

FLIX BREWHOUSE®



Flix Brewhouse is America's Cinema Brewery. We are the only first-run dine-in movie theater in the world that also operates a full brewery. Founded in 2011 in Round Rock, Texas, Flix is a nationally recognized brand that will grow to 15 units throughout the U.S. Midwest, Southwest and Southeast over the next five years.

Despite competing technologies, going to the movies remains hugely popular, with well over 1.3 billion domestic customer visits a year. Today's time-pressed guest is increasingly receptive to an all-in-one dining and movie in-theater experience. What started as a fringe phenomenon is clearly here to stay, as more and more dine-in cinemas are announced every month. This is indeed "the next big thing" in family entertainment.

At Flix Brewhouse we are inspired by the days when going out to the movies was a truly special and memorable experience, before the advent of the megaplex. Our concept is purposefully designed to redefine the movie-going experience. Flix leverages new technologies such as parabolic HD silver screens, the latest distortion-free Dolby sound systems and our proprietary Easy Glider tables to ensure that a night at the movies is once again the best entertainment value in town.

All efforts surrounding the Flix Brewhouse brand are focused on delivering a new standard for what guests should expect when they step through the front doors of their favorite theater. Our core purpose is to create and share happiness, not only in providing richly rewarding and unique guest experiences, but also as a commitment to a caring and respectful work environment. Team members thrive in a culture that values individual responsibility, empowers solutions, and promotes "got your back" team play. We work hard to make working at Flix both emotionally satisfying and professionally fulfilling, from part-time high school students to hospitality lifers.

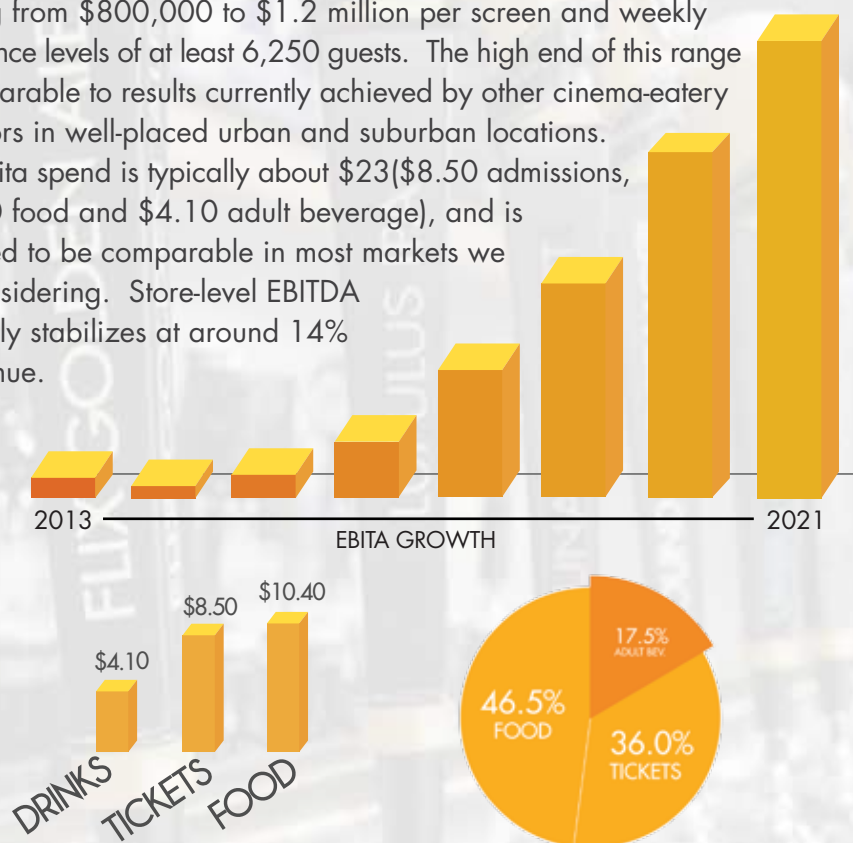
As a full-fledged award-winning brewery with nearly a dozen trademarked offerings, plus the largest selection of draft beer of any theater in North America, our company-wide commitment to the craft brewing world, as both creators and educators, is a key point of differentiation.

Flix Brewhouse captures the best of what the dine-in concept has to offer and redefines it by including unmatched service, fantastic food, and house-brewed craft beer unavailable anywhere else. That's our recipe to create and share happiness with all Flix Brewhouse stakeholders, including our investors and real estate partners.

15 LOCATIONS WITHIN 5 YEARS



The numbers work, too. After one to two years of market penetration, each carefully chosen eight to ten screen facility should produce gross revenue ranging from \$800,000 to \$1.2 million per screen and weekly attendance levels of at least 6,250 guests. The high end of this range is comparable to results currently achieved by other cinema-eatery operators in well-placed urban and suburban locations. Per capita spend is typically about \$23 (\$8.50 admissions, \$10.40 food and \$4.10 adult beverage), and is expected to be comparable in most markets we are considering. Store-level EBITDA generally stabilizes at around 14% of revenue.



With a seasoned management team at the helm and strong early stage equity and debt financing, the Flix Brewhouse concept is now operating 25 screens in three cities and has three additional 8 screen locations in development. In order to fund additional expansion into mostly mid-sized cities in the Midwest, Southwest, and Southeast, Flix Entertainment LLC is seeking investment partners. The best fit are those with an entrepreneurial mentality who appreciate the unique nature of this opportunity, who share our vision and who believe that thoughtful wealth accumulation is well-served by investing alongside trusted, experienced niche operators whose capital and interests are aligned with those of their investors. Importantly, it also maximizes the revenue generating potential inherent within the \$11 billion domestic cinema industry with the addition of higher margin food and adult beverage service, all within a unique market offering.

Should you have interest in joining us in this rapid growth phase, please contact Matt Silvers at msilvers@flixbrewhouse.com or call 512.238.0938.

KEY DATA

INDUSTRY

- Movie Exhibition
- Restaurant/Bar
- Craft Beer/Microbrewery

DEVELOPMENT STAGE

- Early Growth

YEAR FOUNDED

- 2011

KEY MANAGEMENT

Allan Reagan, President and CEO

Matt Silvers, Senior VP Real Estate

Matthew Baizer, Senior VP Operations

Mark McLaughlin, VP Operations Support

FINANCIAL

EQUITY OPPORTUNITY

- Round One – 5 Units, Self-Funded
- Round Two – 5 Units, \$26.5 million
- Round Three – 5 Units, \$27.5 million

EQUITY STRUCTURE

- <\$1 million, through FB Capital LLC
- >\$1 million, through Flix Entertainment LLC

PROJECTIONS

- 2016: \$22 million Total Revenue and \$2.5 million EBITDA
- 2017: \$47 million Total Revenue and \$4.6 million EBITDA
- 2018: \$52 million Total Revenue and \$6 million EBITDA

ASSUMPTIONS

- All projections based on an annualized "run rate."
- Ramp up is based on impact of three additional units only.

CONTACT

MATT SILVERS

FLIX ENTERTAINMENT LLC

MSILVERS@FLIXBREWHOUSE.COM

512.238.0938