



Sugarmade Completes 2014 Audit - Provides Update

City of Industry, Calif., May 19, 2015 - Sugarmade, Inc. (OTC:SGMD), the marketer of environmentally friendly office paper made from sugarcane waste and its subsidiary CarryoutSupplies.com, today announced the completion of its fiscal 2014 financial audit. The Company has completed preparation of corresponding Securities & Exchange Commission financial documents for the year and is preparing to file these documents over the coming days. The Company also is announcing its pro forma consolidated revenues for the fiscal year ending 2014 for the newly combined Sugarmade and CarryOutSupplies.com organization of approximately \$8.6 million.

"Over approximately the last year, Sugarmade has experienced a significant reorganization of its business. Today, we are not only continuing to market our bagasse and bamboo blended office and multi-purpose paper, but we are also servicing the generic and custom printing needs of over 2,500 take out and traditional restaurant establishments," commented Jimmy Chan, CEO. "We are very excited about our prospects moving forward, especially relating to new product and services initiatives we will be announcing over the short run."

Over the coming weeks the Company will be announcing several initiatives that are designed to meaningfully expand the markets for the Company's products. At the forefront of this effort will be an advertising-based approach where Sugarmade will work with advertisers to apply brand messages to products that will be provided to food service concessionaires and event organizers on a free or significantly discounted basis. In turn, the concessionaires and event organizers will agree to distribute the brand bearing food service items to their customers.

Mr. Chan continued, "We have completed significant research on this advertising-based approach to distributing our products and we believe the concept has significant merit. This summer, we will be launching our first initiatives in this area at street festivals and fairs on the West Coast. We plan to make additional announcements over the coming weeks to provide more information on this enhanced strategic direction for the combined Sugarmade and CarryOutSupplies.com organizations."

About Sugarmade, Inc. and CarryOut Supplies.Com

Each year approximately four billion trees worldwide are cut down to make paper. At Sugarmade we believe it is four billion trees too many. Sugarmade paper is made of bagasse, a residual by-product of sugarcane, and bamboo, both rapidly renewable resources. For more information, please see www.Sugarmade.com.

CarryOutSupplies.com is a producer and wholesaler of custom printed and generic takeout supplies. CarryOut, which services more than 2,000 takeout establishments, restaurants and other food service operators, is headquartered at 167 N Sunset Ave, City of Industry, CA 91744, with two additional warehouse locations in Southern California. Information on the company can be viewed at <http://www.carryoutsupplies.com/>.

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