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Greenlane Responds to City of San Francisco's Proposed Temporary Suspension of E-Cigarettes

Company Supports Sensible Regulation to Keep E-cigs Out of Youth Hands

BOCA RATON, Fla., June 24, 2019 (GLOBE NEWSWIRE) -- Greenlane Holdings, Inc. ("Greenlane"), a leading distributor of premium vaporization products and consumption accessories, today issued the following statement regarding the city of San Francisco's final vote for the temporary suspension of manufacturing, distribution, and sale of e-cigarettes in the city – pending the outcome of the FDA's ongoing review of e-cigarette products.

"Greenlane believes in sensible regulation and supports efforts to keep adult-use products out of the hands of minors. Like JUUL, we strongly support responsible legislation, such as raising the minimum-purchasing age for tobacco products, including vapor products like JUUL, to 21 years of age. We have always taken youth-use prevention seriously and Greenlane's e-commerce platforms and retail stores are fully age-gated to ensure minors are not purchasing the vaporization and accessory products we sell. In fact, age-restriction is beneficial to our business as the vast majority of B2B customers to whom we sell e-cigarettes are age-restricted stores where consumers need proof of age to enter. The more difficult it is for people to buy e-cigarettes in non-age-restricted locations such as gas stations and convenience stores, the more we benefit from business that is driven into our age-gated channels."

"While we endorse the city and the FDA's efforts to end youth vaping, we do not support a complete ban as we strongly believe in the harm reduction of providing adult smokers with non-combustible e-cigarette options. As JUUL noted in its statement to the media, a complete ban on e-cigarettes would leave cigarettes on shelves as the only choice for adult smokers, even though cigarettes kill 40,000 Californians every year. Additionally, in September 2018, while highlighting the need to keep e-cigarettes out of the hands of minors, the FDA noted that 'e-cigarettes may present an important opportunity for adult smokers to transition off combustible tobacco products and onto nicotine delivery products that may not have the same level of risks associated with them' – further supporting the potential harm reduction benefits of e-cigarettes for adults."

"Should a ban of e-cigarettes be enacted in San Francisco or Northern California more broadly, Greenlane does not anticipate a material impact to its business, as sales in these areas represent an immaterial percentage of our total JUUL sales. JUUL continues to be a strong partner and we see significant opportunities to grow our JUUL business, particularly in Canada where sales increased more than 70% in the first quarter of 2019 compared to the previous quarter."

“We distribute a diversified portfolio of consumption accessories across multiple categories and geographies and are actively expanding our global reach. In addition to our sales in the US and Canada, which both continue to grow across our broader portfolio of product offerings, we currently support and ship products to customers in Europe, Australia, and parts of South America on a limited basis. We are keenly aware of the growth opportunities in these markets and as we continue to expand our marketing, supplier relationships, sales bandwidth and expertise, we anticipate capturing market share in the cannabis, CBD and liquid nicotine end markets in those regions by opening our own distribution centers, acquiring existing international distributors and partnering with local operators.”

About Greenlane Holdings, Inc.

Greenlane (NASDAQ: GNLN) is a leading distributor of premium vaporization products and consumption accessories in the United States and has a growing presence in Canada. Greenlane’s customers include over 7,000 independent smoke shops and regional retail chain stores, which collectively operate approximately 11,000 retail locations, and hundreds of licensed cannabis cultivators, processors and dispensaries. Greenlane also owns and operates one of the most visited North American direct-to-consumer e-commerce websites in the vaporization products and consumption accessories industry, *Vapor.com*, a unique e-commerce platform which offers convenient, flexible shopping solutions directly to consumers. Through Greenlane’s expansive North American distribution network and e-commerce presence, Greenlane offers a comprehensive selection of premium vaporizers and parts, cleaning products, grinders and storage containers, pipes, rolling papers and customized lines of premium specialty packaging. Following the passage of The Agriculture Improvement Act of 2018 (“The Farm Bill”) in February 2019, Greenlane commenced distribution of premium products containing hemp-derived cannabidiol in those states in which the distribution and sale of such products are authorized by, and can be affected in compliance with, applicable state laws and regulations. For additional information, please visit: <https://gnln.com/>

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