



# Koios Completes Development for Line of Coffee Products Featuring Mushroom and Collagen Ingredients

*Complementing its existing beverage product offerings, Koios has developed a line of specialty ground coffee products with functional benefits. One variety is enhanced with lion's mane and chaga mushrooms, and another is enhanced with collagen. With consumption of specialty coffee increasing rapidly, the Company believes it has identified an untapped area with these coffee products. With Koios' existing distribution channels and retail market footprint, these coffee products can benefit from expedited placement on store shelves across the United States.*

VANCOUVER, Feb. 26, 2020 /CNW/ - **Koios Beverage Corp. (CSE: KBEV; OTC: KBEVF) (the "Company" or "Koios")** is pleased to announce it has expanded its beverage product offerings by developing a product line of specialty ground coffee, enhanced with unique ingredients shown to provide certain benefits in areas to include brain function, adrenal function, and skin appearance. This development follows the release of the Company's *Fit Soda*™ functional beverage products earlier in the Company's 2020 fiscal year, (which began in June, 2019) as an expansion of Koios' product offerings to its expanding customer base. With Koios's strong distribution footprint between storefronts in the Company's existing retail partnerships and relationships with leading distribution agencies, the recently-developed specialty coffee products will benefit from near-immediate exposure to a retail audience in the United States.

Following growth of the specialty coffee segment in recent years, specialty coffee now represents approximately 60% of all coffee consumed in the United States based on a study conducted in 2018<sup>1</sup>. This demand is reinforced by another 2018 study, which concluded that small coffee shops were able to realize an advantage over larger competitors by offering specialty coffees that cannot be obtained elsewhere<sup>2</sup>. While coffee is a functional beverage in and of itself, it is increasingly being used as a medium for delivering functional benefits both because caffeine can enhance the effects of certain ingredients, and coffee consumption patterns are often frequent and habitual<sup>3</sup>. The Company has sought to leverage these advantages in the development of its new line of specialty coffees.

As of this writing, Koios has developed two varieties of specialty coffee:

**Creativity Blend:** This coffee is enhanced with two different types of mushrooms; hericium erinaceus ("lion's mane") and inonotus obliquus ("chaga"). The lion's mane mushroom variety has been reported to enhance brain function (particularly when combined with caffeine) and cause adaptogenic stress reduction, and chaga mushrooms are an adaptogen that have been reported to improve users' adrenal function. Lion's mane mushroom is used in the Company's *KOIOS*™ branded beverages, and both lion's mane and chaga mushroom are used in *KOIOS*™ branded stick packs and supplement powders. [NTD: can a source be added for the effects of lion's mane and Chaga mushroom? – It would strengthen this section. Also most people aren't going to know what adaptogenic or adaptogen means, can a simpler word be used or can it be explained what it means?]

**Beauty Blend:** This coffee is enhanced with collagen, a protein that is reported to have benefits that include improving the appearance of a user's skin. The practice of combining collagen with coffee has seen great popularity in recent years as a beauty-enhancing measure. An October 2017 segment of the talk show *Dr. Oz* discussed this practice, including the possible difficulty of obtaining collagen through traditional food sources<sup>4</sup>.

The Company believes that these coffee products serve what is colloquially known as a "white space" (i.e. an opportunity from a void of unmet and unarticulated needs) in the functional beverages segment. By offering these products alongside the Company's existing product line, Koios anticipates it will deliver even greater value to its growing client base. The Koios ground coffee products will initially be made available to the Company's base of online store customers and subscribers, which currently consists of more than 60,000 individuals. With this large audience of existing customers, there is significant potential for immediate revenues from initial trial purchases, which will have favourable profit margins as direct-to-consumer sales. Shortly thereafter, it is planned for the coffee products to also be made available through Amazon, as well as Koios' brick-and-mortar retail partners.

Koios CEO Chris Miller commented, "Savvy consumers are beginning to realize that their morning coffee is a perfect medium for gaining things other than energy and alertness through specialty coffee products. Our existing product lineup enhances brain function through the soft beverage medium, but we realized there was significant value to be had by applying our philosophies and expertise to coffee as well. We are very excited to get initial reactions to our new coffee products from some of our more than 60,000 existing customers and subscribers from our online store. We anticipate this initial launch will have great success leading up to the availability of our ground coffee products to the general public."

The Company is also pleased to announce that it has retained the services of IDR Marketing, Inc. ("IDR") to provide public relations strategies, brand awareness, financial and digital marketing services to the Company. The marketing awareness services provided by IDR will be aimed at maintaining and building the profile of Koios through traditional press initiatives, advertising directives, and social media strategies.

Regarding the Company's engagement of IDR, Koios CEO Chris Miller stated, "With the recent milestones we have achieved, we believe it is time to deliver our message to existing and prospective shareholders to maximize our value. IDR has a proven track record of creating media, content, and wide-scale distribution in the microcap space. We are confident that IDR will assist us in our efforts to grow our profile in North America."

IDR is a leading marketing firm and ad agency located in Long Beach, California specializing in the marketing of small and microcap companies. Under the terms of the agreement with IDR as a service provider to the Company, IDR will be paid approximately US \$309,000 in cash for its services for a six-month term. IDR, including its principals, does not own any of the Company's securities.

References:

On behalf of the Board of Directors of the Company,

**KOIOS BEVERAGE CORP.**

"Chris Miller"

Chris Miller, CEO, and Director

**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 release and availability of Koios' ground coffee products for sale at retail, and potential outcomes from the Company's retention of IDR as a service provider. 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.

The statements in this news release have not been evaluated by Health Canada or the U.S. Food and Drug Administration. As each individual is different, the benefits, if any, of taking the Company's products will vary from person to person. No claims or guarantees can be made as to the effects of the Company's products on an individual's health and well-being. The Company's products are not intended to diagnose, treat, cure, or prevent any disease.

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1 <https://sba.ubc.ca/blog/industry-overview-coffee-shops-and-coffee-manufacturing>

2 <https://sba.ubc.ca/blog/industry-overview-coffee-shops-and-coffee-manufacturing>

3 <https://www.euromonitor.com/new-approaches-to-functional-coffee/report>

4 <https://www.doctoroz.com/episodet/new-collagen-trend-debate>

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<http://www.prnewswire.com/news-releases/koios-completes-development-for-line-of-coffee-products-featuring-mushroom-and-collagen-ingredients-301011355.htm>

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