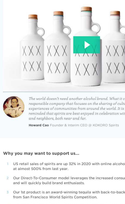
KOKORO Spirits

Promoting Sustainability and Community with Premium Spirits from Around the World

KOKORO SPIRITS, LLC · SAN FRANCISCO, CALIFORNIA



The world doesn't need another alcohol brand. What it could use is a socially responsible company that focuses on the sharing of cultural and traditional practices and supports the communities that produce them. That's why I founded Kokoro and have been exposed to collaborate with our friends, families, and neighbors, both near and far.

Howard Cao Founder & Interim CEO, KOKORO Spirits

Why you may want to support us...

- US retail sales of spirits are up 32% in 2020 with online alcohol sales growing at almost 500% from last year.[1]
- Our Direct-To-Consumer model leverages the increased consumer demand and will quickly build brand enthusiasts.
- Our 1st product is an award-winning tequila with back-to-back gold medals from San Francisco World Spirits Competition.
- We are a California Benefit Corporation, a Pending B Corp, and a member of 1% for the Planet.
- Our team of seasoned advisors and industry professionals has experience guiding billion-dollar companies to exit.

Why investors ♥ us

I've worked with Howard Cao many times across several companies. I bring the challenging projects that need high impact, disciplined execution on challenging timelines with creative budgets because Howard refuses to compromise quality. He's one of the most creative thinkers I've met and has the ability to find innovative problems to deliver on the quality to which he is dedicated, always elevating the output and driving the projects and products forward. I have no doubt that Howard will be successful in this venture. I personally am trying it immediately cuttin' it back up and workin' it every which way at other reserved bottles that I kept for special applications. I enjoyed it with friends, and look forward to it again. [read more]

Patrick Evans

see more

Our team

Howard Cao
Founder & Interim CEO
Howard is the founder & CEO of Form & Fiction Ventures, a San Francisco based consulting firm that helps companies navigate the challenges of growing start-ups with a focus on consumer brands, digital transactions, and omnichannel processes.
in

Scott Barnum
Chief Technology
Scott is a seasoned consumer internet executive. He has held C-suite, board, and executive positions at Payvia, WOW Brewing, Peet's Brewing, Beyond Beverages, and Boston Beer Company. He is an engineer, operations, and corporate governance.
in

Bill Mitchell
Advisor
Bill has led companies ranging in size from $50M to $10.8 in Providence, CEO, and Chairman of the Board. She is the Founding Partner of Seapoint Venture Partners and a former Bain Partners. He also served on the board of BeverMinded for many years.

Kim MacKenzie
Advisor
Kim has ten years of experience in the supply industry as the CEO of Arsenic Tequila and Co-Founder & COO of Republic Tequila. He is currently the Co-Founder & CEO of Power Horse and Howard Hughes Spirits, a consultancy firm.
in

R. Joseph Ehrmann
Advisor
He is the proprietor of Elixir (one of the Top 20 Whisky Bars in America), a 2002 Certified Cognac Educator, an Authentic Caribbean Rum Ambassador, Level 3 WSET Spirits Certificate holder, and two-time Cocktail of the Year winner on SF World Spirits.

Greg Cohen
Advisor
Greg has directed marketing and PR efforts to help elevate many beverage alcohol brands, including a little-known tequila company like Patrón, Casa Noble, creating and communicating the brand narrative for a new bourbon whiskey, and Kraken rum.
in

Tiffany McNeil
Advisor
Tiffany is the founder of Cadence Strategy and focused on using consumer insights to develop marketing strategies for companies ranging from startups to Fortune 500 companies, including Nestle, Procter & Gamble, Johnson & Johnson, Ferrero, and Pure Organics.
in

Andy Ross
Advisor
Andy is a partner at KBEE Ventures, a venture capital fund formed with Kobe Bryant and Jeff Ehrmann. He is also a partner at Ross Ventures, which encompasses on the ocean sectors of sports, entertainment, and technology.
in

The KOKORO Spirits Story

It Started With A Sip

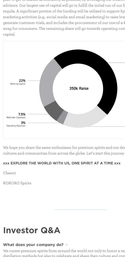
Three years ago on National Tequila Day our founder, Howard Cao, dug around in our studio's cupboard and stumbled upon an old bottle of tequila that had been inadvertently neglected over the years. During it's, he popped open the bottle, took a sip, and was immediately transported back to his childhood memories. The tequila was unexpectedly such a fine tequila, not to mention the layers and beautiful engines that were contained in it. Above all, he wondered how the spirits we drink today could bring so many people together but with so little appreciation for the spirits' culture and heritage. This inspired tonight led him down the journey of designing something he could share with his friends and family.

What originally began as a home hobby gift, evolved into **KOKORO Spirits**, a company that curates a collection of premium spirits and a brand that celebrates communities and cultures from around the world.

Our Purpose

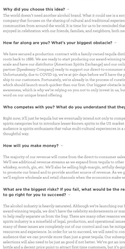
As a *California Benefit Corporation* and *Pending B Corp*, we are focused on the triple bottom line: profit, people, and the planet. Doing our part as an independent bottler, we are mindful of how we source and package our spirits by partnering only with like-minded companies dedicated to the same. Additionally, we are a member of *1% for the Planet*, and also a member of *Let for the Future*, a non-profit that has given more than a quarter of a billion dollars back to society in the last 30 years.

We believe in a world that not only appreciates our consumed luxuries but also celebrates the communities that produce them. Our goal is to share the stories of these unique recipes to craft innovative and traditionally-untraditional spirits to share with the world.



Our Design

Once we defined our purpose, we moved on to the brand, and foremost, the bottle. We wanted a shape that was iconic, catchy, but not indulgent and garish. And of course, Howard's thirdwave upbringing probably had something to do with our bottle's unique shape and minimalistic label. The bottle's shape was inspired by the Japanese word, *GOU JULY*, as a substitute for our yet to be named brand. The size X-bodied art-gird that we decided to keep them. We intend to see the same bottle and design across our entire collection of spirits as a symbol and reminder that it's not the vessel, but what's inside that matters most. As we took a deeper dive into what that meant, we were introduced to *KOKORO*.



Our Name

KOKORO is a Japanese expression that unites the notions of heart, mind, and spirit, which are considered indistinguishable from one another. Interestingly enough, a multicultures practitioner recently explained that our pluralistic "K's" are actually a tool for "**yoko** = split" which symbolizes the relationship between giving, receiving and learning to give responsibly. As the proprietors of KOKORO Spirits, we believe that our relationship with the spirits we curate, the bottlers we partner with, and the consumers that we serve should be one beautiful merge together as one, fulfilling the meaning behind KOKORO Spirits as our namesake.

Our First Stop: The Highlands of Jalisco

Given National Tequila Day was our founder's inspiration for our KOKORO journey, the choice for our first release was obvious. Considering the hundreds of distilleries we could have partnered with, we were particularly drawn to *Destiladora Avanara*, a vibrant, family-owned distillery located in the highlands of Arenal, a region of Jalisco making the finest agave spirits. Their team was dispersed in their bottles as they've been making tequila for over 100 years. Their master distiller, *Jesús Rodriguez*, most of only a handful of females in the master distillers, is the brilliant mind behind our first batch, *San Francisco World Spirits Competition* Gold Medal-winning tequila.

Our partnership with Avanara has allowed us to develop an inventive, traditionally-untraditional tequila plan that will surprise and delight both new and experienced tequila lovers alike. Our relationship with Avanara & Jesús solidified when we independently selected the same tasting notes for our final tequila. At that moment, we knew we crafted a tequila that both KOKORO Spirits and Avanara would be proud to share with the world.

The Tasting Notes

Our Tequila Plata starts with the traditional slow toasting of the pina - the heart of the blue agave plant. After all the years of tasting, the pina is cooked by a stone oven for 72 hours. Fermentation is then done with a proprietary mix of cultured yeasts of cooked agave, cane sugar, and distinguished that leads you to sweet herbal and vegetal notes. Made to be sipped, the light alcohol impact and lingering notes of floral, citrus, and light ginger allow for a smooth, harmonious experience.

Uncertain Times Call for KOKORO

We hoped that the current conditions would slow down our launch, but the market is telling us otherwise. US retail sales of spirits is up 32% in 2020 and online alcohol sales are skyrocketing at almost 500% from last year. It became apparent that the ultimate route to sell is that delivering our spirits directly to our customers' doorsteps. However, our distributor, *Arsenic Spirits Exchange*, and online fulfillment partner, *Spirits Exchange Company*, are the reliable anchors in supporting our online sales and distribution needs. We have these ties in hand to launch KOKORO Spirits in no time.

As we shake up the traditional three-tiered system of selling alcohol, our direct-to-consumer model will allow us not only to maximize gross margins but will create a unique firsthand experience that can quickly build a community of KOKORO enthusiasts and influencers.

Why Crowdfunding?

We have already drawn plans for our next spirit release and intend to launch it within a few months of shipping our tequila. We can promise that it'll be just as exceptional as the first in quality and our sourcing methodology. But before we accelerate our next journey, we want to hear from our customers. We want to give you the opportunity to communicate with us directly, to provide input, and can't wait for you to join us on the adventure is selecting our next spirit. Through *Wefunder*, our crowdfunding partner, we've created a platform for us to foster country. The Crowd-Series, our opportunity to explore and share the world's spirits are boundless.

We've already had a fair amount of large, private funding offers, but as a company that values the sharing of cultural and traditional practices, we believe that the community of KOKORO Spirits within a small, exclusive network can direct fit to our core beliefs and values. While we certainly won't turn down any large crowdfunding investments, our main goal is to democratize and diversify our shareholders and to provide all investors an opportunity to join our community and cause. That's why we're setting our minimum investment at only $500. We shouldn't have to be a millionaire or a billionaire to be involved and have the opportunity to invest in a new company that you truly believe in.

Where Your Money Will Go

With our investment, KOKORO Spirits will be able to officially take flight. We have built a plan to get to market as efficiently as possible, by leveraging our creative partners and advisors. Our largest cost of capital will go to fulfill the initial run of our first product line tequila. A significant portion of the funding will be utilized to support larger-targeted marketing strategies, social media and brand marketing to create a loyal, recurring and grassroots customer retails, and facilitate the procurement of our one-of-a-kind collection of spirits for consumers. The remaining dollars will go towards operating costs and working capital.

We hope you share the same enthusiasm for premium spirits and our desire to celebrate cultures and communities from across the globe. Let's start this journey together and

xxx EXPLORE THE WORLD WITH US, ONE SPIRIT AT A TIME xxx

Cheers!

KOKORO Spirits

Investor Q&A

What does your company do? ⌄

We curate premium spirits from around the world not only to honor a region's traditional distillation methods but also to celebrate and share their culture and communities.

Where will your company be in 5 years? ⌄

We intend to be the premier destination for spirits consumers who are looking for highly curated and multicultural experiences. We see ourselves transcending from a premium, independent bottler to an international lifestyle brand, all while doing our part in preserving the legacy and richness of different cultures from around the world.

Why did you choose this idea? ⌄

The world doesn't need another alcohol brand. What it could use is a socially responsible company that focuses on the sharing of cultural and traditional experiences of communities from around the world. It is time for us to be reminded the spirits are best shared in celebrations with our friends, families, and neighbors, both near and far.

How far along are you? What's your biggest obstacle? ⌄

We have secured a production contract with a family-owned tequila distillery that traces its roots back over 100 years. We have also secured a contract with a distillery in the US to scale and have our distributor (Sovereign Spirits Exchange) and our online fulfillment partner (Speakeasy Company) ready to support our direct-to-consumer sales. Our biggest obstacle is getting the word out about KOKORO Spirits and how hard it is to ship to our customers. Fortunately, we're already in the process of curating our next spirit, which should launch much quicker than our first. Our biggest obstacle is getting brand awareness, which is why we're relying on you not only to invest in us, but also to spread the word to your circle of influence.

Who competes with you? What do you understand that they don't? ⌄

Right now, it'll just be tequila but we eventually intend not only to compete in all the major spirits categories but to introduce lesser-known spirits to the US market as well. Our core value is to share cultures and traditions that value multicultural experiences in a sustainable and thoughtful way.

How will you make money? ⌄

The majority of our revenue will come from the direct-to-consumer sales of our spirits. We'll see additional revenue streams as we expand from tequila to other spirits rum, whiskey, scotch, gin, etc. We'll also be selling high-margin, artfully designed merchandise that celebrates the cultures and communities that produce our spirits, as well as a source of revenue and experience. In order for us to succeed, we will need to convince our audience that we can provide more than just a great tequila. Our subsequent spirit releases will be just as exceptional as our tequila, but we'll also be introducing lesser-known bottles and a slower price point to attract first-time consumers, but it's going to take a great tasting experience to win them over time and time again.

Why are you raising funds using crowdfunding instead of traditional methods for a pre-seed company? ⌄

Although we've already had numerous private funding offers, we felt that the democratization and diversification of investors from crowdfunding best suits our company's core beliefs and values.

Why are you only selling direct to consumers? ⌄

Direct-to-consumer sales have skyrocketed due to COVID-19. This sales model will allow us to maximize our gross margins and create a unique experience for our customers. It's an opportunity to quickly test the market in a rapid efficient and agile way. It also allows us to communicate with our customers firsthand and to respond swiftly to their needs and interests.