

STRATEGIC OVERVIEW

PivoHub

The Fragmented Craft Beer Market & PivoHub — B2B Commerce Platform

*From fragmentation to a structured network
— and what it means for your brewery*

Today's Agenda

01

The fragmented craft beer market

Producers, distributors, brokers, retailers — a broken ecosystem

02

Digitalization: promise & limits

Dozens of tools, little coherence — why it hasn't been enough

03

PivoHub — B2B Commerce Platform

How PivoHub unifies the ecosystem and transforms your market

04

What it means for your brewery

Concrete benefits for the US craft beer landscape

01

The Fragmented Craft Beer Market

Producers, distributors, brokers, retailers — each silo operating alone

The US Craft Beer Landscape

A massive, maturing market — with increasing operational pressure on every player

9,600+

craft breweries
operating in the US (2024)

\$28.9B

craft beer retail
dollar value (2024)

24.7%

of total US beer
market (by dollar)

197K+

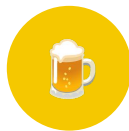
jobs in craft
brewing (2024)

Distribution complexity



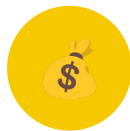
Multiple wholesalers, self-distribution laws vary by state — no unified channel

Taproom & hospitality growth



70%+ of US breweries sell 25%+ onsite — taprooms now outpace distributed sales in revenue growth

Margin squeeze



Rising ingredient costs, tariffs on equipment & cans hitting small brewers hardest

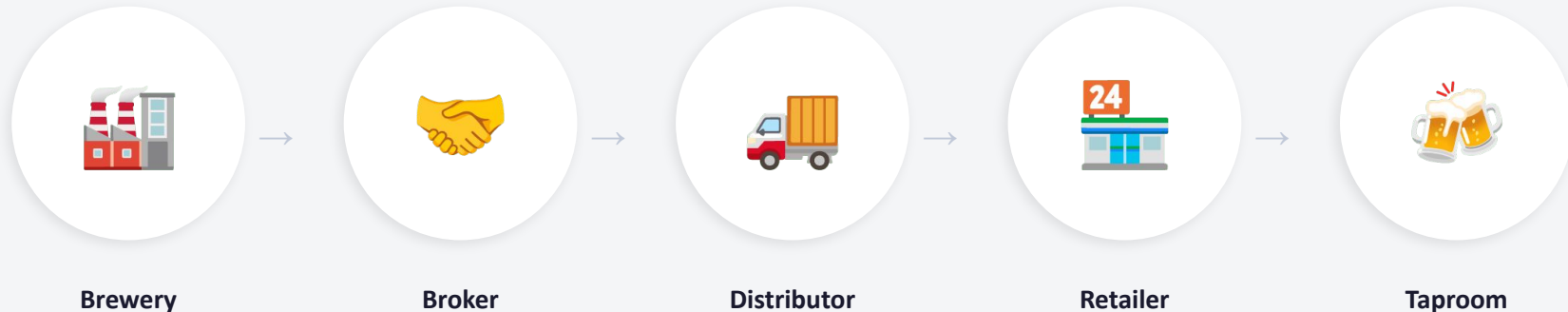
Manual ordering still dominant



Most orders still placed by phone, email or rep visits — no real-time visibility

The fragmented value chain

01 — From production to taproom: every player operates in a silo



No shared visibility — stocks invisible between partners



Manual orders — phone, email, spreadsheets, texts



No real-time data — delays, errors, financial losses



Every player uses a different tool — zero interoperability

The scale of the problem

50+

US states, each with different distribution laws

3-tier

system that separates brewers from buyers

75%+

orders still placed by phone or email

~20%

revenue lost to errors & inefficiency



What breweries deal with daily

- Rep calls to take orders — no online portal
- Manual inventory counts, no real-time sync
- Invoice errors from misheard quantities
- No visibility on what retailers actually need
- Lost sales when distributor doesn't push product



Industry headwinds (2024)

- 4% volume decline — largest since pandemic
- Tariffs on cans, kegs & brewing equipment
- RTD cocktails & NA beer eating share
- Self-distribution laws differ by state
- Consolidation pressure — big players absorb small

02

Digitalization: Promise & Limits

Tools proliferated... but fragmentation persisted

A flood of tools... with no coherence

✓ What it aimed for



Online orders 24/7



Real-time inventory



Automated invoicing



Optimized logistics



Shared sales data

✗ The reality



Breweries /
Sellers

own tool



Distributors

own tool



Retailers /
Taprooms

own tool



Brokers

own tool

Each actor uses a different tool → multiplied silos → zero shared view

Why it hasn't been enough

1

Fragmented adoption

Still too many group chats, spreadsheets & workarounds — everything changes when staff does

2

Zero interoperability

A ton of workarounds that 'work'... until an update. So much data extraction and uploading!

3

Too complex for small breweries

Heavy lifting, hefty pricing. The 'why' and the 'how' outweigh the benefits

4

Siloed customer view

How many tabs open?? No single view of orders, inventory, and client behavior

5

ROI hard to justify

You currently use 50% of what you pay for... for each silo!

6

Technology fatigue

Juggling 5+ interfaces → errors, duplications, and nightmarish onboarding of new staff

03

PivoHub B2B Commerce Platform

The platform that structures the ecosystem — from fragmentation to a unified network

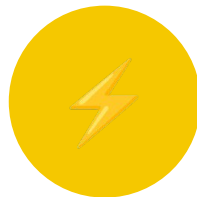
PivoHub — B2B Commerce Platform

One platform connecting every player in your market



Unified Network

Every actor — breweries, distributors, brokers, retailers — connected on a single platform with shared visibility.



Automated Operations

Orders, inventory, invoicing and logistics automated end-to-end. No more phone calls, manual entry or email chains.



Real-Time Intelligence

Shared data across the network. Know what's selling, what's in stock, and who needs what — before they call you.

Why PivoHub ?

We turn chaos into clarity

✗ Before — Chaos

Your back office $\xleftrightarrow{\text{EDI}}$ Big Customers



Your Sales Team

Small Customers

✗ Different tool per actor — zero shared view



✓ After — Clarity

Big Customers

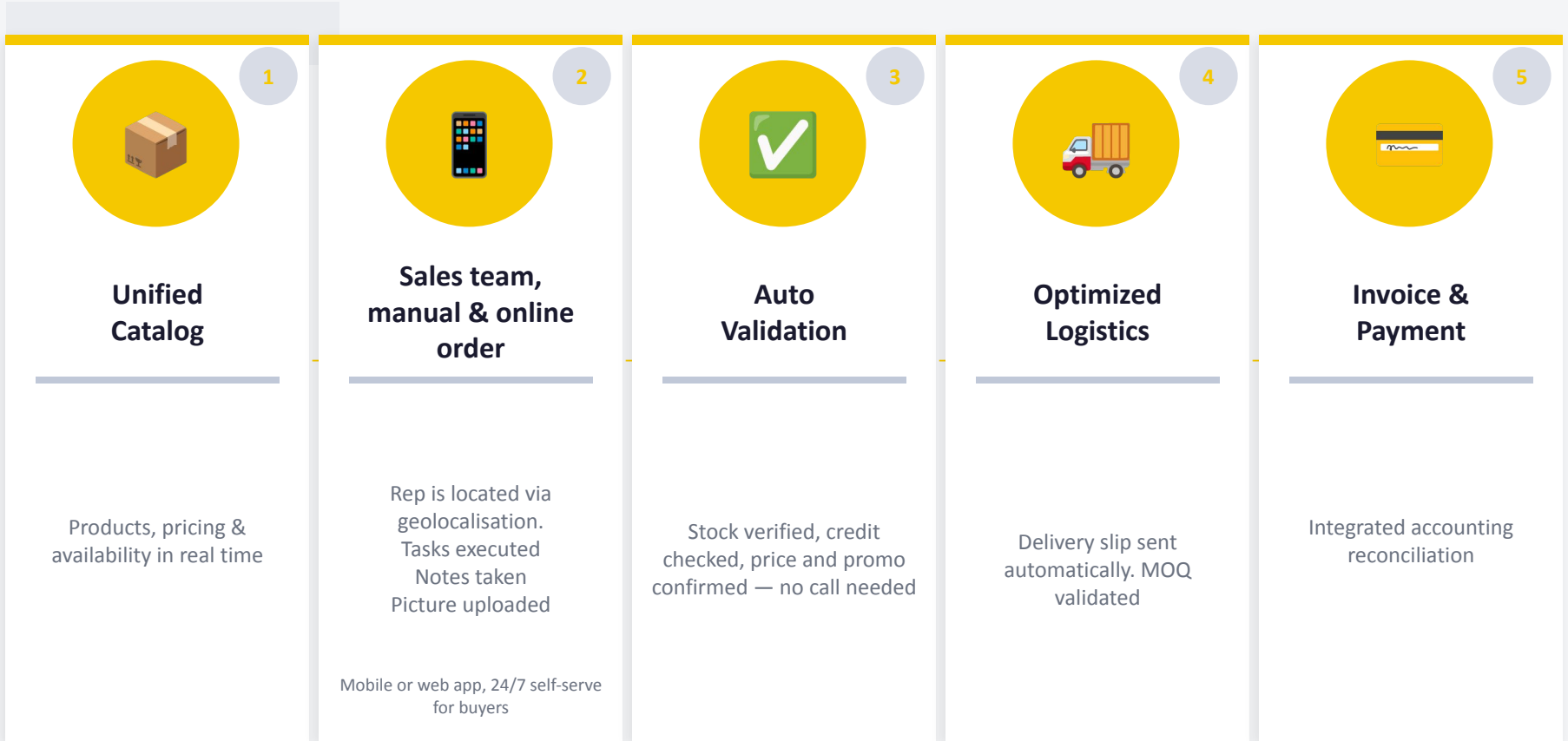
Small Customers

Your back office

Your Sales Team

- ✓ Real-time shared inventory · Auto-validated orders
- ✓ One flow for all actors · Data-driven decisions

From catalogue to delivery — in a single flow



PivoHub in Action — Québec Craft Beer Market

The proof of concept — built and validated in Canada's most vibrant craft beer ecosystem

The Québec challenge



225+ microbreweries

One of the highest craft brewery densities in North America



3–4 major distributors

SAQ & private distributors — all operating in silos



Thousands of retail points

Bars, restaurants, grocery stores, specialty shops



Orders by phone & email

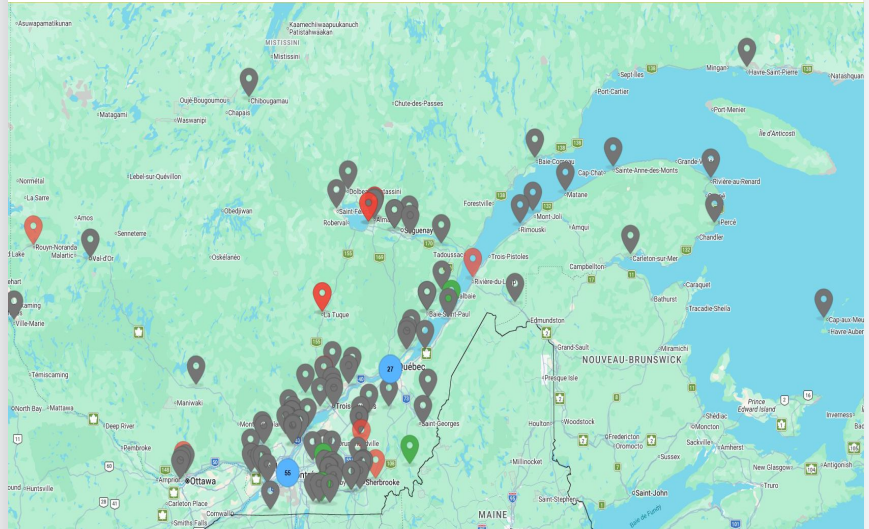
No centralized system — reps managing everything manually



Near-zero sales visibility

Breweries had no real-time view of what was moving where

✓ Results with PivoHub



“ PivoHub removed 80% of our admin work. We moved 10,300 cases in one week — never possible before.

— Charles Hudon, Bucké Distribution (QC)

Impact — US Craft Beer Market

200+ craft breweries connected in Quebec — bringing the same model to the US market

40%

reduction in
order processing time

3×

faster order
fulfillment cycle

95%

orders placed
without a phone call

+28%

revenue visibility
for breweries

The US Opportunity



9,600+ craft breweries across 50 states — the world's largest craft market



Taproom & hospitality revenue growing — breweries need better data on what moves



Most operate without any B2B ordering platform — massive untapped opportunity



3-tier system complexity means coordination tools are even more critical than in Canada

04

What it means for your brewery

Concrete benefits for the US craft beer landscape

What PivoHub brings to your market



Unified Network

All your partners — distributors, brokers, retailers, taprooms — on one platform



Accelerated Operations

Order and delivery automation frees your team from admin tasks



Total Visibility

Real-time sales and inventory data across your entire distribution chain



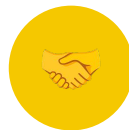
Network Effect

More players on the platform = more value and reach for every brewery



Competitive Edge

Breweries on PivoHub move faster, sell smarter, and retain better



Stronger Relationships

Less friction with distributors and retailers = more trust and repeat orders

The question is no longer

"Should we digitalize?"

But rather:

**"Who do you want to
build your market with?"**

Let's talk about your market →

pivohub.com | hello@pivohub.com

Support available 7 days/7

