



Sugarmade Enters Negotiations to Expand Business Operations Via Additional Acquisitions

SAN FRANCISCO, Sept. 11, 2014 /PRNewswire/ -- Sugarmade, Inc. ([SGMD](#)), the 100% tree-free office paper company, today announces it has entered into negotiations to acquire two additional companies. During mid-July, Sugarmade announced a definitive merger agreement with CarryOutSupplies.com of City of Industry, California, a producer and wholesaler of custom printed and generic paper products to more than 2,500 takeout restaurant establishments. CarryOutSupplies.com produced approximately \$9 million in revenues last year.

Mr. Jimmy Chan, President of CarryOutSupplies.com commented, "We expect to soon sign merger agreements with two Vietnam-based companies. The first of these utilizes up to 90% recycled paper to produce napkins for U.S. fast food operators and traditional restaurants. The second is a producer of plastic yogurt spoons. Considering our very significant share of the U.S. yogurt cup market, the synergies with this spoon manufacturer are quite strong."

The two companies are currently shipping multiple containers of product to the U.S. each month. Because CarryOutSupplies shipments are also currently being shipped out of Asia, there will be strong possibilities to combine shipments of products, thus potentially significantly reducing overall costs across many of the product lines. If the acquisitions are successfully completed, Sugarmade expects to boost its revenue forecast by approximately \$1.7 million per year.

"These two factories are well know to us and we have good relationships with the management teams," Mr. Chan continued. "We expect both to add to not only our revenue growth, but also to our operating income. We are very pleased thus far with our business combination with Sugarmade as a public company and look forward to keeping our investors informed as we continue to grow our operation."

About Sugarmade, Inc.

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 100% tree-free and made of bagasse, a residual by-product of sugarcane, and bamboo, both rapidly renewable resources. Sugarmade paper can be purchased online at [Officemax.com](http://www.officemax.com) or at <http://www.officemax.com/office-supplies/paper/copy-multipurpose-paper/product-prod3450808>.

About CarryOutSupplies.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/>.

For media and press or investor inquiries, please contact the Company at info@SugarMade.com.