



Reed's Inc. Announces Closing of Common Stock and Full Exercise of Underwriters' Option to Purchase Additional Shares

November 24, 2020

NORWALK, Conn., Nov. 24, 2020 (GLOBE NEWSWIRE) -- Reed's Inc. (Nasdaq: REED), owner of the nation's leading portfolio of handcrafted, all-natural beverages, today announced it has closed its previously announced underwritten public offering of 18,750,000 shares and the full exercise of the underwriters' option to purchase an additional 2,812,500 shares. In total, the Company issued 21,562,500 of its common stock at a price of \$0.56 per share for gross proceeds of approximately \$12.1 million. Included within the total offering amount, members of Reed's Board of Directors and senior management invested in the aggregate of approximately \$625,000.

"The success of this offering and insider participation is a testament to our collective confidence in our long-term growth potential. We are driving accelerated growth, driven by strong execution and innovation in a vibrant growth category," stated Norman E. Snyder, Chief Executive Officer of Reed's, Inc. "The proceeds of this offering will fortify our balance sheet, providing the resources and flexibility needed to position Reed's to capitalize on its future opportunities and based on our current trajectory and market assumptions will provide the appropriate resources to reach profitability."

Roth Capital Partners acted as sole book-running manager for the offering. National Securities Corporation, a wholly owned subsidiary of National Holdings, Inc. (NASDAQ:NHLD) is acting as co-manager.

Reed's intends to use the net proceeds of the offering for the repayment of approximately \$4.6 million under its senior credit facility and approximately \$4.25 million for the repayment of its Subordinated, Convertible, Non-Redeemable Secured Note (the "Raptor Note") in favor of Raptor/ Harbor Reeds SPV, LLC originally issued April 21, 2017. Reed's intends to use the remaining proceeds to fund working capital and for general corporate purposes. In addition, Raptor/ Harbor Reeds SPV, LLC has agreed that the remaining approximately \$750,000 outstanding under the Raptor Note will be satisfied by issuance of approximately 1,339,286 shares of Reed's common stock in a private placement transaction at the public offering price.

A shelf registration statement relating to the shares of common stock issued in the offering was filed with the Securities and Exchange Commission (the "SEC") and is effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities described herein, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. Copies of the prospectus supplement and accompanying base prospectus were filed with the Securities and Exchange Commission and may be obtained from Roth Capital Partners, LLC, 888 San Clemente, Newport Beach, CA 92660, Attention: Prospectus Department, by telephone at (800) 678-9147 or by accessing the SEC's website, www.sec.gov.

Safe Harbor / Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the public offering and the intended use of proceeds from the offering. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including market conditions, risks associated with the cash requirements of our business and other risks detailed from time to time in our filings with the Securities and Exchange Commission, and represent our views only as of the date they are made and should not be relied upon as representing our views as of any subsequent date. Reed's does not assume any obligation to update any forward-looking statements.

CONTACT:

Investor Relations
Scott Van Winkle, ICR
(800) 997-3337 Ext 2
Or (617) 956-6736
Email: ir@reedsinc.com
www.reedsinc.com



Source: Reeds, Inc.