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CV Sciences, Inc. CEO Issues Letter to Shareholders

SAN DIEGO, Aug. 12, 2019 (GLOBE NEWSWIRE) -- [CV Sciences, Inc.](#) (OTCQB:CVSI) (the “Company”, “CV Sciences”, “our”, “us” or “we”), a preeminent supplier and manufacturer of hemp cannabidiol (CBD) products through its industry-dominating brand, [PlusCBD™ Oil](#), today released a letter to shareholders from CEO Joseph Dowling.

Dear Shareholders,

Last week we issued our second quarter results, reporting the highest quarterly revenue in our company’s history, continuing a streak of 14 consecutive quarters of sequential revenue growth. This consistent growth is a reflection of the strength of the PlusCBD™ Oil brand and our growing distribution across retail channels. Year to date, we have more than doubled the number of retail doors where PlusCBD™ Oil products are carried, and we continue to enjoy a strong pipeline of new distribution opportunities. The fundamentals of our business are strong and our opportunity grows daily as consumer demand for hemp-based CBD products continues to expand at a rapid rate. We are proud of our second quarter results, but like you, we are disappointed by the market’s reaction. We pride ourselves on giving comprehensive quarterly updates, and our discussion of increased competition reflects what we see in our business today. But, as I noted on our second quarter conference call, incremental competition may lead to choppy quarter to quarter results. However, it does not detract from the rapidly growing market opportunity and expanding distribution, which along with our continued investments in our brand and industry leading quality, are the foundation of our long-term growth trajectory.

We have worked hard this year to further strengthen our company and fully leverage the power of the PlusCBD™ Oil brand. We have added key leadership talent, invested in systems to strengthen our business processes, broadened our product offering, expanded our supply chain to source domestic hemp and signed a lease to expand our production and warehousing capacity by five-fold. We are investing in consumer research to support a brand refresh and best position our brand for growth. We are also accelerating our Direct-to-Consumer tactics, including a redesign of our PlusCBD™ Oil consumer site and adding tools to accelerate online sales. Additionally, we are actively pursuing new distribution channels to complement our core natural product retailer channel and growing distribution into the food, drug and mass channels. We have a great story to tell...to consumers, to retailers and to investors.

As I recently told CBD Today, “To really compete, you have to have a brand that is respected and trusted, and then you have to have scale. If you don’t have those two things, you’re not going to be able to compete, and we have both. We are the only company with true fundamentals. We’re profitable. We have cash flow, which has allowed us to accumulate more than \$15 million cash organically, and we have no debt. We’re more profitable and certainly undervalued when compared with the THC focused cannabis stocks, all of whom say their growth potential is off the charts. We think ours is, too.”

As discussed in our earnings call last week, we continue to raise the bar not just for our company, but the industry as a whole. We appointed Deloitte as our auditors earlier this year and retained special legal counsel to help in our Nasdaq uplist effort, which is a top priority for our company. The company continues to add respected industry leaders to its senior management team. Additionally, CV Sciences has retained other world-class industry experts, including in marketing, sales and e-commerce operations.

CV Sciences pioneered the CBD consumer product industry, and as the regulatory framework emerges, our industry dominance and growth will continue and escalate. We ask that you trust in the long-term vision of this great company, the strong team we have built, and our proven track record of business performance, science-based R&D and regulatory leadership. We believe we are well-positioned to capitalize on the conservatively projected \$20 billion plus CBD industry and we look forward to sharing news of future business development successes in the coming months.

Thank you for your continued support.

Sincerely,

Joseph Dowling
Chief Executive Officer

About CV Sciences, Inc.

CV Sciences, Inc. (OTCQB:CVSI) operates two distinct business segments: a consumer product division focused on manufacturing, marketing and selling plant-based CBD products to a range of market sectors; and a drug development division focused on developing and commercializing novel therapeutics utilizing CBD. The Company's [PlusCBD™ Oil](#) is the top-selling brand of hemp-based CBD on the market, according to SPINS, the leading provider of syndicated data and insights for the natural, organic and specialty products industry. CV Sciences, Inc. has primary offices and facilities in San Diego, California. Additional information is available from OTCMarkets.com or by visiting www.cvsciences.com.

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This press release may contain certain forward-looking statements and information, as defined within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and is subject to the Safe Harbor created by those sections. This material contains statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. Such forward-looking statements by definition involve risks, uncertainties.

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