TURNING POINT BRANDS

TURNING POINT BRANDS, INC. ENTERS STRATEGIC COOPERATION AGREEMENT WITH VAPOR SHARK

NYSE **TPB**

$31.62 $-0.17

08/05/2020 04:00 PM EDT

Price is delayed by 15 mins

March 20, 2017

LOUISVILLE, Ky.--(BUSINESS WIRE)-- Turning Point Brands, Inc. (NYSE: TPB), a leading provider of Other Tobacco Products (OTP), together with its wholly-owned subsidiary VaporBeast, today announced that it has entered into a strategic partnership and management agreement with The Hand Media, Inc. d/b/a Vapor Shark ("Vapor Shark"). Other terms of the transaction were not disclosed.

Vapor Shark is a leading distributor and manufacturer of premium vaping e-liquids and hardware, with nationwide distribution through independent retail vape shops as well as owned and franchised Vapor Shark retail locations. TPB and Vapor Shark have agreed to explore ways to work together to provide best-in-class service to the wholesale vapor channel. TPB expects that the companies will cooperate on inventory management, customer service, and product development. Furthermore, TPB anticipates that Vapor Shark will be able to leverage TPB's extensive regulatory compliance expertise and infrastructure in order to capitalize on additional industry opportunities.

TPB President and Chief Executive Officer, Larry Wexler commented, "Through this strategic partnership with Vapor Shark, we look forward to improving our service to the vapor community and expanding our commitment to this evolving market."

About Turning Point Brands, Inc.

Louisville, Kentucky based Turning Point Brands, Inc. (TPB) is a leading U.S. provider of Other Tobacco Products. TPB generates solid cash flow through its three focus brands, Zig-Zag® in smoking products, Stoker's® in smokeless products and the Vapor Beast™ e-commerce distribution engine in NewGen products. More information about the company is available at its corporate website, www.turningpointbrands.com.

About Vapor Shark

Vapor Shark Inc. is a privately held electronic cigarette company based in Miami, Florida, founded in 2010 to provide adult customers with a compelling alternative to combustible tobacco products. Its business functions include the design, manufacture, sale and wholesale distribution of premium vaping products. It operates and franchises retail locations worldwide, and distributes to more than 3,000 independent retailers. For more information about Vapor Shark, please visit www.vaporshark.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements may generally be identified by the use of words such as "anticipate," "believe," "expect," "intend," "plan" and "will" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. As a result, actual events may differ materially from those expressed in or suggested by the forward-looking statements. Any forward-looking statement made by TPB in this press release speaks only as of the date hereof. New risks and uncertainties come up from time to time, and it is impossible for TPB to predict these events or how they may affect it. TPB has no obligation, and does not intend, to update any forward-looking statements after the date hereof, except as required by federal securities laws. Factors that could cause these differences include, but are not limited to:

declining sales of tobacco products, and expected continuing decline of sales, in the tobacco industry overall;

our dependence on a small number of third-party suppliers and producers;

the possibility that we will be unable to identify or contract with new suppliers or producers in the event of a supply or product disruption;

the possibility that our licenses to use certain brands or trademarks will be terminated, challenged or restricted;

failure to maintain consumer brand recognition and loyalty of our customers;

substantial and increasing U.S. regulation;

regulation of our products by the FDA, which has broad regulatory powers;

uncertainty related to the regulation and taxation of our NewGen products;

possible significant increases in federal, state and local municipal tobacco-related taxes;

possible significant increases in tobacco-related taxes;

possible increasing international control and regulation;

our reliance on relationships with several large retailers and national chains for distribution of our products;

intense competition and our ability to compete effectively;

significant potential product liability litigation;

the scientific community's lack of information regarding the long-term health effects of electronic cigarettes, vaporizer and e-liquid use;

our amount of indebtedness;

the terms of our credit facilities, which may restrict our current and future operations;

competition from illicit sources;

our reliance on information technology;

security and privacy breaches;

contamination of our tobacco supply or products;

infringement on our intellectual property;

third-party claims that we infringe on their intellectual property;

concentration of business with large customers;

failure to manage our growth;

failure to successfully integrate our acquisitions or otherwise be unable to benefit from pursuing acquisitions;

failure to achieve expected benefits of the VaporBeast acquisition and to integrate VaporBeast's operations with ours;

fluctuations in our results;

exchange rate fluctuations;

adverse U.S. and global economic conditions;

failure to comply with certain regulations;

departure of key management personnel or our inability to attract and retain talent;

decrease in value of our deferred tax assets;

imposition of significant tariffs on imports into the U.S.;

reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors, potentially decreasing our stock price;

failure to maintain our status as an emerging growth company before the five-year maximum time period a company may retain such status;

our principal stockholders will be able to exert significant influence over matters submitted to our stockholders and may take certain actions to prevent takeovers;

our certificate of incorporation and bylaws, as well as Delaware law and certain regulations, could discourage or prohibit acquisition bids or merger proposals, which may adversely affect the market price of our common stock;

our certificate of incorporation limits the ownership of our common stock by individuals and entities that are Restricted Investors. These restrictions may affect the liquidity of our common stock and may result in Restricted Investors being required to sell or redeem their shares at a loss or relinquish their voting, dividend and distribution rights;

future sales of our common stock in the public market could reduce our stock price, and any additional capital raised by us through the sale of equity or convertible securities may dilute your ownership in us; and

we may issue preferred stock whose terms could adversely affect the voting power or value of our common stock.

Turning Point Brands, Inc.
Investment Community:
Mark A. Stegeman, 502-774-9238
Senior Vice President, Chief Financial Officer
ir@tpbi.com

or
Mozaic Investor Relations, Inc.
Financial Media:
Terry McWilliams, 502-774-9238
President
ir@tpbi.com
or
Industry Media:
Brittani Cushman
Vice President, External Affairs
bcushman@tpbi.com

Source: Turning Point Brands, Inc.