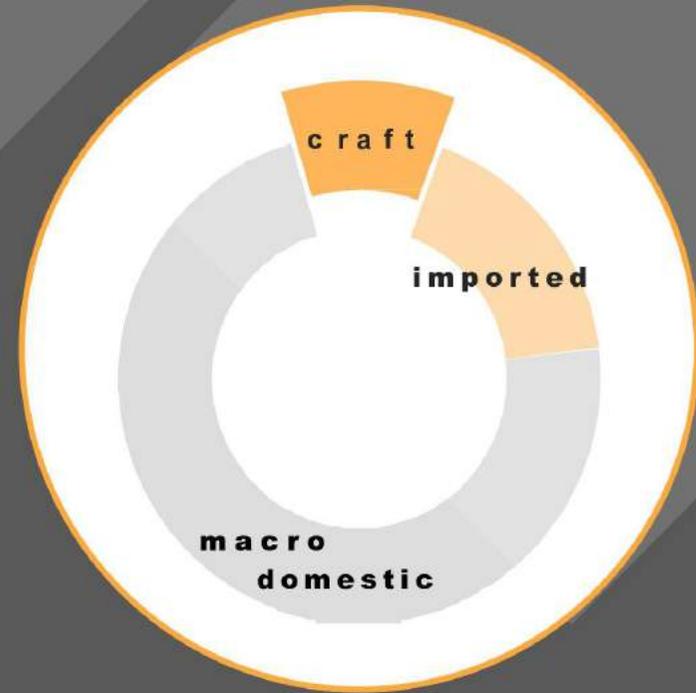
we Currently have
production
capacity to bring
beer service to
only 80 of our
2500+ california
retailers.

we have received
distribution
requests from all
50 states and have
established
nationwide
pathways.

Market size



craft spirits retail sales by value



beer market

| Overall | Craft | Craft share |
|----------|---------|-------------|
| \$107.6B | \$23.5B | 21.8% |

100 hooper

To keep up with the demand, we're now opening an 18,000 sq.ft. facility in the heart of San Francisco. This flagship brewery/distillery will also include a restaurant, cocktail bar, outdoor beer garden, retail merchandise & bottle shop, and private, rentable, hidden speakeasy bar.





To pay for the project, we raised another \$700k from our original investors, were granted a \$1.2m TI allowance from our developers, and received \$2.65m from our lender.

expansion



conservative estimates project this expansion to generate \$13.5m by the end of 2019, versus our natural growth trajectory of \$7m.

Upon completion of 100 Hooper in February 2019, we will have a combined capacity of 75k barrels per year with a \$250M+ valuation.

*These figures are estimates and cannot be guaranteed.

2017 Multiple valuation

Seven Stills Inc.

Recent M&A Transactions
(Dollars in Actual Amounts)

| | Minimum | Midpoint | Maximum |
|---------------------------------|-----------------|-----------------|-----------------|
| Multiple | 4.5x | 5.0x | 5.5x |
| 2017-2020 Blended Income | \$6,298,652.41 | \$6,298,652.41 | \$6,298,652.41 |
| Implied Enterprise Value | \$28,343,935.84 | \$31,493,262.04 | \$34,642,588.25 |
| Less: Net Debt | \$580,609.00 | \$580,609.00 | \$580,609.00 |
| Plus: Developer Contribution | \$1,210,090.00 | \$1,210,090.00 | \$1,210,090.00 |
| Pre Money Equity Valuation | \$28,973,416.84 | \$32,122,743.04 | \$35,272,069.25 |

Current Offering:

Implied Pre Money Equity
Valuation: **\$32,122,743.04**
Series A Equity Valuation:
\$28,200,000.00

Implied Discount to Series A
Investor: **12.22%**

Convertible Note Discount:
15%

Convertible Note Equity
Valuation: **\$23,970,000**

*These figures are estimates and cannot be guaranteed.

management & advisory team



TIM OBERT
CO-FOUNDER, CEO



CLINT POTTER
CO-FOUNDER, COO



SEAN O'LEARY
GENERAL MANAGER
PETE'S AND MOMO'S



RYLAN ORTIZ
PRODUCTION MANAGER
SPEAKEASY



MIKE HENNESSEY
PUENTELABS,
CO-FOUNDER



SAM ALLEN
SALES FORCE,
VP M&A



CHRIS ANDERSON
ASSAY ADVISORY, CEO

SEVEN STILLS



t h a n k y o u !