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# Greenlane Announces Update on Plan to Generate \$30 Million in Non-Dilutive Liquidity

**BOCA RATON, FL / ACCESSWIRE / June 22, 2022** /Greenlane Holdings, Inc. ("Greenlane" or "the Company") (**NASDAQ:GNLN**), one of the largest global sellers of premium cannabis accessories, child-resistant packaging, and specialty vaporization products, today provided an update on its strategy to generate more than \$30 million in liquidity, as part of its previously announced strategic plan to reduce its cost structure, accelerate its path to profitability, and increase liquidity on a non-dilutive basis.

As previously announced in March 2022, this strategy to generate \$30 million in non-dilutive liquidity entails the following primary components:

1. Securing an asset-based loan to support working capital needs;
2. Selling the Company's headquarters building in Boca Raton, Florida; and,
3. Discontinuing and disposing of non-core and lower-margin inventory.

For the past three months, Greenlane has been engaged in an intensive and comprehensive process to select the ideal partner for an asset-based loan that can support its working capital needs. The Company is in negotiations with respect to this loan facility, and expects to execute an agreement by early Q3 2022, which is expected to result in more than \$10 million of liquidity.

In addition, the Company listed its headquarters building for sale in May 2022 and has garnered significant interest from several buyers amidst a strong Florida commercial real estate market. Given management's decision to move to a hybrid work model, the Company plans to lease the top floor to another tenant until the building is sold. Along with this initiative, the Company is in the process of selling other non-core assets, which if sold together with the building at the sales price anticipated by management, is expected to generate an additional \$10 million of liquidity.

Finally, the Company is working to sell through its excess & obsolete ("E&O") inventory of lower-margin, non-strategic products, along with reducing the overall level of inventory on hand. In May, the Company commenced its official E&O sales program internally and has since sold more than \$1 million of previously reserved E&O inventory. Management anticipates that the proceeds from these E&O sales, combined with a general sell-down of other non-core third-party brand inventory, is expected to generate more than \$10 million of liquidity for the Company.

In aggregate, the Company believes that it can generate more than \$30 million of liquidity on a non-dilutive basis by the end of 2022 if all these measures are successful.

"We are excited by the speed and scale of our efforts to generate substantial non-dilutive liquidity, especially against the backdrop of this challenging macro environment," said Nick Kovacevich, CEO of Greenlane. "Given the current depressed state of the broader capital markets, we are hyper focused on fully executing this plan to drive the liquidity we need to run and grow the business."

### **About Greenlane Holdings, Inc.**

Greenlane is the premier global platform for the development and distribution of premium cannabis accessories, packaging, vape solutions, and lifestyle products. We operate as a powerful house of brands and omni-channel distribution platform, providing unparalleled product quality, customer service, compliance knowledge, and operations and logistics to accelerate our customers' growth.

Founded in 2005, Greenlane serves a diverse and expansive customer base with more than 8,500 retail locations, including licensed cannabis dispensaries, smoke shops, and specialty retailers. As a pioneer in the cannabis space, Greenlane is the partner of choice for many of the industry's leading multi-state operators, licensed producers, and brands, including PAX Labs, Storz & Bickel (Canopy-owned), Cookies, Grenco Science, and CCELL.

We proudly own and operate a diverse brand portfolio including EYCE silicone pipes, DaVinci vaporizers, Pollen Gear™, the K.Haring Glass Collection by Higher Standards, Marley Natural™, and VIBES™ rolling papers. Higher Standards, Greenlane's flagship brand, offers both a high-end product line and immersive retail experience with groundbreaking stores in New York City's Chelsea Market and Malibu, California. Greenlane also owns and operates [Vapor.com](http://Vapor.com) and [VapoShop.com](http://VapoShop.com), two industry-leading, direct-to-consumer e-commerce platforms in North America and Europe respectively.

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

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### **Cautionary Statement Regarding Forward-Looking Statements**

Certain matters within this press release are discussed using forward-looking language as specified in the Private Securities Litigation Reform Act of 1995, and, as such, may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statements. These forward-looking statements include, among others, statements relating to: the current and future performance of the Company's business, including the achievement of profitability; the Company's financing and capitalization strategies, including management's expectations relating to the total proceeds and liquidity to be generated by the sale of the Company's headquarters building, ongoing E&O inventory sales program and sell-down of non-core third-party brand inventory; expected benefits from the strategic plans described herein; and the Company's financial outlook and expectations. For a description of factors that may cause the Company's actual results or performance to differ from its forward-looking

statements, please review the information under the heading "Risk Factors" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 and the Company's other filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). Additional information is also set forth in Greenlane's Quarterly Report on Form 10-Q for the three months ended March 31, 2022. Undue reliance should not be placed on the forward-looking statements in this press release, which are based on information available to Greenlane on the date hereof. Greenlane undertakes no duty to update this information unless required by law.

**SOURCE:** Greenlane Holdings, Inc.

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