



**FQ4 and FY 2019  
Supplemental Earnings Slides**

November 7, 2019

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# FQ4 AND FY 2019 HIGHLIGHTS

- ✓ **Record FQ4 net revenue of \$47.0 million**
  - + Revenue growth was **predominantly organic**, up **135% YoY** and up **13% QoQ**
  - + Michigan and Illinois revenue both up **88% QoQ**
- ✓ **Continued Strong Cross-Selling Activity**
  - + **42** customers spent more than \$500,000 in FY 2019, **up from 14 in FY 2018**
  - + Customers spending more than **\$1 million** in FY 2019 purchased an average of **69 SKUs**
- ✓ **Scale and Operational Efficiency Drive Higher Gross Margins**
  - + **20%** on a GAAP basis in FQ4, **up from 18%** in FQ3

# REVENUE BREAKOUT BY LOCATION

Geography	Q4 2019 Revenue	% Q4 2019 Revenue	YoY Growth	QoQ Growth
CA	\$17.9	38.1%	87%	-15%
CO	\$3.7	7.8%	72%	25%
WA	\$3.5	7.5%	51%	9%
MI	\$2.2	4.8%	681%	88%
OR	\$2.0	4.3%	45%	-22%
NV	\$1.9	4.1%	67%	-9%
MA	\$1.7	3.5%	570%	-8%
IL	\$0.6	1.4%	1,332%	88%
ME	\$0.5	1.1%	191%	14%
Other Rec States	\$0.4	0.8%	86%	51%
<b>REC STATES TOTAL</b>	<b>\$34.4</b>	<b>73.3%</b>	<b>96%</b>	<b>-4%</b>
Medical States	\$7.2	15.3%	405%	89%
Other States**	\$4.0	8.6%	1,105%	311%
Other Countries	\$0.2	0.5%	85%	113%
Canada	\$1.1	2.3%	113%	71%
<b>TOTAL REVENUES</b>	<b>\$47.0</b>	<b>100.0%</b>	<b>135%</b>	<b>13%</b>

	QoQ Growth	YoY Growth
<b>RECREATIONAL STATES</b>	-4%	96%
<b>MEDICAL STATES</b>	89%	405%
<b>TOTAL REVENUE</b>	13%	135%

# REVENUE BY 4 CATEGORIES QoQ + YoY

Product Categories	Q4 2019 Revenue	% of Revenue	YoY Growth	Q4 2018 Revenue	QoQ Growth	Q3 2019 Revenue
Vape	\$31.7	67.4%	186%	\$11.1	5%	\$30.0
Packaging	\$7.5	16.0%	23%	\$6.1	20%	\$6.2
Energy & Natural Products	\$7.0**	15.0%	318%	\$1.7	61%	\$4.4
Papers & Supplies	\$0.8	1.7%	-30%	\$1.1	-8%	\$0.9
<b>TOTAL REVENUES</b>	<b>\$47.0</b>	<b>100.0%</b>	<b>135%</b>	<b>\$20.0</b>	<b>13%</b>	<b>\$41.5</b>

\* Amounts in millions. Total amounts may not add up due to rounding  
 \*\* Energy & Natural Products sales for the quarter included \$3.1 million of hemp trading business

# SKU CROSS-SELL PROGRESSION (TTM)

Customer Value	# of Customers	Avg Revenue	Avg # of SKUs	Change from Q3 (TTM) (Customers)	Change from Q3 (TTM) (SKUs)
\$ 10-49k	623	\$21,692	13	-46	0
\$ 50-99k	126	\$67,714	20	-6	-1
\$ 100-249k	89	\$157,419	30	+4	+2
\$ 250-499k	39	\$355,141	41	0	+5
\$ 500- 999k	23	\$751,375	57	+8	-3
\$ 1000k+	19	\$3,839,957	69	+4	-1

Customer Size	FY 2016	FY 2017	FY 2018	FY 2019
\$50-99k	6	29	88	126
\$100k - \$249k	5	13	51	89
\$250k - \$499k	2	7	18	39
\$500k - \$999k	0	5	10	23
\$1000k+	0	0	4	19

# THANK YOU

## Investor Relations Contact:

**Najim Mostamand, CFA**  
Director of Investor Relations  
714-539-7653  
[ir@kushco.com](mailto:ir@kushco.com)

