



Indus Holdings, Inc. Reports Fourth Quarter and Full Year 2018 Financial Results

Cannabis industry leader also to announce fiscal first quarter 2019 financial results and host conference call on May 29, 2019

SALINAS, Calif., May 21, 2019 -- Indus Holdings, Inc. ("Indus") (CSE:INDS), one of California's fastest growing cannabis companies, today announced its financial results for the fiscal fourth quarter and full year ending December 31, 2018. Financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), and management's discussion and analysis for the period are available on Indus' SEDAR profile at [sedar.com](https://www.sedar.com). All figures are reported in U.S. dollars, unless otherwise indicated.

Fourth Quarter and Full Year Highlights

- The Company reported fourth quarter revenue of \$6.3 million and full year fiscal 2018 revenue of \$17.2 million.
- The Company reported a fourth quarter net loss of \$3.5 million and a fiscal year 2018 net loss of \$7.3 million.
- For the fourth quarter, the Company's market penetration rate was 84 percent of California licensed dispensaries.
- The Company completed a \$46.3 million Series B Preferred Stock Offering, proceeds of which included conversion of approximately \$13 million in outstanding debt and accrued interest into preferred shares.

"The foundation of our business strategy – in 2018 and moving forward – is a commitment to strong organic growth in our home market of California, where we are well-positioned with advanced logistics and distribution capabilities, and well-seeded brands supported by our integrated production assets across all product lines," says Co-Founder and Chief Executive Officer Robert Weakley.

"The recently announced W Vapes transaction will provide access to the important and growing adjacent markets in Nevada and Oregon," Weakley adds. "We are leveraging assets and capabilities within our current enterprise as well as from W Vapes in this transaction. We believe this acquisition will be very accretive to our operations and highly synergistic in terms of both top line impact and overall operating efficiencies."

Subsequent Highlights

- The Company completed a reverse takeover of a Canadian public company and began trading on the Canadian Securities Exchange ("CSE") on April 30, 2019, under the ticker symbol INDS. In connection with this reverse takeover and the listing on the CSE, the Company raised gross proceeds of approximately \$40 million through a private placement.
- The Company set forth plans to expand into Nevada and Oregon with the pending acquisition of W The Brands ("W Vapes"), a licensed multi-state manufacturer and distributor of cannabis concentrates, cartridges and disposable pens.
- The transaction includes the operating assets; all intellectual property; and cultivation, manufacturing, and distribution licenses and operations in Nevada and Oregon.

Indus will release its first quarter 2019 financial results on Wednesday, May 29, 2019 at 4:00 p.m. ET. Following the release, the Company will host a conference call to discuss the results and recent corporate developments.

Fiscal Year 2018 and Fiscal First Quarter 2019 Earnings Call Details

Indus plans to release its fiscal first quarter 2019 results and host a conference call with management on Wednesday, May 29, 2019 at 5:00 p.m. ET. The call can be accessed using the following dial-in information:

U.S and Canadian Toll-free: +1 877-407-0789

International: +1 201-689-8562

Please dial-in at least 15 minutes before the call to register.

To be added to the Indus Holdings email distribution list, please email ir@indusholdingco.com with Indus in the subject line.

About Indus Holdings, Inc.

Indus Holdings, Inc. (CSE:INDS) is a vertically integrated cannabis company with advanced production capabilities, including cultivation, extraction, manufacturing, brand sales & marketing, and distribution. Founded in 2014 by hospitality veteran Robert Weakley and based in Salinas, California, Indus offers services supporting every step of the supply chain and an extensive portfolio of award-winning brands, including House Weed, The Original Pot Co., MOON, Acme, Beboe, Dixie Elixirs & Edibles, and Orchid Essentials. Indus Distribution, a division of Indus Holdings, Inc., is a leading distributor of cannabis products, servicing an extensive portfolio of brands and licensed retailers.

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Non-IFRS Measures

A detailed presentation of Indus' full year results can be found on Indus' SEDAR profile at www.sedar.com, and contains tables that reconcile Indus' results of operations reported in accordance with IFRS to adjusted results that exclude the impact of certain items identified as affecting comparability (non-IFRS). We use pro forma results and other measures, to evaluate our actual operating performance and for planning and forecasting future periods. Pro forma results are IFRS-reported results plus the results of all entities for which we have a management contract in place but do not consolidate due to a lack of control, adjusted to reflect the full fiscal period regardless of when an acquisition or management contract commenced. We believe the adjusted results presented provide relevant and useful information for investors because they clarify our actual operating performance, make it easier to compare our results with those of other companies and allow investors to review performance in the same way as our management. Since these measures are not calculated in accordance with IFRS, they should not be considered in isolation of, or as a substitute for, our reported results as indicators of our performance, and they may not be comparable to similarly named measures from other companies.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only Indus' beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's and Indus' control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved." The forward-looking information and forward-looking statements contained herein may include, but are not limited to, the ability of the Company to successfully achieve business objectives, and expectations for other economic, business, and/or competitive factors. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. This forward-looking information reflects Indus' current beliefs and is based on information currently available to Indus and on assumptions Indus believes are reasonable.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Indus to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; operating and development costs; competition; changes in legislation or regulations affecting Indus; the timing and availability of external financing on acceptable terms; favorable production levels and outputs; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for Indus' operations; and lack of qualified, skilled labor or loss of key individuals. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in Indus' disclosure documents, such as Indus' listing statement filed on the SEDAR website at www.sedar.com. Although Indus has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement.

The forward-looking information contained in this news release represents the expectations of Indus as of the date of this news release and, accordingly, is subject to change after such date. However, Indus expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law. Neither the Canadian Securities Exchange nor its Regulation Service Provider has reviewed, or accepts responsibility for the adequacy or accuracy of, the content of this news release.