

August 24, 2020



Iconic Brands Announces Record Revenues in Second Quarter 2020 Financial Results

- **Record revenue reported for Q2 2020 Represented in a 626% Year-Over-Year Increase**
- **Results Driven by Strong Increases in Direct to Consumer Sales of Its Branded Wines and Spirits**

AMITYVILLE, NY, Aug. 24, 2020 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE – Iconic Brands, Inc. (OTCQB: ICNB) (“Iconic” or the “Company”), a lifestyle branding company with the highest expertise of developing, from inception to completion, alcohol beverage products for itself and third parties, today reported its second quarter financial results for the three-month period ended June 30, 2020.

Second Quarter 2020 Financial Highlights

- Total revenue of \$1,055,600 for the three months ended June 30, 2020, compared to \$145,294 for the three months ended June 30, 2019, an increase of \$910,306 or approximately 626% year-over-year.
- Gross profit was \$727,540, an increase of 851% year-over-year.
- Cash at June 30, 2020 was \$672,372 vs. \$263,638 on December 31, 2019.

Second Quarter Developments

- Announced the grand launch of Bellissima Bambinis on June 10, 2020. The Bambinis launched and received much fanfare during the shows, leading to strong sales.
- Announced the sponsorship of its first event at the Atlanta Motor Speedway on June 6-7, 2020 for the Folds of Honor QuikTrip 500, part of the NASCAR Cup Series.
- Issued May 2020 shareholder letter
- Offered free shipping for online orders of its Bellissima Prosecco and Sparkling Wines to support increased delivery demand

Management Commentary

“We are happy to report that we are coming off a fantastic second quarter that saw revenue grow an astonishing 626% compared to the same period last year. This builds on the

momentum of a great 2019 and robust first quarter of 2020. Our Company has been able to navigate these tough times posed by COVID-19 and subsequent shutdowns with strong demand from Consumers of our products, specifically our Bellissima "Zero Sugar" Sparkling Wine, Prosecco DOC Brut, and our Pinot Grigio Rosé Sparkling Wine. We have shifted our business to focus on Direct to Consumer (DTC) sales as this trend develops, and have been rewarded for our efforts," said Richard DeCicco, Chief Executive Officer of Iconic.

"We will continue to look for opportunities and ways to grow the business and continue to offer amazing products. Our team worked hard to make this one of the best quarters in our Company's history and we are thankful for our brand and distribution partners. We want to thank our shareholders and look forward to continuing to have you share in the success of Iconic."

Second Quarter 2020 Financial Results

Iconic reported revenue of \$1,055,600 for the three months ended June 30, 2020 and \$145,294 for the three months ended June 30, 2019, an increase of \$910,306 or approximately 626%. The increase in sales was primarily due to continued expansion of our Direct to Consumer (DTC) sales of the Company's Bellissima products, which accounted for \$862,000 of sales for the three months ended June 30, 2020 as compared to \$0 for the three months ended June 30, 2019. Sales are comprised of sales of Bellissima Zero Sugar Sparkling Wine, Bellissima Prosecco DOC Brut, and our Pinot Grigio Rosé Sparkling Wine, BiVi Sicilian Vodka and the line of Hooter's brand products introduced in August 2019.

Cost of sales was \$328,060, or approximately 31% of sales, for the three months ended June 30, 2020, and \$68,806, or approximately 47% of sales, for the three months ended June 30, 2019. Cost of sales includes the cost of the products purchased from the Company's suppliers, freight-in costs, and import duties. The decrease in the cost of sales as a percentage of sales is due primarily to product mix and slightly lower production costs.

Total operating expenses were \$1,265,477 for the three months ended June 30, 2020, compared to \$855,991 for the three months ended June 30, 2019, an increase of \$409,486 or approximately 48%.

The Company's net operating loss was \$537,937 for the three months ended June 30, 2020, compared to a net operating loss of \$779,503 for the three months ended June 30, 2019, a decrease in net operating loss of \$241,566 or approximately 31%.

The net loss attributable to Iconic Brands, Inc. was \$551,708 for the three months ended June 30, 2020 and \$689,107 for the three months ended June 30, 2019, a decrease of \$137,399 or approximately 20%. The net loss from Iconic Brands decreased primarily due to an increase in sales volume.

About Iconic Brands, Inc.

Iconic Brands, Inc., is a lifestyle branding company with the highest expertise of developing, from inception to completion, alcohol beverages for itself and third parties. Iconic markets and places products into national distribution through long-standing industry relationships. Iconic is a leader in "celebrity branding" of beverages, procuring superior and unique products from around the world, and branding its products with internationally recognized

celebrities. It currently offers Bellissima Prosecco and BiVi Vodka. In addition, Iconic developed the Hooters Spirits line of premium spirits in partnership with United Spirits, Inc., a leading private-label beverage company and affiliate of Iconic, for Hooters restaurants and off-premise retail locations both domestically and internationally.

Please visit the Company's websites and follow it on social media.

Websites: iconicbrandsusa.com; bivivodka.com; bellissimaprosecco.com

Twitter: @IconicBrandsUS; @HootersSpirits; @BellissimaByCB; @BiviVodka

Instagram: @IconicBrandsUSA; @HootersSpirits; @BellissimaProsecco; @Bivivodka

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act. These forward-looking statements are made on the basis of the current beliefs, expectations, and assumptions of management, are not guarantees of performance, and are subject to significant risks and uncertainty. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in Iconic's reports that it files from time to time with the Securities and Exchange Commission and which you should review, including those statements under "Item 1A – Risk Factors" in Iconic's Annual Report on Form 10-K.

Contact:

Info@IconicBrandsUSA.com

IR@iconicbrandsusa.com



Source: Iconic Brands Inc