

**SETO HOLDINGS, INC.**  
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**(OTCID: SETO)**

**SUPPLEMENTAL INFORMATION — MARCH 25, 2026**

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## **Press Release**

On March 25, 2026, SETO Holdings, Inc., a Nevada corporation (the “*Company*”), issued a press release announcing a Strategic Investment and Integration Agreement with El Hempé Spirits, Inc. The Company’s press release is republished below, in full.

### **SETO Holdings, Inc. Announces Strategic Investment and Integration Agreement with El Hempé Spirits, Inc.**

#### **Accelerating Entry into RTD and Cannabis-Adjacent Beverages While Expanding Distribution Channels and Enhancing Production Capabilities**

Washington, DC - March 25, 2026 - [Seto Holdings, Inc.](#), a publicly traded (OTCID: SETO), vertically integrated, total beverage platform focused on premium spirits, ready to drink (“RTD”), functional and non-alcoholic beverages, today announced the execution of a strategic investment and platform integration agreement with El Hempé Spirits, Inc (“El Hempé”).

El Hempé is an innovative beverage company operating at the intersection of premium RTD cocktails and hemp-adjacent culture, crafted for modern consumers seeking flavor, function, and freedom in exploring new drinking occasions. The brand is positioned to redefine RTD consumption through a combination of lifestyle relevance, formulation innovation and cross category appeal for the wellness-forward generation.

El Hempé’s product portfolio includes hemp-derived Delta-9 THC RTD’s (where permitted by applicable law) and functional terpene-enhanced tequila-based RTD’s both produced and marketed under the El Hempé brand name. Each product is crafted to deliver bold, flavorful, relaxing experiences, blurring the lines between traditional spirits, functional wellness, and evolving consumer drinking trends.

Beyond its core RTD portfolio, the brand is developing a hemp-inspired, low-ABV agave-based spirit targeted for launch in late 2027, further expanding its position across emerging consumption occasions that bridge premium tequila culture with cannabis-adjacent appeal.

SETO is acquiring a minority equity interest in El Hempé through a combination of preferred equity and a SAFE (Simple Agreement for Future Equity), establishing a commercial framework to scale El Hempé nationally through SETO’s integrated platform.

#### **Platform Integration**

Under the agreement, El Hempé will be integrated into SETO’s operational ecosystem while maintaining its creative independence and brand identity. The integration is designed to align infrastructure with culture-led execution, driving disciplined growth, supply chain efficiency, and retail velocity.

All current and planned product lines will be developed in collaboration with existing distillation and product development partners and commercialized through SETO’s portfolio companies, CapCity Beverage and Preferred Brand USA, with additional support from the Company’s broader ecosystem.

## **Distribution & Retail Strategy**

The integrated go-to-market strategy will focus on:

- Chain grocery, club, and convenience retail (C-store)
- Traditional beverage alcohol retail and hospitality (local, regional, national)
- Control state expansion (ABC/LCBO markets)
- Emerging RTD, wellness, and low-ABV channels
- Direct-to-consumer (DTC) e-commerce platform development (where permitted)

Preferred Brands USA's national sales capabilities across beverage alcohol, grocery, and convenience channels are expected to accelerate shelf placement, support new product formats, and drive retail velocity, with an initial focus on select priority markets aligned with El Hempé product specifications and applicable regulations.

"Partnering with SETO gives us access to scale without compromising our identity," said Tony Bash, CEO of El Hempé Spirits, Inc. "This partnership allows us to expand our reach while staying true to our culture and vision. We're building a brand for the next generation of drinkers, and SETO provides the platform to do it."

## **RTD Manufacturing & Infrastructure Expansion**

As part of the agreement, El Hempé will provide the SETO portfolio with preferred access to its Oregon-based RTD manufacturing facility which has scalable monthly capacity exceeding 800,000 units. This capability can support multiple brands within SETO's portfolio, accelerating speed-to-market, improving margin structure, and supporting SKU expansion and diversification.

The Companies are also exploring additional collaboration opportunities across product development, supply chain optimization, fulfillment, and future strategic investments.

"El Hempé is a disruptive lifestyle brand with built-in cultural cachet and real white space across the RTD and Functional Beverage category," Janon Costley, Chairman & CEO of SETO Holdings. "By integrating their production capabilities and brand energy into our infrastructure, we unlock scale, retail access, and deeper category relevance."

## **Category Expansion: RTDs, Functional, and Infused Beverages**

This transaction should strengthen SETO's positioning across multiple high-growth segments:

- U.S. RTD market projected to reach \$247 billion by 2032, driven by premium, convenience-led consumption
- Functional beverage category expected to grow at 7.8% CAGR through 2030
- Cannabis-adjacent and infused beverages projected to exceed \$2 billion in U.S. market potential by 2030

Costley stated that "This is a convergence opportunity, El Hempé sits at the intersection of cultural relevance, format innovation, and next-gen drinking occasions. This partnership enables us to lead in that space-with infrastructure, brand credibility, and distribution scale."

## **Growth Strategy & Future Opportunities**

The companies are also exploring additional growth capital opportunities with strategic partners, including MacArthur CPG Fund, to support acquisitions, infrastructure development, inventory, manufacturing expansion, and national rollout. For more information and company updates, please visit <https://www.otcm Markets.com/stock/SETO/overview>.

## About SETO Holdings, Inc.

A Gateway for Global Spirits, Innovation & Shareholder Value

**SETO Holdings, Inc.** is a publicly traded (OTCID: SETO), vertically integrated total beverage platform redefining the future of premium beverages through cultural relevance, vertical integration, and digital innovation. Guided by its mission to “Own the Spirit”, SETO merges production, distribution, marketing, technology, and capital markets into a unified engine for scalable brand growth for under-valued companies and founders.

By aligning brand ownership, infrastructure, and go-to-market execution, SETO is developing a capital-efficient path to margin capture, consumer loyalty, long-term value creation and exit opportunities -for founders, shareholders, and strategic partners alike.

## About El Hempé Spirits, Inc.

El Hempé Spirits, Inc. is one of the first crossover brands to authentically bridge alcohol and cannabis-adjacent beverage categories-paving the way for broader consumer acceptance and category expansion. El Hempé is a cannabis-adjacent lifestyle brand known for its bold identity and category-bending approach to cocktail culture. With a growing footprint in the RTD space and an expanding pipeline of low-ABV innovations, El Hempé blends counterculture with mainstream appeal-delivering drink experiences that challenge the status quo.

**Safe Harbor Statement:** Statements in this news release may be “forward-looking statements.” Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions, or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in forward-looking statements due to numerous factors. Any forward-looking statements speak only as of the date of this news release and the company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this news release.

## Media & Sales Inquiries

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## Investor Relations

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## Social:

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IG : @setoholdingsinc

\* \* \* End of Press Release \* \* \*

## SIGNATURES

Dated: March 25, 2026.

/s/ Janon Costley

Janon Costley

Chief Executive Officer

SETO Holdings, Inc.