

# REED'S UNZ

DRINK SMART. DRINK REAL.



## VIRGIL'S

## Reed's Investor Presentation

OTCQX:REED | June 2025

### Cautionary Note Regarding Forward-Looking Statements

Statements in this presentation that are not historical are forward-looking statements. These forward-looking statements are based on current expectations. The achievement or success of matters covered by forward-looking statements involves risks, uncertainties, and assumptions, many of which involve factors or circumstances that are beyond our control. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, Reed's actual results could differ materially from the results expressed or implied by the forward-looking statements we make. Management cautions that these statements are qualified by their terms and/or important factors, many of which are outside of our control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made, including, but not limited to, the following risk factors:

- Our ability to absorb, mitigate or pass on cost increases to our bottlers/distributors and/or customers;
- The impact of rising costs, interest rates, and inflation on the discretionary income of our consumers, particularly the rising cost of energy;
- Uncertainties associated with an economic slowdown or recession that could negatively impact the financial condition of our customers and could result in a reduced demand for our products;
- The impact of the military conflict in Ukraine and the Middle East, including supply chain disruptions, volatility in commodity prices, increased economic uncertainty and escalating geopolitical tensions;
- The impact of logistical issues and delays;
- Our ability to effectively manage our inventories and/or our accounts receivables;
- Our ability to continue to generate sufficient cash flows to support our expansion plans and general operating activities;
- Changes in demand that are weather, or season related and/or for other reasons, including changes in product category and/or package consumption and changes in cost and availability of certain key ingredients including aluminum cans, as well as disruptions to the supply chain, as a result of climate change and poor or extreme weather conditions;
- The impact on our business of competitive products and pricing pressures and our ability to gain or maintain our share of sales in the marketplace as a result of actions by competitors;
- Our ability to implement and/or maintain price increases, including through reductions in promotional allowances;
- The effectiveness of sales and/or marketing efforts by us and/or by distributors of our products, most of whom distribute products that may be regarded as competitive with our products;
- The costs and/or effectiveness, now or in the future, of our advertising, marketing and promotional strategies;
- The failure of our co-packers to manufacture our products on a timely basis or at all;
- Our ability to make suitable arrangements and/or procure sufficient capacity for the co-packing of any of our products, the timely replacement of discontinued co-packing arrangements and/or limitations on co-packing availability;
- Volatility of stock prices which may restrict stock sales, stock purchases or other opportunities as well as negatively impact the motivation of equity award grantees;
- Any disruption in and/or lack of effectiveness of our information technology systems, including a breach of cyber security, which disrupts our business or negatively impacts customer relationships, as well as cybersecurity incidents involving data shared with third parties;
- The imposition of additional regulation imposing excise taxes and/or sales taxes on sweetened beverages or alcoholic beverages; and
- Recruitment and retention of senior management, other key employees and our employee base in general.
- Other risks detailed from time to time in Reed's public filings, including Reed's annual report on Form 10-K filed on April 1, 2024 and subsequent reports filed with the Securities and Exchange Commission, which are available on the Securities and Exchange Commission's web site at [www.sec.gov](http://www.sec.gov).

These forward-looking statements are based on current expectations and speak only as of the date(s) given. Reed's assumes no obligation and does not intend to update these forward-looking statements, except as required by law.

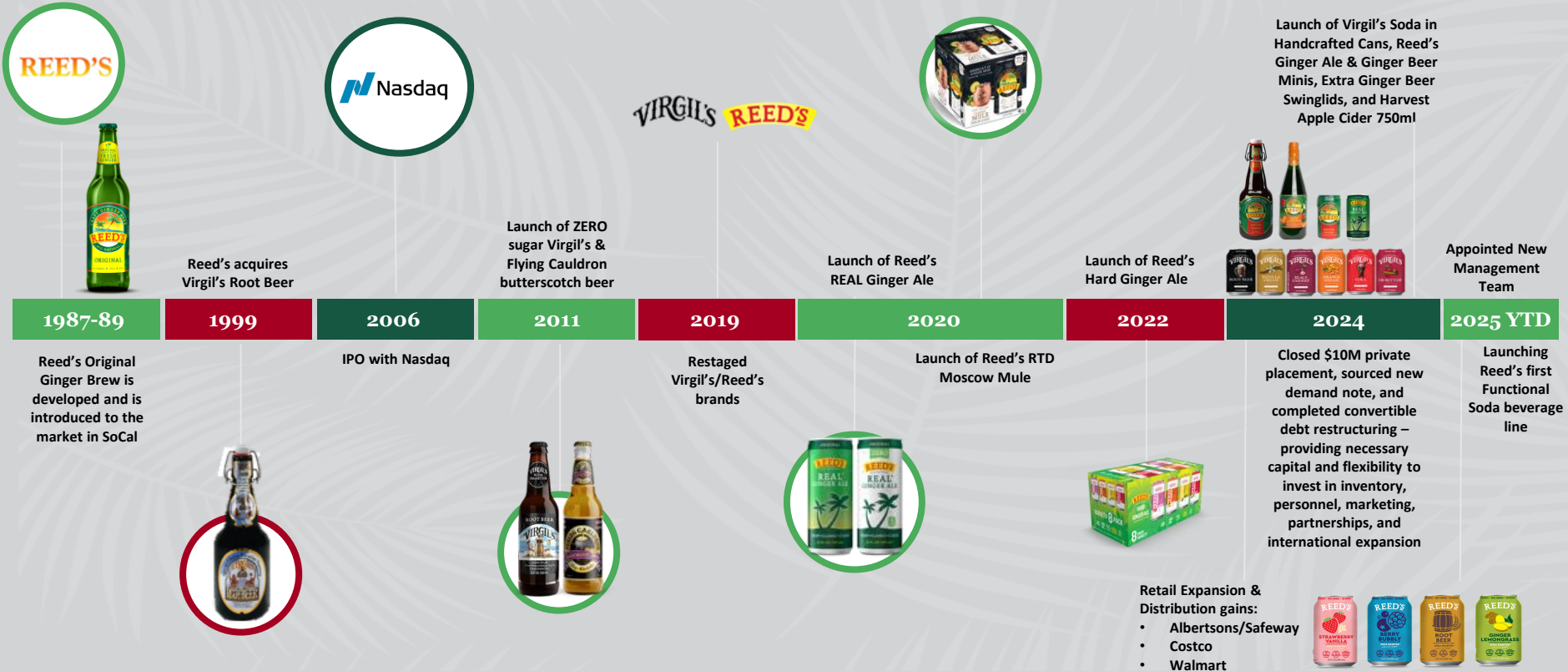
# REED'S UN IT

DRINK SMART. DRINK REAL.

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Reed's Inc<sup>®</sup> is a leading innovator that provides the world with high quality and naturally bold<sup>™</sup> better-for-you beverages.

# Strong History of Leading the Ginger Category



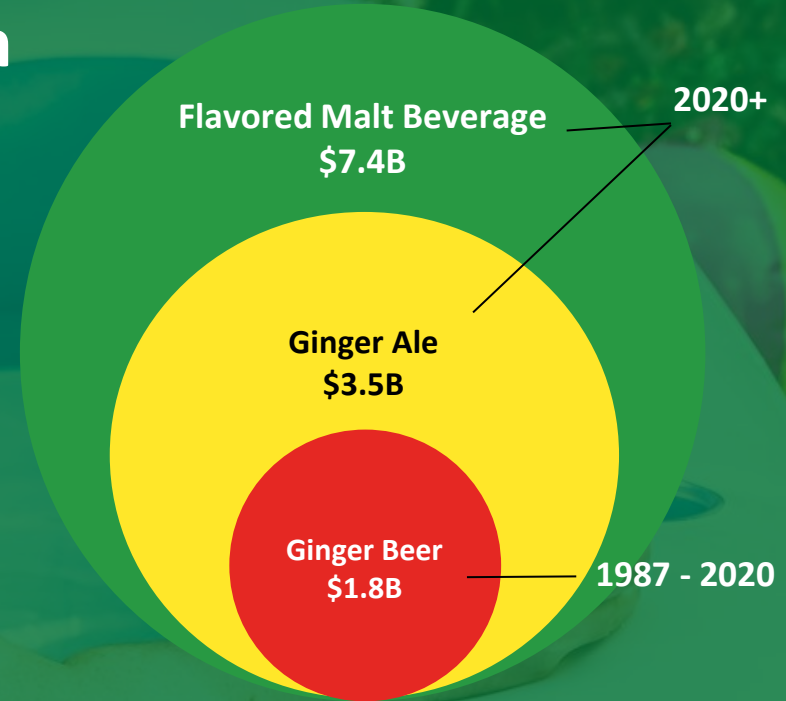
Closed \$10M private placement, sourced new demand note, and completed convertible debt restructuring – providing necessary capital and flexibility to invest in inventory, personnel, marketing, partnerships, and international expansion

- Retail Expansion & Distribution gains:
- Albertsons/Safeway
  - Costco
  - Walmart



# Early Stages of Capitalizing on Significantly Larger TAM

- Plan to continue leading the category in “All Things Ginger”
- Drive growth & improve profitability through our challenger brands
  - Ginger Ale – launched 2020
  - Hard Ginger/Mule – soft launch 2021, rolled out 2022
  - Virgil’s Zero Sugar Rebrand – rolled out 2022
  - SodaSmarter Functional Beverage Line – launched in 2025





**REED'S GINGER BEER**  
ORIGINAL GINGER BEER GLASS  
STRONGEST GINGER BEER GLASS  
PREMIUM GINGER BEER (PALEO) GLASS  
EXTRA GINGER BEER GLASS, CANS & MINI CANS  
ZERO SUGAR EXTRA GINGER BEERGLASS & CANS



**NEW!**  
**REED'S FUNCTIONAL SODA**  
BERRY BUBBLY  
STRAWBERRY VANILLA  
ROOT BEER  
GINGER LEMONGRASS

**FLAVORED MALT BEVERAGE**

**21+**

**HARD GINGER ALE**  
VARIETY 8/12OZ CAN  
5% ABV & ZERO SUGAR

STRAWBERRY VANILLA MANGO - MANGO  
PINEAPPLE COCONUT - CHERRY LIME

**REED'S RTD MULES**  
CLASSIC 4/12OZ  
7% ABV & ZERO-SUGAR



**REED'S REAL GINGER ALE**  
ORIGINAL GINGER ALE SLIM, STANDARD & MINI CANS  
ZERO SUGAR GINGER ALE SLIM, STANDARD CANS  
CRANBERRY GINGER ALE STANDARD CANS  
BLACKBERRY GINGER ALE STANDARD CANS



**CANE SUGAR - Can**  
ROOT BEER  
VANILLA CREAM  
BLACK CHERRY  
ORANGE CREAM  
COLA  
DR BETTER

**SEASONAL BOTTLES**

REED'S SPICED APPLE CIDER 750ml, 500ml  
FLYING CAULDRON BUTTERSCOTCH BEER 500ml  
VIRGIL'S BAVARIAN NUTMEG ROOT BEER 500ml  
ALL FLAVORS AVAILABLE IN SWINGLID BOTTLES



**ZERO SUGAR**  
ZERO SUGAR ROOT BEER  
ZERO SUGAR VANILLA CREAM  
ZERO SUGAR BLACK CHERRY  
ZERO SUGAR ORANGE CREAM  
ZERO SUGAR COLA  
ZERO SUGAR DR BETTER



**CANE SUGAR - Bottle**  
ROOT BEER  
VANILLA CREAM  
BLACK CHERRY  
ORANGE CREAM



**FLYING CAULDRON BUTTERSCOTCH BEER**

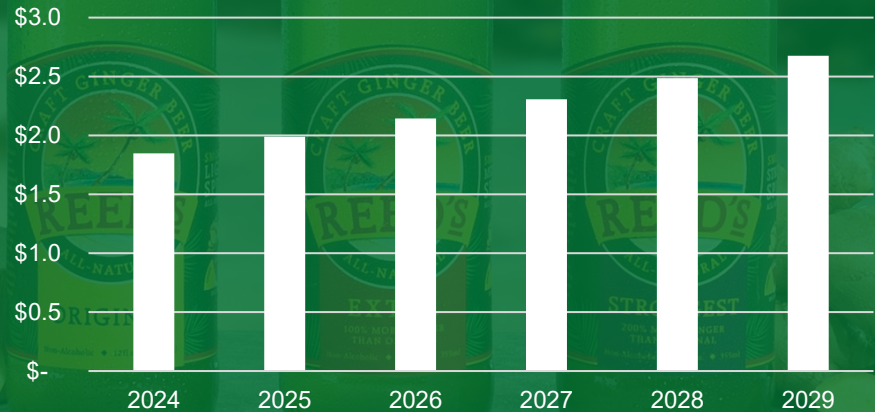
A photograph of a group of people socializing outdoors. In the foreground, a hand holds a bottle of ginger beer. In the background, a man in a white shirt and tie smiles, and another man with glasses and a beard is visible. The scene is set in front of a brick building with white-framed windows. A green semi-transparent overlay covers the middle of the image, containing the text.

# LEADERSHIP BRAND: Ginger Beer

# The Fan Favorite in Ginger Beer

- ✓ Reed's ginger beer US market share<sup>1</sup> = ~14%
- ✓ 25,000+ points of distribution
- ✓ Reed's Ginger Beer holds the #1 consumer brand awareness among ginger beers<sup>2</sup>

Ginger Beer Expected North America Growth<sup>3</sup> | CAGR 7.7%



\*in billions USD

1. As of 5/17/25
2. Reed's Brand Tracking Study, Oct 2019
3. Source: Future Market Insights (FMI)

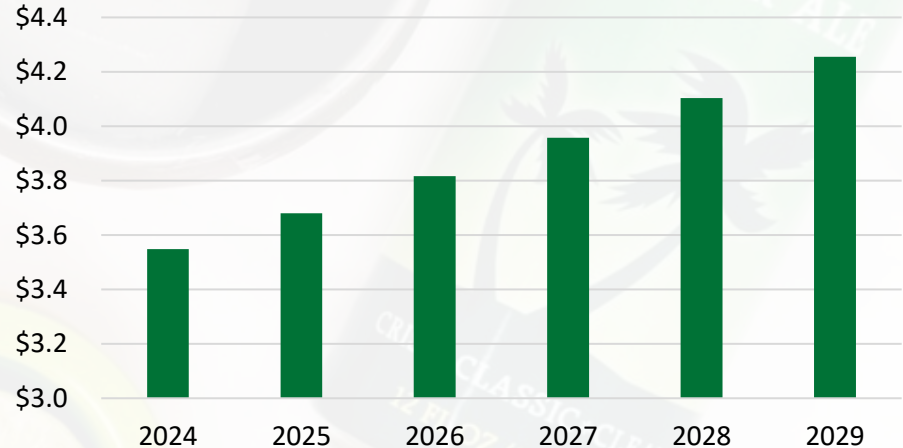
The image features two cans of Reed's Real Ginger Ale. The can on the left is white with a green label that says 'ZERO' in a green box, 'REED'S' in a yellow banner, 'ALL-NATURAL REAL GINGER ALE', and '0 CALORIES' in a green circle. The can on the right is green with a black label that says 'ORIGINAL' in white, 'REED'S' in a yellow banner, 'ALL-NATURAL REAL GINGER ALE', and 'CRISP \* CLASSIC \* CLEAN' at the bottom. Both cans are 12 FL OZ (355 mL) and are placed on a bed of crushed ice. A semi-transparent green rectangular overlay covers the center of the image, containing the text 'CHALLENGER BRANDS: Ginger Ale' in white. The background includes a blue and white striped object on the left and a palm tree silhouette on the green can.

# CHALLENGER BRANDS: Ginger Ale

# Outpacing Market Growth in Category that is ~2x Larger than Ginger Beer

- **Reed's Core Ginger Ale continues to outpace sub-segment market growth**
- Currently sold in mass, club, grocery, natural food stores, and e-commerce
  - 2023: Increased points of distribution (~9,000 stores)
  - 2024: New points of distribution secured across major retailers (~10,000 stores)

Ginger Ale Expected North America Growth<sup>1</sup> | CAGR 3.7%



1. Source: Future Market Insight (FMI)

\*in billions USD



# REAL IS ALWAYS BETTER!

**NEW!**

## A REAL REVOLUTION IN GINGER ALE!

MADE WITH FRESH GINGER



- ✓ Packed with fresh organic ginger
- ✓ Classic ginger ale taste your customers love
- ✓ Natural ingredients, no artificial preservatives and no high fructose corn syrup
- ✓ Available in Original and Zero Sugar Original



← Drink Straight or Mix!



\*Real Ginger \*Classic Taste \*Nothing Artificial

A person is holding two bottles of REED'S Hard Ginger/Mules. The background is a solid green color with a repeating pattern of stylized leaves. The text is centered on the green background.

# CHALLENGER BRANDS:

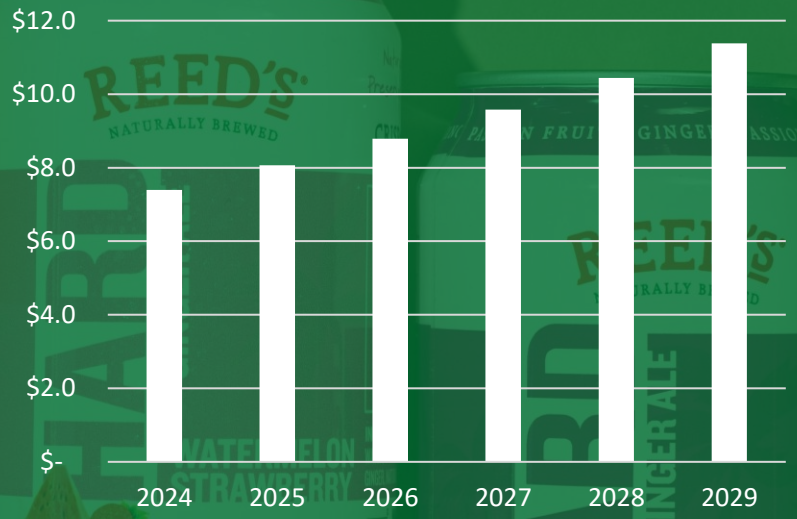
## Hard Ginger/Mules



# Disrupting the Expanding FMB Category

- FMBs are in-trend and a natural fit for expansion given our leadership in “All Things Ginger”
- Took over distribution agreement from Full Sail (2022)
  - Reed’s is registered in every state across the country and controls the sales & marketing process
  - Recognize gross revenue vs. royalty going forward
- Currently sold in Club and Natural as well as BevMo/Total Wine and Grocery
- Leveraging our DSD network to break into new channels including On-Premise

FMB Expected North America Growth<sup>1</sup> | CAGR 9.0%



\*in billions USD

1. Source: Future Market Insights (FMI)

# Hard Ginger/Mules



NOW, GINGER ALE THAT'S SPIKED!

## NEW! HARD GINGER ALE

Naturally Brewed. No Artificial Preservatives, Sweeteners, or Colors

ZERO SUGAR 100 CAL. 5% ALC/VOL MADE WITH FRESH GINGER

Introducing New Reed's Hard Ginger Ale, a premium line of spiked ginger ales with the light, refreshing taste you love and 5% ABV to fuel the fun.

- ✓ 5% Alc./Vol.
- ✓ Zero Carbs
- ✓ 100 Calories
- ✓ Keto
- ✓ Zero Sugar
- ✓ Gluten Free



2x Mango  
2x Cherry Lime  
2x Watermelon Strawberry  
2x Pineapple Coconut



MAKES THE ULTIMATE MULE

REED'S CRAFT ZERO SUGAR GINGER MULE; ENJOY ANYTIME, ANYWHERE!

AMERICA'S #1 GINGER BEER

MADE WITH FRESH GINGER

7% ALC BY VOL

Reed's Zero Sugar Mule is the ultimate ready-to-drink Mule! A convenient, craft beverage from the makers of America's #1 ginger beer, brewed with REAL, fresh ginger root. Now you can experience the taste of ginger in a premium alcoholic beverage.

Serve straight up or over ice, anytime, anywhere. Kick back and enjoy responsibly!





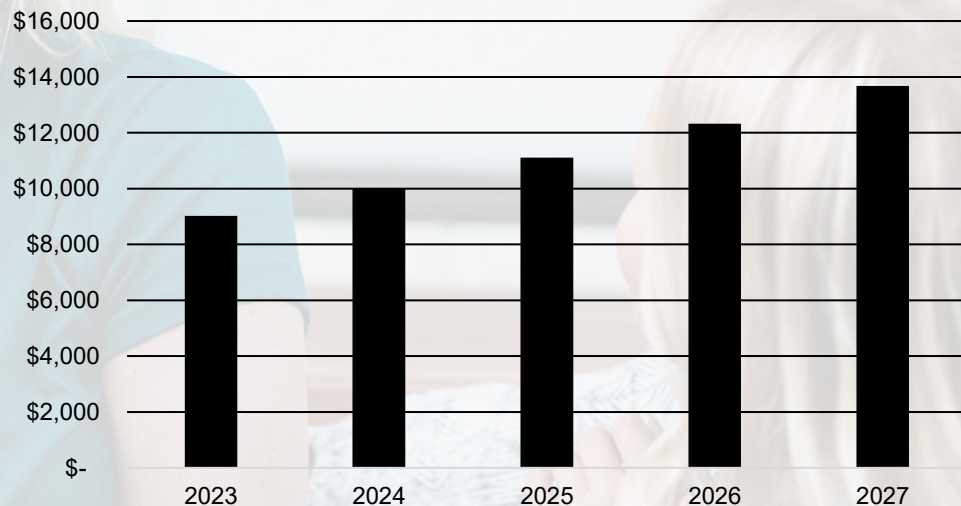
# CHALLENGER BRANDS: Virgil's Zero Sugar

# Virgil's Zero Sugar



- “Bold Flavor, Zero Aftertaste”
- Zero Sugar rebrand / conversion to cans rolled out in 2019
- Highly profitable category in our portfolio
- 2022: Zero Sugar line extension now includes cold availability
- New Sleek Can + club store variety pack hit the shelves in Q2 2022.

Zero Sugar Expected North America Growth<sup>1</sup> | CAGR 11.0%



1. Source: SPINS, Total US MULO and Natural Enh Channels by Positioning Group Attribute

\*in millions USD

NATURALLY BOLD™  
**VIRGIL'S**  
ZERO SUGAR

# SODA SMARTER.™

## GREAT DRINKS DON'T NEED FAKE INGREDIENTS.

Soda Smarter™

**ZERO SUGAR**

**ZERO CALORIES**

**ZERO CALORIES**

**NO AFTERTASTE**

**ZERO CARBS**

**NO ARTIFICIAL PRESERVATIVES**

**ZERO AFTERTASTE**

**NO ASPARTAME/SUCRALOSE**

Virgil's has unlocked the secret to great taste with zero sugar using natural sweeteners. Choose from a variety of bold, complex flavors, and enjoy unparalleled refreshment that will put a smile on your face without adding a single calorie to the rest of you. It's time for a smarter choice.



GLUTEN FREE



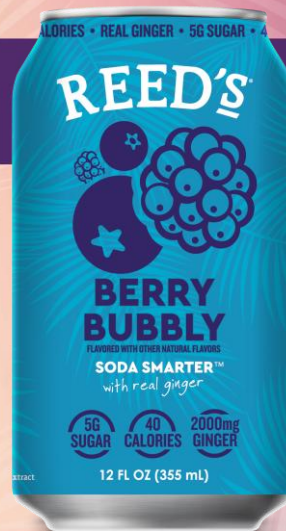
**REED'S**  
Multifunctional Soda

**SODA SMARTER™**

# REFRESHMENT REDEFINED



Get the best of all worlds with our NEW 12-pack Functional Soda Variety Pack! Featuring 3 cans each of all 4 crave-worthy flavors, this pack is powered by real ingredients like organic ginger, adaptogen mushrooms, prebiotics, and more. Sweetened only with 5g of cane sugar. Plant-powered. Flavor-packed. Function-forward.



REAL GINGER



PREBIOTIC FIBER



NATURAL ADAPTOGENS\*



PLANT BASED



GLUTEN FREE







**PERFORMANCE**

# Recently Executed Strategic Initiatives Strengthen Liquidity Position and Support Long-Term Growth

- **Materially Reduced Debt Obligations:**

- On October 23, 2024, Reed's majority stockholder, D&D Source of Life Holdings, purchased all secured notes from Whitebox Advisors.
- D&D released collateral, deferred cash payments, and extended note maturities to May 2026.
- On November 20, 2024, D&D exchanged the notes for shares of common stock.

- **New \$10 Million Credit Facility:**

- On December 30, 2024, Reed's closed a \$10 million private placement, which offers more favorable and flexible terms aligned with the needs of the business.
- Funds will be used to build finished goods inventory, enhance personnel, and sales and marketing resources.

- **Enhanced Leadership Expertise:**

- Appointed Cyril Wallace as CEO and Director, bringing expertise in sales, operations and go-to-market strategy to support Reed's long-term growth and profitability.
- Appointed Douglas McCurdy as CFO, bringing expertise in financial management, operational scaling and capital allocation to optimize Reed's cost structure and drive sustained profitability.
- Welcomed Salvatore Vassallo as VP of Operations to drive efficiencies and scalability across Reed's supply chain and operations.
- Added a seasoned new board member to strengthen strategic oversight and maximize value for shareholders and customers.

- **Renewed Focus on Profitable Growth:**

- These strategic steps enhance operational stability, ensuring Reed's is well-positioned for sustainable growth and value creation.



# Initiatives to Drive Growth While Further Reducing Input Costs and Optimizing Expense Structure

## ➤ Return to Top-Line Growth

- Increase Sales Velocity and ACV Penetration

### ➤ Channel Expansion

- On-Premise
- Food Service
- E-commerce
- Club
- Convenience

### ➤ Innovation / Product Extensions

- Ginger-Adaptogen Functional Line
- Virgil's Full Sugar Cans
- Variety Packs
- 7.5oz Cans

## ➤ Margin Expansion

- Formula Optimization

### ➤ Cost Reductions

- Cans
- Labels
- Corrugate
- Wraps

### ➤ OPEX Management

- Lean Cost Structure
- Addition of Key New Hires
- Results Focused Operations

## ➤ Logistics / Warehouse Cost Reductions

- Final Implementation Stage of Optimized Network

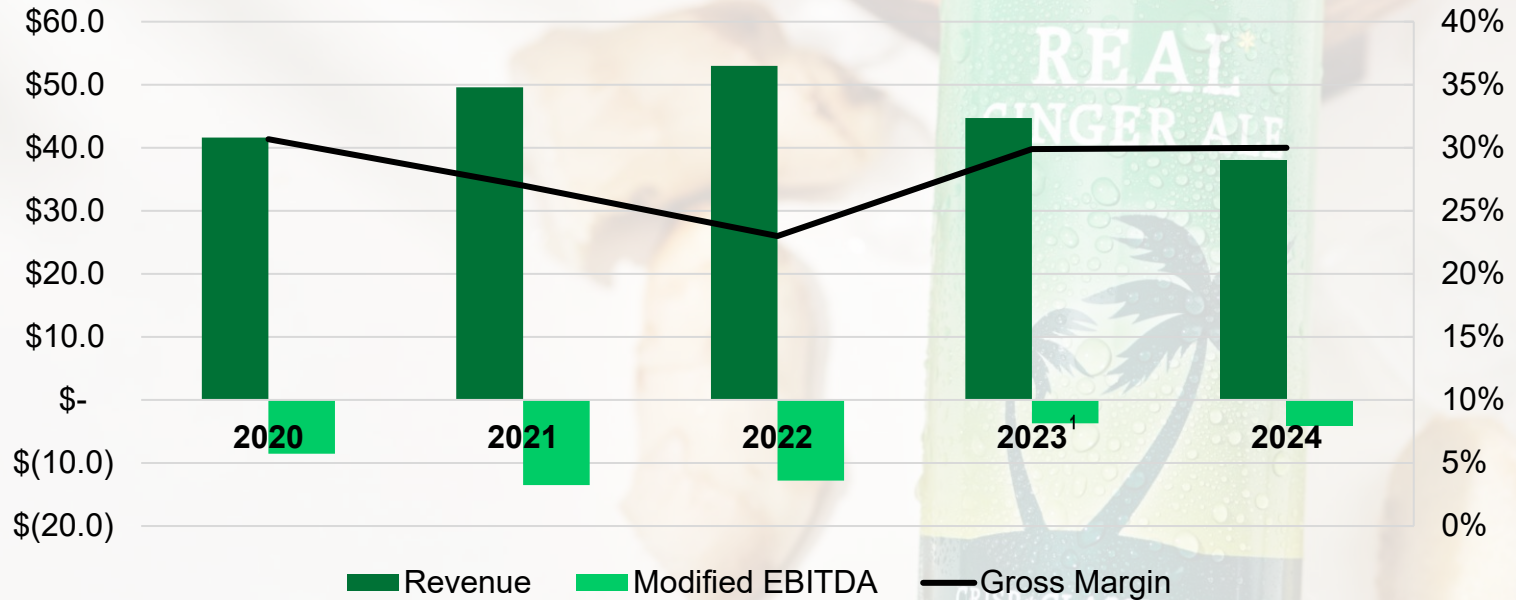
- OTIF / Throughput Improvements

- Continued Shift of Cans from Glass

- Elimination of Out-of-Network Shipments

# Financial Performance

## Key Performance Indicators



<sup>1</sup> Gross Margin excludes one-time, non-cash inventory adjustments and one-time change to policy for discounts.

# Investment Highlights



- ✔ Seasoned beverage company in the natural ginger category with decades of brand equity and award-winning products under the Reed's®, Virgil's®, and Flying Cauldron® brands.
- ✔ Launched new SodaSmarter™ multifunctional soda line, capitalizing on health & wellness tailwinds with better-for-you ingredients & products.
- ✔ Extensive channel partnerships nationwide with centralized distribution network driving expanded presence at major national retailers.
- ✔ Newly appointed management team focused on driving revenue growth, expanding margins through targeted cost-saving initiatives, and enhancing operational efficiencies to deliver meaningful results in 2025.
- ✔ Multiple near-term catalysts including a newly fortified balance sheet, material improvement in fulfillment rates, channel penetration opportunities across core and emerging product lines, and a newly appointment management team.

# CONTACT

## Company Contact

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## Investor Relations Contact

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# APPENDIX



# 2024 / 2025 COMMERCIAL ACCOMPLISHMENTS

Top Line Successes: Highlights accomplishments from 2024 from the National, East, West, Central Divisions, & E-commerce and a peak into H1 2025.

## 2024/2025

### NATIONAL

### WEST

### CENTRAL

### EAST

### ECOMMERCE



- Executed Seasonal Program Nationally in 2024 and 2025 Seasonal Approval Obtained
- 4 New SKUs (Functional Assortment) added into 7 Divisions for May 2025 distribution, totaling 2000 new POD
- 500 Location Shipper Program Secured June 2025
- Soda Multipack Conversion to from Glass to Cans approved for March 2025 on Virgil's Handcrafted Line
- Successful national alcohol display in July 2024. (Reed's Mule & Hard Ginger Ale)
- Hard Ginger Ale Added to Core Schematic, National Secondary awarded for September 2025



- Over 1700 new POD added on our new Reed's Functional Soda Line.
- 400 Net New POD on Virgil's
- 3 National Soda Displays secured in 2025



- Approved Flying Cauldron nationally Feb 2025 w/ secondary displays
- Approved conversion from Virgil's Root Beer Glass to Cans



- RTM Change / Improvement
- 2600 potential new POD, expected to begin distribution in 2025



- Moved into Mixers Department, secured placement for 7.5oz can distribution in 2025. Final Results still pending
- Presenting for new Modern Soda Category in 2025



- 2024 Secured 4 rotations - PNW, TX, MW & Biz Centers.
- Club Exclusive SKUs distributed included Reed's Mini Ginger Beer cans, Reed's Winter Ginger Ale Variety Pack, Virgil's Handcrafted Cans and Virgil's Zero Sugar cans.
- Continued upside into 2025 with 2 new items, Classic Mule and Harvest Spiced Cider



- Gained 7 new items totaling 1200 new POD
- Switched RTM to DSD and secured display for 2025



- 5 new items, and single serve cold item expansion totaling over 1000 new POD
- Impactful Secondary Distribution throughout chain



Old Country Store

- Replaced Bundaberg as only Ginger Beer.
- Executed First Seasonal Harvest Cider Program in 2024



- Secured secondary display program on Reed's branded products
- Added 4 new Reed's Functional items.
- Over 800 New POD
- Secured Seasonal Item Placement in 2025



- Executed 3 secondary displays in 2024 Adding all 5 new Virgil's Handcrafted cans going into distribution Feb 2025.
- Secured 4 secondary displays for 2025



- Added 3 new Virgil's SKU in schematic
- Executed first Seasonal Display Program in 2024 and expect to duplicate in 2025



- 5 New Virgil's Handcrafted cans went into distribution in Feb 2025
- Executed 1 Ad/Secondary in 2024 and confirmed 1 in 2025.



- Ecommerce Sales now top \$100K monthly, 30K Shopify / \$80k Amazon
- Approaching 600 subscriptions on Shopify



# Reed's Executive Team



**Cyril Wallace**  
Chief Executive Officer

- Appointed CEO in April 2025.
- 20+ years of leadership experience from PepsiCo, including as VP and GM overseeing a \$3.2 billion territory.
- Earned multiple top sales honors and played a key role in PepsiCo's diversity and talent development efforts.



**Salvatore Vassallo**  
Vice President of Operations

- Appointed VP of Operations in February 2025.
- 10+ years of experience in inventory management, strategic sourcing, and supply chain optimization.
- Previous leadership experience at Boylan Bottling Co., Ferrero, Snapple Beverages, and Henkel.



**Chris Burleson**  
Chief Commercial Officer

- Joined Reed's in February 2023.
- 18+ years of sales leadership experience with companies such as Fever-Tree Drinks, Voss Water and Jones Soda.
- Previous experience as CCO for Kin Euphorics, a start-up beverage company where he oversaw distribution implementation and product commercialization.



**Douglas McCurdy**  
Chief Financial Officer

- Appointed CFO in February 2025.
- 25+ years of experience in finance, corporate strategy, and capital markets.
- Prior experience as CFO and COO for multiple early-stage growth companies, including REZI, Torrential, and BBE.

# Reed's Board of Directors

## Shufen Deng

- Elected to the Board in July 2023.
- 30+ years of legal, M&A, and capital markets experience for both public and private companies.
- Sole shareholder and Director of D&D Source of Life Holdings Ltd., the Company's largest shareholder.

## Randle Lee Edwards

- Elected to the Board in December 2023.
- 25+ years of corporate law experience advising international companies on a broad range of public and private M&A transactions, venture capital and private equity deals, as well as the establishment or dissolution of JVs.
- Holds a Bachelor of Arts from Columbia College and J.D. from Columbia University.

## Ruud Bakker

- Elected to the Board in April 2025.
- 25+ years of global leadership experience across the beverage industry, including senior roles at Red Bull, Diageo and Heineken.
- Founder of Purple Fox Studios, a beverage innovation incubator that collaborates with companies to launch and scale distinctive brands.
- Holds a Master of Business Administration from Erasmus University.

## Cyril Wallace

- Appointed CEO in April 2025.
- 20+ years of leadership experience from PepsiCo, including as VP and GM overseeing a \$3.2 billion territory.
- Earned multiple top sales honors and played a key role in PepsiCo's diversity and talent development efforts.
- Holds a Bachelor of Arts in Marketing from Georgia State University and a Masters of Business Administration from DeVry University.

## Sam Van

- Elected to the Board in October 2024.
- 20+ years of experience in capital markets, business development, and regulatory compliance, having held leadership roles at the New York Stock Exchange, FINRA, and Global Markets Advisory Group, among others.
- Holds a Bachelor of Science in Finance from St. John's University and Master of Business Administration from Cornell University.