

News Release

SponsorsOne – Launches in Market Bloomberg Says, "Is Set To Skyrocket"; "Direct To Consumer" Spirits Market Projected To Be \$24 Billion By 2026

SponsorsOne Signs Warehousing, Retailing and Regulatory Technology Solution Agreements For Internet Sales Direct To Consumers Reaching 32 States In The USA

Waterloo, Ontario, February 16, 2021, SponsorsOne Inc., (CSE: SPO) (Frankfurt: 5SO), (OTC:SPONF), a company that utilizes its proprietary platform that combines digital marketing, wholesale and retail distribution, branding, and operational & funding capital, giving it a competitive first-mover advantage in rapidly selling proprietary brands focused in the Alcohol, Functional Beverage and Hemp Sectors, announced today that it has executed warehousing and online retailing agreement ("Direct to Consumer" or "DTC") with Speakeasy Co. to sell Premier Beverage Consortium's, Doc Wylder's Lemonade as our first DTC product.

Myles Bartholomew, CEO of SponsorsOne, said: "In a recent press release a little over a month ago, we said that the Company had planned to open our direct to consumer ("DTC") sales channel, and now we are entering the \$24 Billion DTC Spirits Market. Prohibition-era regulations stifled liquor e-commerce in the U.S. for decades, and the pandemic lockdowns sparked demand almost overnight. The DTC Spirits market share is now estimated at 5% of the \$120 billion market in the USA and expected to grow to 20% by 2026¹, and we are set up to lead this growth with high-quality products that consumers can buy online".

On Feb. 2 upstart, <u>Drizly Inc.</u> agreed to sell itself to <u>Uber Technologies Inc.</u>—the ride-hailing company that's ventured into food delivery—<u>for \$1.1 billion</u>, signaling the explosive growth potential of the DTC market. Delivery is one of the value-add components in the DTC supply chain. Still, the bulk of the margin is in producing high-quality distilled alcohol products like Doc Wylder's, Smithville, 4 Corners, and Riverview.

Under the agreement with Speakeasy Co., we will maintain the Brand website, and Speakeasy Co. maintains the shopping cart for the online purchase. Speakeasy Co. will maintain the warehouse of inventory, which upon purchase, triggers the shipment direct to the customer. Speakeasy Co. adds efficiency by bringing all the regulatory tiers together, making this a seamless consumer experience. Speakeasy was the infrastructure for Telsa's Tequila² brand, which launched direct to

¹ Bloomberg, Covid Brought Booze to Your Door—and Made Delivery Worth Billions, February 10,2021, https://www.bloomberg.com/news/articles/2021-02-10/booze-delivery-online-liquor-sales-are-booming-amid-the-pandemic

² https://finance.yahoo.com/news/tesla-unveils-tesla-teguila-250-085412111.html



consumer in November of 2020. The product was priced at \$250.00 and sold out within 4.5 hours totaling 10's of thousands of bottles across multiple states. Using social media as the marketing platform, the storefront has millions of hits, driving the sold-out response on this one-time limited offer. Recent results stated by Speakeasy Co. reinforce the momentum now happening in the DTC market:

- Speakeasy Co. sold more in December 2020 than all of 2019
- November and December sales (2020) were up 464% YoY
- 2020 vs 2019 sales were up 547% YoY
- Outsold January 2020 in the first five days of 2021
- Beverage alcohol brands on platform spiked from 40 as of January 2020 to approximately 190 to-date
- https://www.prnewswire.com/news-releases/leading-dtc-solution-for-alcohol-brands-speakeasy-co-generates-record-breaking-holiday-sales-301216157.html

Ricardo Camargo, Chief Brand Officer of SponsorsOne Media Inc said: "The biggest change in today's spirits market is that brand awareness is now happening primarily on digital channels like social media and ambassador collaboration. All PBC brands will focus their marketing efforts on digital tactics to connect with consumers benefiting BOTH retail and direct distribution strategies. Consumer data is also increasingly valuable. It allows our brands to know the exact demographic and location, targeting digital advertising accordingly. Traditional brands and spending billions for In-Store marketing. We are going to be more strategic and more effective with our marketing efforts."

Currently, we have Doc Wylder's in the warehouse ready and working on launching the DTC infrastructure with Speakeasy in late Q1 2021.

For more information, the following link is provided: https://www.premierbeverageconsortium.com/

About Speakeasy Co.

Speakeasy Co. is a technology company and e-commerce platform for the Wine & Spirits industry that ships beverage alcohol brands directly to consumers. The platform enables brands to sell directly to consumers from their respective websites without disrupting the three-tier system, allowing these brands to own their own user experience from beginning to end, in addition to owning their data and analytics of their target customer.

For more information, the following link is provided: https://www.speakeasyco.com/

About SponsorsOne Inc.

SponsorsOne is the leader in the next evolution of brand creation and digital marketing through influencer marketing, storytelling, and digital-commerce with the SponsorCoin platform and its highly scalable – smart contract-based digital-currency. Combined, this allows the brands to build



and manage exclusive and highly engaged communities of influencers (from pro to microinfluencers) within the social realm. The SponsorCoin platform provides for data-driven marketing campaigns that will change the way brands connect with their customers. SponsorCoin is a tool for brands to inspire real movements around their products and services. Their most valuable customers become their best salespeople, producing far higher ROI than current social media advertising methods. SponsorsOne, through its wholly-owned subsidiary, SponsorsOne Media Inc., provides full creative and Brand building/management services to all our Brands and manages the influencer communities for each Brand. For making the Brand big, our wholly-owned subsidiary S1 Brands Inc. builds wholesale/retail distribution channels for the Brand, acting as a master distributor. S1 Brands provides sales and marketing on behalf of the Brand to its vast network of national wholesalers and retailers and provides purchase order financing to assist the Brand in fulfilling every order. Premier Beverage Consortium LLC is a wholly-owned subsidiary and is brand building for the global spirits market with its flagship "Ready to Drink" product called Doc Wylders.. Ownership of the Brand combined with distribution, digital marketing innovation, and capital is the winning formula to build the next billion-dollar Brand. To learn more, please visit www.sponsorsone.com

Contact: <u>info@sponsorsone.com</u>

ON BEHALF OF THE BOARD Gary Bartholomew, Executive Chairman

The Canadian Securities Exchange ("CSE") has neither approved nor disapproved the contents of this Press Release.

Forward-Looking Statements

This news release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this news release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology, are intended to identify forward-looking statements and information. Such statements and information reflect the current view of the Company with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks:

- risks associated with marketing and sale of securities
- the need for additional financing requirements and access to capital, reliance on key personnel
- the potential for conflicts of interest among certain officers or directors with certain other



projects

• the volatility of the volume and price of the Common Shares, the failure of the business strategy, the integrity of the Company's patents and proprietary intellectual property and competition.

The Company cautions that the foregoing list of risk factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors, and other uncertainties and potential events, including the risk factors, set out in the Company's Listing Statement. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to above will not cause such forward-looking statements and information to differ materially from actual results or events.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS NEWS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE SECURITIES LEGISLATION.