

Reborn Coffee Closes Acquisition of 58% Stake in South Korea's Bbang Ssaem Bakery

Strategic Acquisition Bringing Reborn Coffee's High-End Café Concept Together with Bbang Ssaem's Bakery Expertise to Drive Revenue and Growth

BREA, Calif., Nov. 06, 2024 (GLOBE NEWSWIRE) -- Reborn Coffee, Inc. (NASDAQ: REBN), a premier specialty coffee retailer, is pleased to announce the successful acquisition of a 58% stake in Bbang Ssaem Bakery, a leading bakery chain with 31 locations across South Korea. This acquisition follows the previously signed MOU between the two companies, solidifying Reborn Coffee's commitment to expanding its offerings and establishing a strong presence in the bakery sector.

Bbang Ssaem's established presence in the Korean market, combined with Reborn Coffee's specialty coffee expertise, creates a unique opportunity to enhance brand strength. This acquisition also serves as a launchpad for Reborn Coffee's entry into the South Korean franchise market, delivering premium coffee and bakery experiences to new locations through a scalable and accessible model. With Bbang Ssaem Bakery's trailing twelve months revenue through November 2024, an estimated \$7 million, this acquisition positions Reborn Coffee to leverage the synergies and drive revenue for both companies.

Through this franchise initiative, Reborn Coffee aims to empower local entrepreneurs and foster a strong network of franchise partners who share its commitment to quality and customer satisfaction. The franchise model will allow Reborn Coffee to expand more rapidly across South Korea, introducing its new standardized café concept and high-end coffee and bakery offerings to diverse communities. This initiative is expected to significantly enhance brand reach, attract new customer bases, and create substantial growth opportunities for both Reborn Coffee and its franchise partners.

The acquisition, funded by accredited investors in Korea, underscores strong market confidence in Reborn Coffee's growth potential and commitment to delivering value. By bringing Bbang Ssaem under its corporate structure, Reborn Coffee gains a foothold in the bakery sector, aligning its offerings to meet the demand for both artisanal baked goods and premium coffee.

Founded by renowned baker Jong Kim, with 40 years of experience, Bbang Ssaem Bakery has built a reputation for exceptional quality and innovation. This legacy will integrate seamlessly with Reborn Coffee's new wave design café concept, combining high-end coffee and bakery elements to create a luxurious, unique experience for customers in Asia.

"This acquisition marks a pivotal moment in our mission to expand Reborn Coffee's brand footprint through strategic partnerships," said Jay Kim, CEO of Reborn Coffee. "By acquiring Bbang Ssaem's excellence in the bakery sector with our specialty coffee, we are creating a distinctive offering that resonates with customers. Through our franchise model, we look forward to collaborating with passionate entrepreneurs to deliver premium experiences across South Korea and beyond, setting a new standard for the cafe industry."

Reborn Coffee's café concept aims to elevate the customer experience by offering high-end specialty coffee, artisanal baked goods, and a welcoming atmosphere. Select locations in South Korea will be upgraded to reflect this high-end café bakery model, meeting the growing demand for premium food and beverage options.

This acquisition marks a significant milestone in Reborn Coffee's expansion strategy, reinforcing its commitment to delivering exceptional products across all locations. The company looks forward to implementing this enhanced concept and capitalizing on the synergies from this acquisition to drive sustained growth and profitability.

About Reborn Coffee

Reborn Coffee, Inc. (NASDAQ: REBN) is focused on serving high quality, specialty-roasted coffee at retail locations, kiosks, and cafes. Reborn is an innovative company that strives for constant improvement in the coffee experience

through exploration of new technology and premier service, guided by traditional brewing techniques. Reborn believes they differentiate themselves from other coffee roasters through innovative techniques, including sourcing, washing, roasting, and brewing their coffee beans with a balance of precision and craft. For more information, please visit www.reborncoffee.com.

Forward-Looking Statements

All statements in this release that are not based on historical fact are "forward-looking statements." While management has based any forward-looking statements included in this release on its current expectations, the information on which such expectations were based may change. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including those risks and uncertainties described in the Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations sections of our recent filings with the Securities and Exchange Commission ("SEC") including our Form 10-Q for the second quarter of 2024, which can be found on the SEC's website at www.sec.gov. Such risks, uncertainties, and other factors include, but are not limited to, the Company's ability to continue as a going concern as indicated in an explanatory paragraph in the Company's independent registered public accounting firm's audit report as a result of recurring net losses, among other things, the Company's ability to successfully open the additional locations described herein as planned or at all, the Company's ability to expand its business both within and outside of California (including as it relates to increasing sales and growing Average Unit Volumes at our existing stores), the degree of customer loyalty to our stores and products, the impact of COVID-19 on consumer traffic and costs, the fluctuation of economic conditions, competition and inflation. We urge you to consider those risks and uncertainties in evaluating our forward-looking statements. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

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