

July 29, 2024



Greenlane CEO Barbara Sher Provides Corporate Update in Letter to Shareholders

BOCA RATON, FL / ACCESSWIRE / July 29, 2024 /Greenlane Holdings, Inc. ("Greenlane" or the "Company") (NASDAQ:GNLN), one of the premier global sellers of premium cannabis accessories, child-resistant packaging, and specialty vaporization products, today issued a corporate update in a Letter to Shareholders from CEO Barbara Sher.

Dear Fellow Shareholders,

I'd like to begin by expressing my upmost thanks and appreciation to all of our team members for their hard work and dedication to doing the best for our customers and our stakeholders. I am energized by the passion and commitment of our teams and the resilience of our organization. I'll first provide a refresher on some of the trends we believe are still very favorable for the industry and Greenlane, then I will spend some time addressing the success we have had and the work yet to be done.

The Cannabis Industry Continues to be Vibrant and Growing

According to a 2024 report from Verified Market Research ([smoking accessories market](#)), the global smoking accessories market size was valued at \$64.71 Billion in 2023 and is projected to reach \$86.54 billion by 2031, growing at a CAGR of 3.70% during the forecast period 2024-2031. The report attributes the increased demand to the expanding trend of cannabis being allowed for both medical and recreational use in many parts of the world. For Greenlane, we are maintaining and enhancing our diverse range of high-quality and customizable accessories and lifestyle products to meet evolving consumer preferences and to benefit from this increased industry demand. I will address later on in my letter to you how we plan to further leverage our position to ensure we capitalize on the growth trends we see in the market.

Greenlane Challenges and Accomplishments in the First Half of 2024

My appointment as CEO of Greenlane in May of this year presented me with an exciting opportunity to utilize my deep knowledge of Greenlane's operations and customer engagement experience, having served as previously as COO and prior to that as SVP of Customer Experience. My experience, together with a dedicated and supportive team, helped to prepare me for some of the important challenges we faced in a number of areas of our business. I am pleased to report that we have made substantial headway on many, while others are well underway. We expect a number of milestones and initiatives to be achieved in the second half of 2024 which should create a stronger foundation and position the company for increased sales, improved operations and a clearer path to profitability. Outlined below are the primary areas we have been focused on to achieve our goals of

restoring stability to our operations and enabling us to better execute a return to growth.

Financial Reporting

As of July 25, 2024, both our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2024, were filed with SEC and on July 26, 2024 we were notified by Nasdaq that we had regained compliance with periodic filing requirements as well as the Independent Director Rule. The filings are important achievements and are expected to support our ongoing listing on the Nasdaq. Maintaining our Nasdaq listing is crucial, and this achievement is fundamental as we continue to make strides in growing the Company and enhancing shareholder value.

Optimizing Our Cost Structure to Build a Stronger, More Profitable Enterprise

We see an outstanding opportunity to drive long-term profitable growth and during the second quarter we intensified our strategy to drive high efficiency and productivity by significantly reducing SG&A costs. The ongoing substantial cost reduction progress has been coupled with further simplification and streamlining of the organization. These initiatives have created a new, more focused business approach and simplified organizational structure. Ultimately, we believe this new operating structure will create even greater flexibility, efficiency, and intelligence to unlock value for customers, team members, and stockholders.

Restructuring Our Debt to Increase Our Financial Flexibility

We are actively working to finalize agreements to restructure our existing debt obligations with a group of our key creditors. These transactions, if consummated, are expected to significantly increase our financial flexibility by reducing our total debt, extending maturities, and lowering near-term cash burn and interest expense as we continue to execute our plan of driving profitability and returning to growth.

I am confident that these agreements could provide us with the financial flexibility to continue executing on our near-term turnaround efforts as well as our long-term strategy to create a stronger global omni-channel distribution platform. We are committed to making ongoing progress in improving liquidity and strengthening our capital structure. We appreciate the support of our key vendors and/or lenders, who share in our strategy, as we move forward.

Growth Initiatives

Today we are embracing a company-wide journey to invest in our areas of greatest potential and accelerate our agility and responsiveness. We have realigned our sales and marketing organization to accelerate growth and market awareness of our increasingly diversified portfolio of high-quality and customizable accessories and lifestyle products. Over the past year, we have been listening to our customers and partners and have seen firsthand what is delivering real value for them and great performance for us. This new structure will allow us to deliver what matters most for all - creating a single and seamless interface into the full world of Greenlane. We will be recruiting more experienced sales professionals in more densely populated areas that are properly incentivized, to drive improved customer engagement, product awareness and growth in revenue.

We are also working on ways to reinvigorate our existing partnerships and create new partner opportunities to strengthen and build new synergies together that harness each company's core competencies, product offerings, and expertise to appeal to a broader customer base. We hope to be able to share more details as these relationships evolve over the coming months.

We remain focused on our mission and confident in our strategic direction to create sustainable shareholder value. We remain dedicated to delivering exceptional results through an enhanced robust and resilient organization, which will drive our growth in revenues, earnings, cash flows and shareholder value.

Looking ahead, our strategic priorities are clear, and we have the right team to execute our plans effectively. Our operations are improving, and we are actively working to strengthen our balance sheet, providing us with a better foundation for future growth and market position.

We value your trust and are committed to maintaining transparent communication with you. We can work together to achieve our common goals by keeping you informed and engaged. We are excited about the future and look forward to sharing our success.

Any shareholder who is interested in learning more about our business should visit our website at www.gnln.com or contact our investor relations representative Kevin McGrath of TraDigital IR at 646.418.7002 for more detailed information.

Sincerely,

Barbara Sher
Chief Executive Officer

About Greenlane Holdings, Inc.

Founded in 2005, Greenlane is a premier global platform for the development and distribution of premium smoking accessories, vape devices, and lifestyle products to thousands of producers, processors, specialty retailers, smoke shops, convenience stores, and retail consumers. We operate as a powerful family of brands, third-party brand accelerator, and an omnichannel distribution platform.

We proudly offer our own diverse brand portfolio and our exclusively licensed Marley Natural and K.Haring branded products. We also offer a carefully curated set of third-party products through our direct sales channels and our proprietary, owned and operated e-commerce platforms which include Vapor.com, PuffItUp.com, HigherStandards.com, Wholesale.Greenlane.com and MarleyNaturalShop.com.

For additional information, please visit: <https://investor.gnln.com>. For additional information, please visit: <https://gnln.com/>.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 concerning Greenlane and other matters. All statements contained in this press release that do not relate to matters of historical fact

should be considered forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this press release are only predictions. Greenlane has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that it believes may affect its business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You should carefully consider the risks and uncertainties that affect our business, including those described in our filings with the Securities and Exchange Commission ("SEC"), including under the caption "Risk Factors" in Greenlane's Annual Report on Form 10-K filed for the year ended December 31, 2023 and the Company's other filings with the SEC, which can be obtained on the SEC website at www.sec.gov. These forward-looking statements speak only as of the date of this communication. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements, whether as a result of any new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our public announcements and filings with the SEC.

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SOURCE: Greenlane Holdings, Inc.

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