

# “Bubbles and Booze”: Koios to Launch Flanker Brand of Fit Soda™ Infused with Fermented Alcohol in Mountain West Region Starting in June 2021

*As “hard seltzer” beverages have sustained their popularity among consumers aged 21+ in the United States, the Company has developed a variant of its Fit Soda™ functional beverage product infused with fermented alcohol to compete in this segment, which in 2020 had approximately USD \$4.1 billion in sales, with Goldman Sachs estimating that the hard seltzer market could reach USD \$30 billion in sales by 2025<sup>1</sup>. With no sugar content and 15 calories per 12 oz / 355 ml serving, Fit Soda™ Hard could be an appealing alternative to current market leaders in the hard seltzer category. The Company intends to launch Fit Soda™ Hard in Arizona, Colorado, New Mexico, and Utah beginning in June 2021.*

**DENVER, CO and VANCOUVER, BC, FEBRUARY 26, 2021 - Koios Beverage Corp. (CSE: KBEV; OTC: KBEVF) (the "Company" or "Koios")** is pleased to announce that in June 2021 it intends to launch *Fit Soda™ Hard* as a “flanker” brand to its existing *Fit Soda™* functional beverage product line. Launched on July 19, 2019 and dubbed by Koios as the “Anti-Soda”, *Fit Soda™* is a sugar-free carbonated beverage with zero calories, containing ingredients to include branched-chain amino acids and electrolytes, which have been shown to improve various aspects of one’s well-being. *Fit Soda™* has enjoyed considerable success to date, including the addition of all four flavours to Walmart’s U.S. online store and 461% growth in order volume from a Wisconsin distributor during the period of May 2020 through June 2020. Between the sustained performance of *Fit Soda™* in the United States in its second year and impressive popularity of canned “hard seltzer” among consumers aged 21+ in the alcoholic beverages category, the Company has identified a promising opportunity to produce a variant of *Fit Soda™* infused with fermented alcohol produced using its [in-house canning line](#) located in the Denver, Colorado area.

At the end of 2019, market data from Nielsen indicated that seltzer beverages infused with alcohol known as “hard seltzers” were a market segment that grew by more than 202% during the year-long period ending November 2, 2019, with sales of approximately USD \$1.3 billion. This category was dominated by *White Claw*, a hard seltzer brand made by Dublin-based Mark Anthony Brands International, who also produces the *Mike’s Hard Lemonade* flavoured malt beverage product<sup>2</sup>. In the subsequent year, *Truly* hard seltzer, made by *Samuel Adams* parent firm The Boston Beer Company Inc., captured 22% market share with a lineup of over one dozen flavours and an attractive ingredient profile with just one gram of sugar and 100 calories per 12 oz / 355 ml serving<sup>3</sup>. By June 2020, Nielsen data reported that sales of hard seltzers had quadrupled year over year, and a September 2020 *USA Today* story attributed the growth of hard seltzers in part to their lower sugar content compared to other alcoholic beverages<sup>4</sup>. As of January 2021, sales of hard seltzers in 2020 were believed to be approximately USD \$4.1

billion, with a Goldman Sachs estimation that the segment could reach USD \$30 billion in sales by 2025<sup>1</sup>.

The Company is confident that because *Fit Soda*<sup>™</sup> is already sugar-free with zero calories, the *Fit Soda*<sup>™</sup> *Hard* variant (which is expected to contain fewer than 15 calories per serving) could prove to be a popular choice among consumers aged 21+ during the upcoming spring and summer seasons, when sales of hard seltzers have historically been highest. *Fit Soda*<sup>™</sup> *Hard* will be offered in the same four flavours as *Fit Soda*<sup>™</sup> (*Black Cherry Cola*, *Orange Cream*, *Sparkling Citrus*, and *Root Beer Vanilla Float*).



*Beginning in June 2021, the Company intends to launch a variant of its Fit Soda<sup>™</sup> functional beverage product line infused with fermented alcohol, to be named “Fit Soda<sup>™</sup> Hard”. With expected retail pricing of USD \$1.80 to USD \$2.00 per 12 oz / 355 ml serving, the Company plans to first distribute Fit Soda<sup>™</sup> Hard in Arizona, Colorado, New Mexico, and Utah.*

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The Company plans to produce small batches of *Fit Soda*<sup>™</sup> *Hard* in a canning facility operated by its subsidiary Bevcreation LLC, which launched earlier this month as announced in a press release dated [February 18, 2021](#). Through its distribution network, Koios intends to commercialize *Fit Soda*<sup>™</sup> *Hard* in the “Mountain West” region of the United States (Arizona, Colorado, New Mexico, and Utah) beginning in approximately June 2021. Retail pricing for *Fit Soda*<sup>™</sup> *Hard* is expected to be approximately USD \$1.80 to USD \$2.00 per 12 oz / 355 ml serving.

Koios Chief Executive Officer Chris Miller commented, “When hard seltzers first took off in the summer of 2019, many players in the beverage industry held the opinion that it was merely a seasonal fad. Hard seltzers remained popular throughout the remainder of 2019 and continued their growth through 2020 and into 2021, which suggests that this product category is here to stay. It has been interesting to see how *Fit Soda*<sup>™</sup> performed during this period, launching right around the time that hard seltzers became popular. As a functional soft beverage, *Fit Soda*<sup>™</sup> has proven popular in many markets across the United States between its unique benefits, appealing selection of flavours, zero calories, and no sugar content. Now that we operate our own canning facility, we have the ability to create experimental products in-house, and we could

not be more proud to launch *Fit Soda™ Hard* as the latest addition to our portfolio of innovative beverages. I believe that *Fit Soda™ Hard* could be especially competitive among popular hard seltzer brands, particularly because it contains no sugar and has fewer calories per serving than hard seltzers from incumbent brands. We look forward to launching *Fit Soda™ Hard* in the spring for safe and responsible enjoyment by consumers aged 21+.”

#### Sources

- 1 - <https://www.forbes.com/sites/hudsonlindenberger/2021/01/12/the-hard-seltzer-market-is-getting-more-crowded/?sh=1d7106d31201>
- 2 - <https://www.cnbc.com/2019/12/05/how-white-claw-and-the-hard-seltzer-craze-are-taking-on-beer.html>
- 3 - <https://www.mashed.com/228326/the-untold-truth-of-truly-hard-seltzer/>
- 4 - <https://www.usatoday.com/story/life/2020/09/03/future-of-hard-seltzers-more-flavors-more-brands-more-for-consumers-to-love/3245005001/>

On behalf of the Board of Directors of the Company,

#### **KOIOS BEVERAGE CORP.**

“Chris Miller”

Chris Miller, CEO, and Director

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#### **About Koios Beverage Corp.**

The Company is an emerging functional beverage company which has an available distribution network of more than 4,400 retail locations across the United States in which to sell its products. Koios has relationships with some of the largest and most reputable distributors in the United States, including Europa Sports, Muscle Foods USA, KeHE, and Wishing-U-Well. Koios uses a proprietary blend of nootropics and natural organic compounds to enhance human productivity

without using harmful chemicals or stimulants. Koios products have been shown to enhance focus, concentration, mental capacity, memory retention, cognitive function, alertness, brain capacity and create all day mental clarity. Its ingredients are specifically designed to target brain function by increasing blood flow, oxygen levels and neural connections in the brain.

Koios produces one of the only drinks in the world infused with MCT oil. MCT oil is derived from coconuts and has been shown to help the body burn fat more effectively, create lasting energy from a natural food source, produce ketones in the brain, allowing for greater brain function and clarity, support healthy hormone production and improve immunity. For more information, please visit our website: <https://www.koiosbeveragecorp.com>.

### **Forward-Looking Statements**

This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Often, but not always, forward-looking information and information can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “estimates”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking information in this news release includes statements regarding: Potential outcomes from the Company’s development and commercialization of *Fit Soda™ Hard* and the performance of the hard seltzer beverage market in the United States. The forward-looking information reflects management’s current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking information. Although the Company believes that the assumptions and factors used in preparing the forward-looking information are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. Factors that could cause actual results or events to differ materially from current expectations include: (i) adverse market conditions; (ii) changes to the growth and size of the functional beverage markets; and (iii) other factors beyond the control of the Company. The Company operates in a rapidly evolving environment. New risk factors emerge from time to time, and it is impossible for the Company’s management to predict all risk factors, nor can the Company assess the impact of all factors on Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ from those contained in any forward-looking information. The forward-looking information included in this news release are made as of the date of this news release and the Company expressly disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable law.

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