ICONIC BRANDS INC
FINANCIAL STATEMENTS
DECEMBER 31,2014

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Iconic Brands, Inc.
Balance Sheets

	Year Ended December 31, 2014	Year Ended December 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	$ -	$ -
Escrow held by attorney	10,000	-
Total current assets	10,000	-
Other Assets:		
Investment	185,000	-
Total assets	$ 195,000	$ -
Liabilities and Stockholders' Deficiency		
Current liabilities:		
Notes payable	$ 620,225	$ 595,893
Due to officer	124	-
Accounts payable and accrued expenses	6,250	16,500
Accrued interest	76,358	267,001
Convertible note payable - net of unamortized dscount of $7,753	2,247	-
Derivative liability	21,000	-
Total current liabilities	726,204	879,394
Series B Preferred stock, $2.00 per share stated value; designated 1,000,000 shares, issued and outstanding 0 and 916,603 shares, respectively	-	1,833,206
Total liabilities	726,204	2,712,600
Stockholders' deficiency:		
Preferred stock, $.001 par value; authorized 100,000,000 shares, Series A, designated 1 share, issued and outstanding 1 and 1 shares, respectively	1	1
Common stock, $.001 par value; authorized 100,000,000 shares, issued and committed to be issued and outstanding 87,764,750 and 4,955,418 shares as of December 31, 2014 and December 31, 2013 respectively	87,765	4,955
Additional paid-in capital	11,086,879	8,951,255
Accumulated deficit	(11,705,849)	(11,668,811)
Total stockholders' deficiency	(531,204)	(2,712,600)
Total liabilities and stockholders' deficiency	$ 195,000	$ -

The accompanying notes are an integral part of these financial statements.

Iconic Brands, Inc.
Statements of Operations

	Year Ended December 31,	
	2014	2013
Continuing operations:		
Sales	$ -	$ -
Expenses:		
Professional fees	31,750	21,500
Other general and administrative expenses	19,539	-
Interest expense on Iconic Brands, Inc. debt (including amortization of debt discounts of $2,247 and $4,318 respectively)	38,892	70,250
Total expenses	90,181	91,750
Loss from continuing operations	(90,181)	(91,750)
Other Income		
Extinguishment of Debt	53,143	-
Income (Loss) from discontinued operations (see Note 8)	-	4,915,668
Net Income (Loss)	$ (37,038)	$ 4,823,918
Net loss per common share - basic:		
Continuing operations	$ (0.00)	$ (0.02)
Discontinued operations	-	0.99
Total	$ (0.00)	$ 0.97
Weighted average number of common shares outstanding		
Basic	48,976,703	4,955,418

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Iconic Brands, Inc.
Statements of Cash Flows

	Year Ended December 31, 2014	Year Ended December 31, 2013
Cash flows from operating activities		
Net Income (Loss)	$ (37,038)	$ 4,823,918
(Gain) Loss from discontinued operations	-	(4,915,668)
Adjustments to reconcile net income to net cash used in operating activities:		
Amortization of debt discounts charged to interest expense	2,247	4,318
Interest expense on derivative liability	11,000	-
Legal, audit and accounting, and consulting fees paid by two lenders on behalf of the Company		21,500
(Income) from extinguishment of notes payable	(2,932)	-
(Income) from extinguishment of accrued interest	(50,211)	
Changes in operating assets and liabilities:		
Increase in escrow held by attorney	(10,000)	-
Decrease in accounts payable	(10,250)	(372)
Increase in accrued expenses and other current liabilities	25,645	51,304
Net cash provided by (used in) operating activities - continuing operations	(71,539)	(15,000)
Net cash provided by (used in) operating activities - discontinued operations	-	-
Net cash provided by (used in) operating activities	(71,539)	(15,000)
Cash flows from financing activities:		
Increases in debt	227,500	15,000
Repayment of debt	(31,085)	-
Loan from officer	124	
Net cash provided by (used in) financing activities	196,539	15,000
Cash flows from investing activities:		
Cash paid for investment in MMBA	(125,000)	-
Net cash provided by (used in) investing activities	(125,000)	-
Increase (Decrease) in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of year	-	-
Cash and cash equivalents, end of year	$ -	$ -
Supplemental disclosures of cash flow information:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Non-cash, operating, investing and financing activities:		
Legal, audit and accounting, and consulting fees paid by lenders on behalf of the Company	$ 17,500	$ 21,500
Shares of common stock issued to noteholders in satisfaction of debt and accrued interest	$ 330,227	$ -
Shares of common stock issued in connection to MMB Investment	$ 600	$ -

The accompanying notes are an integral part of these financial statements.

Iconic Brands, Inc.
Consolidated Statements of Changes in Stockholders' Deficiency
December 31,2013 and 2014
(adjusted retroactive for 10:1 reverse split)

	Series A Preferred Stock, $.001 par		Common Stock, $.001 par		Additional Paid-In		
	Shares	Amount	Shares	Amount	Capital	Accumulated deficit	Total
Balance at January 1, 2013	1	1	4,955,418	4,955	8,951,255	(16,492,729)	(7,536,518)
Net loss	-	-	-	-	-	4,823,918	4,823,918
							-
Balance at December 31, 2013	1	1	4,955,418	4,955	8,951,255	(11,668,811)	(2,712,600)
Shares issued for investment			60,000,000	60,000	-		60,000
Shares conversions- note payable -Durham			10,573,332	10,573	58,154		68,727
Shares conversions- note payable -Asher			8,000,000	8,000	48,500		56,500
ASC settlement conversion			2,036,000	2,036	97,964		100,000
Shares issued -Mindshare			100,000	100	4,900		5,000
Shares conversions- note payable Ezra Dweck			500,000	500	24,500		25,000
Shares issued Azrak			1,500,000	1,500	73,500		75,000
Shares issued -Amnicor			100,000	100	1,828,106		1,828,206
Net loss						(37,038)	(37,038)
							-
Balance at December 31, 2014	1	1	87,764,750	87,765	11,086,879	(11,705,849)	(531,205)

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