

WE GO BEYOND WINE TO
HELP YOU GO BEYOND BEER





ABOUT **AUGUST IMPORTS (AI)**

AI is a medium-sized sales, incubation and ideation company providing targeted, market-driven, volumetric brands:

Proven: Est. 2001; Owners created top wine brands*

Global Supplier Network: Europe, Americas, NZ

Nationwide Distribution: 90+ Distributors in 50 states

Partnered: Currently with approx. 40 Beer Distributors

Sales Team: Reg. Managers + National Accounts + Support

Products: Wine, RTDs, Spirits, Hard Tea, Alt. Packaging

*
bocelli



Root:1™
[THE ORIGINAL UNGRAFTED]

La Perlina



OUR MISSION

To equip traditional beer wholesalers to successfully diversify Beyond Beer through an effective combination of:

1

Market-ready **Beverage Innovations** –
Optimized for Beer Team Success

2

Education & Training of Beer Teams

3

Collaborative Sales Support: We Both
Call on Accounts

ABOUT BRAND LAB™



AI Brand Lab leverages a variety of consumer research resources, technological platforms, and data to create an informed, highly strategic RTM for consumer goods.:

- 1 Global Design Network:** Proven Graphic Experts in Consumer Product Design. Sourced from Around the World, 24x7. A Stable of Gen Z, Millennial and Gen X Artists.
- 2 Consumer Research Capacity:** AI Leverages Newly-Emerged Online Platforms to Conduct Quantitative and Qualitative Studies. Includes “Flash” Consumer Surveys, for Critical Product Feedback within hours.
- 3 Data:** We consolidate data from Industry-leading commercial sources (Impact, Nielsen, etc.), as well as data-sharing relationships with our AB InBev affiliate distributors.

DIVERSIFICATION READINESS: WHERE DO YOU STAND?

BEER WHOLESALERS GENERALLY FALL INTO ONE CATEGORY:

Our Philosophy: “Meet the Distributor Where They Are”

AI customizes education, products and sales training to match the readiness level of each Distributor.

Beginner, Intermediate, Advanced: Of U.S. independent beer distributors, we estimate approximately 80% are either 101 or “early” 201 level; 15% are solidly 201 level; and 5% are 301 level¹.



¹Internal Estimates based on independent beer distributor best practice group research 2019-2021.

EDUCATION: HIGH PRIORITY

GOAL: YOUR TEAM IS EQUALLY CONFIDENT & COMPETENT SELLING BEYOND BEER AS BEER

Training Videos:



101 Level



201 Level+

Training Seminars:



All Levels

Training Collateral:



101 Level



201 Level+



All Levels



WHAT TO DO: DIVERSIFICATION BEST PRACTICES

HOW BEER DISTRIBUTORS CAN SUCCESSFULLY DIVERSIFY BEYOND BEER:

1

Proper Mindset: Diversification a 'Need to Have', not a 'Nice to Have'

Commitment starts at the top – Not half pregnant

One major AB distributor: “We would be 60% of what we were without wine and spirits”

CEO of Beer Distributor: “Be all in – Don’t Look at Your P&L for 5-6 Years”

2

Dedicated People: You Need Expertise in the Building

This promotes “buy-in” from your team

Dedicated people need to fight internally for Beyond Beer Brands

Education is CRUCIAL: Your people need to be as competent selling Beyond Beer products as beer products

3

Be Prepared to Sell Product: Wine & Spirits Sales Are Collaborative

Call brands have strong consumer awareness – Most Beyond Beer brands do not

Sales teams must call on chain accounts *for* and *with* suppliers

Cross-reference Distributor key account lists with Supplier’s key account list – and attack

4

Make It Easy to Buy: You’re the Disruptor, Not the Market Leader

Avoid split case charges and other disincentives

Take as many “No’s” off the table as possible

WHAT TO LOOK FOR: IN BEYOND BEER SUPPLIERS

WHAT SUPPLIERS SHOULD HAVE / PROVIDE TO SUCCESSFULLY DIVERSIFY BEYOND BEER:

1

Experience & Commitment to Success with Beer Wholesalers

Understands *how* to partner with beer operators
In it for the “long haul” – not just sub-jobbing, spot-filling
Prepared to scale fast *or* fail fast

2

Commitment to Education

Have the expertise, tools and passion for product and category training
Have credibility in wine & spirits

3

Sales Expertise

Calls on key accounts independently and with wholesaler
Knows how wine, spirits, and RTDs are priced, incentivized, and sold
Has national distribution to service national accounts

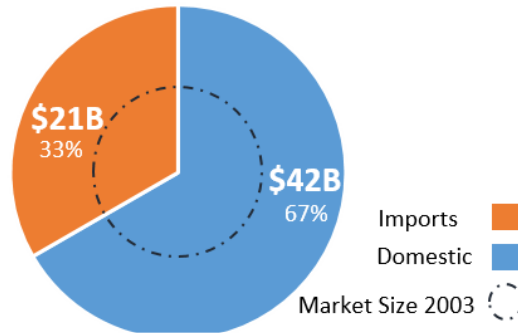
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Great Brands and Commitment to Innovation

Consumer-centric: Beyond Beer is a *response* to consumer need-states
Look for i) white space in proven categories, *and* ii) Low-risk in emerging categories

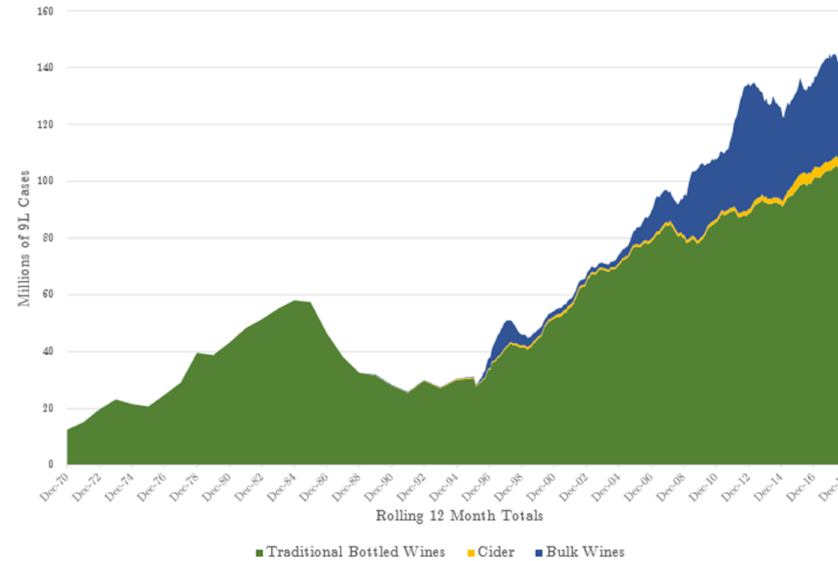
WINE & RTD: INDUSTRY DATA

U.S. Wine Sales in \$Billions: Domestic vs. Imports
Market Has Doubled in Last 20 Years



Source: Wine and Vines, 2021

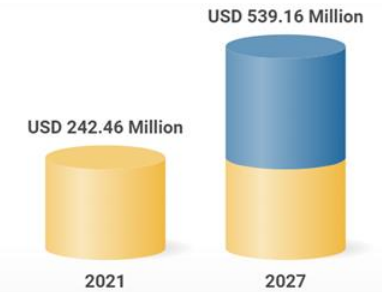
Imported Wine Shipments - 1970 to Present



Source: Department of Commerce. Includes all bulk wines imported. Some bulk wines remained in imported inventories at year-end

Global Canned Wines Market

Market forecast to grow at a CAGR of 14.2%



<https://www.researchandmarkets.com/reports/5456863>

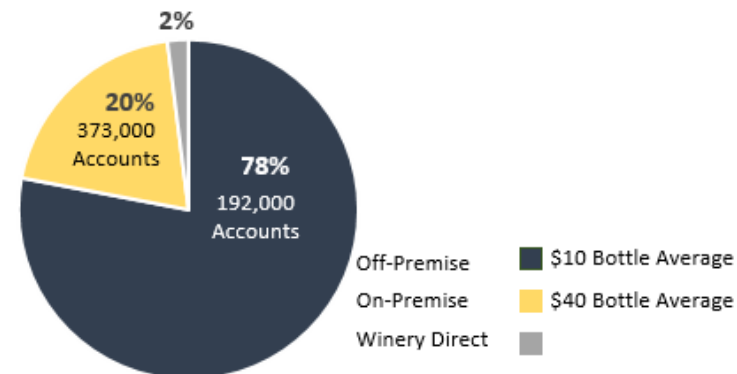
RESEARCH AND MARKETS
THE WORLD'S LARGEST MARKET RESEARCH STORE

+ 115% Spirits RTD Cocktails¹

+ 35% Wine-Based Cocktails¹

¹Wine & Spirits Daily, April 4, 2022

U.S. Wine Sales by Channel



Source: Wine Industry Insight and Nielsen, 2021

BRANDS



BRIK^{wine co}

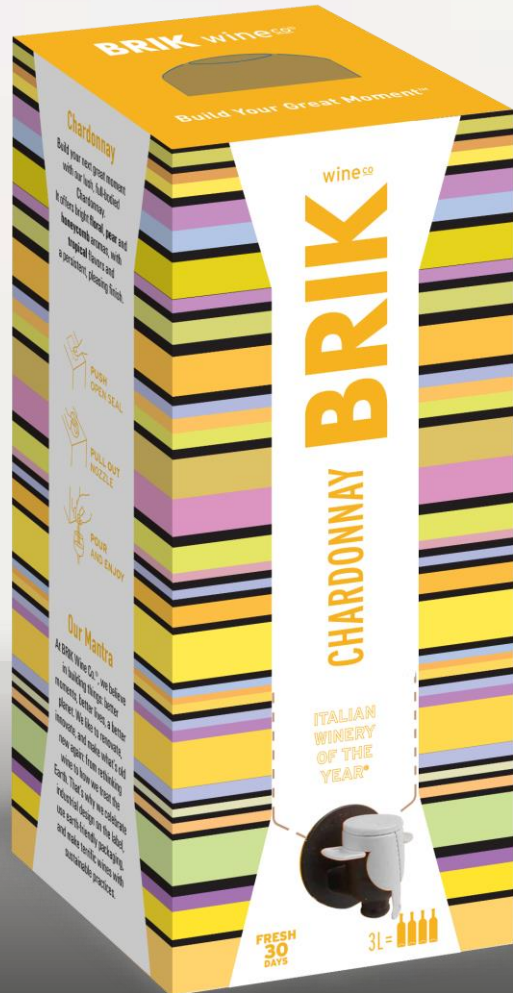
<http://brikwine.dev.mycitysocial.pro/>

BRIK: Build Your Great Moment.TM

Fully Recyclable Tetra Pak



BRIK^{wine}co



3L BIB Market

- U.S. sales + **13.5%**
53.4 million cases in 2021¹
- Only **7 Brands** comprise 96% of U.S. sales²
- 50% of Sales at \$15 SRP

But:

- Fastest growing category is “Premium”: \$21-\$24 SRP
- Fastest growing brand Bota Box: \$24 SRP: +41% -- 11.3M cases
- 3L sales: 1/3 to young consumers²

G.P.: \$19 per Case

1L Market

- U.S. sales + **18.2%**
8.3 million cases in 2021¹
- Sales equivalent to 500ML but 80% higher case average
- SRP: \$9.99



G.P.: \$13 per Case

¹Impact Databank 2021

²Market Watch, Oct 2021

SCARLET™

Semi-Sweet – Low Alcohol – Natural Flavors

Revolutionary Aluminum Wine Bottle!

Compare to Stella Rosa™ sparkling wines:

#1 Selling Import Brand in U.S.¹

#1 Selling Wine Brand in California²

+41% Average Growth 2015 - 2021³

5.6 Million Annual Case Sales²

SRP: \$13 - \$17 (Super Premium)

One of Most Profitable Wine Brands in U.S.

Has Very Few Direct Stylistic Competitors

Sales of low ABV wines +10.4% in 2021: \$3.1B¹

26% of Americans Want to Buy low ABV Wines⁴

G.P.: \$15 per Case

¹Neilsen 2021

²Statista 2021

³Impact Databank 2021

⁴Wine Intelligence Survey, March 2021



BACK



CUREOUS™

CBD Tea

MARKET HIGHLIGHTS¹

- Cannabis consumption **+63%** since 2018 (THC and CBD)
- 2/3 of cannabis consumers **purchase CBD**
- **16% (40M)** of U.S. Adults are CBD Consumers (past 12 mos.)
- Legal in **33 U.S. States** and counting
- 87% of current CBD consumers **plan to continue** CBD use
- 52% of consumers prefer **infused tea** to enjoy CBD (**#1 overall**)

OUR PRODUCT

- Exclusive **Patented** FlavorFit™ Fusion **Beverage Technology**
- Contains **CBD** – non-psychoactive
- Provides **outstanding Flavor** – no CBD bitterness
- Perfectly **blended** and always **shelf-stable**
- 100% **accurate dosage** of CBD
- Blended with High-Altitude tea from India



AI BRAND
LAB™

¹MRI Simmons Cannabis Study 2021

PEEL™
HARD ICED TEA

AI BRAND
LAB™

MARKET HIGHLIGHTS

- Hard Tea Category **+32.8% YoY**¹
- Twisted Tea #1 Brand: 22M cases²
- Boston Beer Co. Stock Price: **\$1,092** (Dec 31, 2021)
- **AB InBev** Not Yet a Player in Hard Teas!

¹RBC April 2022

²IWSR Drinks Analysis



OUR PRODUCT

- **Patented FlavorFit™ Fusion Technology**
- Contains **Limonene**, an antioxidant, adaptogen
- Fantastic lemon **Flavor**
- Made with High-Altitude **tea from India**