

Business Plan & Valuation Presentation



Contents



Part 1 Executive Summary

3 - 4



Company & Product Overview

5 - 11



Check List & Risk Overview

12 - 17



Users, Market & Investment

18 - 19



Part 2 Financial Projection

20 - 25



Business Valuation

26 - 28



Glossary & Disclaimer

29 - 30

OUR VISION & MISSION

Our Mission

AleWorks is devoted to crafting high-quality, unique beers that honor the art of brewing. By using the finest ingredients and traditional techniques, we create a wide range of handcrafted ales that captivate both seasoned enthusiasts and newcomers. Our commitment extends beyond brewing; we prioritize sustainability through eco-friendly practices and local sourcing. AleWorks is more than a brewery—it's a destination that offers exceptional brews and a vibrant, welcoming atmosphere for all craft beer lovers.

Our Vision

At AleWorks, our vision is to become a leading beacon in the craft beer industry by continuously pushing the boundaries of brewing innovation and creativity. We aspire to be recognized not just for our exceptional beers, but also for our commitment to sustainability and community engagement. In twenty years, AleWorks aims to have created a nationwide presence where craft beer lovers from all corners can gather. We envision a future where our beers are celebrated for their quality and diversity, and our brewery stands as a symbol of environmental stewardship and craft excellence.



Summary Financials Dashboard

Key performance indicators
(Base Scenario Y3)

\$ 660k

Revenue

\$ 298k

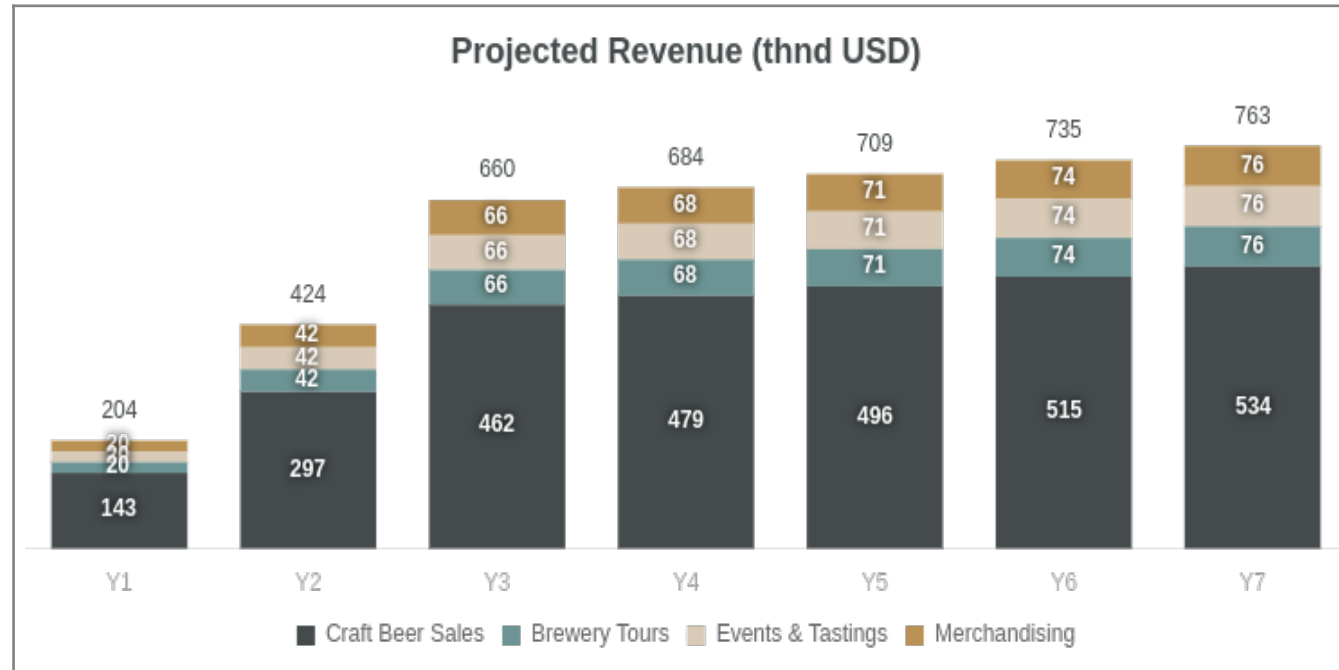
Gross Profit

\$ 141k

EBITDA

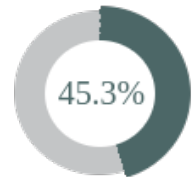
7.50%

Target Market Share

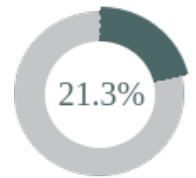


Margins
(Stabilized by Y3)

GP Margin



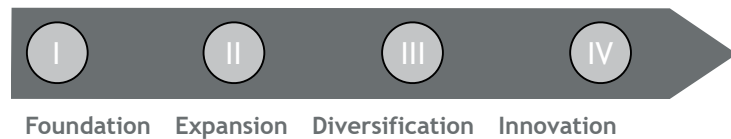
EBITDA Margin



PbT Margin



Project Phases



Funding round is aimed to accelerate the development of Phases and create core infrastructure for operations.

Investment will be used to finance CAPEX, WC buffers, etc.

Investment \$ 500k

Y1 CAPEX \$ 550k

WC \$ 28k



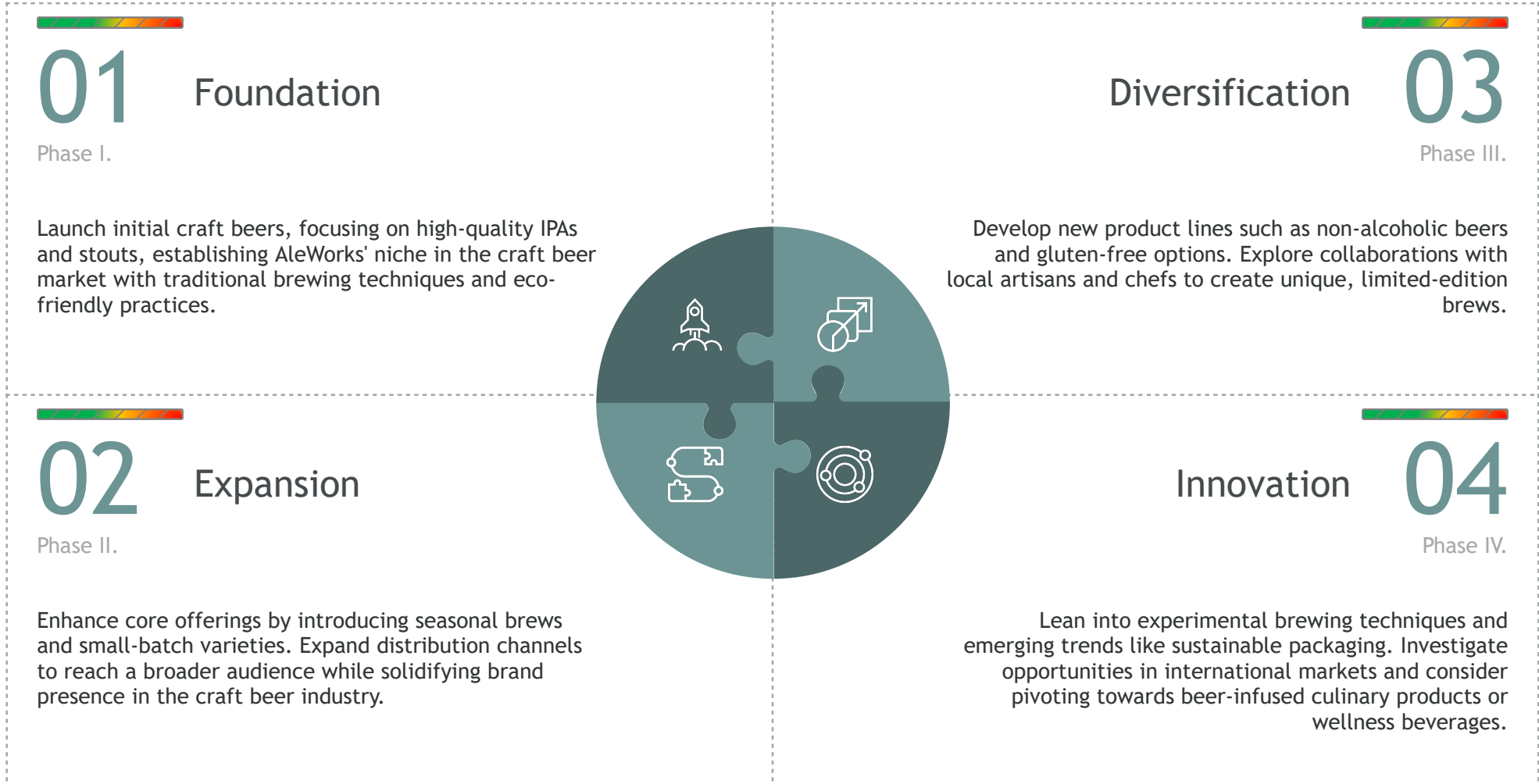
About the Company: General Overview



AleWorks is a craft brewery dedicated to producing distinctive and high-quality beers that celebrate the art of brewing. The company specializes in a diverse range of handcrafted ales, which include bold IPAs and smooth stouts, all made using the finest ingredients and traditional brewing techniques. Operating in the Manufacturing sector, AleWorks emphasizes creativity and innovation, offering unique flavors that cater to both seasoned beer enthusiasts and newcomers. The company's commitment to sustainability is evident in its eco-friendly practices and local sourcing of ingredients. More than just a brewery, AleWorks serves as a destination where craft beer lovers can enjoy exceptional brews in a vibrant and welcoming atmosphere.



The Main Phases: Projects & Impacts



Product Impact on Core Stakeholders

Main Stakeholder	Product Benefits
Customers	<ol style="list-style-type: none"> 1. Enjoy a diverse range of high-quality, handcrafted beers. 2. Experience unique flavors and innovative brewing techniques. 3. Support sustainable and eco-friendly brewing practices.
Employees	<ol style="list-style-type: none"> 1. Gain employment in a dynamic and growing craft brewery. 2. Receive training and development in traditional and modern brewing techniques. 3. Work in an environment committed to sustainability and creativity.
Local Community	<ol style="list-style-type: none"> 1. Boost local economy through job creation and local sourcing. 2. Enhance community culture with a welcoming and vibrant brewery destination. 3. Foster collaboration with local artisans and chefs for unique brews.
Suppliers	<ol style="list-style-type: none"> 1. Establish reliable demand for high-quality brewing ingredients. 2. Benefit from long-term partnerships with a sustainability-focused brewery. 3. Participate in a collaborative process to create innovative beer offerings.
Investors	<ol style="list-style-type: none"> 1. Enjoy potential high returns from a growing craft beer market. 2. Be part of a brand committed to sustainability and innovation. 3. Share in the success of a dynamic and expanding company.
Retail Partners	<ol style="list-style-type: none"> 1. Offer customers a distinctive and high-quality craft beer selection. 2. Benefit from increased foot traffic and sales through unique AleWorks products. 3. Leverage the strong brand presence and marketing efforts of AleWorks.
Environmental Groups	<ol style="list-style-type: none"> 1. Support eco-friendly and sustainable brewing processes. 2. Promote environmental responsibility through AleWorks' practices. 3. Collaborate on initiatives that further environmental sustainability in the industry.



Key Performance Components

Competitive Advantage

Premium Ingredients

AleWorks uses only the finest ingredients, ensuring each batch of beer is of the highest quality, providing a rich and authentic taste experience for consumers.

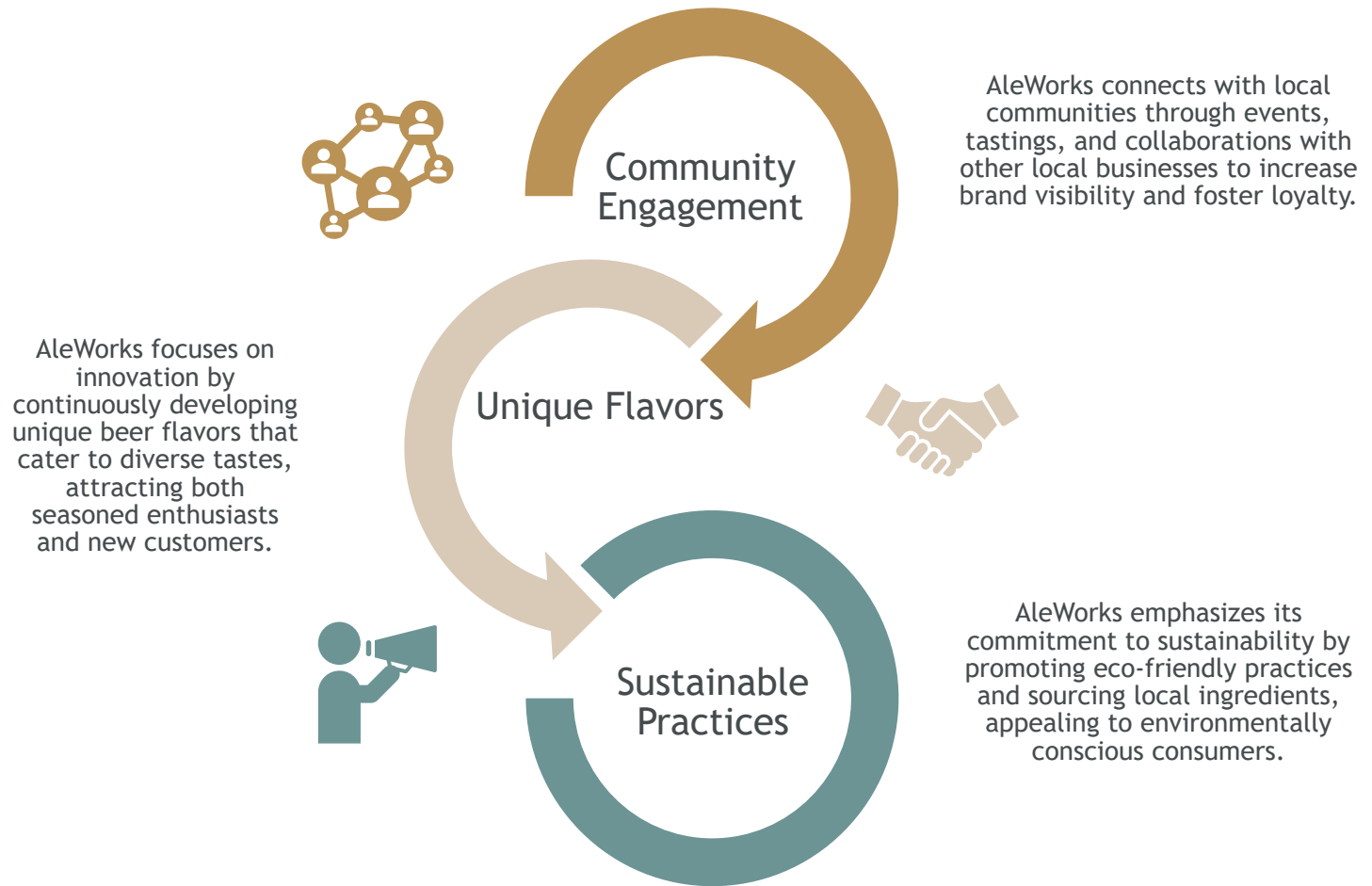
Eco-Friendly Practices

AleWorks is committed to sustainability, utilizing eco-friendly brewing methods and local sourcing to minimize environmental impact and support local communities.

Unique Flavors

AleWorks emphasizes creativity and innovation, offering a diverse range of handcrafted ales with unique flavors that cater to both seasoned beer enthusiasts and newcomers.

Marketing and Growth Strategy

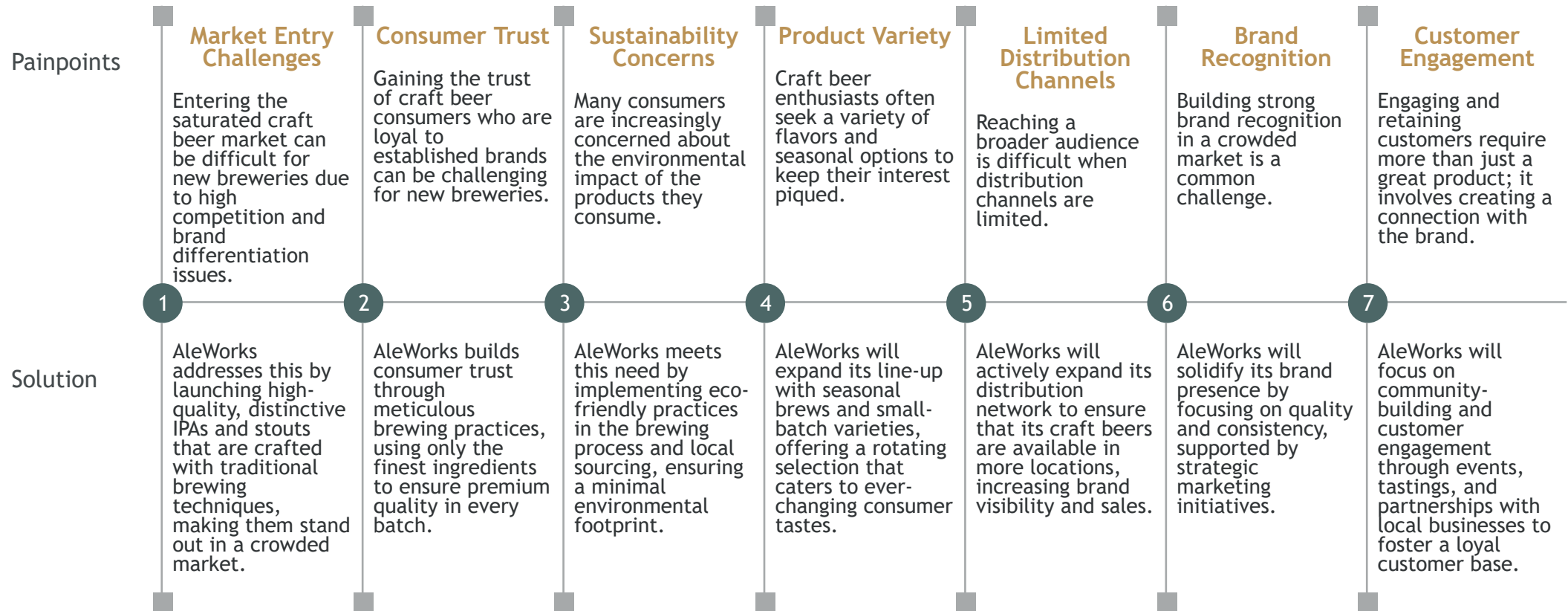


Target Groups

Industries		Description
I	 Craft Beer Enthusiasts	Individuals passionate about craft brewing will appreciate AleWorks' focus on high-quality and innovative beers.
II	 Local Bars and Restaurants	Establishments seeking unique, high-quality local beers to enhance their beverage offerings and attract discerning customers.
III	 Retailers and Bottle Shops	Stores that cater to beer connoisseurs, looking to stock a diverse range of craft brews from a sustainable and innovative brewery.
IV	 Event Planners and Venues	Organizers of social and corporate events in need of distinctive, local craft beers to impress guests and elevate their events.
V	 Health-Conscious Consumers	Individuals seeking non-alcoholic and gluten-free beer options without compromising on taste and quality.
VI	 Eco-Conscious Consumers	Consumers who prioritize sustainability and eco-friendly practices in the products they purchase will find AleWorks' commitment to the environment appealing.
VII	 International Beer Aficionados	Overseas drinkers eager to explore and enjoy distinctive American craft beers, including potential new markets in international regions.




Solution from Phase I to Phase IV




Strategic Analysis: SWOT

Strength




1. High-quality, handcrafted beers that emphasize creativity and innovation.
2. Diverse product range catering to both seasoned beer enthusiasts and newcomers.
3. Commitment to sustainability through eco-friendly practices and local sourcing.
4. Strong brand identity as both a brewery and a destination.
5. Use of the finest ingredients and traditional brewing techniques.

Weaknesses




1. Higher cost structure due to premium ingredients and small-scale production.
2. Limited geographic reach compared to larger breweries.
3. Dependence on local sourcing, making the supply chain more vulnerable.
4. Extensive focus on niche market segments may limit mass appeal.
5. Potentially higher product prices, which could deter budget-conscious customers.

Opportunities



1. Growing consumer interest in craft beers and unique flavors.
2. Expansion into new markets, both domestically and internationally.
3. Development of new, innovative beer varieties to attract diverse customer bases.
4. Collaboration with local businesses and events to boost brand visibility.
5. Leveraging online sales channels for wider distribution.

Threats



1. Intense competition from other craft breweries and large-scale beer manufacturers.
2. Changes in regulatory policies affecting alcohol production and sales.
3. Volatility in ingredient prices impacting production costs.
4. Economic downturns reducing discretionary spending on premium products.
5. Growing consumer health consciousness potentially decreasing beer consumption.



History & Roadmap



Current Status.

AleWorks will focus on launching a new seasonal brew in March 2024, followed by expanding its distribution network by July 2024. The company will open a new taproom by November 2024 to enhance customer engagement. Sustainability initiatives will be ramped up by April 2025 to further the company's eco-friendly goals. In August 2025, AleWorks will introduce a beer subscription service catering to loyal customers. Finally, by January 2026, AleWorks aims to enter select international markets, broadening its global presence.



Organizational and Marketing Tasks

#	Check List Item	Status	Priority	Area	ETA
General Planning and Organization					
1	Formulate Business Plan	●	Not Started	High	CEO 2 weeks
2	Secure Funding	●	Not Started	High	CFO 1 month
3	Hire Core Team	●	Not Started	High	COO 3 weeks
4	Register Business and Obtain Licenses	●	Not Started	High	CFO 4 weeks
5	Select and Secure Brewery Location	●	Not Started	High	COO 6 weeks
6	Establish Vendor Relationships	●	Not Started	Medium	CPO 2 months
7	Set Up Accounting and Inventory Systems	●	Not Started	Medium	CFO 1 month
8	Implement Sustainability Practices	●	Not Started	Medium	CSO 3 months
Marketing					
1	Develop Brand Identity and Logo	●	Not Started	High	CMO 2 months
2	Launch Initial Marketing Campaign	●	Not Started	High	CMO 1 month
3	Establish Social Media Presence	●	Not Started	Medium	CMO 1 month
4	Create SEO Strategy for Website	●	Not Started	High	CMO 3 months
5	Develop Partnerships with Local Events and Festivals	●	Not Started	Medium	CBO 4 months
6	Design and Distribute Promotional Merchandise	●	Not Started	Medium	CBO 3 months
7	Create Influencer and Blogger Outreach Program	●	Not Started	Medium	CMO 2 months
8	Launch a Loyalty Program for Customers	●	Not Started	Low	CBO 5 months



Overview of Phases

#	Check List Item	Status	Priority	Area	ETA	
Phase 1 & Technical Set Up for next Phases						
1	Secure brewing equipment	●	Not Started	High	COO	2 months
2	Establish supplier relationships	●	Not Started	High	CPO	1 month
3	Obtain necessary licenses and permits	●	Not Started	High	CSO	3 months
4	Develop initial beer recipes	●	Not Started	High	CBO	2 months
5	Set up initial production facility	●	Not Started	High	COO	3 months
6	Formulate quality control processes	●	Not Started	Medium	CPO	2 months
7	Hire key brewing staff	●	Not Started	High	CBO	1 month
8	Conduct initial marketing and brand awareness activities	●	Not Started	Medium	CMO	1.5 months
Phase 2						
1	Develop Seasonal Brew Recipes	●	Not Started	High	CPO	3 months
2	Identify and Secure Small-Batch Suppliers	●	Not Started	Medium	CFO	2 months
3	Set Up Agreements with Distributors	●	Not Started	High	COO	4 months
4	Launch Marketing Campaign for New Brews	●	Not Started	High	CMO	2 months
5	Update Brand Visual Identity	●	Not Started	Medium	CBO	3 months
6	Conduct Market Analysis for New Regions	●	Not Started	High	CSO	1.5 months
7	Implement Customer Feedback System	●	Not Started	Medium	CTO	2 months
8	Train Staff for New Product Lines	●	Not Started	High	COO	2 months



Overview of Phases

#	Check List Item	Status	Priority	Area	ETA	
Phase 3						
1	Develop non-alcoholic beer recipes	●	Not Started	High	CPO	3 months
2	Formulate gluten-free beer options	●	Not Started	High	CPO	4 months
3	Identify and approach local artisans for collaborations	●	Not Started	Medium	CMO	2 months
4	Collaborate with chefs to design unique brews	●	Not Started	High	CIO	5 months
5	Plan and execute limited-edition brew series	●	Not Started	Medium	CMO	6 months
6	Set up a pilot program for new product lines	●	Not Started	High	COO	3 months
7	Conduct market research on non-alcoholic and gluten-free segments	●	Not Started	High	CSO	2 months
8	Secure partnerships with health and wellness brands	●	Not Started	Medium	CRO	4 months
Phase 4						
1	Research Experimental Brewing Techniques	●	Not Started	High	CTO	2 months
2	Develop Sustainable Packaging Solutions	●	Not Started	High	CPO	3 months
3	Identify and Target International Markets	●	Not Started	Medium	CRO	4 months
4	Formulate Beer-Infused Culinary Products	●	Not Started	High	COO	5 months
5	Investigate Wellness Beverage Opportunities	●	Not Started	Medium	CSO	3 months
6	Secure Partnerships for Innovative Collaborations	●	Not Started	Medium	CMO	4 months
7	Pilot Small Batch Experimental Brews	●	Not Started	High	CTO	6 months
8	Implement Feedback Systems for New Products	●	Not Started	High	CIO	2 months



Core Risks & Migration Strategies

1. Operation and maintenance risks

#	Risk Type	Area	Mitigation Strategy
1	Equipment Breakdown	COO	Implement a regular maintenance schedule and invest in high-quality, durable brewing equipment to minimize the risk of unexpected breakdowns.
2	Supply Chain Disruptions	CPO	Establish strong relationships with multiple suppliers and maintain adequate inventory levels to mitigate supply chain interruptions.
3	Quality Control Issues	CSO	Implement rigorous quality control procedures and regular training programs for staff to ensure consistency in product quality.
4	Workforce Safety	COO	Adopt comprehensive safety protocols and conduct regular safety drills to ensure a secure working environment for employees.
5	Production Downtime	COO	Invest in backup systems and develop a contingency plan to manage unexpected production halts effectively.

2. Regulatory and legal risks

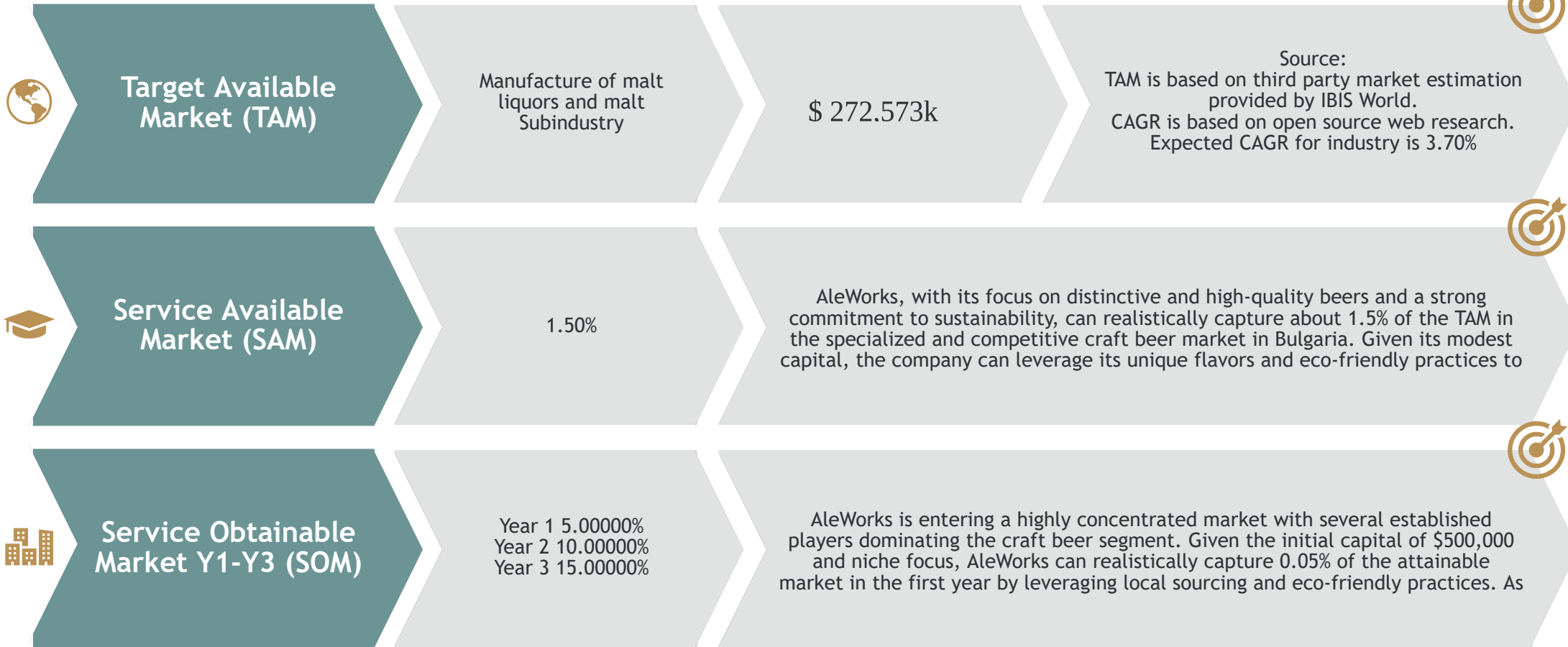
#	Risk Type	Area	Mitigation Strategy
1	Compliance with Alcohol Regulations	CRO	Ensure continuous education and training of staff regarding local and federal alcohol regulations and engage with legal counsel to review compliance procedures frequently.
2	Labeling Requirements	CPO	Collaborate with regulatory experts to verify that all product labels accurately reflect ingredients and comply with labeling laws to avoid any misbranding issues.
3	Environmental Regulations	COO	Adopt best practices for waste disposal and energy usage, and frequently audit operations to ensure compliance with current environmental laws and standards.
4	Health and Safety Standards	COO	Implement and rigorously follow health and safety protocols, conducting regular training and audits to ensure a safe environment for employees and customers.
5	Licensing and Permits	CRO	Maintain a comprehensive schedule for renewing licenses and permits, and establish a strong relationship with local regulatory agencies for guidance and updates.



3. Strategic/Market Risk			
#	Risk Type	Area	Mitigation Strategy
1	Market Saturation	CBO	Differentiate AleWorks through unique brewing techniques and strong brand storytelling to stand out in a crowded market.
2	Changing Consumer Preferences	CSO	Conduct regular market research and adapt product offerings to align with evolving consumer trends and preferences.
3	Competitive Pressure	CEO	Prioritize innovation and continuously improve product quality to maintain a competitive edge over other craft breweries.
4	Supply Chain Disruptions	COO	Establish strong relationships with multiple suppliers and explore local sourcing options to minimize the impact of supply chain issues.
5	Brand Loyalty Establishment	CMO	Develop a robust customer engagement strategy that fosters community and loyalty through events, promotions, and loyalty programs.
4. Finance risk			
#	Risk Type	Area	Mitigation Strategy
1	Cash Flow Shortages	CFO	Implement a rigorous cash flow management system, including real-time monitoring and forecasting to ensure liquidity and operational stability.
2	High Operational Costs	COO	Optimize production processes and adopt cost-saving technologies to reduce overhead and maintain profitability.
3	Credit Risks	CFO	Establish credit policies that evaluate customer creditworthiness and implement incentives for early payments to minimize defaults.
4	Market Volatility	CSO	Diversify product offerings and distribution channels to spread risk and reduce dependency on any single market segment.
5	Funding and Investment Risks	CEO	Develop strong relationships with investors and financial institutions, and maintain transparent communication to secure necessary funding during different phases of growth.
5. Other general risk			
#	Risk Type	Area	Mitigation Strategy
1	Brand Perception Risks	CMO	Regularly engage with customers through surveys and social media to gauge brand perception and respond proactively to feedback.
2	Supply Chain Disruptions	COO	Diversify suppliers and maintain a buffer stock of critical ingredients to mitigate supply chain disruptions.
3	Talent Acquisition and Retention	CPO	Implement competitive compensation packages and foster a positive, inclusive company culture to attract and retain top talent.
4	Consumer Preference Shifts	CSO	Conduct regular market research to stay ahead of consumer trends and adjust product offerings accordingly.
5	Reputation Management	CEO	Develop a comprehensive crisis communication plan and maintain strong relationships with media to effectively manage public perception during a crisis.



Market Overview (TAM, SAM and SOM)



Funding Allocation

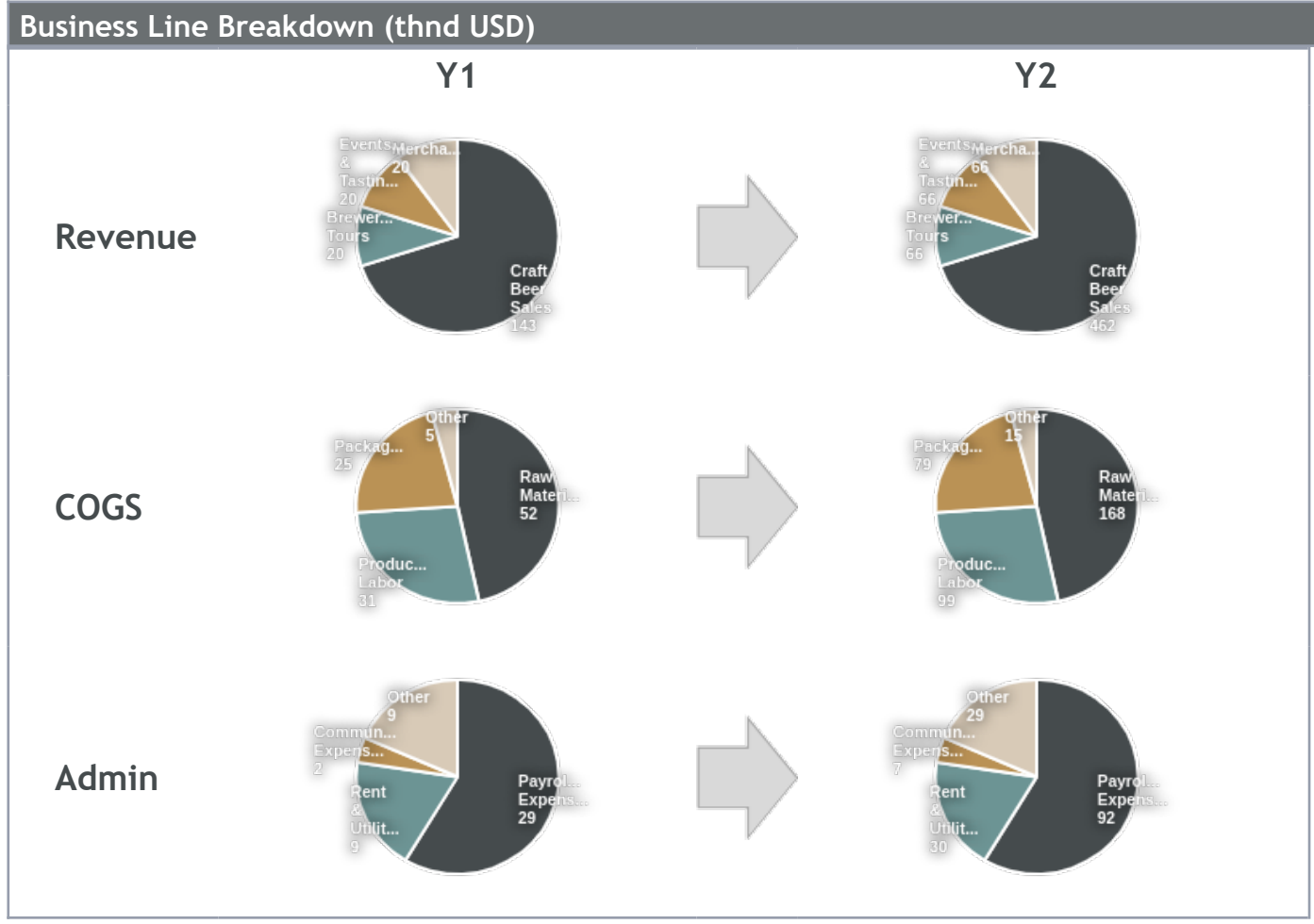
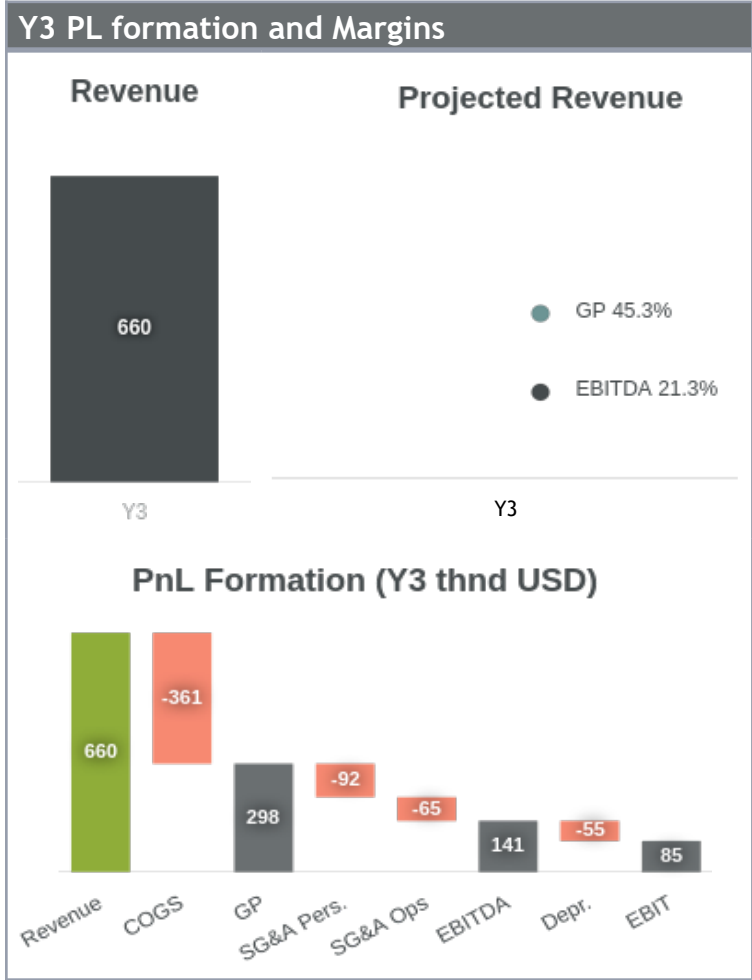
The funding will be used to finance the CAPEX and cash deficit from Year 1 operations, aiming to expedite the development process. In subsequent years the company plans to sustain operations without requiring major additional capital injection. Table below presents the overview of expected inflows and outflows.

The total investment required is \$ 506k

Y1 Cash Flow Stream(thnd USD)	Inflows	Outflows
Gross Profit	93	
Payroll Expenses		29
Rent & Utilities		9
Marketing and Branding		3
Communication Expenses		2
Capex		550
Training and Development		2
Office supplies		1
Legal and Professional Fees		1
Other Miscellaneous		1
Representation and Entert.		1
CAPEX & WC shortage Y1		506
Buffer		0
Total Required Investment(thnd USD)		506



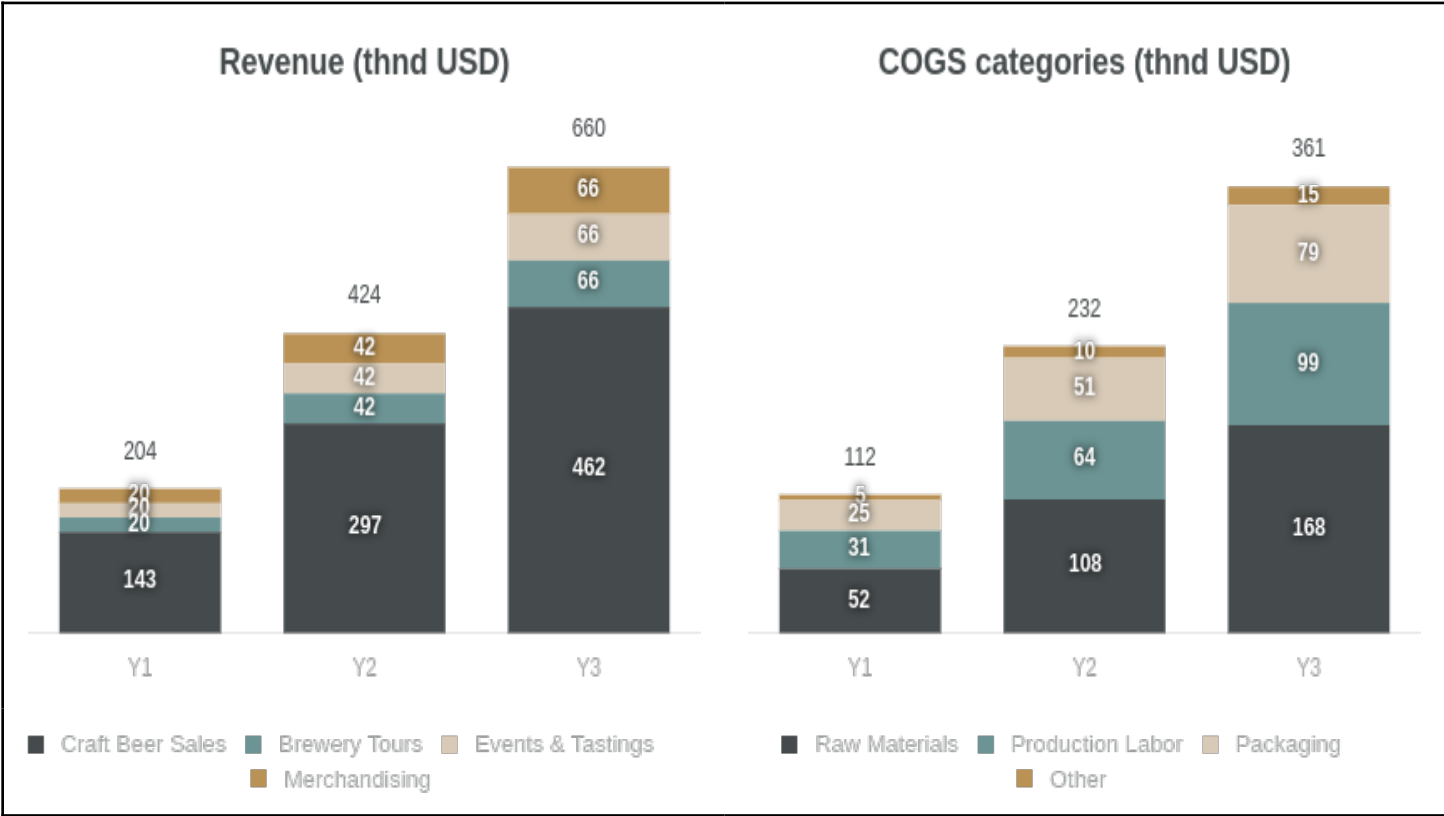
Financials Dashboard



Revenue Formation Narrative

AleWorks is strategically positioned within the Manufacture of beverages industry, emphasizing the craftsmanship and distinctiveness of its handcrafted ales. Operating within a Total Addressable Market (TAM) of 272,572.685k USD , AleWorks aims to carve out a niche through its unique value propositions and eco-friendly practices. Based on our analysis, AleWorks can realistically capture 1.5% of the TAM, equating to a substantial market presence in Bulgaria's competitive craft beer sector. Our Serviceable Obtainable Market (SOM) expectations are modest yet ambitious: 0.05% in Year 1, translating to 204.43k USD in revenue; 0.10% in Year 2, reaching 423.987k USD ; and 0.15% in Year 3, resulting in 659.511k USD . This SOM trajectory leverages AleWorks' local sourcing strategies and commitment to sustainability, gradually increasing market share through expanded distribution and growing brand loyalty. The initial funding of 500k USD will fuel this growth, supporting both production and marketing efforts. AleWorks' revenue streams are diversified across four primary lines of business: Craft Beer Sales (70%), Brewery Tours (10%), Events & Tastings (10%), and Merchandising (10%). This balanced revenue structure underpins our optimistic yet realistic revenue projections, ensuring robust financial health and operational sustainability for the company in its formative years.

\$ 660k Y3 Projected Revenue **7.50%** Market share



Revenue Calculation Details

Revenue Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Craft Beer Sales	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Brewery Tours	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Events & Tastings	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Merchandising	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %	10 %

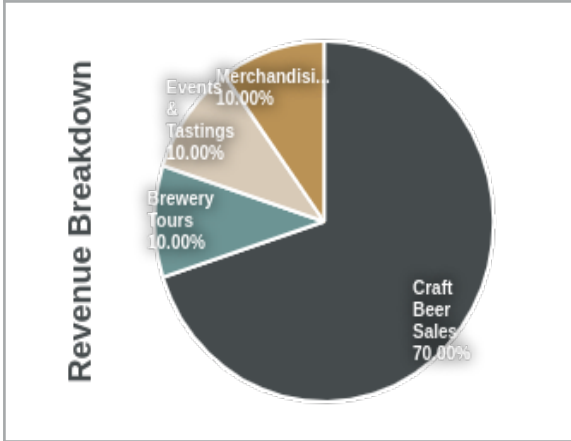
Craft Beer Sales	9	9	9	11	11	11	13	13	13	15	15	15	143	297	462
Brewery Tours	1	1	1	2	2	2	2	2	2	2	2	2	20	42	66
Events & Tastings	1	1	1	2	2	2	2	2	2	2	2	2	20	42	66
Merchandising	1	1	1	2	2	2	2	2	2	2	2	2	20	42	66
Total Revenue (thnd USD)	13	13	13	15	15	15	19	19	19	21	21	21	204	424	660

Total revenue is expected to reach \$ 660k by year 3.

Main revenue driver are:

- Craft Beer Sales which generates \$ 462k by Year 3
- Brewery Tours which generates \$ 66k by Year 3

Expected CAGR for total Revenue in Y1-Y3 is 79.61 %



COGS Calculation Details

COGS Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Raw Materials	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%	25.50%
Production Labor	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Packaging	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Other	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

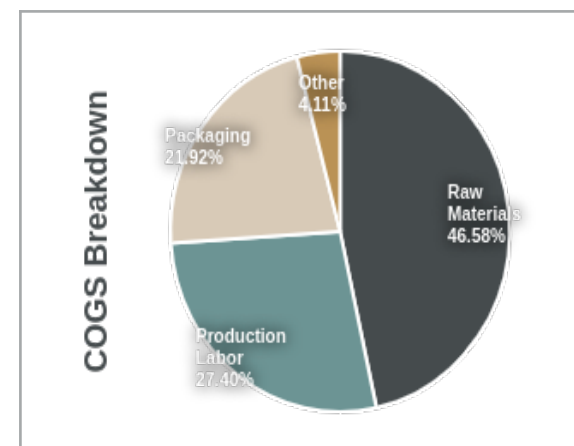
Raw Materials	3	3	3	4	4	4	5	5	5	5	5	5	52	108	168
Production Labor	2	2	2	2	2	2	3	3	3	3	3	3	31	64	99
Packaging	2	2	2	2	2	2	2	2	2	3	3	3	25	51	79
Other	0	0	0	0	0	0	0	0	0	0	0	0	5	10	15
Total COGS (thnd USD)	7	7	7	8	8	8	10	10	10	12	12	12	112	232	361

Total COGS is expected to reach \$ 361k by year 3.

Main revenue driver are:

- Raw Materials which generates \$ 168k by Year 3
- Production Labor which generates \$ 99k by Year 3

Expected CAGR for total COGS in Y1-Y3 is 79.61 %



SG&A Calculation Details

OPEX Formation	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
<i>Payroll Expenses</i>	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
<i>Rent & Utilities</i>	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
<i>Communication Expenses</i>	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
<i>Office supplies</i>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<i>Legal and Professional Fees</i>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
<i>Marketing and Branding</i>	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
<i>Representation and Entertainment</i>	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%
<i>Training and Development</i>	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
<i>Other Miscellaneous</i>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

<i>Payroll Expenses</i>	2	2	2	2	2	2	3	3	3	3	3	3	29	59	92
<i>Rent & Utilities</i>	1	1	1	1	1	1	1	1	1	1	1	1	9	19	30
<i>Communication Expenses</i>	0	0	0	0	0	0	0	0	0	0	0	0	2	4	7
<i>Office supplies</i>	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
<i>Legal and Professional Fees</i>	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
<i>Marketing and Branding</i>	0	0	0	0	0	0	0	0	0	0	0	0	3	6	10
<i>Representation and Entertainment</i>	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
<i>Training and Development</i>	0	0	0	0	0	0	0	0	0	0	0	0	2	4	7
<i>Other Miscellaneous</i>	0	0	0	0	0	0	0	0	0	0	0	0	1	2	3
Total SG&A (thnd USD)	3	3	3	4	4	4	4	4	4	5	5	5	49	101	158



PaT Expectations

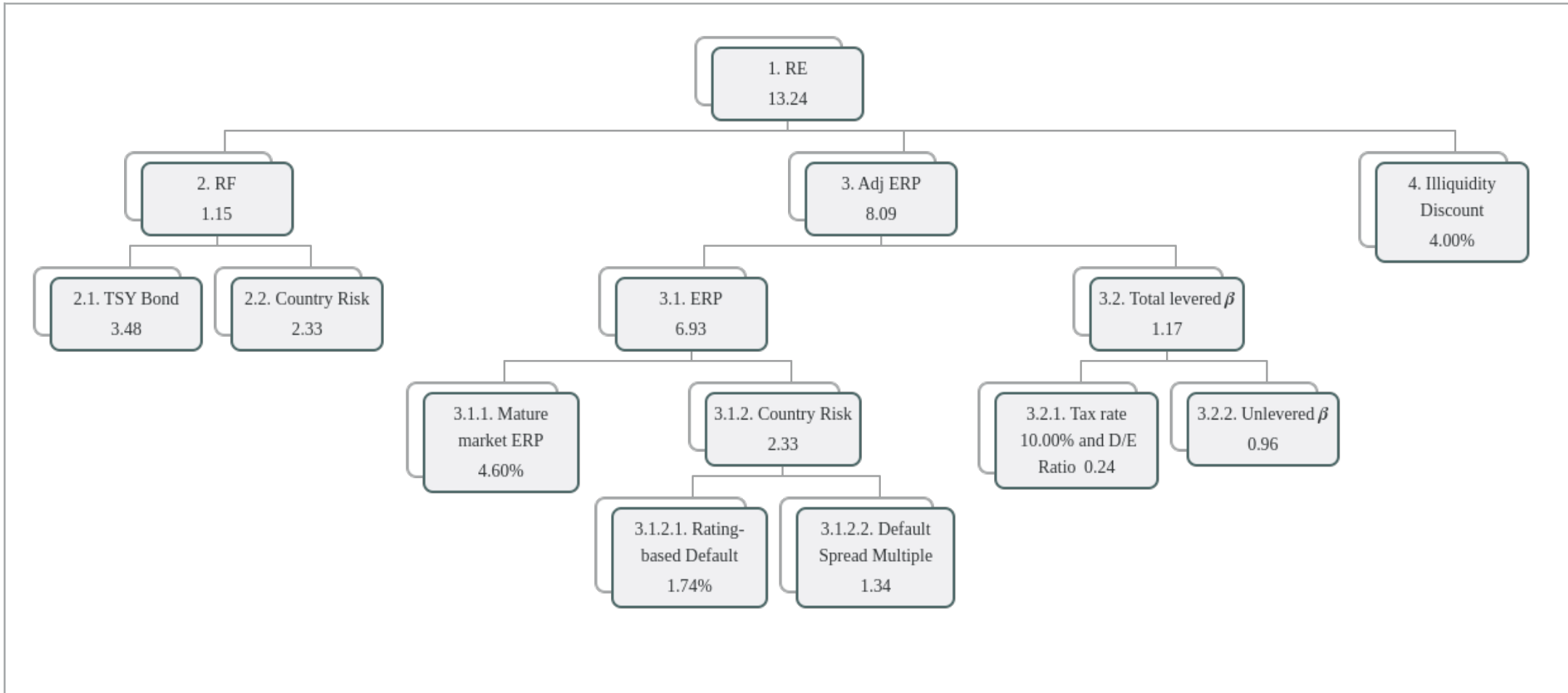
1 2 3 4 5 6 7

Financial Projection

Income Statement (thnd USD)	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3
Revenue	13	13	13	15	15	15	19	19	19	21	21	21	204	424	660
Craft Beer Sales	9	9	9	11	11	11	13	13	13	15	15	15	143	297	462
Brewery Tours	1	1	1	2	2	2	2	2	2	2	2	2	20	42	66
Events & Tastings	1	1	1	2	2	2	2	2	2	2	2	2	20	42	66
Merchandising	1	1	1	2	2	2	2	2	2	2	2	2	20	42	66
COGS	-7	-7	-7	-8	-8	-8	-10	-10	-10	-12	-12	-12	-112	-232	-361
Raw Materials	-3	-3	-3	-4	-4	-4	-5	-5	-5	-5	-5	-5	-52	-108	-168
Production Labor	-2	-2	-2	-2	-2	-2	-3	-3	-3	-3	-3	-3	-31	-64	-99
Packaging	-2	-2	-2	-2	-2	-2	-2	-2	-2	-3	-3	-3	-25	-51	-79
Other	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-0	-5	-10	-15
Gross Profit	6	6	6	7	7	7	8	8	8	10	10	10	93	192	298
SG&A Personal Expenses	-2	-2	-2	-2	-2	-2	-3	-3	-3	-3	-3	-3	-29	-59	-92
SG&A Operating Expenses	-1	-1	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-20	-42	-65
EBITDA	3	3	3	3	3	3	4	4	4	5	5	5	44	91	141
Depreciation	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-55	-55	-55
EBIT	-2	-2	-2	-1	-1	-1	-1	-1	-1	-0	-0	-0	-12	35	85
Interest Expense	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-7	-7	-7
Profit before Tax	-2	-2	-2	-2	-2	-2	-1	-1	-1	-1	-1	-1	-19	28	78
Tax	0	0	0	0	0	0	0	0	0	0	0	0	2	-3	-8
Profit after Tax (thnd USD)	-2	-2	-2	-2	-2	-2	-1	-1	-1	-1	-1	-1	-17	25	71



Required Return on Equity Derivation



Methodology

Weighted Average Cost of Capital is calculated using Capital Asset Pricing Model (CAPM). Since the company is purely equity funded the WACC is equal to its Required Return on Equity R(E). The main research inputs used in calculations are based on studies published by professor at Stern School of Business Aswath Damodaran. Return on Equity R(E) is $R(E) = R(F) + \beta * (ERP)$, where: R(F) is Risk Free Rate. The basis for calculation of R(F) is the average of the yield of USD 30 Year TSY Bond. The horizon. ERP is Mature Market Equity Risk Premium. It incorporates market estimates for Rating-Based Default Spread and Default Spread Multiple (β) is average equity betas of corresponding industries. Despite the company has no debt, the unlevered beta was levered with industry average figures to reflect the long-term D/E ration in the capital structure. Additionally, Illiquidity Risk Premium of 4% is added to the estimated Return on Equity to reflect risk associated with firm being Privately Held vs Publicly Traded Companies.

Additional Assumptions

To calculate the companies Firm Value, its future Free Cash Flow to Equity (FCFE) is discounted using estimated Required Return on Equity.

The 3rd-year projected cash flow is used as a representation of the long-term Free Cash Flow to the Equity (FCFE). This approach may understate the valuation because cash flows are expected to grow more aggressively in the first 10 years, and the growth from years 4 to 10 is not reflected in this calculation. Long-term growth rate of 5% is applied.

After discounting the cashflows and measuring the Firm Value it is adjusted to historical estimate of Start-up firm's survival rate. The allows to incorporate risk of start-ups fails.

Survival of new establishments founded in 1998

	Proportion of firms that were started in 1998 that survived through						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Natural resources	82.33%	69.54%	59.41%	49.56%	43.43%	39.96%	36.68%
Construction	80.69%	65.73%	53.56%	42.59%	36.96%	33.36%	29.96%
Manufacturing	84.19%	68.67%	56.98%	47.41%	40.88%	37.03%	33.91%
Transportation	82.58%	66.82%	54.70%	44.68%	38.21%	34.12%	31.02%
Information	80.75%	62.85%	49.49%	37.70%	31.24%	28.29%	24.78%
Financial activities	84.09%	69.57%	58.56%	49.24%	43.93%	40.34%	36.90%
Business services	82.32%	66.82%	55.13%	44.28%	38.11%	34.46%	31.08%
Health services	85.59%	72.83%	63.73%	55.37%	50.09%	46.47%	43.71%
Leisure	81.15%	64.99%	53.61%	43.76%	38.11%	34.54%	31.40%
Other services	80.72%	64.81%	53.32%	43.88%	37.05%	32.33%	28.77%
All firms	81.24%	65.77%	54.29%	44.36%	38.29%	34.44%	31.18%

http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html

<https://pages.stern.nyu.edu/~adamodar/pdfiles/papers/younggrowth.pdf>

<http://pages.stern.nyu.edu/~adamodar/>



Business Valuation

	(thnd USD)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
DCF	Profit after Tax	-17	25	71	73	76	79	82
	Growth% Y4-Y7				3.70%	3.70%	3.70%	3.70%
	Growth% Y7 -->	3.50%						
	WACC	13.24%						
	PV Y1-Y7 at Y0	-15	20	49	44	41	37	34
	PV Y7 --> Y0	363						
	NPV (thnd USD)	573						

Average Survival Rate for 3 Years

50%

Final Valuation

\$ 286k

The valuation is conducted using the Discounted Cash Flow (DCF) method. In this method, the projected cash flows for a period of 7 years, along with a terminal value, are discounted at a rate of 13.24 % to determine the Firm Value.

Starting from year 3 onwards, the cash flows are estimated to grow at a rate of 3.70 %, which is consistent with the market Compound Annual Growth Rate (CAGR) trend. Beyond year 7, the cash flows are assumed to grow at a long-term growth rate of 3.50 %.

To account for the inherent risks associated with a start-up venture, the Firm Value is adjusted using the historical survival rate of newly established firms. As indicated by the study conducted by Aswath Damodaran, there was approximately 50% probability of survival for Information sector companies. This adjustment allows to incorporate the risk profile of the business and provide a more comprehensive assessment of its value.

It is important to note that if the company can successfully navigate through its initial three years of operation, it is expected to have a significantly higher likelihood of becoming a going concern. This underscores the importance of demonstrating resilience and establishing a solid foundation during the critical early stages of the business.



Financial and Technical

b \$ - Billions of \$
 B2B - Business to Business
 B2C - Business to Customer
 CAPEX - Capital Expenditure
 CAPM - Capital Asset Pricing Model
 COGS - Cost of goods sold
 DCF - Discounted cash flow
 Depr. - Depreciation
 EBIT - Earnings before interest and taxes
 EBITDA - Earnings before interest, taxes, depreciation, and amortization
 EBT - Earnings Before Tax
 ERP - Equity Risk Premium
 ETA - Estimated Time of Arrival
 EV - Enterprise Value
 FA (Tangible and Intangible) - Fixed assets (tangible and intangible)
 FX - Foreign Exchange
 FY - Fiscal year
 GP - gross profit
 k \$ - Thousands of \$
 LLM - Large Language Model
 LFY - Last fiscal year
 m \$ - Millions of \$
 MTD - Month-to-date
 MVP - Minimum Viable Product
 NFT - Non-Fungible Token
 NPV - Net present value
 OPEX - Operating Expense
 P&L - A profit and loss (P&L) statement
 PaT - Profit after Tax
 POC - Proof of Concept
 PPE - Property, plant, and equipment
 SG&A - Sales, General and Administrative
 TSY bond rate - Treasury bond rate
 WACC - Weighted average cost of capital
 YTD - Year-to-date

Organisational Structure

CBDO - Chief Business Development Officer
 CEO - Chief Executive Officer
 CPO - Chief Product Officer
 CFO - Chief Financial Officer
 CTO - Chief Technology Officer
 C-level - Chief level
 Eng - Engineer
 Dev - Developer
 HR - Human Resources

Other

Av - Average
 EoP - End of Period
 LE - Legal Entity
 PE - Private Equity
 TOM - Target Operating Model



Disclaimer

The following information and valuation analysis are provided for informational purposes only and do not constitute financial or investment advice. This presentation is based on assumptions, projections, and historical data, which are subject to inherent uncertainties and risks.

Please note that the valuation results presented here are based on the Discounted Cash Flow (DCF) method and various assumptions, including projected cash flows, growth rates, discount rates, and survival rates. These assumptions are subject to change and may not accurately reflect future market conditions or the performance of the business.

The valuation does not guarantee future financial performance or the accuracy of the projections. Actual results may differ materially from those presented in this analysis due to numerous factors, including but not limited to changes in economic conditions, market dynamics, competition, regulatory factors, and unforeseen events.

Investors and stakeholders are advised to conduct their own independent research, seek professional advice, and carefully consider their individual investment objectives, risk tolerance, and financial situation before making any investment decisions. The information provided in this presentation should not be relied upon as the sole basis for making investment decisions.

Furthermore, no representation or warranty, express or implied, is made regarding the accuracy, completeness, reliability, or availability of the information and analysis presented in this presentation. We disclaim any liability for any loss or damage, including but not limited to indirect or consequential loss information provided.

Past performance is not indicative of future results. Any historical financial information included in this presentation is provided for reference purposes only and may not reflect the current financial position or performance of the business.

The valuation presentation is intended solely for the recipient's use and may not be reproduced, redistributed, or disclosed, in whole or in part, without the prior written consent of the company.

If you have any questions or concerns about this presentation or its contents, please contact our office at or call us at .

