





Market Need Market

Opportunity of herbal remedies

Countless people use herbal supplements without really knowing if they are helping. Or, they are using a variety of pharmaceuticals, and over-the-counter medications. Not to mention, taking supplements orally isn't effective, or takes too long to work.

The Epothecary. Solution

Epothecary personal diffusers

Our Epothecary products leverage the maximum efficacy of inhalation to deliver powerful and convenient personal diffusers – more than doubling the efficacy of herbs and delivering viable alternatives to traditional herbal remedies and OTC medications.



Epothecary

Five powerful effects for daily living.

More than 2X The Efficacy of Standard Supplements

With our 1,300-puff Epothecary diffusers, unlock the power of botanical blends tailored to your well-being. Flavors from Awake, to Bliss, find your perfect match.



Awake



Enhance



Breathe



Bliss



Calm



Market Need Market

Opportunity

More than 70% of tobacco and nicotine users are looking to quit, but they don't have the off-ramp they need to do this successfully.

The Botanika Solution

Botanika personal diffusers

Our Botanika products mimic the effects of nicotine – both stimulant and sedative – without the dramatic impact on brain chemistry. Also addressing oral fixation, habit, and ritual, while providing support for energy, mood, detox, and appetite.



Fresh Mango

Botanika

Daily Boost formula is also a Nicotine Alternative
More puffs. More flavor. More effect.

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



Black Raspberry



Caramel Tobacco



Toffee Crunch



Sweet Strawberry



How They Work

- **Personal diffusers atomize ingredients suspended in vegetable glycerin - into water vapor using a heated mesh coil**
- **Active ingredients and other healthy constituents like polyphenols and minerals in the herbs are delivered directly to the bloodstream**
- **Herbs deliver different physiological effects such as energy, relaxation, sleep, libido and are combined to create full spectrum effects**
- **Elixir goes to great lengths to ensure efficacy and safety of the products**



**More than 2X the
efficacy of ingestion**



The science behind our personal diffusers

We've spent years formulating; using herbs that are generally considered safe by the FDA.

Years of R&D and testing to ensure these herbs are highly effective, deliver instant effects, and, most importantly, are not harmful to our users.

Inhalation 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



We safely combine herbal glycerites with personal diffusers

No chemical ingredients – natural and organic

Similar to using a nebulizer or room diffuser

Emission tests show no harmful constituents

Reviewed by an anesthesiologist, MD and naturopath



We use well-known botanicals from the FDA GRAS list.



Green Tea, Yerba Mate, Kava, Valerian, Peppermint, Eucalyptus, Passion Flower, Licorice, Thyme, Mullein, Maca, Yohimbe, Ginseng, and Stevia.

Generally Recognized As Safe by the FDA. Organic herbs from the Oregon Tilth.





And the market size is increasing

Our products are disrupting markets worth trillions in total annual revenue.

Herbal Supplements

2024 **\$100B**

Tobacco & Vape

2024 **\$300B**

Over-The-Counter Medications

2024 **\$360B**



Strong, cross-channel appeal in the herbal supplements, tobacco, and over-the-counter medications categories



Forces driving this huge market opportunity!

Wellness and consumer packaged goods sectors trending way up – especially since pandemic

Pharmaceutical companies moving to inhaled medicines for multiple types of treatment

Consumers are looking for effective alternatives to pharmaceutical medicine and OTC medications

Strict FDA regulations in the flavored tobacco space are taking products off shelves and creating a vacuum

Major convenience stores losing billions because they can't sell flavored nicotine vapes anymore

Lack of efficacy of current herbal supplements ripe for disruption

Patients concerned about the cost and side effects of pharmaceuticals

Elixir products regulated as aromatherapy; not under FDA jurisdiction



Elixir Distribution Channels

Replace this with 1-2 sentences about what this next chapter is about.



Direct to Consumer Online

Building our brand directly with consumers

Own the customer and the conversation

Low acquisition cost through organic channels

High margin retail pricing

Developing robust funnels through physical and digital space

Use branded content to educate our users

Track analytics to measure key metrics, and optimize



Our online average order value is \$60 per consumer, and we just enabled a wholesale portal for retail shops and resellers.

We often see online sales coming from cities where we have brick-and-mortar presence.



Retail & big box wellness

Creating a category for personal diffuser products

Ongoing market testing with Simply for Life

Epothecary and Botanika experiencing good sales in this channel, independent stores, and farmer's markets

Mid-term goals of accessing larger chains

Opportunity can be replicated across multiple health and wellness retailers over time



Significant penetration into big box retail will equal more than \$20M in annual revenue.



Convenience stores, vape, & tobacco

Seeding market in smaller chains and independents

Currently in talks with multiple global distributors

Epothecary and Botanika are compliments to nicotine vapes

...



Sales could top \$3M by 2026 as botanicals become a primary alternative category.



Elixir Distribution / **Traction**

Replace this with 1-2 sentences about what this next chapter is about.



Direct-to-consumer online metrics

Strong KPIs and repeat orders.

Organic acquisition cost
~\$45 per customer

Average order value : \$60

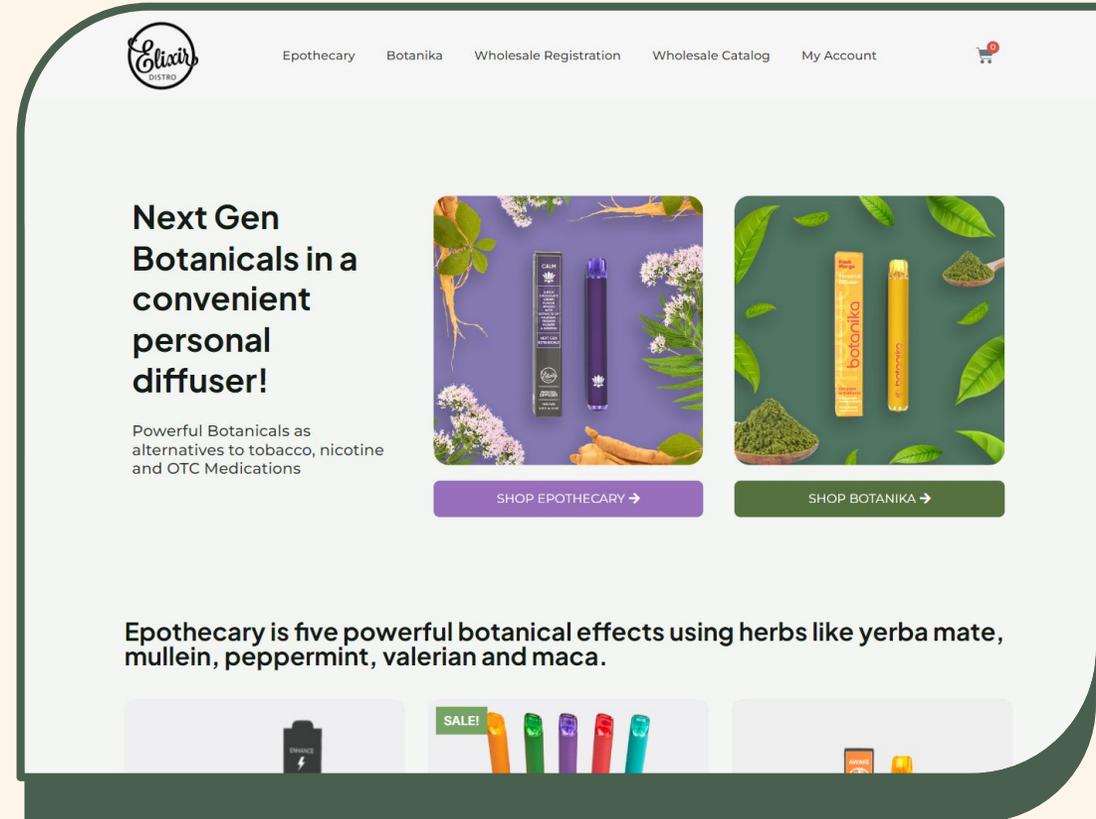
More than 50% of orders
include a 5-pack of Botanika
or Epothecary, \$50 value

More than 33% of orders
are repeats of 4, or more

Loyal customers will by
\$40/month, indefinitely – prime
for a subscription

33% return purchasers, 25%
create accounts

Need investments
to increase marketing budget
beyond organic to increase
volumes but indicators are good



Seeing good metrics for
direct-to-consumers online with a
fortuitous cycle occurring between
brick-and-mortar, and online sales.



Smoker Friendly

Our customer anchor

Smoker Friendly largest U.S. tobacco retailer & #20 C Store in the world

260+ corporate stores, 800+ franchise stores

We've completed a successful market test and shipped products into 200 stores in 2023-2024

Secured first franchise group with 17 stores in Maine, USA

Developed retail marketing mix and employee education

Overwhelming support from managers and employees

Fastest products - nic or not - to be approved for corporate distribution

Working to introduce new device in Q4 2024-Q2 2025



2026 opportunity is more than \$1.5M in revenue.



Simply for Life

Our wellness anchor customer and entré into Canada

Chain of 35 organic markets

Analogous to a small version of Whole Foods

Stores include organic products natural pharmacy, and health coaching

Currently in 5 stores and seeing increase of sales, reordering

Introducing new products to more stores in Q1 of 2025

Currently developing in-store marketing mix

Preparing registration with Health Canada will help expansion in Canada



Proving that Elixir Distribution products are viable in the wellness and grocery channels.



AATAC

Industry association at scale

National association comprised of smaller buying groups, regional sub-chapters, independents, and other trade organizations under one blanket that consist of over 50,000 operators controlling over 80,000 locations across the U.S. and Puerto Rico. Currently, there are approximately a little over 152,000 convenience stores in the country.

Approved by AATAC board for representation

AATAC launched Five Hour Energy and JUUL

Access to regional franchise groups
Circle K, 7/11, Mobile, Chevron

Access to distributors
Core Mark, Eby Brown

Attended first AATAC show in Q2 of 2024

AATAC will start internal education and then discussions with franchise groups, and distributors.





Additional Active Opportunities

A breakdown of the opportunities we're currently pursuing

Sprouts

Whole Foods

Circle K

7/11

ABC Stores

Fleur de Los Alchemy for Sephora

Ongoing D2C online growth efforts

Independent glass/tobacco stores and distributors

Internationals – UK, Japan, Guam, Korea, Saudi Arabia, Australia, Canada



Elixir Distribution / **Company Value**

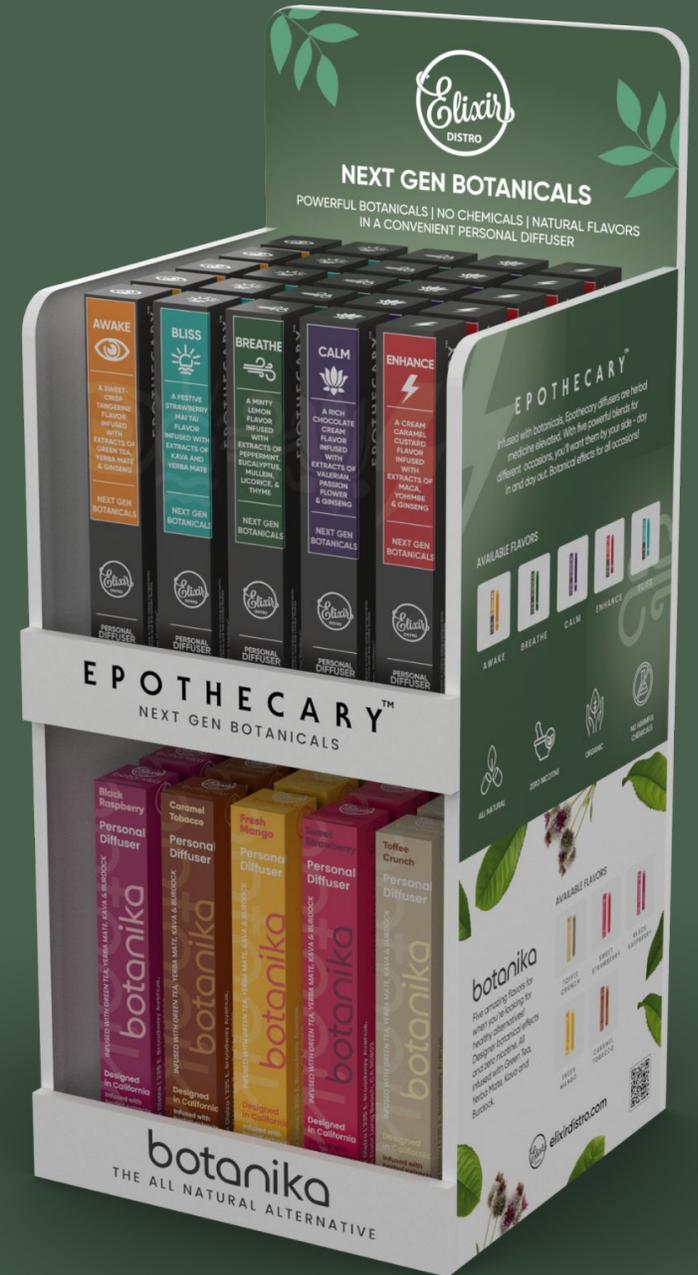
Replace this with 1-2 sentences about what this next chapter is about.



What we do

Next-Gen Botanicals

1. We dramatically improve the efficacy of herbal remedies
2. We formulate proprietary herbal blends that are flavored, and tuned to work safely in personal diffusers (nebulizer)
3. We work with first-class manufacturers to design and deliver high-quality devices
4. We build modern, premium brands then market and distribute products
5. We leverage a multichannel sales approach





Who we are

The team behind Elixir Distribution



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 training 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 product and 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.



Corporate value creation

Millions of dollars in corporate value, years of valuable research, formula creation, brand development, channel development, partnerships, and regulatory platform.

- More than 30 proprietary, patentable formulas
- Multi-channel market test, and traction in large retailers
- High-value brand creation
- Regulatory platform
- Captive extraction partner, and mature supply chain
- Retail, and online distribution
- Strong KPOs and Metrics
- Direct-to-consumer, and wholesale website
- Social media, and content marketing



Our product market fit

\$650K in revenue from personal diffusers

Successful market test in 200+ stores at Smoker Friendly

Expanding to 500 Smoker Friendly corporate and franchise stores by 2026

No product has accessed this many stores as quickly

Growing footprint in Simply for Life organic markets in Canada

Approved by AATAC for distribution to convenience stores

strong D2C online sales metrics

Our products are in 50+ independent shops in the U.S.

Building distribution network with new retailers in C Store and Wellness





Financials & Business Plan Summary



Business Plan

2025

- Secure \$500K convertible note investment(s)
- Launch new product lines into 150 Smoker Friendly stores
- Optimize initial orders and develop a 5 SKU display
- Drive unit sales to 30 units per store per month
- Secure a market test in a top tier C Store
- Expand Operations capacity
- Build inventory for 1H 2025
- Execute growth marketing plans to drive online growth

2026

- Raise seed round at significantly higher valuation
- Expand products to 500 stores with focus on CStore and Wellness
- Increase sales to 35 units per month per store
- More than double online sales



Retail and Online Sales Business Case 1



Elixir Business Case (Base Model)

Description	Distributor				Retail Customer		Elixir Distro				Total	
							Elixir Retail	Elixir Online				
Initial Inventory	100		\$ (157.50)		\$ (247.50)		\$ (75.00) per store	5% of Retail				
Display	250		\$ -		\$ -		\$ (20.00) per store					
Intro fees			\$ 15.75		\$ 15.75		\$ (31.50) per store					
Turn Inventory	270		\$ (1,417.50)		\$ (2,227.50)		\$ (675.00)					
Inventory investment			\$ (1,575.00)		\$ (2,475.00)		\$ (750.00)					
Store labor	12	Per Call 1/2 HR	\$ (96.00)	\$ 8.00	\$ -		\$ -					
Delivery	12	Per Month/SHIP	\$ (120.00)	\$ 10.00	\$ -		\$ -					
Admin	\$ 1,575.00	Sales	\$ (63.00)	4.0%	\$ -		\$ -					
COGs	370		\$ (1,942.50)	\$ (5.25)	\$ 2,475.00	\$ 6.69	\$ (801.50)	\$ (2.17)				
Per Store View												
Revenue			\$ 3,053		\$ 5,550		\$ 1,943					
COGs			\$ (1,943)		\$ (2,475)		\$ (802)					
Costs support			\$ (279)		\$ (278)	5.0%						
Marketing			\$ (8)		\$ -		\$ (194)	10.0%				
Net Income			\$ 823	27.0%	\$ 2,798	50.4%	\$ 947	48.7%				
250 Store View												
Units			\$ 92,500	Units	\$ 92,500	Units	\$ 92,500	Units	4,625	Units	97,125	Units
Revenue			\$ 763,125		\$ 1,387,500		\$ 485,625	\$ 60,125	\$ 545,750		\$ 545,750	
COGs			\$ (485,625)	-63.6%	\$ (618,750)	-44.6%	\$ (200,375)	-41.3%	\$ (11,563)	-19.2%	\$ (211,938)	-39%
Costs support			\$ (69,750)		\$ (69,375)		\$ -	\$ (3,469)	\$ (3,469)		\$ (3,469)	2%
Operating Expense							\$ (50,000)	\$ (35,000)	\$ (85,000)		\$ (85,000)	2450%
Marketing			\$ (1,969)		\$ -		\$ (48,563)	20.0%	\$ (12,025)	20.0%	\$ (60,588)	71%
Net Income			\$ 205,781	27.0%	\$ 699,375	50.4%	\$ 186,688	38.4%	\$ (1,931)	-3.2%	\$ 184,756	33.9%

Assumptions	
Stores	250
Units/Month	30
Unit Cost	\$ 2.50 Per unit
Display	\$ 20.00 per Store
Intro fees	10.0% % of Sales
	GM %
Dist Price	\$ 5.25 52.4%
Retailer price	\$ 8.25 36.4%
SRP	\$ 15.00 45.0%
Online SRP	\$ 13.00 80.8%
Marketing Costs	10.0% % of Sales
Intro Fees	10.0% % of Sales
Admin Costs	4.0% % of Sales
Online delivery	\$ 0.75 Per unit

Customers Possibilities	
Smoker Friendly	150
Murphys	100
Sprouts	100
Whole Foods	100
7 Eleven	100
Initial Prospects	550

Strategy

- Expand to 150 Smoker Friendly stores with new products
- Start with 100 unit initial order and then offer 5 top selling SKUs
- Expand to 1 C Store and 1 Wellness Store/Grocer market test
- Expand online sales
- Assume 9 months of reorders to align sales with rollout timeframe

\$ 545,750 Total revenue
97,125 units



Retail and Online Sales Business Case 2



Elixir Business Case (Base Model)

Description	Distributor				Retail Customer		Elixir Distro				Assumptions		
							Elixir Retail	Elixir Online	Total				
Initial Inventory	50		\$ (175.00)		\$ (288.75)		\$ (87.50) per store	10% of Retail			Stores	500	
Display	250		\$ -		\$ -		\$ (20.00) per store				Units/Month	35	
Intro fees			\$ 17.50		\$ 17.50		\$ (35.00) per store			Unit Cost	\$ 2.50	Per unit	
Turn Inventory	350		\$ (1,750.00)		\$ (2,887.50)		\$ (875.00)			Display	\$ 20.00	per Store	
Inventory investment			\$ (1,925.00)		\$ (3,176.25)		\$ (962.50)			Intro fees	10.0%	% of Sales	
Store labor	12	Per Call 1/2 HR	\$ (96.00)	\$ 8.00	\$ -		\$ -					GM %	
Delivery	12	Per Month/SHIP	\$ (120.00)	\$ 10.00	\$ -		\$ -			Dist Price	\$ 5.00	50.0%	
Admin	\$ 1,925.00	Sales	\$ (77.00)	4.0%	\$ -		\$ -			Retailer price	\$ 8.25	39.4%	
COGS	400		\$ (2,000.00)	\$ (5.00)	\$ 3,176.25	\$ 7.94	\$ (1,017.50)	\$ (2.54)			SRP	\$ 15.00	45.0%
Per Store View													
Revenue			\$ 3,300		\$ 6,000		\$ 2,000			Online SRP	\$ 13.00	80.8%	
COGS			\$ (2,000)		\$ (3,176)		\$ (1,018)			Marketing Costs	10.0%	% of Sales	
Costs support			\$ (293)		\$ (300)	5.0%	\$ -			Intro Fees	10.0%	% of Sales	
Marketing			\$ (9)		\$ -		\$ (200)	10.0%			Admin Costs	4.0%	% of Sales
Net Income			\$ 998	30.3%	\$ 2,524	42.1%	\$ 783	39.1%			Online delivery	\$ 0.75	Per unit
500 Store View													
Units			\$ 200,000	Units	\$ 200,000	Units	\$ 200,000	Units	20,000	Units	220,000	Units	
Revenue			\$ 1,650,000		\$ 3,000,000		\$ 1,000,000		\$ 260,000		\$ 1,260,000		
COGS			\$ (1,000,000)	-60.6%	\$ (1,588,125)	-52.9%	\$ (508,750)	-50.9%	\$ (50,000)	-19.2%	\$ (558,750)	-44%	
Costs support			\$ (146,500)		\$ (150,000)		\$ -		\$ (15,000)		\$ (15,000)	3%	
Operating Expense							\$ (50,000)		\$ (35,000)		\$ (85,000)	567%	
Marketing			\$ (4,375)		\$ -		\$ (100,000)	20.0%	\$ (52,000)	20.0%	\$ (152,000)	179%	
Net Income			\$ 499,125	30.3%	\$ 1,261,875	42.1%	\$ 341,250	34.1%	\$ 108,000	41.5%	\$ 449,250	35.7%	
Strategy							\$ 1,260,000	Total revenue					
Expand to 250 Smoker Friendly stores with new products							220,000	units					
Start with 100 unit initial order and then offer 5 top selling SKUs							5.73						
Expand to 1 C Store and 1 Wellness Store/Grocer market test													
Expand online sales													
Assume 9 months of reorders to align sales with rollout timeframe													

Customers Possibilities	
Smoker Friendly	150
Murphys	100
Sprouts	100
Whole Foods	100
7 Eleven	100
Initial Prospects	550



Revenue Forecast

<i>Company Name</i>	Elixir Distribution					
<i>Date</i>	10/26/2023					
Sources	2025	2026	2027	2028	2028	2028
Convertible Note to Seed Round	\$ 500,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -
Current Inventory	\$ 30,000	\$ 60,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Cash	\$ 20,000	\$ 304,000	\$ 1,074,954	\$ 767,700	\$ 1,137,722	\$ 1,978,748
Product Revenue	\$ 582,750	\$ 1,260,600	\$ 2,521,200	\$ 5,042,400	\$ 10,084,800	\$ 20,169,600
Receivables	\$ 5,000	\$ 5,000	\$ 10,000	\$ 20,000	\$ 40,000	\$ 80,000
Total Sources of Funds	\$ 1,137,750	\$ 3,629,600	\$ 3,726,154	\$ 5,950,100	\$ 11,382,522	\$ 22,348,348
Uses	2025	2025	2027	2027	2027	2027
Sales & Marketing	\$ 227,550	\$ 725,920	\$ 633,446	\$ 773,513	\$ 1,479,728	\$ 2,905,285
Inventory - New Device, Displays	\$ 242,813	\$ 563,750	\$ 1,134,540	\$ 2,016,960	\$ 4,033,920	\$ 8,067,840
Operations - Warehouse, Shipping, Production	\$ 85,331	\$ 362,960	\$ 378,180	\$ 504,240	\$ 1,008,480	\$ 2,016,960
Human Resources	\$ 116,550	\$ 544,440	\$ 378,180	\$ 756,360	\$ 1,512,720	\$ 2,521,200
Administrative - Accounting, Computer, Internet	\$ 24,000	\$ 48,000	\$ 96,000	\$ 192,000	\$ 288,000	\$ 432,000
Research and Development	\$ 34,133	\$ 108,888	\$ 74,523	\$ 119,002	\$ 227,650	\$ 446,967
Returns	\$ 30,000	\$ 60,000	\$ 120,000	\$ 240,000	\$ 480,000	\$ 960,000
Loan Servicing	\$ 31,800	\$ 31,800	\$ 31,800	\$ 31,800	\$ 31,800	\$ 31,800
Legal and Insurance	\$ 17,066	\$ 108,888	\$ 111,785	\$ 178,503	\$ 341,476	\$ 670,450
Net Income Remaining Cash	\$ 358,508	\$ 1,074,954	\$ 767,700	\$ 1,137,722	\$ 1,978,748	\$ 4,295,845
	32%	30%	21%	19%	17%	19%
	Net Income Includes investment proceeds					



\$500K Convertible Note then \$2M seed investment

Raised \$450K pre-seed at a \$2.5M valuation.

Inventory

Sales Team

Growth Marketing

Warehouse & Lab Upgrade

Retail Marketing & Education

Supply Chain Expansion

Direct-To-Consumer Website Scaling

Reseller Network Expansion

New Product Development





From all of us at Elixir Distribution,
Thank You!

www.elixirdistro.com