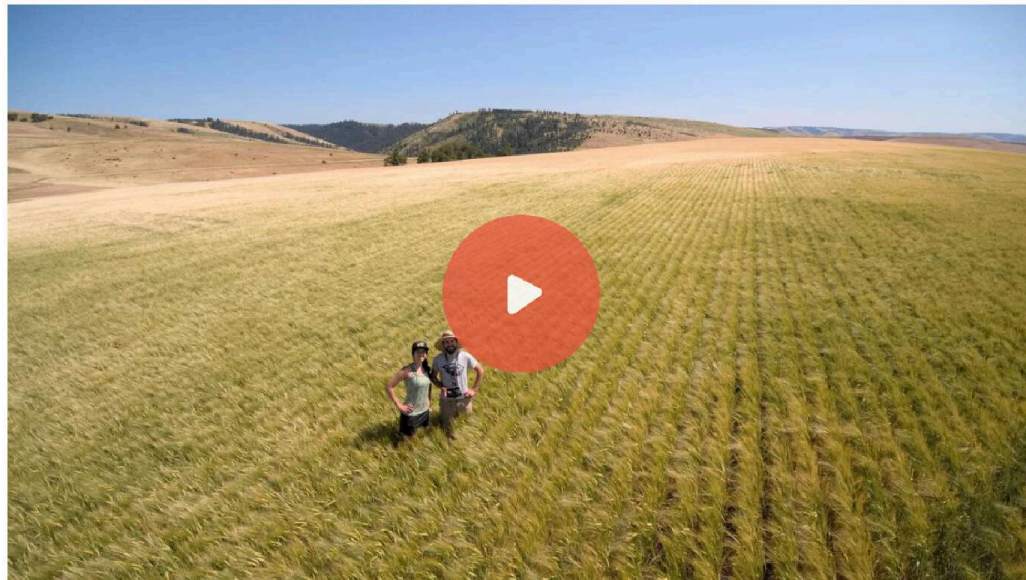


High integrity malt for brewers, distillers, bakers, and fans

[PITCH VIDEO](#) [INVESTOR PANEL](#)



mainstemmalt.com

Walla Walla Washington



Infrastructure

Alcohol

Technology

Manufacturing

Distillery

Highlights

- 1 🌾 We sell the #1 non-water ingredient in craft beer (\$29B+ US market) and single malt whiskey.
- 2 📈 \$1.25MM lifetime malt sales w/ 71+ accounts nationally. ~\$500k contracted 2021 sales and growing.
- 3 🏆 A new processing partnership cuts historical COGS by 50%+ and unlocks big growth opportunities.
- 4 🛒 We think big, beyond malt sales, to a marketplace that connects fans to premium artisan products.
3 🏆 A new processing partnership cuts historical COGS by 50%+ and unlocks big growth opportunities.
- 5 🌍 The world's first B Corp maltster, committed long-term to deep sustainability in ag/food/bev.
- 6 ✨ Engaged in the craft malt community since 2014; Phil's an active Craft

— Maltsters Guild board member.

7 🌱 The “mainstem” is the longest channel in a river network. It’s also our metaphor for collaboration.

8 🌱 With your support, Mainstem will change the way the world dreams about malt.

Our Team



Phil Neumann CEO & Co-Founder

I’m a conservationist on a mission to better the world through high integrity, consumer-facing agricultural supply chains. As in, ones that consumers can see and trust. Growing Mainstem has been my full-time focus since 2015.

Alyssa and I got into malt while exploring market-based ways to support conservation projects on family farms. Along the way, we realized Mainstem is in a unique position to inspire much broader change, so we’ve been pushing to be the beverage industry’s model for comprehensive malt sustainability. Getting it right means the world to us.



Kether Scharff-Gray COO & Supply Chain Wiz

Kether brings a wealth of operations experience to Mainstem with a focus on agriculture & supply chains, and makes sure the trains are running on time. Her dedication to reformed agricultural systems is immense.



Alyssa Martinez Neumann Comms & Co-Founder

Alyssa has helped build Mainstem alongside a full-time communications day job at Oregon Tilth, a global champion and certifier for sustainable agricultural practices.



Paul Thurston Customer Innovations

Based in Portland, Oregon, Paul is the head brewer at Fortside Brewing. He helped us pilot the Customer Innovations Team concept, bringing on conservation minded fermentation professionals to help spawn innovative projects with our accounts.



Aaron Blonden Customer Innovations

Based in Olympia, Washington, Aaron is the head brewer at 3 Magnets Brewing. Among other things, he’s become a leading expert in brewing fantastic non-alcoholic beers with premium malt and hops.



Erik Chapman Customer Innovations

Based in Eugene, Oregon, Erik is the head distiller at Thinking Tree Spirits. He comes with an extensive distilling background and believes wholeheartedly in the future of American single malt whiskey.

Pitch

HIGH-INTEGRITY REGIONAL MALTS FOR BREWERS + DISTILLERS + THEIR FANS



TL/DR: Our company in a nutshell

We're a premium supplier

of a primary ingredient for the booming craft beer and spirits market, plus other crafty niches.

We're building regional supply chains

for sourcing grain from family farms and selling malt to some of the hottest craft beverage markets.

We're differentiated

via conservation, malt freshness, place-based innovation, collaborative style, and transparency.

We've been generating revenue

with ~\$1.25MM lifetime sales, \$500k under contract for 2021 plus spot sales, at a 15-25% gross margin.

We think big, beyond malt sales

to building out supply chain & marketplace tech.



Malt 101: The foundation of beer and whiskey

Malt is crafted by sprouting, kiln drying, and roasting raw grains.

CRAFT BREWERS & DISTILLERS

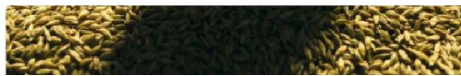
have built leading brands by using premium hops, barrels, and process.

Most are still settling for run-of-the-mill malt.

Premium, story-rich malt is a gateway to a new dimension



a gateway to a new dimension
for these artisans.



Our approach to business

1. **B2B Malt Sales:** We sell fully traceable, innovative, story-rich malted grains to brewers & distillers.
2. **Consumer-Facing Brand:** We build consumer awareness & engagement into a historically obscured ag supply chain.



A strong market presence

#MadeWithMainstem
PROJECTS WITH 71+ ACCOUNTS
INCLUDING...



Brewers & distillers believe in our conservation ethic, support of family farms, overall supply chain transparency, and big vision for what's possible via collaboration.

Leading distillers are betting on us



Tens of thousands of gallons of super/ultra premium single malt whiskey will start hitting the shelves in 2022, all featuring Mainstem Malt in their grain bills.



NOTE: This slide contains forward-looking statements that cannot be guaranteed.

We unlocked growth in 2021

High third party processing costs have kept our pricing high (3-4x commodity).

A new Pacific Northwest processing partnership with Montana Craft Malt cuts our COGS in ½. Lower prices, better margins.



The model we're building

1. **Partner Malting:** Leverage existing capacity to produce most of our malt at an efficient & economical scale.
2. **Mainstem Malt Hubs:** Build small-to-mid scale facilities in key geographies, for speciality malting, distribution, beverage innovation, and stakeholder experience.
3. **Headwaters Marketplace:** Build a Mainstem tool for buyers & consumers to find premium craft beverages made with high-integrity ingredients, like our malt.

Mainstem Hubs to augment key partner hubs



Mainstem can scale without our own facilities, but we envision a future where owned and contracted capacity is blended.

Malt Hubs would augment malting, distribution, and customer/consumer experience in key geographies.

A **Northwest** facility would offer stronger logistics, specialty malting & innovations capacities, and greater influence in our coastal/I-5 corridor markets.

There's strong, ongoing support for us to help pioneer the **Alaska** malt supply with a full-service Anchorage location.

Our mission-driven team





Phil
CEO



Kether
COO



Alyssa
Comms



Aaron
Brewer/Rep



Paul
Brewer/Rep



Erik
Distiller/Rep

Our 2021+2022 growth plan:

- **Consolidate our offerings to 4 core products and produce them at scale via Montana Craft Malt.** Use these malts to build a stronger platform for sales & marketing, conservation, & malt innovations initiatives.
- **Grow annual revenue above \$1MM in 2022 through digital marketing, strategic partnerships, tech, and sales support.** A new website, B2B sales platform, and other tech will facilitate spot purchasing, forward contract management, sales/marketing, and mgmt of end markets for #madewithmainstem products.
- **Cultivate development opportunities for strategic Mainstem Malt Hubs.** A Headquarters in Walla Walla, WA focused on logistics, specialty production, and supply chain experience. A full-service Hub in Alaska.

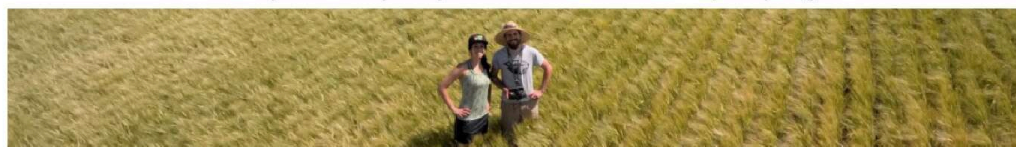


In support, raising up to \$1.0MM via Wefunder



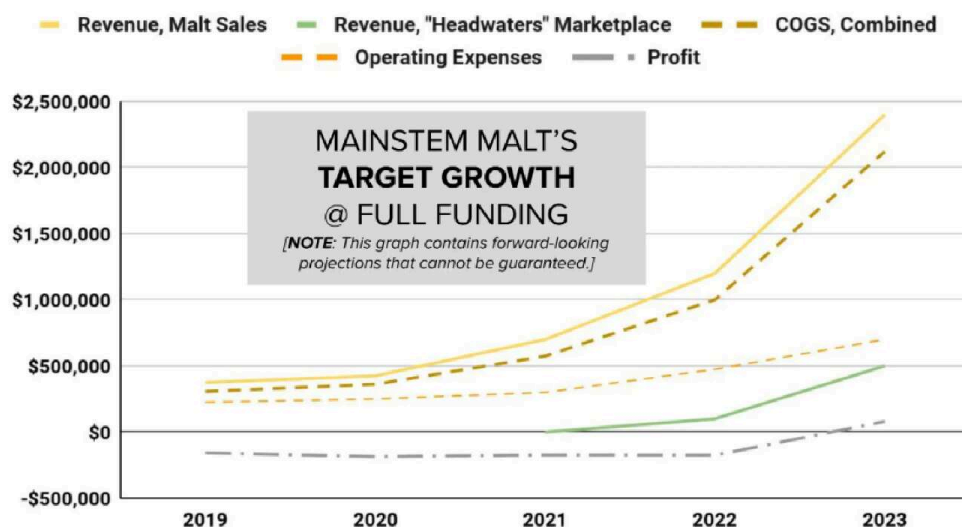
MAINSTEM FOR ALL

Beyond Alyssa and me, there are 14 fiercely loyal households in Mainstem's ownership. For philosophical & strategic reasons, we've always wanted to expand our ownership through equity crowdfunding. Now's the time. **We'll be the first malt company globally to raise money like this, and it feels SO good to be underway.** Our dream is to get 1000+ new investors on the team and infuse a diversity of new perspectives into the company's growth. -Phil



TARGET SPENDING BY \$ RAISED	\$50K	\$250K	\$500K	\$750K	\$1MM
Wefunder's Fee:	7.5%	7.5%	7.5%	7.5%	7.5%
Fundraise Legal/Accounting/Marketing:	40.0%	10.0%	5.0%	4.0%	3.0%
Working Capital to Support Increased Production:	52.5%	25.0%	20.0%	16.0%	12.5%
Increase Sales & Business Dev Staff:		37.5%	30.0%	26.0%	20.0%
Increase Sales Support Budget:		10.0%	10.0%	7.5%	6.0%
Increase Brand Support & Digital Marketing Budget:		10.0%	10.0%	10.0%	7.5%

Development of Novel Technologies:			17.5%	25.0%	10.0%
Add Alaska-Grown Malt to Catalog (Malted in MT):				4.0%	3.0%
Support Establishment of Walla Walla Hub, Phase I:					25.0%
Increase focus on Alaska Hub Development:					5.5%



Market Size (TAM and SAM): Malt + Tech

	NW USA	Western USA	USA	N. America	World
Estimated Malt Market Size (Tons)	250,000	1,000,000	3,000,000	5,000,000	30,000,000
Mainstem Market Capture	3.00%	2.00%	1.50%	1.50%	1.00%
Malt Volume Target (Tons)	7,500	20,000	45,000	75,000	300,000
Avg Malt Pricing (\$/Pound)	\$0.70	\$0.60	\$0.55	\$0.55	\$0.45
MALT SALES REVENUE	\$10,500,000	\$24,000,000	\$49,500,000	\$82,500,000	\$270,000,000
Beer Equivalent (BBL)	218,341	582,242	1,310,044	2,183,406	8,733,624
Avg. Price Point (\$/Pint)	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50
End Product Value	\$189,519,651	\$505,385,735	\$1,137,117,904	\$1,895,196,507	\$7,580,786,026
Headwaters Service Fees	10.00%	10.00%	10.00%	10.00%	10.00%
HEADWATERS REVENUE	\$18,951,965	\$50,538,574	\$113,711,790	\$189,519,651	\$758,078,603
COMBINED REVENUE	\$29,451,965	\$74,538,574	\$163,211,790	\$272,019,651	\$1,028,078,603

CALCULATIONS EXPLAINED ON NEXT PAGE

Market size assumptions explained

Malt Sales Revenue: We assume Mainstem captures of a small, premium portion of the total malt market in each geography, charging what we think is a reasonable premium for it at those increasing scales.

Headwaters Revenue: An oversimplified and partial, but tangible way to think about the value of our future market network. We convert our total malt market capture (a mix of any number of artisanal end uses) to a 6% craft beer volume with the Brewers Association average malt usage rate per barrel (BBL; 31 gallons), then assume we can help artisans market more of their product

at a favorable price, for a reasonable cut.

Help us reimagine the malt vertical



For detailed investment info & live updates, head to
wefunder.com/mainstemmalt

TRACE IT TO THE HEADWATERS

MAINSTEMMALT.COM

📷 🐦 📘 @MAINSTEMMALT

#GRAINLIKEGRAPES #MALTTHATMATTERS

IN GREATER DETAIL



Major malt users, market summary: USA

	BEER	SPIRITS	CULINARY*
TOTAL MARKET:	\$116B	\$80B	?
CRAFT MARKET CAPTURE:	25%	6%	?
CRAFT ANNUAL GROWTH:	6%	19%	?

*The culinary market for malt is significant, but somewhat nebulous, and not an immediate target.

Craft Beverage // Commodity Malt

100

TONS/YR

Purchased by
the avg. West Coast
craft brewer

250K

TONS/YR

Produced by
their primary
malt source



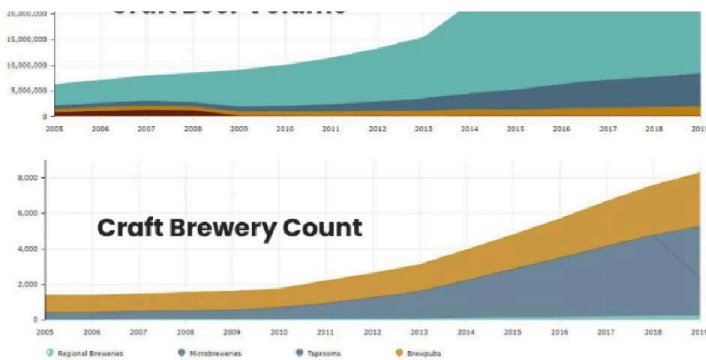
Commodity malt is not sustainable

BIG WATER USE FOOTPRINT
BIG LAND USE FOOTPRINT
BIG CLIMATE FOOTPRINT

AN OBSCURED &
ENTRENCHED INDUSTRY

Craft beer is hypercompetitive -> Differentiation





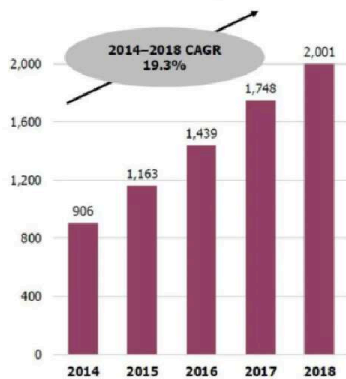
beer market is growing at 6% annually.

There are 8,275 **US breweries**, with ~2000 new breweries in planning.

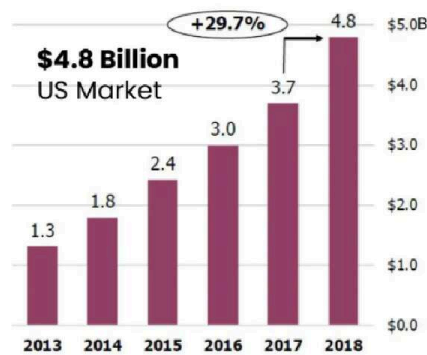
brewersassociation.org

Craft distillers are on a similar path

Craft Distillery Count



Craft Spirits Retail Value



americancraftspirits.org

The craft beer spotlight is shifting to craft malt



A small but growing movement is underway.

Echoing the craft beer boom's early days, craft maltsters are re-imaging a globalized malt supply and the craft beverage marketplace is taking notice. "Craft malt is the new hops."

Mainstem has been an active player since 2014.

Craft malt as a change agent



Coming from the nonprofit world, we set out in 2014 to build a craft malt company as a market-based approach to conservation, with landscape-scale ambitions.



It's working. Our team is already affecting management decisions on over 30,000 acres of farmland and it's being fueled by industry leading craft brewers & distillers.

Linking end products to farms & farmers

MENU

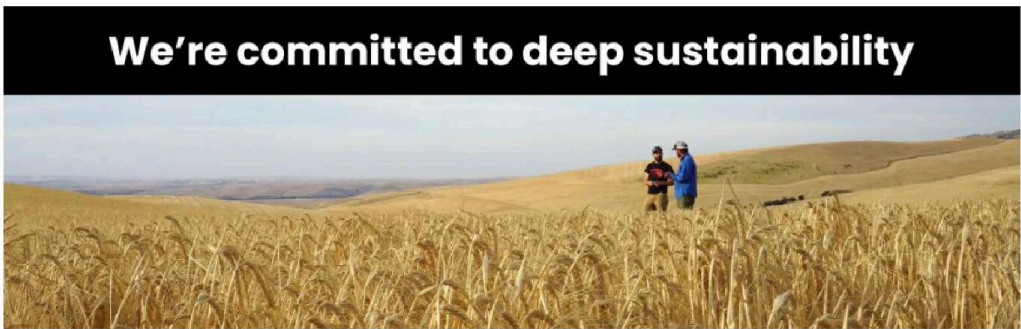
This is the Rea family's Mainstem barley field in 2017.
Visit mainstemmalt.com/farm-story for the full web experience & recent years.

Locale: Walla Walla Valley, Wash. **Vintage:** 2017

FARMING PARTNER(S): H.T. REA FARMING
BARLEY: LCS GENIE (64 AC); OSU FULL PINT (11 AC)
CERTS & ATTRIBUTES: SALMON-SAFE CERTIFIED; DRY FARMED
STATUS: HARVESTED 8/2-3; AWAITING LAB RESULTS

Our Sustainability: A good start

1. First & only B Corp maltster
2. 100% Salmon-Safe Certified, dry farmed, direct seeded
3. 100% traceable to the fields
4. ~2MM lbs of grain purchases influencing management on ~30k acres
5. **A clear path to doing better**



We're the world's first (and currently only) Certified B Corp craft maltster. This is our commitment to using business as a force for good, tracking our social & environmental



To start, 100% of our dry-farmed grains come from family farms committed to helping wild Salmon. The vision is much bigger. From building diversity & equity in

The Mainstem brand is maturing

Since 2017, high third party processing costs have kept our pricing high (3-4x commodity malt) and limited our traction to “early adopter” accounts.

2021 marks a shift from custom malting for several major accounts, to a refined core range of competitively priced malts. Mainstem is now accessible to customers of all shapes and sizes.



Game Changer: Malting @ Montana Craft Malt

Our new processing partnership with Montana Craft Malt (MCM) unlocks new growth potential for Mainstem.

A 50%+ drop in COGS makes us one of the most competitive craft maltsters in the market.

Our pricing model now beats most premium Euro import malts (e.g. Weyermann) and is competitive with strategic styles & formats of North American commodity malts.



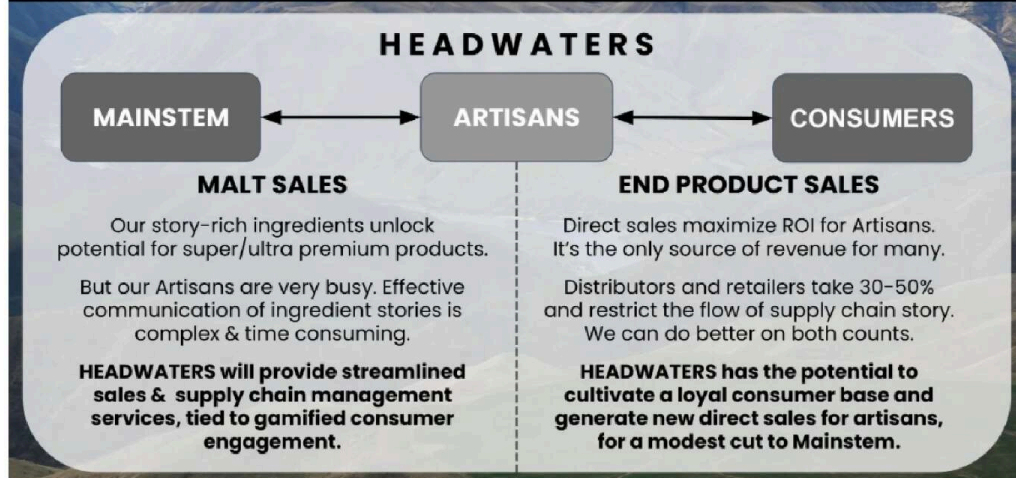
Beyond Malt: Our supply chain tech play

HEADWATERS

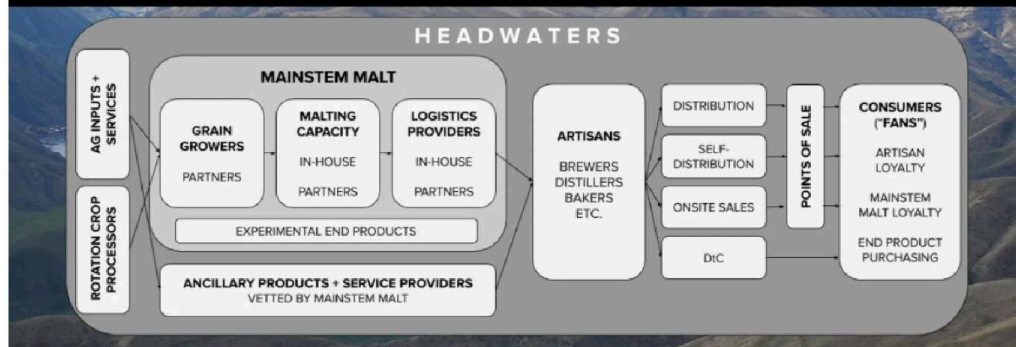
Linking conscientious consumers to conservation-minded family farms, through the brands they love.



Adding value from farm-to-consumer



Developing into a powerful market network



For Consumers: Supply chain visibility & engagement with Growers & Artisans.