Flow Beverage Corp. Adds José Bautista as Strategic Advisor and Closes Second Tranche of Private Placement of Convertible Debenture Units

TORONTO--(BUSINESS WIRE)--February 5, 2025--**Flow Beverage Corp.** (TSX:FLOW; OTCQX:FLWBF) ("**Flow**" or the "**Company**") is pleased to announce that it has entered into a Strategic Advisory Agreement with José Bautista and that it has closed the second tranche (the "**Second Tranche**") of its previously announced non-brokered private placement offering (the "**Private Placement**") of unsecured convertible debenture units of the Company (collectively, the "**Convertible Debenture Units**").

Strategic Advisory Agreement with José Bautista

José Bautista is a six-time All-Star and three-time Silver Slugger with the Toronto Blue Jays. Having retired from Major League Baseball in 2018, he has since become the owner of Las Vegas Lights FC, Diesel Optimization and Bella Aldea Dominican Coffee. Under the Strategic Advisory Agreement, Mr. Bautista will support Flow in brand, marketing and media strategy. Mr. Bautista also participated in the Private Placement, providing him ownership in the Company.

"José's commitment to excellence in training, lifestyle and recovery, in addition to his active involvement in professional sports aligns strongly with Flow's achievement-oriented consumers. Our newly innovated brand emphasizes the superior mineral content and hydration from drinking Flow Mineral Spring Water, and we believe people like José understand the value proposition and the positive impact to performance from superior hydration options like Flow," said Nicholas Reichenbach, Founder and Chief Executive Officer of Flow.

José added, "Joining Flow as a strategic advisor and investing in the Company was an easy decision for me. As a passionate consumer of Flow, I enjoy its essential minerals and electrolytes, giving superior hydration benefits for athletes. It's not just about quenching thirst, it's about providing the body with what it needs to perform at its best."

Private Placement Second Tranche

In conjunction with closing of the Second Tranche of the Private Placement, Flow has issued and sold an additional 43.382 Convertible Debenture Units at a price of CDN$10,000 per Convertible Debenture Unit for additional gross proceeds of CDN$433,820.

Each Convertible Debenture Unit sold in the Second Tranche consists of: (i) one 12% unsecured convertible debenture (each, a "**Convertible Debenture**") in the principal amount of $10,000 convertible into subordinate voting shares of the Company (the "**SVS**" and each such SVS, a "**Conversion SVS**") at a conversion price of $0.41 per Conversion SVS (the "**Conversion Price**") and maturing three years from its date of issue; and (ii) 4,878 SVS purchase warrants (each, a "**Warrant**") each of which entitles the holder thereof to purchase one SVS (each, a "**Warrant SVS**") at a price of $0.41 per Warrant SVS for a period of three years. The Company issued 211,617 Warrants in the closing of the Second Tranche. The terms of the Convertible Debentures are the same as disclosed in the Company's press release dated December 31, 2024 announcing the closing of the first tranche of the Private Placement with the exception that the terms for all of the Convertible Debentures have been amended so that they are no longer redeemable at the Company's option.

The Company intends to close the balance of the Private Placement for total gross proceeds of up to CDN$7,000,000 in one or more additional tranches on such date(s) as may be determined by the Company. There can be no assurance as to whether or when additional tranches of the Private Placement may be completed, or as to the final amount to be raised under the Private Placement.

The Convertible Debentures, the Warrants, the Conversion SVS and the Warrant SVS sold under the Second Tranche are subject to a statutory hold period of four months and one day from the date of issuance of the Convertible Debenture Units ending on June 4, 2025.

The proceeds of the Second Tranche will be used for working capital and general corporate purposes. The Private Placement remains subject to final approval by the TSX.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**") and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. persons" (as such term is defined in Regulation S under the 1933 Act) absent registration or an applicable exemption from the registration requirements of the 1933 Act and any applicable state securities laws.

The TSX does not accept responsibility for the adequacy or accuracy of this release and has neither approved nor disapproved the contents of this press release.

About Flow

Flow is one of the fastest-growing premium water companies in North America. Founded in 2014, Flow's mission since day one has been to reduce environmental impacts by providing sustainably sourced natural mineral spring water in the most sustainable product formats. Today, the brand is B-Corp Certified with a best-in-class score of 114.5, offering a diversified line of health and wellness-oriented beverage products: original mineral spring water, award-winning organic flavours and sparkling mineral spring water in sizes ranging from 300-ml to 1-litre. All products contain naturally occurring electrolytes and essential minerals and support Flow's overarching purpose to "bring wellness to the world through the positive power of water." Flow beverage products are available at retailers in Canada and the United States, and online at flowhydration.com.

For more information on Flow, please visit Flow's investor relations site at: investors.flowhydration.com.

Forward-Looking Statements

This press release contains forward-looking information and forward-looking statements within the meaning of applicable securities laws ("**Forward-Looking Statements**"). The Forward-Looking Statements contained in this press release relate to future events or Flow's future plans, operations, strategy, performance or financial position and are based on Flow's current expectations, estimates, projections, beliefs and assumptions, including, among other things, the intention to close additional tranches of the Private Placement, the total proceeds intended to be raised in the Private Placement and the allocation of the use of proceeds from the Private Placement. In particular, there is no assurance that the Company will be able to sell any additional Convertible Debenture Units under the Private Placement. Such Forward-Looking Statements have been made by Flow in light of the information available to it at the time the statements were made and reflect its experience and perception of historical trends. All statements and information other than historical fact may be forward-looking statements. Such Forward-Looking Statements are often, but not always, identified by the use of words such as "may", "would", "should", "could", "expect", "intend", "estimate", "anticipate", "plan", "foresee", "believe", "continue", "expect", "believe", "anticipate", "estimate", "will", "potential", "proposed" and other similar words and expressions.

Forward-Looking Statements are based on certain expectations and assumptions and are subject to known and unknown risks and uncertainties and other factors, many of which are beyond Flow's control, that could cause actual events, results, performance and achievements to differ materially from those anticipated in these Forward-Looking Statements. Forward-Looking Statements are provided for the purposes of assisting the reader in understanding Flow and its business, operations, prospects, and risks at a point in time in the context of historical and possible future developments, and the reader is therefore cautioned that such information may not be appropriate for other purposes. Forward-Looking Statements should not be read as guarantees of future performance or results. Readers are cautioned not to place undue reliance on these Forward-Looking Statements, which speak only as of the date of this press release. Unless otherwise noted or the context otherwise indicates, the Forward-Looking Statements contained herein are provided as of the date hereof, and the Company disclaims any intention or obligation, except to the extent required by law, to update or revise any Forward-Looking Statements as a result of new information or future events, or for any other reason.

The following press release should be read in conjunction with the management's discussion and analysis and consolidated financial statements and notes thereto as at and for the year ended October 31, 2024. Additional information about Flow is available on the Company's profile on SEDAR+ at www.sedar.com, including the Company's Annual Information Form for the year ended October 31, 2024 dated January 29, 2025.

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