
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 7, 2021

GREENLANE HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38875
(Commission File Number)

83-0806637
(IRS Employer Identification No.)

1095 Broken Sound Parkway, Suite 300
Boca Raton, FL
(Address of principal executive offices)

33487
(Zip Code)

Registrant's telephone number, including area code: **(877) 292-7660**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.01 par value per share	GNLN	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 7.01 Regulation FD Disclosure.

Furnished as Exhibit 99.1 hereto and incorporated by reference into this Item 7.01 is an investor presentation that will be used by Greenlane Holdings, Inc. (the "Company" or "Greenlane") at the Roth Virtual Golden Cannabis Day conference. The presentation discusses, among other things, the transactions contemplated by the definitive merger agreement (the "Merger Agreement") announced on March 31, 2021 between Greenlane and KushCo Holdings, Inc. ("KushCo").

The information in this Item 7.01, including Exhibit 99.1, is furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to liabilities under that section, and shall not be deemed to be incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, regardless of any general incorporation language in such filings. This Current Report will not be deemed an admission as to the materiality of any information of the information in this Item 7.01, including Exhibit 99.1.

Important Information for Investors and Stockholders

In connection with the proposed transaction, Greenlane expects to file with the Securities and Exchange Commission ("SEC") a registration statement on Form S-4 that will include a joint proxy statement of Greenlane and KushCo that also constitutes a prospectus of Greenlane, which joint proxy statement will be mailed or otherwise disseminated to Greenlane's and KushCo's respective stockholders when it becomes available. Greenlane and KushCo also plan to file other relevant documents with the SEC regarding the proposed transaction. **INVESTORS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC IF AND WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.**

Investors and security holders may obtain free copies of the registration statement and the joint proxy statement/prospectus (if and when it becomes available) and other relevant documents filed by Greenlane and KushCo with the SEC at the SEC's website at www.sec.gov. Copies of the documents filed by the companies will be available free of charge on their respective websites at www.gnl.com and www.kushco.com.

Participants in Solicitation

This Current Report on Form 8-K relates to a proposed transaction between Greenlane and KushCo. This Current Report on Form 8-K is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the potential transaction. Greenlane, KushCo and their respective directors and executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about the directors and executive officers of Greenlane is set forth in its proxy statement for its 2020 annual meeting of stockholders, which was filed with the SEC on April 24, 2020. Information about the directors and executive officers of KushCo is set forth in its proxy statement for its 2021 annual meeting of stockholders, which was filed with the SEC on December 28, 2020. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote of approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit Number	Description of Exhibit
<u>99.1</u>	<u>Greenlane Holdings, Inc. Investor Presentation dated April 7, 2021</u>
104	Cover page formatted Inline XBRL

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GREENLANE HOLDINGS, INC.

Date : April 7, 2021

By: /s/ William Mote
William Mote
Chief Financial Officer



INVESTOR PRESENTATION | APRIL 2021

Private & Confidential

2

DISCLAIMER

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

THIS PRESENTATION INCLUDES FORWARD-LOOKING STATEMENTS MADE BY REPRESENTATIVES OF GREENLANE HOLDINGS, INC. ("GREENLANE"). THESE FORWARD-LOOKING STATEMENTS GENERALLY CAN BE IDENTIFIED BY PHRASES SUCH AS "WILL," "EXPECTS," "ANTICIPATES," "FORESEES," "FORECASTS," "ESTIMATES" OR OTHER WORDS OR PHRASES OF SIMILAR IMPORT. THESE STATEMENTS ARE BASED ON CURRENT EXPECTATIONS, FORECASTS, AND PROJECTIONS, INCLUDING (BUT NOT LIMITED TO): CAPITAL MARKET CONDITIONS, THE CURRENT AND FUTURE PERFORMANCE OF GREENLANE'S BUSINESS; THE COMPANY'S LONG-TERM FINANCIAL TARGETS; GROWTH IN DEMAND FOR GREENLANE'S PRODUCTS; GROWTH IN THE MARKET FOR CANNABIS, NICOTINE AND HEMP-DERIVED CBD ACCESSORIES; GREENLANE'S MARKETING AND COMMERCIALIZATION EFFORTS; GREENLANE'S FINANCIAL OUTLOOK AND EXPECTATIONS; THE COMPLETION OF GREENLANE'S PROPOSED MERGER (THE "TRANSACTION") WITH KUSHCO HOLDINGS, INC. ("KUSHCO"); THE ABILITY TO RECOGNIZE THE ANTICIPATED BENEFITS OF THE TRANSACTION; AND THE OTHER RISKS AND IMPORTANT FACTORS CONTAINED AND IDENTIFIED IN GREENLANE'S AND KUSHCO'S FILINGS WITH THE SEC, SUCH AS THEIR RESPECTIVE ANNUAL REPORTS ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020, ANY OF WHICH COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THE FORWARD-LOOKING STATEMENTS IN THIS PRESENTATION. FORWARD-LOOKING STATEMENTS SHOULD NOT BE READ AS A GUARANTEE OF FUTURE PERFORMANCE OR RESULTS AND WILL NOT NECESSARILY BE ACCURATE INDICATIONS OF THE TIMES AT, OR BY WHICH, SUCH PERFORMANCE OR RESULTS WILL BE ACHIEVED. FORWARD-LOOKING INFORMATION IS BASED ON INFORMATION AVAILABLE AT THE TIME AND/OR MANAGEMENT'S GOOD FAITH BELIEF WITH RESPECT TO FUTURE EVENTS, AND IS SUBJECT TO RISKS AND UNCERTAINTIES, SOME OR ALL OF WHICH ARE NOT PREDICTABLE OR WITHIN THE CONTROL OF GREENLANE OR KUSHCO, THAT COULD CAUSE ACTUAL PERFORMANCE OR RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN THE FORWARD-LOOKING STATEMENTS.

THERE CAN BE NO ASSURANCE THAT THE TRANSACTION WILL IN FACT BE CONSUMMATED. WE CAUTION INVESTORS NOT TO UNDULY RELY ON ANY FORWARD-LOOKING STATEMENTS. THE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS PRESS RELEASE. NEITHER GREENLANE NOR KUSHCO IS UNDER ANY DUTY TO UPDATE ANY OF THESE FORWARD-LOOKING STATEMENTS AFTER THE DATE OF THIS COMMUNICATION, NOR TO CONFORM PRIOR STATEMENTS TO ACTUAL RESULTS OR REVISED EXPECTATIONS, AND NEITHER GREENLANE NOR KUSHCO INTENDS TO DO SO.

IMPORTANT INFORMATION FOR INVESTORS AND STOCKHOLDERS

IN CONNECTION WITH THE TRANSACTION, GREENLANE EXPECTS TO FILE WITH THE SEC A REGISTRATION STATEMENT ON FORM S-4 THAT WILL INCLUDE A JOINT PROXY STATEMENT OF GREENLANE AND KUSHCO THAT ALSO CONSTITUTES A PROSPECTUS OF GREENLANE, WHICH JOINT PROXY STATEMENT WILL BE MAILED OR OTHERWISE DISSEMINATED TO GREENLANE'S AND KUSHCO'S RESPECTIVE STOCKHOLDERS WHEN IT BECOMES AVAILABLE. GREENLANE AND KUSHCO ALSO PLAN TO FILE OTHER RELEVANT DOCUMENTS WITH THE SEC REGARDING THE PROPOSED TRANSACTION. INVESTORS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC IF AND WHEN THEY BECOME AVAILABLE, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

INVESTORS AND SECURITY HOLDERS MAY OBTAIN FREE COPIES OF THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS (IF AND WHEN IT BECOMES AVAILABLE) AND OTHER RELEVANT DOCUMENTS FILED BY GREENLANE AND KUSHCO WITH THE SEC AT THE SEC'S WEBSITE AT WWW.SEC.GOV. COPIES OF THE DOCUMENTS FILED BY THE COMPANIES WILL BE AVAILABLE FREE OF CHARGE ON THEIR RESPECTIVE WEBSITES AT WWW.GNLN.COM AND WWW.KUSHCO.COM.

PARTICIPANTS IN SOLICITATION

GREENLANE, KUSHCO AND THEIR RESPECTIVE DIRECTORS AND EXECUTIVE OFFICERS MAY BE CONSIDERED PARTICIPANTS IN THE SOLICITATION OF PROXIES IN CONNECTION WITH THE PROPOSED TRANSACTION. INFORMATION ABOUT THE DIRECTORS AND EXECUTIVE OFFICERS OF GREENLANE IS SET FORTH IN ITS PROXY STATEMENT FOR ITS 2020 ANNUAL MEETING OF STOCKHOLDERS, WHICH WAS FILED WITH THE SEC ON APRIL 24, 2020. INFORMATION ABOUT THE DIRECTORS AND EXECUTIVE OFFICERS OF KUSHCO IS SET FORTH IN ITS PROXY STATEMENT FOR ITS 2021 ANNUAL MEETING OF STOCKHOLDERS, WHICH WAS FILED WITH THE SEC ON DECEMBER 28, 2020. THESE DOCUMENTS CAN BE OBTAINED FREE OF CHARGE FROM THE SOURCES INDICATED ABOVE. ADDITIONAL INFORMATION REGARDING THE PARTICIPANTS IN THE PROXY SOLICITATIONS AND A DESCRIPTION OF THEIR DIRECT AND INDIRECT INTERESTS, BY SECURITY HOLDINGS OR OTHERWISE, WILL BE CONTAINED IN THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT MATERIALS TO BE FILED WITH THE SEC WHEN THEY BECOME AVAILABLE.

NO OFFER OR SOLICITATION

THIS COMMUNICATION IS NOT INTENDED TO AND SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OR A SOLICITATION OF ANY VOTE OF APPROVAL, NOR SHALL THERE BE ANY SALE OF SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION. NO OFFER OF SECURITIES SHALL BE MADE EXCEPT BY MEANS OF A PROSPECTUS MEETING THE REQUIREMENTS OF SECTION 10 OF THE SECURITIES ACT OF 1933, AS AMENDED.



Private & Confidential

INNOVATING TOMORROW'S PRODUCTS TODAY

The preeminent platform for products in the cannabis and alternative space

Greenlane successfully identifies and develops industry leading brands early in their lifecycle, utilizing over 15 years of industry experience and proprietary consumer data.

With deep consumer insights, we are strongly positioned to grow and scale to meet the accelerating global demands for both B2B and B2C products.

Proven track-record of successfully identifying & developing the industry's next leading brands early in their lifecycle

As the leading global platform for the development and distribution of premium cannabis accessories and lifestyle products we innovate for tomorrow, today.

\$31.3B

ESTIMATED GLOBAL LEGAL CANNABIS MARKET IN 2022*



*SOURCE: ARCVIEW MARKET RESEARCH AND BDS ANALYTICS

Private & Confidential

INVESTMENT HIGHLIGHTS⁽¹⁾

4

\$125.2M

RECORD
CORE BUSINESS
REVENUE IN 2020

90.5%

OF FY2020 REVENUE
DERIVED FROM CORE
BUSINESS

46.3%

GROWTH IN
GREENLANE BRANDS
REVENUE YOY

\$30.4M

YEAR-END 2020
CASH BALANCE

5

GLOBAL
DISTRIBUTION
HUBS

15

YEARS OF
INDUSTRY
EXPERIENCE

50+

PARTNERSHIPS
WITH KEY BRANDS

10M+

CONSUMER
REACH THROUGH
DIRECT + RETAIL
RELATIONSHIP

Driven by our four pillars for growth:

- Cost reduction through operational efficiencies
- Enhancing and expanding our platform
- Optimizing assortment towards higher-margin and owned brand products
- Strengthening sales approach with a focus on customer experience

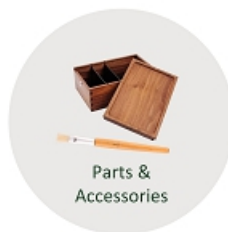
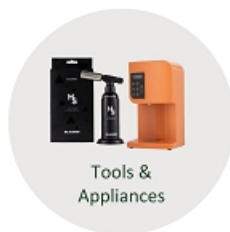
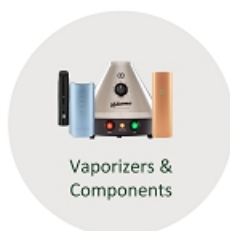


(1) AS OF DECEMBER 31, 2021

Private & Confidential

A GLOBAL DISTRIBUTOR OF BEST IN CLASS PRODUCTS

Greenlane Offers a Comprehensive Assortment of Products, Offering Broad Distribution For Brands, & Acting As A One Stop Shop For Both B2B & B2C:



greenlane

Private & Confidential

CURATING A PORTFOLIO OF GREENLANE BRANDS

HS HIGHER STANDARDS



K-Haring



MARLEY NATURAL



+1M

Social Media Followers*

EVCE



pollen gear
A GREENLANE COMPANY



VIBES



AEROSPACE



GROOVE



Greenlane brands created leveraging deep consumer insights from years of distributing the industry's largest brands

greenlane

*MARLEY NATURAL SOCIAL MEDIA CHANNELS ENCOMPASS BOTH BRANCHES OF THE BRAND.

Private & Confidential

STRONG PARTNERSHIPS WITH AWARD WINNING BRANDS



AS A PIONEER IN THE CANNABIS SPACE, GREENLANE IS THE PARTNER OF CHOICE FOR MANY OF THE INDUSTRY'S LEADING BRANDS

greenlane

Private & Confidential

100+ CUSTOM PRODUCT & PACKAGING CUSTOMERS



greenlane

Private & Confidential

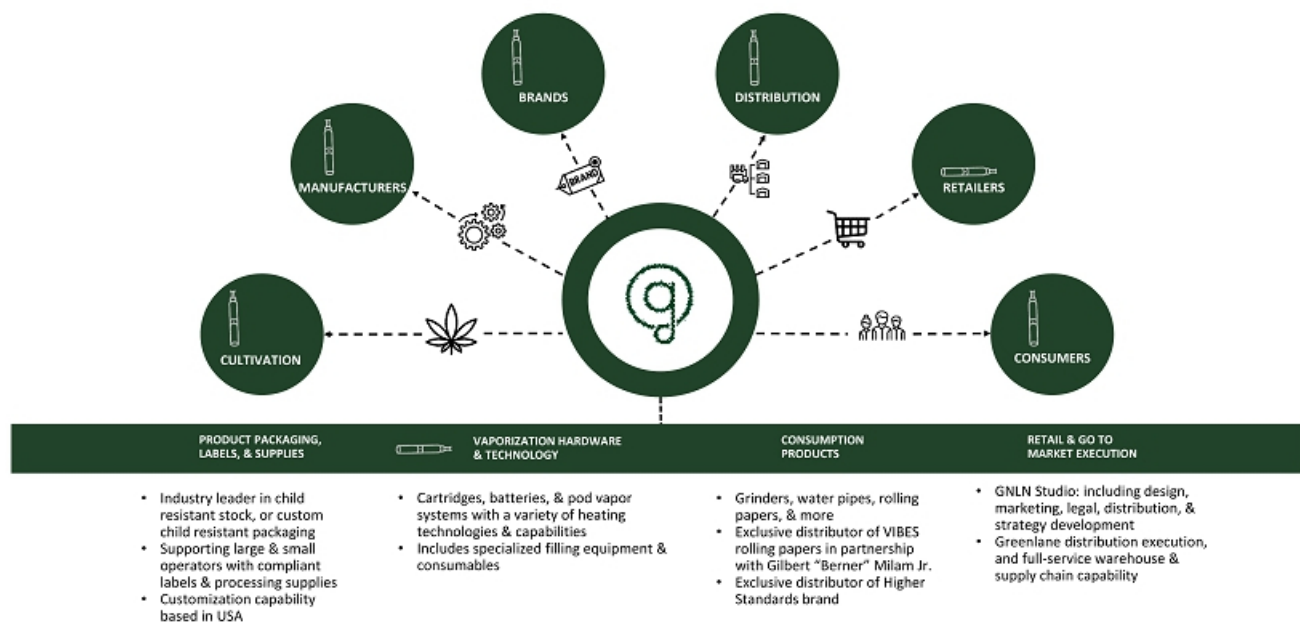
ADDING VALUE THROUGH EVERY STEP OF THE PRODUCT LIFECYCLE



greenlane

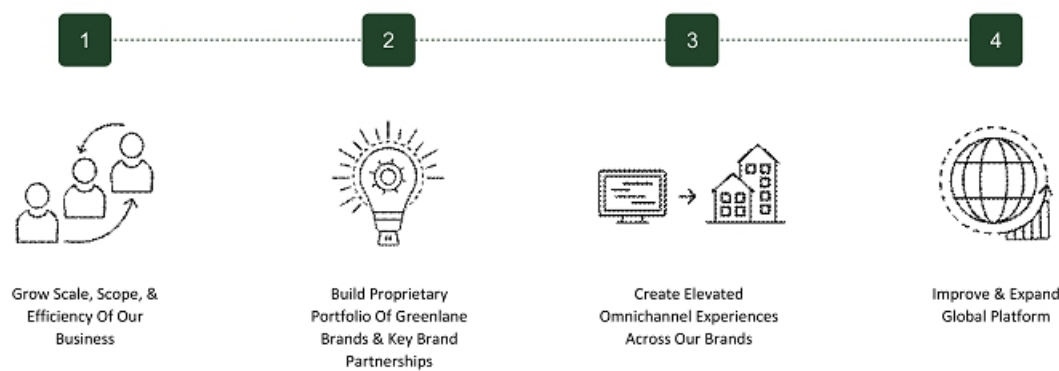
Private & Confidential

STRATEGICALLY POSITIONED THROUGHOUT THE VALUE CHAIN



greenlane

Private & Confidential



1. GROW SCALE, SCOPE, AND EFFICIENCY OF OUR BUSINESS

Expand our market share and product offering through strong customers and supplier relationships supported by best-in-class operations.

- Warehouse & Logistics
- Organizational Structure

In Q1 2020, Greenlane announced its plan to operate a high-growth, profitable business through various strategic initiatives:

COMPLETED	SUBSTANTIALLY COMPLETED	IN PROGRESS	
<p>Reposition focus on higher margin revenue opportunities</p> <ul style="list-style-type: none">• Refocused effort on higher margin revenue ie. Greenlane Brands• Reduced proportion of revenues derived from lower-margin nicotine products to below 10% <p>Add new senior leadership</p> <ul style="list-style-type: none">• Hired new leadership to grow and expand business segments	<p>Reevaluate cost structure to drive efficiencies</p> <ul style="list-style-type: none">• Streamlined and consolidated distribution centers from 7 to 5, enhancing automation & efficiencies• Performed a strategic review of workforce• Reduced North American staff by 31%	<p>Expand the GNLN platform & Strategic Acquisitions</p> <ul style="list-style-type: none">• Pursuing opportunities for channel expansion and digital solutions• Evaluating a robust pipeline of M&A opportunities	<p>Focus on Organic Growth</p> <ul style="list-style-type: none">• Optimizing assortment of products to meet customer needs• Upgrading customer service approach to support the broader customer experience• Increasing penetration rates, in terms of both number of customers and shelf space per customer• Target high lifetime value consumers

A DISCIPLINED APPROACH TO VALUE-ENHANCING STRATEGIC ACQUISITIONS

As the industry continues to see consolidation, Greenlane remains at the forefront with a strong balance sheet and disciplined approach to acquisitions.

ACQUISITION CRITERIA

- Market Share Growth & Enhanced Product Portfolio
- Disciplined Operators & Cultural Alignment
- Margin Accretion
- Fortifies Global Position
- Additional Product Categories

COMPLETED ACQUISITIONS

				
DATE	February 2018	January 2019	October 2019	March 2021
DESCRIPTION	Next Largest Vapor & Accessory Wholesaler & E-Commerce Player	California-Based Designer of Child-Resistant Packaging & Storage Solutions	Leading European Wholesaler & Retailer of Consumption Accessories, Vaporizers & Other Premium Products	World's Leading Brand of Silicone Smoking Products
RATIONALE	Bolstered E-Commerce & Fulfillment Capabilities & Added 5th Distribution Center	Expanded Our Portfolio of Proprietary Owned Brands	Immediate Expansion Into European Market	Expanded Our Portfolio of Proprietary Owned Brands
FINANCIAL IMPACT	Increased Our Sales By Introducing Products From Our Existing Portfolio To Customers of VaporNation	Improved Margins by Vertically Integrating Our Supply & Packaging Segment	Increased B2B & B2C Sales & Accretive to Gross Margin	Immediately Accretive to Revenue and Earnings

greenlane

Private & Confidential

TRANSFORMATIVE MERGER, CREATING THE LEADING ANCILLARY CANNABIS COMPANY AND HOUSE OF BRANDS



greenlane

Private & Confidential

TRANSACTION OVERVIEW

- Stock-for-stock combination with approximately 0.2546 Greenlane Class A shares received for each KushCo share (the “Base Exchange Ratio”), subject to adjustment⁽¹⁾
- Expected pro forma ownership to Greenlane stockholders of 50.1%(1) and to KushCo stockholders of 49.9%(1)
- All of Greenlane Class C Common Stock to be converted to Class B Common Stock on a 3-to-1 basis which will have the effect of retiring the existing enhanced voting rights of Greenlane’s majority stockholder
- Subject to customary closing conditions, including regulatory and Greenlane and KushCo stockholder approvals
- Expected to close in late Q2 2021 or early Q3 2021

ENHANCED SCALE	WELL-POSITIONED ACROSS THE ENTIRE VALUE CHAIN	POTENTIAL SYNERGIES TO ACCELERATE PROFITABILITY	EXPERIENCED INDUSTRY LEADERS
<ul style="list-style-type: none"> • Products sold in over 8,000 retailers globally, including U.S. MSO and smoke shop channels • Access to millions of customers in B2C channel • Presence in 4 continents • Over 200 articles of IP 	<ul style="list-style-type: none"> • KushCo’s deep U.S. MSO and Canadian LP upstream customer relationships coupled with Greenlane’s downstream focus and Greenlane owned brands enable significant growth opportunities and ability to deliver additional value to customers 	<ul style="list-style-type: none"> • Estimated \$15-\$20 million of pre-tax annual run-rate cost synergies • Achievable within 24 months following close of transaction • Opportunity for revenue synergies through cross-selling of highly complementary offering of brands, products & services 	<ul style="list-style-type: none"> • Combined company leadership team will have 25+ years of operating history in the ancillary cannabis industry • Nick Kovacevich, will serve as CEO • Bill Mote, will serve as CFO • Aaron LoCascio will serve as President • Adam Schoenfeld, will serve as CSO



⁽¹⁾ The Merger Agreement permits Greenlane to continue to pursue opportunistic and strategic priorities prior to the closing of the Transaction, including engaging in certain contemplated acquisitions and capital raising transactions. If Greenlane issues additional securities prior to the closing of the Transaction in connection with any acquisitions or capital raising transactions, the Base Exchange Ratio will be adjusted such that Greenlane’s existing stockholders maintain an aggregate interest of at least 50.1%, and not more than 51.9%, in the combined company.

Private & Confidential

2. BUILD PROPRIETARY PORTFOLIO OF GREENLANE BRANDS & KEY BRAND PARTNERSHIPS

16

LUXURY MEETS CANNABIS	DARE TO DREAM	SYMBIOTIC RELATIONSHIPS	REWRITING THE RULES	GROWTH FOCUSED
As a global house of brands, we embody elite craftsmanship, technological innovation, and novel experiences.	With a 360-degree industry view and award-winning expertise, Greenlane drives innovation in the brand landscape.	Expand offering and develop strong representation in all product categories for our customer base.	Curate Greenlane Brands portfolio through a thoughtful methodology bolstering margin profile, customer loyalty, and differentiation.	Leverage unparalleled access to shelf space to quickly scale and drive margins.



Private & Confidential

3. CREATE ELEVATED OMNICHANNEL EXPERIENCES ACROSS OUR BRANDS

17



E-COMMERCE: With Vapor.com, we drive critical mass with users to rationalize a unique, offline marketing strategy to reach cannabis consumers. Poised to become the leading e-commerce destination for cannabis connoisseurs in the United States, Canada, Europe, and beyond.

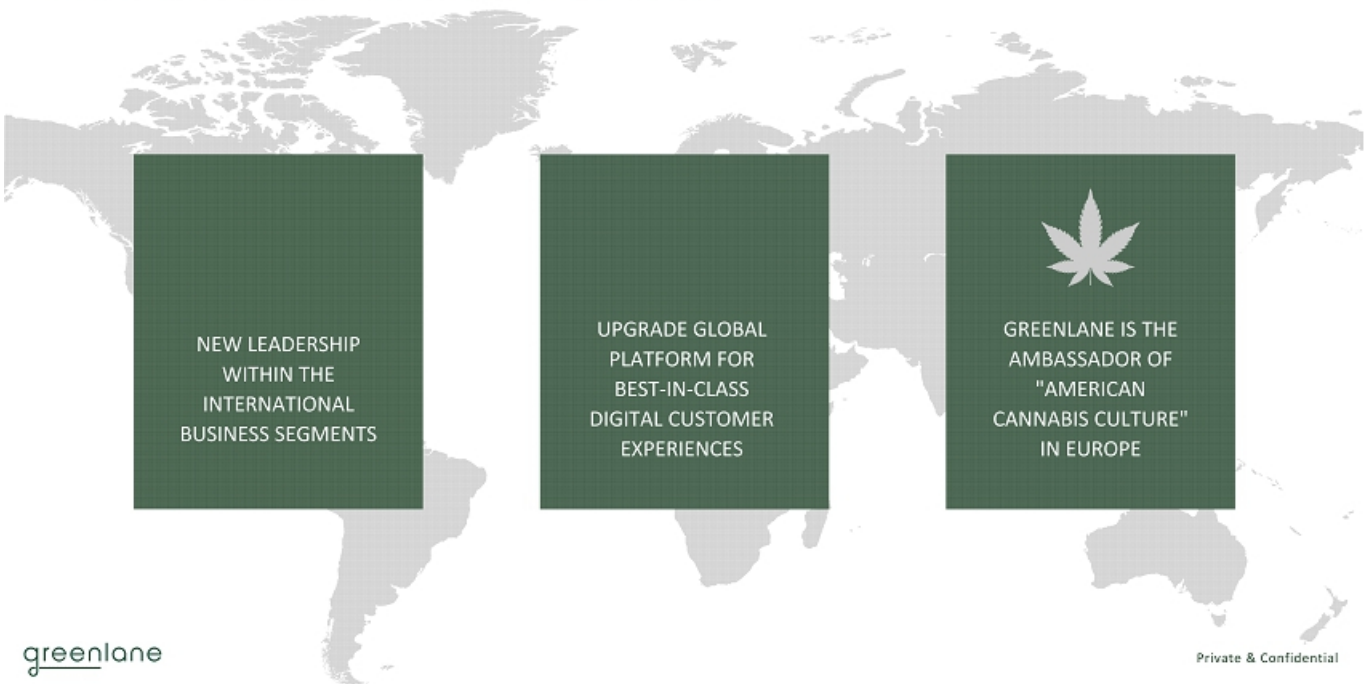
RETAIL: Through our Higher Standards retail locations we can keep a pulse on the market and customers, informing our strategy for the most effective store merchandising. Groundbreaking stores in both New York City's Chelsea Market, Malibu, California & Barcelona, Spain through our partnership with Cookies.

greenlane

Private & Confidential

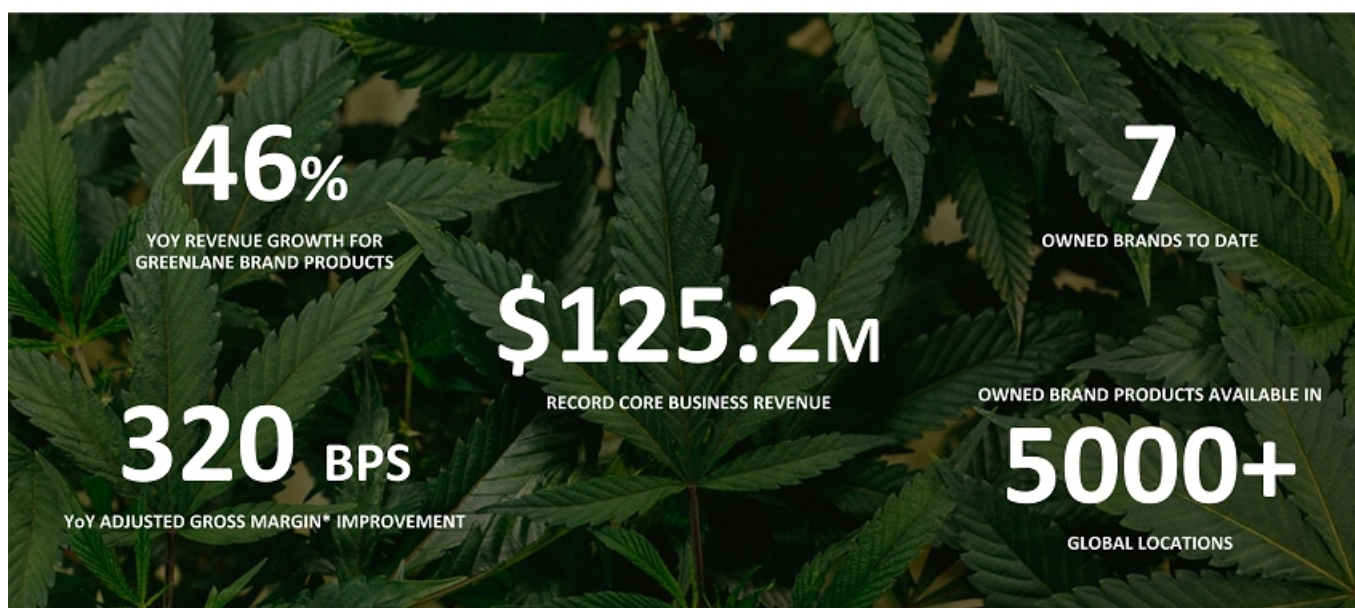
4. IMPROVE & EXPAND GLOBAL PLATFORM

18



greenlane

Private & Confidential



greenlane

(1) As of December 31, 2020
(2) Excluding the impact of certain inventory adjustments which occurred in the third quarter of 2020

Private & Confidential

FINANCIAL HIGHLIGHTS

20

\$ in millions, unless otherwise noted	Q4 2020	Q4 2019	FY 2020	FY 2019
NET SALES	\$36.3	\$37.2	\$138.3	\$185.0
CORE BUSINESS* SALES	\$33.9	\$30.5	\$125.2	\$111.1
% of NET SALES	93.4%	81.8%	90.5%	60.1%
SALES OF GREENLANE BRANDS	\$7.7	\$5.2	\$27.2	\$18.6
% of NET SALES	21.4%	13.8%	19.7%	10.1%
GROSS PROFIT	\$6.2	\$6.5	\$22.8	\$31.1
GROSS MARGIN	17.1%	17.5%	16.5%	16.8%
G&A	\$9.6	\$8.0	\$35.3	\$23.6
ADJUSTED EBITDA	-\$7.2	-\$7.6	-\$24.4	-\$13.4
CASH	\$30.4	\$47.8	\$30.4	\$47.8

greenlane

*Defined as non-nicotine revenue

Private & Confidential

EXPERIENCED EXECUTIVE LEADERSHIP TEAM



Aaron LoCascio Chief Executive Officer

Co-Founder; Overseeing day-to-day operations of Greenlane. Serial entrepreneur since encountering his first vaporization product at age 19. Sensed the commercial and technological potential of vaporization and began purchasing and re-selling units online shortly thereafter.



Bill Mote Chief Financial Officer

Over 25 years of experience building and leading finance teams in global corporations with significant operating scale and complexity. Formerly CFO at Basic Fun and previously at Summer Infant (NASDAQ:SUMR) and the Poarch Band of Creek Indians. Held senior level finance roles at Jakks Pacific, Easton Bell Sports and Hewlett-Packard. Graduated from Louisiana State University in Baton Rouge with a bachelor's degree in Accounting and a master's degree in Business Administration.



Bill Bine Chief Operating Officer

25 years experience leading supply chain and operations growth and transformation in the consumer products and manufacturing industries. Built career in diverse global business environments and delivered accretive results in domestic and international business growth, M&A, and business transformation. Formerly SVP, Global Supply Chain and Operations at Crocs. Prior, held multiple leadership positions including: Interim Chief Sourcing Officer and VP, Global Sourcing Operations at Ascena Retail Group, VP International Operations and Supply Chain Strategy at Chico's FAS, Inc. and senior positions at L Brands, Inc. US Navy veteran, BS, Electrical Engineering from the University of Notre Dame and Finance and Operations from Duke University.



Doug Fischer General Counsel

Practiced at Cadwalader, Wickersham & Taft, representing corporations and individuals in an array of settings spanning white collar criminal, regulatory, and complex commercial matters. Former Chief Legal Officer of the National Association of Cannabis Businesses where he worked with leading cannabis businesses to establish national compliance standards.

greenlane

Private & Confidential

BOARD OF DIRECTORS



Richard Taney

Director

- Member of the Audit Committee
- Chair of the Compensation Committee
- Member of the Nominating & Corporate Governance Committee



Jeff Uttz

Director

- Chair of the Audit Committee
- Member of the Compensation Committee
- Member of the Nominating & Corporate Governance Committee



Neil Closner

Director

- Member of the Audit Committee
- Member of the Compensation Committee
- Chair of the Nominating & Corporate Governance Committee



Aaron LoCascio

Chief Executive Officer



Adam Schoenfeld

Chief Strategy Officer

greenlane

Private & Confidential

[illegible]

Private & Confidential

24

The Greenlane Ecosystem

2) See Appendix for Details.

3) Includes Shares Sold to IPO Investors & Converted Shares From Convertible Note

Private & Confidential

HISTORICAL INCOME STATEMENT

	Year Ended December 31,	
	2020	2019
	<i>(in thousands)</i>	
Net sales	\$ 138,304	\$ 185,006
Cost of goods sold	115,539	153,916
Gross Profit	22,765	31,090
% Margin	16.5%	16.8%
Operating expenses:		
Salaries, benefits and payroll taxes	24,909	29,716
General and administrative	35,315	23,593
Goodwill Impairment Charge	8,996	-
Depreciation and amortization	2,520	2,705
Total operating expenses	71,740	56,014
% of Net sales	51.9%	30.3%
Net Loss	\$ (47,704)	\$ (39,824)
Adjusted EBITDA	\$ (24,352)	\$ (13,424)
Operating expenses as % of net revenue:		
Salaries benefits and payroll Taxes	18.0%	16.1%
General and administrative	25.5%	12.8%
Depreciation and amortization	11.1%	8.7%

Note: US\$ in thousands.

1. We monitor our Adjusted EBITDA, which is defined as net (loss) income before interest expense, income tax expense, depreciation and amortization expense, equity-based compensation expense, other income, net, and non recurring expenses primarily related to our transition to being a public company. These non-recurring expenses, which are reported within general and administrative expenses in our consolidated statements of operations, represent fees and expenses primarily attributable to consulting fees and incremental audit and legal fees. Adjusted EBITDA is a non-GAAP performance measure that we believe assists investors and analysts as a supplemental measure to evaluate our overall operating performance and how well we are executing our business strategies. We believe that the inclusion of certain adjustments in presenting Adjusted EBITDA is appropriate to provide additional information to investors because adjusted EBITDA excludes certain items that we believe are not indicative of our core operating performance and that are not included in the calculation of net income.

greenlane

Private & Confidential

ADJUSTED EBITDA RECONCILIATION

<i>(in thousands)</i>	Year ended December 31,	
	2020	2019
Net loss	\$ (47,704)	\$ (39,824)
Other income, net ⁽¹⁾	(1,902)	(9,073)
Transition to being a public company ⁽²⁾	—	775
Interest expense	437	975
Provision for (benefit from) income taxes	194	10,935
Depreciation and amortization	2,520	2,705
Equity-based compensation expense	853	8,020
Initial consulting costs related to ERP system implementation ⁽³⁾	215	—
Restructuring expenses ⁽⁴⁾	1,229	—
Due diligence costs related to acquisition target	903	—
Adjustments related to product rationalization to increase inventory turnover of slow-selling products ⁽⁵⁾	3,222	—
One-time early termination fee on operating lease in connection with moving to a centralized distribution center model	262	—
Goodwill impairment charge	8,996	—
Inventory charges related to management's strategic initiative ⁽⁵⁾	1,137	—
Allowances for uncollectible vendor deposits incurred in connection with management's strategic initiative ⁽⁵⁾	822	—
Loss related to indemnification asset not probable of recovery	4,464	—
Change in fair value of convertible notes	—	12,063
Adjusted EBITDA	\$ (24,352)	\$ (13,424)

Note: US\$ in thousands.

(1) Includes rental and interest income, changes in the fair value of contingent consideration, and other miscellaneous income.

(2) Includes certain non-recurring fees and expenses primarily attributable to consulting fees and incremental audit and legal fees incurred in connection with our IPO.

(3) Includes non-recurring expenses related to the initial project design for our planned ERP system implementation.

(4) Includes primarily severance payments for employees terminated as part of our transformation plan.

(5) Includes certain non-recurring charges related to management's strategic initiative. These adjustments were incurred to liquidate inventory on hand and on order, rationalize product offerings, improve inventory turnover of slow-selling products and vacate warehouse space for products with higher margin and marketability.

greenlane

Private & Confidential

SHARE COUNT DETAIL

Class of Common Stock (ownership)	Total Shares Outstanding ⁽¹⁾	Class A Shares (as converted) ⁽²⁾	Economic Interest in the Operating Company ⁽³⁾	Voting Interest in Greenlane ⁽⁴⁾	Economic Interest in Greenlane ⁽⁵⁾
Class A	13,322,416	13,322,416	31.6 %	14.3 %	100.0 %
Class B (non-founder members)	3,490,909	3,490,909	8.3 %	3.8 %	— %
Class C (founder members)	76,039,218	25,346,406	60.1 %	81.9 %	— %
Total	92,852,543	42,159,731	100.0 %	100.0 %	100.0 %

[1] Represents the total number of outstanding shares for each class of common stock as of December 31, 2020.

[2] Represents the number of shares of Class A common stock that would be outstanding assuming the exchange of all outstanding shares of Class B common stock and Class C common stock upon redemption of all related Common Units. Shares of Class B common stock and Class C common stock, as the case may be, would be cancelled, without consideration, on a one-to-one basis in the case of Class B common stock and a three-to-one basis in the case of Class C common stock, pursuant to the terms and subject to the conditions of the Operating Agreement.

[3] Represents the indirect economic interest in the Operating Company through the holders' ownership of common stock.

[4] Represents the aggregate voting interest in us through the holders' ownership of Common Stock. Each share of Class A common stock, Class B common stock and Class C common stock entitles its holder to one vote per share on all matters submitted to a vote of our stockholders.

[5] Represents the aggregate economic interest in us through the holders' ownership of Class A common stock.



Private & Confidential

THANK YOU

INVESTOR CONTACT: ROB KELLY
INVESTOR RELATIONS, MATTIO COMMUNICATIONS
GREENLANE@MATTIO.COM

Private & Confidential