

Pompano Beach, Florida, Sept. 17, 2020 (GLOBE NEWSWIRE) — Brownies Marine Group, Inc. (OTC Pink: BWMG), a leading developer, manufacturer and distributor of tankless dive equipment and high pressure air and industrial compressors in the marine industry, is pleased to announce its financial results for the period ending June 30, 2020.

Selected financial highlights include:

- Reported revenues for the six months ended June 30, 2020 of \$1,955,317 an increase of 40.5% over the same period in 2019. The revenue growth can be partially attributed to the rollout of our revolutionary Nemo personal tankless diving system. “We believe the BLU3 Nemo technology has initiated a revolution in the tankless dive industry, the impact and potential of this product and the subsequent design iterations from BLU3 on our Company and the industry will be substantial.” says Robert Carmichael, CEO of BWMG. The Q2-2020 revenue also includes revenue from the BLU3 Vent project. The company was named a Top 5 Finalist in the U.S. Department of Defense (DoD) Vulcan “Hack-a-Ventilator Challenge.” In March 2020, the DoD announced the Vulcan Hack-a-Vent Challenge to address the projected ventilator shortage as a result of the Covid-19 global pandemic. This project is currently awaiting FDA approval of an Emergency Use Authorization to put these portable ventilators, using the company’s proprietary technology, into production, if needed. Revenue related to the BLU3 Vent project was approximately 23% of overall revenue for the period.
- The Company improved gross margins from 21.0% for the six months ending June 30, 2019 to 30.7% for the six months ending June 30, 2020. Margin improvement is directly attributable to the company’s commitment to maximizing profit from each unit sold. This is being accomplished by the conversion of sales via wholesale to direct to consumer, and a restructure of the company’s dealer program to provide maximum value to both the dealers and the company.
- Increased revenue and margins have improved the Company’s operating results. For the 6 months ended June 30, 2020 net income per the 10Q showed a net loss of \$710,738, however, after adding back non-cash and stock based expenses this shifted to a profit after addbacks of approximately \$119,000 at June 30, 2020. For the same period in 2019, the company showed a net loss of \$504,351 in the 10Q and a net loss after addbacks of \$310,000. Please note that net profit after addbacks is a non-GAAP calculation using the financial information from the company’s 10Q filed with the SEC for the periods ended June 30, 2020 and June 30, 2019.

Brand development with Figment Design

In June 2020 BWMG contracted Figment Design to lead its marketing campaign for the

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Brownies Third Lung family of products. Figment Design is Miami, FL based full-service advertising agency specializing in digital marketing where their passion is helping brands reach their true potential. The marketing effort precisely targets the ideal consumer leads them to the Company or one of the growing numbers of dealers in its network. These marketing efforts have had a positive impact on the Q2 results.

Mr. Carmichael states “the Figment Design marketing program will increase product awareness to the consumer, benefitting not only BWMG, but our dealer network as well.” Figment’s efforts and results led BLU3 to enter into a services agreement with Figment in August 2020. With BLU3, Figment will increase awareness and target buyers for the Nemo family of products.

About Brownie’s Marine Group

Brownie’s Marine Group, Inc., is the parent company to a family of innovative brands with a unique concentration in the industrial, and recreational diving industry. The Company, together with its subsidiaries, designs, tests, manufactures, and distributes recreational hookah diving, yacht-based scuba air compressors and nitrox generation systems, and scuba and water safety products in the United States and internationally. The Company has three subsidiaries: Trebor Industries, Inc., founded in 1981, dba as “Brownie’s Third Lung”; BLU3, Inc.; and Brownie’s High-Pressure Services, Inc., dba LW Americas. The Company is headquartered in Pompano Beach, Florida.

For more information, visit: www.BrowniesMarineGroup.com.

Safe Harbor Statement

This press release may contain forward looking statements which are based on current expectations, forecasts, and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially from those anticipated or expected. Actual results and the timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors. Stockholders and potential investors should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements in this report are reasonable, we cannot assure stockholders and potential investors that these plans, intentions or expectations will be achieved. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ

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materially from those expressed or forecasted in the forward-looking statements. Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise. You are urged to carefully review and consider any cautionary statements and other disclosures, including the statements made under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019 as filed with the Securities and Exchange Commission (the “SEC”) and our other periodic and quarterly filings with the SEC.

Source: Brownie’s Marine Group, Inc.

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