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KushCo Holdings, Inc. Announces Manufacturing and Distribution Agreement with Sun Grown Packaging to Launch Biodegradable Packaging Portfolio

GARDEN GROVE, CA / ACCESSWIRE / April 22, 2019 KushCo Holdings, Inc. (OTCQB: KSHB) ("KushCo" or the "Company"), in line with its previously announced sustainability initiatives, today announced it has entered a manufacturing and distribution agreement with SunGrown Packaging, LLC ("SunGrown"), a California-based provider of sustainable, customized packaging solutions to the cannabis industry. KushCo will immediately begin offering SunGrown's current biodegradable and child-resistant packaging options to its vast customer network of over 6000 businesses. In addition, the companies will work together to launch a new line of compostable and biodegradable packaging products for use in the cannabis, hemp and CBD industries.

Pursuant to the agreement, SunGrown will partner with KushCo to develop products designed for the unique demands of the cannabis, hemp and CBD industries, while ensuring that all new products are environmentally friendly by featuring proprietary, biodegradable materials from renewable resources. This will have an immediate impact to KushCo's top and bottom line as KushCo expects to recognize up to \$12 million in revenue in the first two years of this partnership. Packaging solutions produced under the agreement have been published under protocols established by ASTM International (formerly known as American Society for Testing and Materials) and Biodegradable Products Institute to guarantee proper certification.

In addition to the product launch, the Company will be hosting an on-site event Thursday May 30th at their Garden Grove headquarters with special guests including California State Treasurer, Fiona Ma, executives from SunGrown Packaging, and other C-level executives from the cannabis industry. The event will include a breakfast roundtable discussion on the state of California's regulatory and banking environment, speeches on the KushCo campus headquarters and several event activation stations from KushCo partners. Members of the media and a film crew will be present to capture the event.

"It is no secret that we have been working hard to transform our product portfolio to include numerous eco-friendly packaging solutions. We are thrilled to now be offering the first of those solutions in partnership with an industry leader - SunGrown Packaging," said KushCo Holdings' Chief Executive Officer, Nick Kovacevich. "Since 2010 we have been a leader in the legal cannabis industry, offering child-resistant packaging solutions to thousands of cannabis and CBD businesses. And today, on Earth Day, I am pleased to announce that our company is now a leader in offering biodegradable, compostable, and sustainable options for our customers - a huge step forward for our industry."

Whit Everett, Chief Executive Officer of SunGrown, "Partnering with KushCo, which is a market-leader in cannabis packaging, gives us the ability to reach a larger customer base with our certified biodegradable products and furthers our mission in bringing the cannabis industry an environmentally safe option. All our products are fully state-to-state compliant and many are child-resistant and customizable to our clients' needs."

To be added to the distribution list, please email ir@kushco.com with "Kush" in the subject line.

About KushCo Holdings, Inc.

KushCo Holdings, Inc. (OTCQB: KSHB) (www.kushco.com) is the premier producer of ancillary products and services to the cannabis and hemp industries. KushCo Holdings' subsidiaries and brands provide, product quality, exceptional customer service, compliance knowledge and a local presence in serving its diverse customer base.

Founded in 2010, KushCo Holdings has now sold more than 1 billion units to growers, processors and producers across North America, South America, and Europe.

The Company has been featured in media nationwide, including CNBC, Los Angeles Times, TheStreet.com, Entrepreneur, and business magazine Inc. While KushCo Holdings provides products and solutions to customers in the cannabis and CBD industries, it has no direct involvement with the cannabis plant or any products that contain THC or CBD.

For more information, visit www.kushco.com or call (888)-920-5874

Forward-Looking Statements

This press release may include predictions, estimates or other information that might be considered forward-looking within the meaning of applicable securities laws. These "forward-looking" statements include statements relating to, among other things, the expected revenue attributable to the supply arrangements and the Company's expectation that the supply arrangements-in-principle will become binding on the parties upon execution of definitive documents. While these forward-looking statements represent the Company's current judgments, they are subject to risks and uncertainties that could cause actual results to differ materially. You are cautioned not to place undue reliance on these forward-looking statements, which reflect the opinions of the Company's management only as of the date of this release. Please keep in mind that the Company is not obligating itself to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events. When used herein, words such as: "potential," "look forward," "expect," "believe," "dedicated," "building," or variations of such words and similar expressions are intended to identify forward-looking statements. Factors that could cause actual results to differ materially from those contemplated in any forward-looking statements made by the Company herein are often discussed in filings the Company makes with the United States Securities and Exchange Commission (SEC), available at: www.sec.gov, and on the Company's website, at: www.kushco.com.

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