

Kona Gold Beverage, Inc Successfully Acquires Covert LLC, a Leading Multimillion-Dollar CPG Company

With New Product Launches on the Horizon and Ambitions for \$1 Million Monthly Sales, the Acquisition Marks a Strategic Milestone in Market Expansion

MELBOURNE, Fla., March 5, 2024 /PRNewswire/ -- Kona Gold Beverages, Inc. (OTCPK: KGKG), a dynamic holding company specializing in product development within the better-for-you and functional beverage sector, is thrilled to announce the successful acquisition of Covert LLC, a pioneering company in the consumer package goods (CPG) market specializing in high-quality, high-potency Delta-8, THCa, THC-P, and Kratom products. This acquisition marks the first in a series of strategic moves planned for this year, aimed at establishing Kona Gold as the most dominant and forward-thinking company in the industry.

Covert LLC, now a wholly-owned subsidiary of Kona Gold Beverages, Inc., has carved a niche for itself in the market with its commitment to quality and innovation. The Company, boasting multiple facilities in North Carolina, South Carolina, and Florida, has consistently generated annual sales of over \$5 Million Dollars for multiple years, with ambitions to reach \$1 Million a month in sales this year. With a presence in 18 states and ambitious plans to double this reach, Covert LLC has consistently demonstrated its potential for exponential growth. The acquisition is set to enhance Kona Gold's product portfolio, market presence, and financial performance, positioning the company to set a new standard for growth and operational efficiency in the industry.

Since its foundation, Covert LLC has reached significant achievements, including generating yearly sales of over \$5 million in the past two years alone. With a strategic marketing approach and its recent acquisition by Kona Gold Beverages, Inc., Covert LLC is set for exceptional growth, projecting sales of \$1 million per month. This trajectory underscores the effectiveness of its business model and the synergistic benefits of its partnership with Kona Gold Beverages, Inc.

Founded by Jared Fischer and Elliot Eichler, Covert LLC benefits from leadership marked by visionary insight and sharp business acumen. Fischer and Eichler's knack for navigating fluctuating market conditions has ensured Covert LLC's position at the forefront of the industry, highlighting its adaptability and enduring success.

In its quest for strategic expansion, Covert LLC is currently engaged in discussions with multiple companies for potential acquisitions. These talks aim to bolster the company's balance sheet and enlarge its market presence, affirming its ambition to dominate the cannabis sector.

In the near future, Covert LLC is excited to introduce groundbreaking products, including a D9 soda drink and a Kava Vape, which will diversify its already extensive product lineup. The company's branding strategy, designed to transcend various vertical markets, along with plans for continued diversification and market share expansion, positions Covert LLC for unmatched growth.

Covert LLC transcends the traditional boundaries of a business to embody a movement within the cannabis industry. With a forward-looking perspective, the company endeavors to redefine industry standards, ensuring the accessibility of high-quality, potent products for all. As Covert LLC advances, it invites all to join in its journey of innovation and market leadership.

"We are thrilled about this acquisition and the opportunity to join forces with Kona Gold Beverages, Inc. This partnership is a significant milestone for both companies, and I am confident it will yield immediate and positive outcomes. The synergy between Covert LLC and Kona Gold is undeniable, and together, we are poised for exponential growth. Our shared vision for innovation and excellence in the cannabis industry sets the stage for a future where we not only meet but surpass our ambitious goals. I look forward to what we will achieve together, creating unparalleled value for our customers and stakeholders alike." Stated Jared Fischer, Chief Executive Officer of Kona Gold Beverages, Inc.

"From day one, our passion for Covert has been the driving force behind every decision we've made. Building this company from the ground up has been an incredible journey, and as we embark on this new chapter with Kona Gold Beverages, Inc., our excitement for the future has never been greater. We are fully committed to leveraging our collective strengths to ensure the continuous growth of both Covert and Kona Gold. Our goal is to leave an indelible mark on the industry, setting new standards of excellence and innovation. We're ready to roll up our sleeves and do whatever it takes to achieve these ambitions and create lasting value for our customers and stakeholders." Stated Elliot Eichler Vice President of Kona Gold Beverages, Inc.

This acquisition is just the beginning of Kona Gold's ambitious plan for the year, with several more strategic acquisitions in the pipeline. The company is dedicated to becoming the most dominant force in the industry, redefining standards for growth, innovation, and operational excellence.

"We are exceptionally excited to welcome Mr. Jared Fischer and Mr. Elliot Eichler to the Kona Gold Beverages, Inc. team. The wealth of experience and industry insight they bring is invaluable, and their addition signifies a pivotal moment for our company. With their leadership, we are assembling a powerhouse management team poised to drive instant success and set new benchmarks in the industry. Their proven track record of innovation and strategic growth aligns perfectly with our goals, and I have every confidence that together, we will achieve remarkable results. This is more than an acquisition; it's the beginning of a new chapter of accelerated growth and shared success. In addition, I am pleased to announce that management is in discussions to execute a management share buyback, further demonstrating our commitment to shareholders and the continued growth of the company," Stated Brandon White, Chairman of Kona Gold Beverages, Inc.

Stay tuned for further updates on Kona Gold's progress and developments as the company continues to innovate, grow, and evolve in the dynamic functional beverage market.

For more information regarding Kona Gold Beverage, please visit:
<https://konagoldbeverage.com/>

About Kona Gold Beverage, Inc.

Kona Gold Beverage, Inc., a Delaware corporation, operates its wholly-owned subsidiary, Kona Gold LLC. Kona Gold, LLC has developed a premium Hemp-Infused Energy Drink line; please visit its website at www.konagoldhemp.com. Kona Gold is located on the east coast of Florida in Melbourne.

About Covert LLC:

Covert LLC is a leading company in the cannabis industry, specializing in the production and distribution of high-quality, high-potency Delta-8, THCa, THC-P, and Kratom products. Founded on the principles of innovation and quality, Covert LLC has quickly become a trusted name in the market, with a strong presence across multiple states.

Safe Harbor Statement:

The information posted in this release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. You can identify these statements by use of the words "may," "will," "should," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," and similar expressions. The Company may also make written or oral forward-looking statements in its filings with the U.S. Securities and Exchange Commission, in press releases and other written materials, and in oral statements made by its officers, directors or employees to third parties. There can be no assurance that such statements will prove to be accurate. The Company cautions that these forward-looking statements are further qualified by other factors including, but not limited to, those set forth in the Company's Annual Reports on Form 10-K and its other filings with the Securities and Exchange Commission. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. These risks and uncertainties include, but are not limited to, general economic and business conditions, effects of continued geopolitical unrest and regional conflicts, competition, changes in technology and methods of marketing, delays in completing various engineering and manufacturing programs, changes in customer order patterns, changes in product mix, continued success in technological advances and delivering technological innovations, shortages in components, production delays due to performance quality issues with outsourced components, and various other factors beyond the

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