



Highly Effective Alternatives To Tobacco And Pharmaceuticals
DISRUPTING HUNDREDS OF BILLIONS OF MARKET VALUE

Problem Statement



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PROBLEM 1

Teens and Adults are addicted to nicotine vaping with few appealing or effective alternatives.

More than **7 out of 10*** adult tobacco and nicotine users want to quit, but fewer than 1 in 10 succeed annually. Available options—patches, gum, and pharmaceutical aids—lack effectiveness and fail to address the behavioral habit.

PROBLEM 2

Traditional supplement delivery methods fail to meet consumer needs.

Supplements are often ineffective; they have low absorption rates, slow onset, lack flexibility in dosing, and have varied efficacy.

[Cdc: Smoking Cessation: Fast Facts](#) [Hollings Cancer Center: Most Us](#)
[*Adults Who Vape Want To Quit, Study Finds](#)

The Elixir Solutions

We more than double the efficacy of herbal supplements using inhalation and apply that disruptive innovation as an alternative to nicotine vaping and to improve your daily health.

Botanika

Disrupts the vape market by mimicking the effects of nicotine without the negative impacts on brain chemistry, while also delivering the health benefits of well known herbs.

Epothecary

Disrupts the herbal wellness market - delivering inhaled herbal effects including energy, cold/allergies, sleep, libido and anti-anxiety. Replacing less effective herbal supplements and OTC medications



Why Now?

The Dark Side of Nicotine Vaping

1 **2.13M**
ADOLESCENTS | Middle and High School students in 2023 that used e-cigarettes daily

2024 Cdc Notes From The Field: E-cigarette Use Among Middle & High School Students

2 **50%**
OF INDIVIDUALS | Who Vape Nicotine Reported Suicidal Thoughts due to brain chemistry disruption

More Than Half Of Individuals Who Vape Reported Experiencing Suicidal Thoughts Within The Past Year, Compared To One-third Of Non-users. ([Source](#))

3 **\$15.1**
BILLION | Annual Healthcare Cost Attributed to Nicotine Vaping

In 2018, E-cigarette Use Was Linked To \$15.1 Billion In Healthcare Expenses In The U.s., Averaging Over \$2,000 Per User Annually. ([Source](#))

4 **33%**
OF NICOTINE VAPERS | Report Lung Damage Symptoms due to nicotine and other caustic chemicals

One-third Of E-cigarette Users Report Symptoms Associated With Lung Damage, Including Coughing, Shortness Of Breath, And Chest Pain. ([Source](#))

5 **60%**
OF NICOTINE VAPERS | Who Vape Report Anxiety Symptoms from impact on brain chemistry

A Study Found That 60% Of Individuals Who Vape Reported Experiencing Anxiety Symptoms, Compared To 40% Of Non-vapers. ([Source](#))

The dangers of vaping are primarily associated with nicotine, its impact on brain chemistry and the abundance of chemical ingredients like propylene glycol and artificial flavors.

botanika

The Antidote to the Nicotine Vaping Epidemic

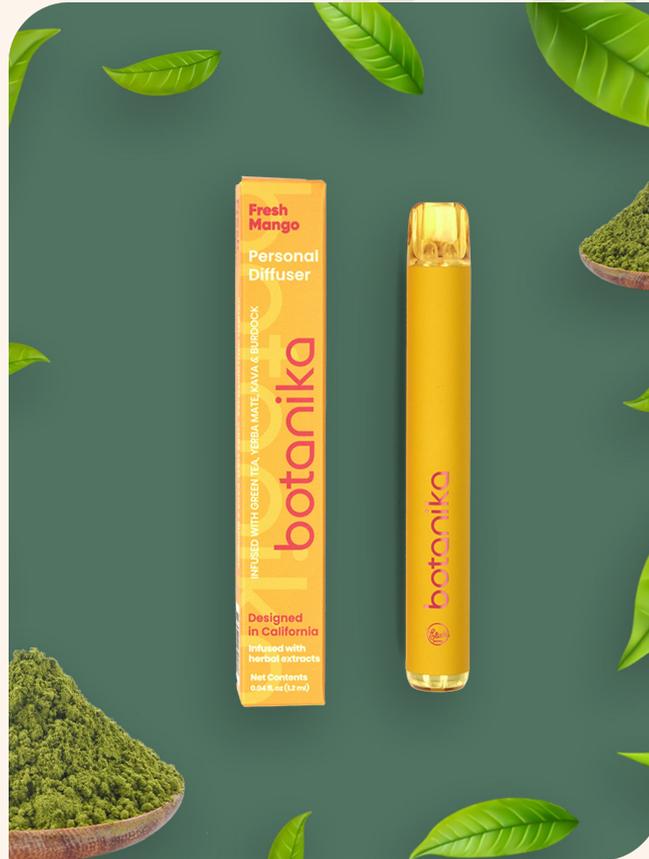


1300 puffs. Five flavors.

MAX EFFECT

Our Daily Boost formula is also a
Nicotine Alternative.

Experience the natural fusion of Green Tea, Yerba Mate, Kava, and Burdock in every breath. Energizing and relaxing at the same time. Aids detox from nicotine and contains an appetite suppressant. Elevate your senses with improved flavors and powerful effects. **All in a safe, convenient and cost-effective device.**



Fresh Mango



Black Raspberry



Caramel Tobacco



Toffee Crunch



Sweet Strawberry

EPOTHECARY™

Highly Effective Herbal Supplements



More than 2 times the
EFFICACY
of Standard Supplements

Five powerful effects for daily living.

With our Epothecary line, we really hack the power of botanicals and tailor them to your well-being. Effects from Awake to Bliss infused with herbs like mullein, peppermint, valerian, maca and ginseng combine to help you **find your perfect match**.



Awake



Enhance



Breathe



Bliss

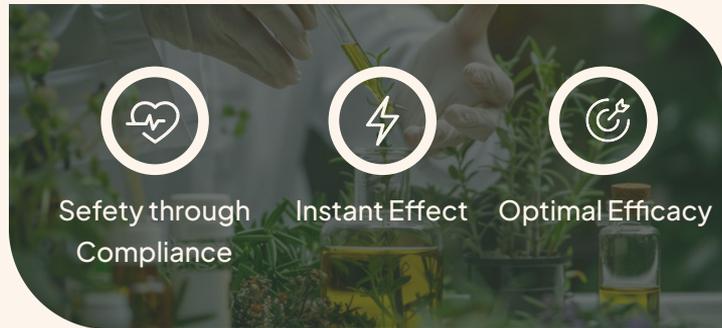


Calm

Elixir is Driven by Safety and Efficacy

We've spent years formulating for safety and efficacy using GRAS herbs, zero chemicals and state of the art vaporizers.

Inhalation makes these herbal blends more than 2X the efficacy of ingested supplements. Care and compliance makes them safe.

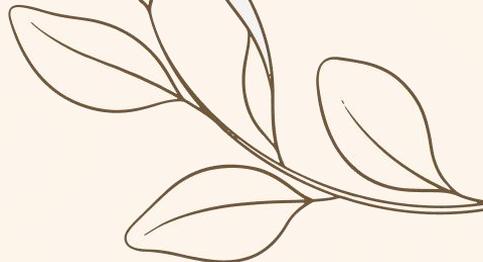


Disruptive Inhalation benefits:

- More than doubles the efficacy of active ingredients
- Same molecule absorbed via inhalation or ingestion
- Rapid onset of action - effect is felt almost immediately
- High bioavailability when bypassing the digestive system
- Localized effects when used as a breathing treatment

Safe Ingredients, Devices, Testing and GMP

- We use herbal glycerites and natural flavors that are water soluble
- High quality vaporizers at a safe temperature
- Only use GRAS herbs recognized by the FDA
- Organic herbal glycerites and all natural flavors
- Emission tests show no harmful constituents
- Reviewed by an anesthesiologist, MD and naturopath
- 150K units sold and no reports of adverse reactions



Our Users Love Them!



Thien N.

Closing in on 33 days since I've had nicotine and I don't miss it one bit. And, I've been going to bed easier, waking up earlier and more refreshed.



James H.

12 weeks nicotine free tomorrow. I don't miss it at all. Still experiencing the same benefits I was at six weeks. Better, more consistent mood. Better sleep. And the whole not needing a nic fix is the best part!"



Esther J.

I have COPD from smoking and was using a nicotine vape but still having a lot of irritation. The Elixir products really help me. Especially breathe and Botanika Fresh Mango.



Ami G.

My husband and I love to spice things up a bit with the Enhance personal diffuser. The herbs work for men and women and the crème caramel flavor is pure luxury.



Shawn D.

I used Breathe when I had my last chest cold and it helped me feel better and I haven't had a chest cold in over a year since.



Val T.

Bliss is my favorite. Kava relaxes me and the energizing effect of Yerba maté keeps me from getting sleepy. Plus it tastes like a Mai Tai. So good!

Market Forces

REGULATORY ADVANTAGE:

-  **Strict FDA & State regulations in the flavored tobacco space** are taking nicotine vaping products off shelves and creating a vacuum.
-  **New drug regulatory pathways are expensive and slow** while herbal supplement and aromatherapy are loosely regulated.
-  **Elixir products regulated as aromatherapy;** not under FDA jurisdiction but compliant with DSHEA regulations.

CONSUMER/INDUSTRY TRENDS:

-  **Consumers are looking for effective alternatives** to tobacco, nicotine and pharmaceutical medicine.³
-  **Patients concerned about the cost and side effects** of pharmaceuticals.
-  **Lack of efficacy of current herbal supplements** ripe for disruption.



-  **Pharmaceutical companies moving to inhaled medicines** for multiple types of treatment.²
-  **Wellness and consumer packaged goods sectors trending way up** – especially since pandemic.⁴

1. [Supreme Court Upholds Eds Decision Banning Flavored Vapes – Politico 4/2/25](#)
2. [Consumer Survey Data Show Opportunity, Challenges In Ctc Space](#) – Drug Topics 04/23/24

1. [Consumer Survey Data Show Opportunity, Challenges In Ctc Space](#) – Drug Topics 04/23/24
2. [Global Inhalable Drugs Market To Register Incremental Growth At A Cagr Of ~6% By 2030](#)

MARKET OPPORTUNITY:

Tobacco & Nicotine Alternative Market

Estimated TAM

70% of nicotine users express the desire for effective, healthier alternatives - but fewer than 10% find effective solutions annually.

Estimated SAM

based on the growing market as consumers increasingly have preference for natural alternatives

Estimated SOM

is 5% of SAM based on Elixir Distro's current market presence, distribution channels, and competition

MARKET SIZE

0 50M 100M 1B 10B 100B 250B 500B 750B 1T

Tobacco

Nearly \$1 Trillion

Nicotine Vaping

\$45 Billion

Estimated SAM

\$2 Billion

Estimated SOM

\$100 Million

MARKET OPPORTUNITY:

Herbal Wellness Market

2023 Global Herbal Supplements Market (TAM)

Significant demand for natural wellness solutions, with consumers increasingly seeking healthier, more effective supplement alternatives.

Estimated SAM

Focus on consumers seeking natural wellness solutions

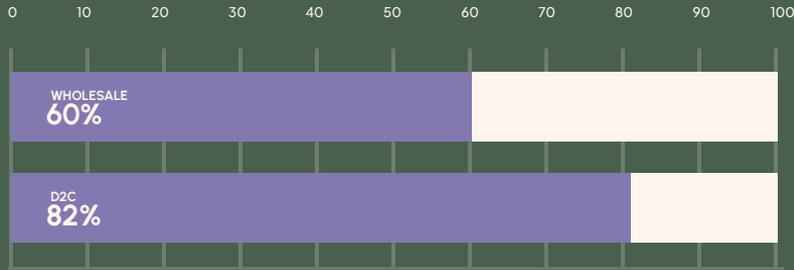
Estimated SOM

is 5% of SAM based on Elixir's current market presence, distribution channels, and competition



Our Business Model

MARGIN BY REVENUE STREAM



● PROFIT MARGIN ● OVERHEAD

COST
\$2.50
per unit

WHOLESALE PRICE
\$6
(Depends On Volume)

MSRP
\$14.99
per unit



Retail Discovery Leads To Online Sales At Msrp

Go-to-Market Strategy

We drive growth through our retail and reseller networks, trade shows, and digital growth marketing - including email, and social media marketing. With an established market presence, many of our customers discover us organically through search engines. Moving forward, we'll scale our advertising and digital growth efforts, expand retail sales and marketing support, and enhance our content strategy.

Additionally, we'll introduce paid marketing campaigns—including influencers, OTT TV (e.g., Hulu), digital billboards, and digital out-of-home (DOOH) advertising—to significantly boost visibility and sales. We are also actively looking for celebrity influencer, naturopath and wellness organization endorsements. We'll grow our C Store presence and online sales while seeding the wellness segment.



**Convenience Stores,
Vape, & Tobacco**



D2C Online



**Big Box Retail
& Wellness**



Advertising Channels



Growth Marketing



Trade Shows

Traction

LIFETIME SALES

150k UNITS

& \$750k
PERSONAL VAPORIZERS

TYPICAL DISTRIBUTOR
FIRST ORDER

\$50k

AVERAGE ONLINE
ORDER VALUE

\$60

REPEAT CUSTOMERS

33%+

REORDER
WITHIN 30 DAYS

CURRENT RETAIL
SELL-THROUGH RATE

30 UNITS PER
MONTH

RETAIL FOOTPRINT

200+
DOORS

KEY CUSTOMERS:

LAX DISTRIBUTION

- Access to 50,000 stores nationwide
- Main supplier to East Asian network which is the vast majority of C store owners.
- Seeding market with potential to grow to 1000 stores in 6–9 months

SIMPLY FOR LIFE

- Successful entry into wellness segment (currently 5 stores)
- Rapid reorder rate demonstrating consumer acceptance
- Pathway established for Health Canada registration and further expansion

SMOKER FRIENDLY

- Market test completed, now in 200+ stores
- Upgrading to newest generation products
- 350 corporate and 800 affiliate stores
- Projected 2026 revenue: \$250K+



[Epotheary](#)

[Botanika](#)

[Wholesale Registration](#)

[Wholesale Catalog](#)

[My Account](#)



Next Gen Botanicals in a convenient personal diffuser!

Powerful Botanicals as
alternatives to tobacco, nicotine
and OTC Medications



[SHOP EPOTHECARY →](#)



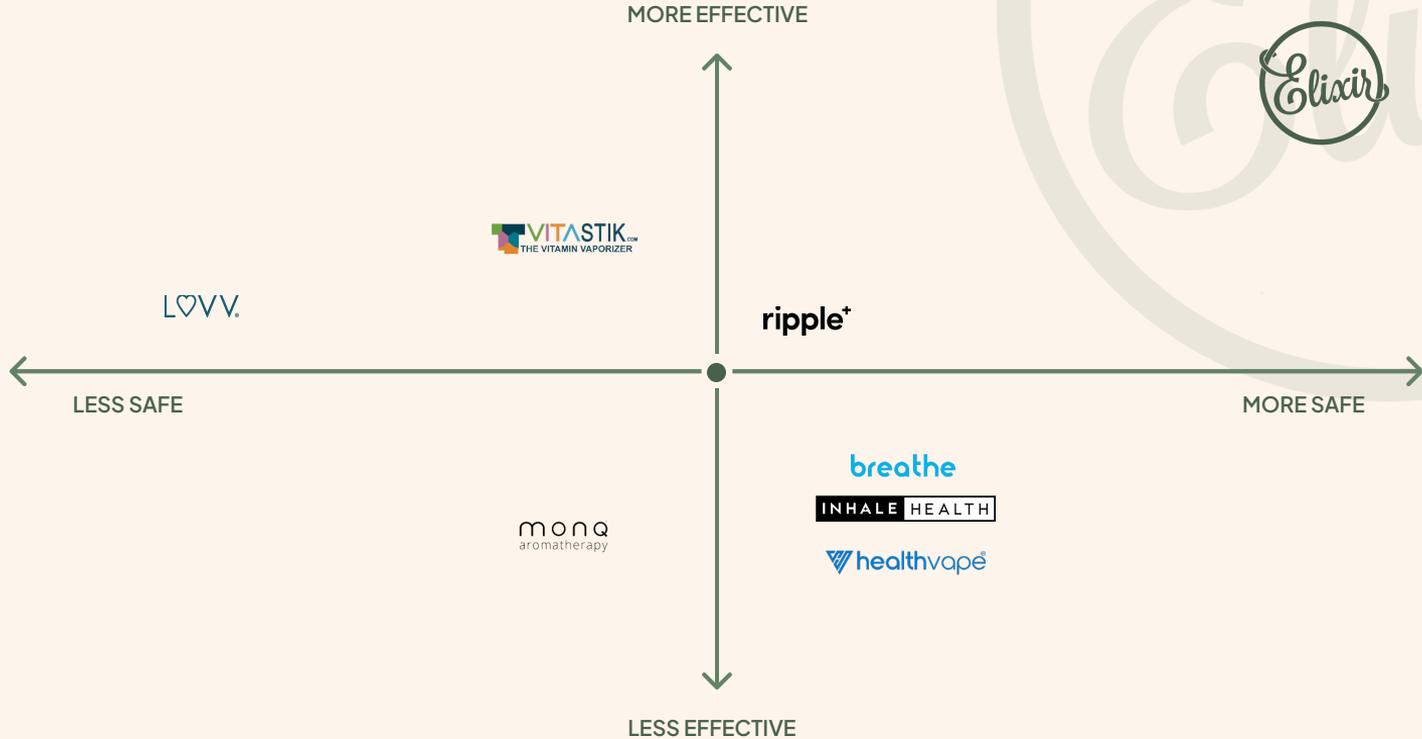
[SHOP BOTANIKA →](#)

(Canada Wellness Market)

Competitive Analysis

| | Ripple+  | Inhale Health  | MONQ  | Elixir  |
|------------------------------------|---|---|--|--|
| Nicotine Alternative | ✓ | ✗ | ✗ | ✓ |
| Regulatory Tailwinds | ✗ | ✗ | ✗ | ✓ |
| Respiratory Safety | ✗ | ✓ | ✗ | ✓ |
| Functional, Health Driven Branding | ✗ | ✓ | ✓ | ✓ |
| Terpene & Oil Free Flavors | ✗ | ✓ | ✗ | ✓ |
| Organic Herbs | ✗ | ✗ | ✗ | ✓ |
| Advanced Heating | ✓ | ✗ | ✗ | ✓ |
| MD Reviewed | ✗ | ✗ | ✓ | ✓ |
| IP Potential | ✓ | ✓ | ✗ | ✓ |
| Affordable (under \$15) | ✗ | ✗ | ✗ | ✓ |

Competitor Map



Team



Brendan Kavanagh CEO

Brendan is a twenty year veteran of Silicon Valley where he held senior posts at Chase, SanDisk and Cricket Wireless. As a consumer product and technology expert, Brendan has a knack for creating and growing emerging products and markets. He's an expert in D2C and B2B marketing and sales.



Billy Verneti COO & R&D

Billy has extensive experience in operations, chemistry and internal medicine. He spent years working in the UC Davis veterinary hospital prior to working in operations and energy production at Chevron. He's an expert in developing operations processes that lead to differentiated products and efficient operations.



Mike Peters HEAD OF SALES

Seasoned sales executive with experience selling domestically and internationally in multiple channels, including health and beauty, convenience stores, and grocery.



Jaymer DelaPena DIGITAL

Digital Guru with 20 years of experience at companies like Chase, PayPal, Mighty Designs, Pow Wow, and more.



John Hans ADVISOR

40 years of CPG and Retail Experience, 17 years at Heinz



Elliot Broadwin FOUNDER & ADVISOR

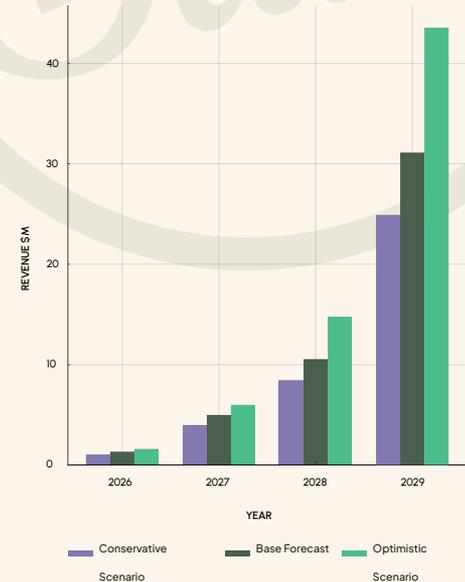
Senior Executive at T-Mobile, Amazon, Cricket Wireless, SanDisk, and General Electric.

Financial Projections

| Cash Flow Statement | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| Company Name | | Elixir Distribution | | | | |
| Date | | 10/26/2023 | | | | |
| Sources | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
| Cash | \$ 30,000 | \$ 2,006,769 | \$ 2,021,447 | \$ 2,440,918 | \$ 975,600 | \$ 4,900,038 |
| Product Revenue | \$ 260,556 | \$ 878,333 | \$ 3,480,000 | \$ 7,320,000 | \$ 20,790,000 | \$ 44,820,000 |
| Total Sources of Funds | \$ 260,556 | \$ 2,885,103 | \$ 5,501,447 | \$ 7,320,000 | \$ 21,765,600 | \$ 49,720,038 |
| Uses | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
| COGS | \$ 117,250 | \$ 351,333 | \$ 1,392,000 | \$ 2,928,000 | \$ 8,316,000 | \$ 17,928,000 |
| Operations & Supply Chain | \$ 13,028 | \$ 144,255 | \$ 261,000 | \$ 549,000 | \$ 1,559,250 | \$ 3,361,500 |
| Sales & Marketing | \$ 39,083 | \$ 131,750 | \$ 522,000 | \$ 1,098,000 | \$ 2,079,000 | \$ 4,482,000 |
| Salaries, Administrative, Non-Marketing Opex | \$ 52,111 | \$ 175,667 | \$ 696,000 | \$ 1,464,000 | \$ 4,158,000 | \$ 8,964,000 |
| Research and Development | \$ 6,514 | \$ 28,851 | \$ 110,029 | \$ 146,400 | \$ 435,312 | \$ 994,401 |
| Loan Servicing | \$ 25,800 | \$ 31,800 | \$ 79,500 | \$ 159,000 | \$ 318,000 | \$ 636,000 |
| Net Income | \$ 6,769 | \$ 2,021,447 | \$ 2,440,918 | \$ 975,600 | \$ 4,900,038 | \$ 13,354,137 |
| Net Margin | 2.60% | 2.44% | 12.05% | 13.33% | 18.88% | 18.86% |
| Investment | \$ 2,000,000 | 0 | 0 | 0 | 0 | 0 |
| Operating Cash | \$ 2,006,769 | \$ 2,021,447 | \$ 2,440,918 | \$ 975,600 | \$ 4,900,038 | \$ 13,354,137 |
| Revenue Forecast | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
| Stores | 200 | 450 | 900 | 1800 | 4500 | 9000 |
| Initial Units | 50 | 50 | 50 | 50 | 50 | 50 |
| Refills | 180 | 300 | 350 | 350 | 400 | 400 |
| Total Units per Store | 230 | 350 | 400 | 400 | 450 | 450 |
| Total Units | 46000 | 87500 | 360000 | 720000 | 2025000 | 4050000 |
| Units per month | 5111 | 9722 | 40000 | 80000 | 225000 | 450000 |
| Average Wholesale Revenue (mo.) | \$33,222 | \$63,194 | \$260,000 | \$520,000 | \$1,462,500 | \$2,925,000 |
| Average Online Retail (mo.) | \$4,000 | \$10,000 | \$30,000 | \$90,000 | \$270,000 | \$810,000 |
| Wholesale Revenue | \$232,556 | \$758,333 | \$3,120,000 | \$6,240,000 | \$17,550,000 | \$35,100,000 |
| Online Revenue | \$28,000 | \$120,000 | \$360,000 | \$1,080,000 | \$3,240,000 | \$9,720,000 |
| Annual Revenue | \$260,556 | \$878,333 | \$3,480,000 | \$7,320,000 | \$20,790,000 | \$44,820,000 |

- Expand C Store footprint with LAX Distro • Expand new product footprint with Smoker Friendly • Get into C Stores in Nevada with sales agent • Open discussions with wellness retailers and distributors.

Revenue Forecast Scenarios



\$2M Seed Investment

SAFE NOTE
\$2M

POST MONEY
\$10M

\$2M

- Sales & Marketing (\$740k)
- Inventory (\$610k)
- Operations (\$125k)
- Human Resources (\$455k)
- Administrative (\$36k)
- Research & Development (\$111k)
- Loans (\$66k)
- Legal & Regulatory (\$174k)
- Reserve (\$1.38M)

\$2M (\$8M pre-money
valuation)

24 MONTHS RUNWAY

(broader expansion: inventory,
distribution, marketing, operations)

CORPORATE VALUE:

- Created category with \$30K initial investment
- 30+ proprietary, patent-able formulas
- Captive USDA extraction partner
- Mature, high quality supply chain
- Multi-channel market tests
- Traction in large retailers
- High-value brand creation
- Strong Regulatory platform
- Strong sales KPIs and Metrics
- Digital Platform and Social Presence

PREVIOUSLY RAISED \$450K PRESEED AT A \$2.5M VALUATION
ACQUISITION TARGET FOR J&J, PMI, P&G OR PRIVATE EQUITY

Milestones/Roadmap

- Secure \$2M Seed financing
- New product lines in 200 C stores with LAX and SF
- Introduce new “full display” SKU with 10 packs as refills
- Drive unit sales to 30+ units per store per month with marketing, spiffs, store visits
- Secure a market test in a top tier C Store and wellness retailer
- Grow online sales to \$10K per month
- Expand Operations
- Build inventory for 2H 2025 & 1H 2026
- Introduce higher capacity device with LAX Distro
- **Revenue: \$250K**

2025

2026

- Re-invest revenue and grow sales
- Develop Naturopath endorsements
- Expand products to 500 stores with focus on C Store & Expand Grocery & Wellness
- Grow sales to 35 units per month per store across more stores
- Introduce pod system with Sunokin in multiple regions
- Significantly grow online end introduce subscriptions
- More than double online sales
- **Revenue: \$900K**

2027

- Expand products to 1500+ stores with focus on C Store & Expansion to Grocery & Wellness
- Increase sales to 35 units per month per store across more stores
- Establish significant footprint in wellness retail and D2C
- Leverage major influencers to drive D2C
- Introduce new product lines piggy-backing on vaporizers
- More than double online sales
- **Revenue: \$3.5M**



Appendix



Cultural Influences



ADULT & YOUTH TOBACCO AND SMOKING BEHAVIORS



QUITTING TOBACCO: FACTS AND STATS



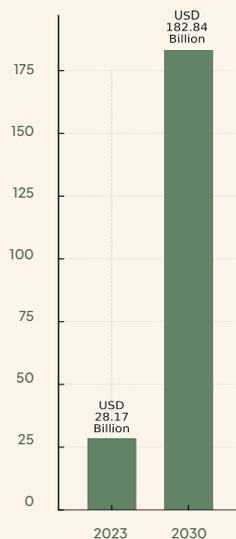
AROMATHERAPY DIFFUSERS MARKET INSIGHTS

Market Growth & Trends



GLOBAL E-CIGARETTE AND VAPE MARKET

Market forecast to grow at a CAGR of 30.6%



Source:

www.researchandmarkets.com/reports/4621752

NICOTINE REPLACEMENT THERAPY MARKET SIZE

2024 to 2034 (USD Billion)



Source:

www.precedenceresearch.com/nicotine-replacement-therapy-market



Thank you!

For more information, please contact
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