

2023 REPORT

Portrait Coffee



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Dear investors,

I hope this message finds you in good spirits. As we navigate through the ebbs and flows at Portrait Coffee, I want to express our heartfelt gratitude for your unwavering support and belief in our mission. It is both an honor and a privilege to be on a first-name basis with each of our supporters. Your encouragement fuels our passion and dedication to redefining the specialty coffee landscape.

This year has been a testament to the resilience and hard work of our team. We're excited about the momentum we've built, not just in expanding our reach and partnerships but in strengthening the bond within our local community. Your support has been instrumental in these achievements, and for that, we are incredibly thankful.

As we look to the future, we're buoyed by the opportunities that lie ahead. Our commitment to pouring a new narrative in specialty coffee has never been stronger, and we're seeing tangible results in building local community ties and enhancing our operational efficiencies as we scale.

Your role as investors has provided us with the stability and confidence to pursue our ambitions boldly. While we navigate the challenges and celebrate the successes, knowing we have your support makes all the difference. We look forward to continuing this journey with you, building on the strong foundation we've established together.

Thank you once again for being a part of our story. Here's to brewing a brighter future together.

We need your help!

Strategic Advice and Guidance: We welcome your insights and advice on

addressing our challenges, particularly in areas such as lean manufacturing, operational efficiency, and strategic growth. Your expertise can be invaluable in navigating these hurdles more effectively.

Networking and Introductions: If possible, introductions to industry experts, potential partners, or suppliers could help us optimize our operations and cost structures. Your networks might unlock new opportunities for efficiency and growth.

Market and Industry Trends: Sharing knowledge about emerging trends, consumer preferences, and innovative business practices in the specialty coffee and retail sectors can help us stay ahead of the curve and make informed decisions.

Sincerely,

Aaron Fender

Co-founder & CEO

Marcus Hollinger

Head of Marketing & Brand

John Onwuchekwa

Co-founder, Head of Community

How did we do this year?

REPORT CARD

B-

☺ The Good

Café Launch: Opened our first café, growing in revenue and new customers monthly.

New Partnerships: Launched in Whole Foods, teamed with Fresh Harvest & Crate & Barrel, and expanded office distribution

Holiday Sales Surge: Achieved record sales and volume in Q4, thanks to our community's support.

☹ The Bad

Rising Construction Costs: Construction expenses surged as we prepared to open our café, impacting our initial budget.

Labor Costs & Management: The café's opening increased labor costs, with Q4 marked by management challenges and team inefficiencies.

Margins & Cost Control: Experienced difficulties in maintaining margins and controlling costs, affecting overall profitability.

2023 At a Glance

January 1 to December 31



\$1,265,583 [3%]
Revenue



-\$183,595
Net Loss



\$220,294 +73%
Short Term Debt



\$269,418
Raised in 2023



\$40,884
Cash on Hand
As of 04/ 3/24

INCOME

BALANCE

NARRATIVE



Net Margin: -15% Gross Margin: 38% Return on Assets: -57% Earnings per Share: -\$18.36 Revenue per Employee: \$316,396
Cash to Assets: 18% Revenue to Receivables: 10,713 Debt Ratio: 85%

Portrait_Coffee_2022_and_2021_comparative_financials.pdf

BalanceSheet.pdf

ProfitandLoss.pdf

We ♥ Our 375 Investors

Thank You For Believing In Us

Tremonisha Putros	Jeff Heck	Richard Bakare	Jake Budler	Barbara Gary	Keith Kissling
Ethan Ambabo	Hatem Rowaihy	Sharon D Etienne	Dane Pedersen	Rinaldo Baucum	Hector Mejia
Kevin Brown	Tejas Kotak	Grant Wycliff	Will Greer	Wr Manuel	Georgina Wilson
Andrew Strasburg	Lois Carlisle	Nicholas Hart	Damion Silver	Daniel Reich	Alexa Kravitz
Kelly Hamm	Sara Scruggs	Justin McPhee	Drew Cozart	Roseanna's Sewing Company	Meredith Fortuna
Joe Malone	Steph Timms	Bob Elwell	Jessie Brown	Zane Satterfield	Artair Rogers
Alexandria Van De Veer	Tanner Guinther	Preston Yoon	Alexis Asamoah	John Greer	Drew Chamberlain
Peter Flueckiger	Julia Huprich	Jordan McIntosh	David Martinsen	Adam Martin	Elizabeth Tablazon
Zach Kirschner	Lance English	Stephen DeLaurier	Will Murphy	Jeffrey Tidwell	Jordyn Gilbert
Lil Stolper	Mikenzie Lewis	Lucas Cuadros	AJ Wright	Chip Gross	Ashley Mackay
Tia Likely	Zachary Panter	Christopher Carter	Daniel Lee	Catherine Carter	Robbie Fitzwater
Todd Porter	Michael Reeves	Steven Chung	Tyler Von Seggern	Jon Buford (Jon)	Bria Felicien
James Cobb	Colin Fisher	Courtney Boman	Harry Luu	Zach Thoren	Jefferson Martin
Alexander Gremling	Dannetta Rivers	Sean Winner	Rob & Danie Wheeler	Alexandria Wilson	Daniel Tang
Amy Small	Joe Slivik	Lindsay Fletcher	Elizabeth McGrath	Christy Perkins	Emily Pavuluri
Brynna King	Sierra Serafica	Wilson Chang	Chris Pender	Chloé Macary-Carney	Erika Brown
Brittany D	Kyle Fender	Sharon Burnette	Veonne Anderson	Roderick Herron	Sarah Allison Birchfield
Richard Birchfield	Claire Mattison	Valerie Scott	Christie Clerger	Julian Hood	Lori Seidler
Emari Traffic	Quintin Robinson	Doug Shipman	Stephanie Mabe	Zachary Gutierrez	Robmatt Oloyede
Jordan Maney	Zachary Sadowski	Trevor Wentt	Lee Duh	Ben Davenport	Susan Thorson
Terri Wright	Megan Hembree	Michelle R. Johnson	Paul Shorter	Carese Brown	James Owens
Andy Kaefer	Chase Anderson	Niya Randall	Jenny Lang	Jason Orme	Tyler Nylan
Jason Towler	Rafe C	Mark Cunningham	Megan Dockbeck	Sarah Lentz	Monica Taramani
Blake Stacy	Marcus Strong	Kayla Stagnaro	Jeff Shinabarger	Randi Majors	Jasmin Mitchell
Alejandra Luaces	Joseph Amo Applah	Jono Moehlig	Dariun L. Maxwell	Allyson Terry	John Thompson
Ariel Inigo	Shaunte R.	Nick Thornton	Glenford Patterson	Jarel G	Isalah Johnson
Simone Banks	Roshane Ricketts	Austin Tremblay	Meagan Shorey-Wilson	Elizabeth Cason	Shannon El-Amin
Kevin Kozin	Alexi Plasecki	Robert Newcomer	Kelly Patrick	Eddie Lauderback	Natalie Gomez
Gregory Bray	Daniel DeHoyos	B Hall	Houston Parks	Joseph Wempe	Dan Coke
Shantal Green	Rebekah Rund	Chelsea Thoumsin	Marco Suarez	Whitney Davison	Reggie Gillespie
Richard Daniel Schmidt	Lasanna Ace Harris	Emily Furtsch	Micaela Preston	Mariann Martin	Folashade Perkins
Justin Goodwin	Justin Neely	Kendall Lane	Cynthia H. Andrews	Shelbi Vantrease	Ramisi Sukumu
Karyn Scheier	Tyler McDonald	Kevin Glatt	Sharee Taylor	Nicholas Burt	Dennis L. Stephens
Kerry Mendenahli	Marta Diez Valcarce	James Ragins	Laura Mlistarz	Alethea Lamberson	John Donovan
David Holloman	Kristy Moresi	Matt Yoder	Dan Anderson	Anthony Boyle	Kameko Nichols
Eric Hunting	Sydney Jacobsen	Brian Baldauff	Bangseh Akuchu	Cecelia Simon	Tara Hall
Bill Pacheco	Amelia Quinn	Thomas Andrews	Niki Tolch	Harry Hutchins	Travis Boatright
Saul Zalta	Ne Kelia Henderson	Andrea Shull	Sara Falls	Deborah Hawkins	Mason Reid
Cate King	Elizabeth Warthen	Tabitha Belhomme	Whitney Jaye	Julisa Kidd	Ryan Zambryck
Josh Cromwell	Stephanie Kong	Shanette Oliver	Jason Waskiewicz	Jeremy Utley	Charmaine Gernale
Akeem Snow	Srini Kottakota	Uplift Forever	Jeff Brewitt	Tyler Paulson	Ann Lawrence
Brandon Kopp	Hannah Richardson	Jeremy Swanigan	Eric Tanis	Warren E. Lee III	Nicole Chandler
Alberto Burgos	Ben Goodchild	Christopher Donlon	Dwayne Martin	Allison Coad	Marc Pagliuca
Abimael E. Otamias	Angela Riley	Callean Vitullo	Jenna Napier	David Reaves III	Grant Pankratz
Valerie Hulme	Benjamin Bowdoin	Arriana Meyer	Kamille Brown	Richard Lavon Fulton, Jr.	Tracy Collins
Katherine Canfield	Aimee Castenell	Karen Carlson	Sarah Barlow	Angela Kamino	Kassidy G Adamek
Anthony Powell	Ryan Johnson	Stuart Smith	David Field	Jacob Bradshaw	Olivia/Ozma Lowery
Jordan Rice	Archile Bates	Kalia Davis	Andrew Beaton	Nina Dutton	Javien Williams
Wayne Simien	Aj Gago	William Ladson	Brett L Carter	Lain Shakespeare	Luke Derochers
Derrick Campbell	Shayla Raines	Scott Moseley	LaKe'Sha Bowen	Jihyun Oh	Michael S Levesque
Altonio Price	Malory Atkinson	Andrew Levine	Samuel Noh	Simone Davis	Jeff Keys
Ruth Davis	Keshia Stansbury	Patrick Kummer	Ben Washer	Rebekah Malpass	Samuel Dula
Adison Picchi	Allison Gilbert	Stephen Rhinehart	Brian Owen	Tanner Aldridge	Jonathan McDaniel
Richard Blas	Taylor Ashford	Randall Little	Dominique Harmon	Shaun Mitchell	Mark McField
Kristal Enter	Lisa Hicklen	Holly Deng	Alex Oshin	Tina Dickenson	Leon McKenzie
Ray Spears	Jonathan Susman	Toni McDaniel	Emily Simmons	Sanjay Pinnock	Morgan Burge
Elizabeth Guldry	Sheila McGee				

Thank You!

From the Portrait Coffee Team



Aaron Fender 

Co-founder & CEO

An advocate of genuine hospitality. Over a decade of specialty coffee expertise.



Marcus Hollinger 

Co-founder & Head of Marketing

Former CMO at Grammy-Award-winning Reach Records Innovation and Design Coach



John Onwuchekwa 

Co-founder & Head of Community

Story Teller & Community Builder. Co-Founding Pastor at Cornerstone Church.

Details

The Board of Directors

Director	Occupation	Joined
Marcus Hollinger	Senior Director @ Stoked	2019
Aaron Fender	CEO @ Portrait Coffee	2019
John Onwuchekwa	Entrepreneur @ Self-Employed	2019

Officers

Officer	Title	Joined
Aaron Fender	CEO	2019

Voting Power






Holder	Securities Held	Voting Power
Marcus Hollinger	1,200 Membership Units	33.3%
John Onwuchekwa	3,500 Membership Units	33.3%
Aaron Fender	5,300 Membership Units	33.3%

Past Equity Fundraises

Date	Amount	Security	Exemption
01/2020	\$35,000		Section 4(a)(2)
07/2020	\$30,696		Section 4(a)(2)
01/2022	\$15,100		Section 4(a)(2)
02/2022	\$59,897		Section 4(a)(2)
10/2022	\$70,000		Section 4(a)(2)
12/2022	\$125,260		Other
06/2023	\$269,418		4(a)(6)

The use of proceeds is to fund general operations.

Outstanding Debts

Lender	Issued	Amount	Outstanding	Interest	Maturity	Current?
KLC Financial	07/01/2020	\$30,696	\$2,347 	6.5%	07/15/2023	Yes
LEAF Capital	01/26/2022	\$15,100	\$12,491 	6.02%	01/26/2026	Yes
Southstate Bank	02/07/2022	\$59,897	\$49,422 	4.58%	01/21/2029	Yes
Shopify 	12/02/2022	\$125,260	\$50,048 	%		Yes

Related Party Transactions

None.

Capital Structure

Class of Security	Securities (or Amount) Authorized	Securities (or Amount) Outstanding	Voting Rights
Voting Membership Unit	10,000	10,000	Yes
Non Voting Unit	5,000	0	No
Warrants:	0		
Options:	0		

Form C Risks:

Reliant on relationships with coffee producers: There is a risk that the company's relationships with coffee producers may be subject to change or outside of its control, which could impact the company's ability to source high-quality coffee beans and maintain its reputation for quality.

Climate change for coffee: There is a risk that climate change may impact the coffee industry, including changes in weather patterns and temperature that could impact the quality and availability of coffee beans, which could impact the company's supply chain and financial performance.

Pricing coffee is volatile: There is a risk that the price of coffee may fluctuate unpredictably, which could impact the

Following coffee is volatile, there is a risk that the price of coffee may fluctuate appreciably, which could impact the company's profitability and financial stability.

Competition: There is a risk of increased competition from existing or new competitors, which could negatively impact the company's market share and financial performance.

Reliant on relationships with coffee producers: There is a risk that the company's relationships with coffee producers may be subject to change or outside of its control, which could impact the company's ability to source high-quality coffee beans and maintain its reputation for quality.

Key players: There is a risk that key players in the coffee industry, such as major coffee roasters or distributors, may change their business practices or relationships with the company, which could impact the company's supply chain and financial performance.

Cost of advertising could change: There is a risk that the cost of advertising may change, which could impact the company's marketing budget and ability to effectively promote its products.

Our future success depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on the company. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

The Company may never receive a future equity financing or elect to convert the Securities upon such future financing. In addition, the Company may never undergo a liquidity event such as a sale of the Company or an IPO. If neither the conversion of the Securities nor a liquidity event occurs, the Purchasers could be left holding the Securities in perpetuity. The Securities have numerous transfer restrictions and will likely be highly illiquid, with no secondary market on which to sell them. The Securities are not equity interests, have no ownership rights, have no rights to the Company's assets or profits and have no voting rights or ability to direct the Company or its actions.

Description of Securities for Prior Reg CF Raise

Additional issuances of securities. Following the Investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured. The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

Issuer repurchases of securities. The Company may have authority to repurchase its securities from unitholders, which may serve to decrease any liquidity in the market for such securities, decrease the percentage interests held by other similarly situated investors to the Investor, and create pressure on the Investor to sell its securities to the Company concurrently.

A sale of the issuer or of assets of the issuer. As a minority owner of the Company, the Investor will have limited or no ability to influence a potential sale of the Company or a substantial portion of its assets. Thus, the Investor will rely upon the executive management of the Company to manage the Company so as to maximize value for unitholders. Accordingly, the success of the Investor's investment in the Company will depend in large part upon the skill and expertise of the executive management of the Company. If the Management of the Company authorizes a sale of all or a part of the Company, or a disposition of a substantial portion of the Company's assets, there can be no guarantee that the value received by the Investor, together with the fair market estimate of the value remaining in the Company, will be equal to or exceed the value of the Investor's initial investment in the Company.

Transactions with related parties. The Investor should be aware that there will be occasions when the Company may encounter potential conflicts of interest in its operations. On any issue involving conflicts of interest, the executive management of the Company will be guided by their good faith judgement as to the Company's best interests. The Company may engage in transactions with affiliates, subsidiaries or other related parties, which may be on terms which are not arm's-length, but will be in all cases consistent with the duties of the management of the Company to its unitholders. By acquiring an interest in the Company, the Investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

Minority Ownership

An Investor in the Company will likely hold a minority position in the Company, and thus be limited as to its ability to control or influence the governance and operations of the Company.

The marketability and value of the Investor's interest in the Company will depend upon many factors outside the control of the Investor. The Company will be managed by its officers and be governed in accordance with the strategic direction and decision-making of its Management, and the Investor will have no independent right to name or remove an officer or member of the Management of the Company.

Following the Investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured.

The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.



Exercise of Rights Held by Principal Shareholders

As holders of a majority-in-interest of voting rights in the Company, the unitholders may make decisions with which

the Investor disagrees, or that negatively affect the value of the Investor's securities in the Company, and the Investor will have no recourse to change these decisions. The Investor's interests may conflict with those of other investors, and there is no guarantee that the Company will develop in a way that is optimal for or advantageous to the Investor. For example, the unitholders may change the terms of the operating agreement for the company, change the terms of securities issued by the Company, change the management of the Company, and even force out minority holders of securities. The unitholders may make changes that affect the tax treatment of the Company in ways that are unfavorable to you but favorable to them. They may also vote to engage in new offerings and/or to register certain of the Company's securities in a way that negatively affects the value of the securities the Investor owns. Other holders of securities of the Company may also have access to more information than the Investor, leaving the Investor at a disadvantage with respect to any decisions regarding the securities he or she owns. The unitholders have the right to redeem their securities at any time. Unitholders could decide to force the Company to redeem their securities at a time that is not favorable to the Investor and is damaging to the Company. Investors' exit may affect the value of the Company and/or its viability. In cases where the rights of holders of convertible debt, SAFES, or other outstanding options or warrants are exercised, or if new awards are granted under our equity compensation plans, an Investor's interests in the Company may be diluted. This means that the pro-rata portion of the Company represented by the Investor's securities will decrease, which could also diminish the Investor's voting and/or economic rights. In addition, as discussed above, if a majority-in-interest of holders of securities with voting rights cause the Company to issue additional units, an Investor's interest will typically also be diluted.

Restrictions on Transfer

The securities offered via Regulation Crowdfunding may not be transferred by any purchaser of such securities during the one year period beginning when the securities were issued, unless such securities are transferred:

to the issuer;
to an accredited investor  ;
as part of an offering registered with the U.S. Securities and Exchange Commission; or
to a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust  created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

Valuation Methodology for Prior Reg CF Raise

The offering price for the securities offered pursuant to this Form C has been determined arbitrarily by the Company, and does not necessarily bear any relationship to the Company's book value, assets, earnings or other generally accepted valuation criteria. In determining the offering price, the Company did not employ investment banking firms or other outside organizations to make an independent appraisal or evaluation. Accordingly, the offering price should not be considered to be indicative of the actual value of the securities offered hereby.

The initial amount invested in a SAFE is determined by the investor, and we do not guarantee that the SAFE will be converted into any particular number of units. As discussed in Question 13, when we engage in an offering of equity interests involving Preferred Units, Investors may receive a number of Preferred Units calculated as either (i) the total value of the Investor's investment, divided by the price of the Preferred Unit being issued to new Investors, or (ii) if the valuation for the company is more than the Valuation Cap, the amount invested divided by the quotient of (a) the Valuation Cap divided by (b) the total amount of the Company's capitalization at that time. Because there will likely be no public market for our securities prior to an initial public offering or similar liquidity event, the price of the Preferred Units that Investors will receive, and/or the total value of the Company's capitalization, will be determined by our management. Among the factors we may consider in determining the price of Preferred Units are prevailing market conditions, our financial information, market valuations of other companies that we believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant. In the future, we will perform valuations of our units that take into account, as applicable, factors such as the following:

unrelated third party valuations;
the price at which we sell other securities in light of the relative rights, preferences and privileges of those securities;
our results of operations, financial position and capital resources;
current business conditions and projections;
the marketability or lack thereof of the securities;
the hiring of key personnel and the experience of our management;
the introduction of new products;
the risk inherent in the development and expansion of our products;
our stage of development and material risks related to our business;
the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company given the prevailing market conditions and the nature and history of our business;
industry trends and competitive environment;
trends in consumer spending, including consumer confidence;
overall economic indicators, including gross domestic product, employment, inflation and interest rates; and
the general economic outlook.

We will analyze factors such as those described above using a combination of financial and market-based methodologies to determine our business enterprise value. For example, we may use methodologies that assume that businesses operating in the same industry will share similar characteristics and that the Company's value will correlate to those characteristics, and/or methodologies that compare transactions in similar securities issued by us that were conducted in the market.

Company

Portrait Coffee LLC

Georgia Limited Liability Company

Organized July 2019

4 employees
1065 Ralph David Abernathy Blvd SW
Suite A
Atlanta GA 30310 <http://www.portrait.coffee>

Business Description

Refer to the Portrait Coffee profile.

EDGAR Filing

The Securities and Exchange Commission hosts the official version of this annual report on their EDGAR web site. It looks like it was built in 1989.

Compliance with Prior Annual Reports

Portrait Coffee is current with all reporting requirements under Rule 202 of Regulation Crowdfunding.

All prior investor updates

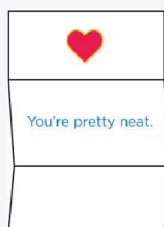
You can refer to the company's updates page to view all updates to date. Updates are for investors only and will require you to log in to the Wefunder account used to make the investment.

Show Less ▾

Say Hello!

Questions? Ideas? Love Letters?

Say something nice...



You're the first one here!

Early people don't usually get a prize, so here's a love letter from us.