



1933 INDUSTRIES INC. ANNOUNCES FOURTH QUARTER AND YEAR END FINANCIAL RESULTS

VANCOUVER, B.C., CANADA (November 28, 2018) – 1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQB: TGIFF), a licensed cultivator and producer of cannabis flower and concentrates and manufacturer of hemp/CBD wellness products, is pleased to announce financials for the fourth quarter and the year ending July 31st, 2018. All amounts expressed are in Canadian dollars unless stated otherwise.

Fiscal 2018 Highlights

- Record sales revenues of \$12,649,926 for the year
- Overall gross margins for 2018 of 49%
- Total assets increased to \$41,339,616
- Product offering expanded to over 120 SKU’s available in over 500 Stores

“We are very pleased with the results of our first full year of operations as a public entity and we have experienced substantial growth through our operating subsidiaries. 1933 has invested significant capital in building out our new cultivation and production facilities in Las Vegas, which will be operational in the new year,” stated Mr. Brayden Sutton, President and CEO of the Company. He added, “The Company is actively expanding its footprint in Nevada, California, Colorado and is currently evaluating opportunities in other legal jurisdictions.”

Selected Annual Information

The Company recorded annual revenue of \$8,214,915 and \$4,335,768 generated from AMA and Infused respectively. Net loss for the year ended July 31, 2018 was \$5,729,052. The Company’s loss was primarily driven by investment in future growth initiatives.

Alternative Medicine Association (“AMA” - 91% ownership)

- AMA contributed 65% to the Company’s total revenue
- AMA generated an overall gross margin of 37% (\$3,272,703)
- The positive contributing income before tax from AMA is \$1,353,485



Infused Manufacturing (“Infused” - 91% ownership)

- Infused contributed 34% of the Company’s total revenue
- Infused generated an overall gross margin of 71% (\$3,078,763)
- Infused broke even in its first full year of operations

Consolidated Results

	2018	2017	2016
Total revenue	\$ 12,649,926	\$ 1,030,297	\$ -
Gross profit	6,450,709	230,714	-
Net loss	(5,729,052)	(2,740,657)	(3,674,780)
Comprehensive loss	(4,791,300)	(3,793,029)	(3,674,780)
Basic and diluted loss per share	(0.02)	(0.06)	(0.10)

	2018	2017	2016
Current assets	\$ 13,398,978	\$ 1,971,873	\$ 24,693
Total assets	41,339,616	18,897,362	413,693
Current liabilities	2,391,088	2,890,483	707,568
Total liabilities	4,356,119	2,890,483	707,568

2018 Fourth Quarter Highlights

For the three-month period ending July 31, 2018, the Company reports revenue of \$3,905,243 from the sale of medical and adult-use cannabis and hemp/CBD infused products, an 18% increase from \$3,317,497 during the previous quarter.

Selected Quarterly Information

	Q4	Q3
Revenue	\$ 3,905,243	\$ 3,317,497
Gross Profit	\$ 2,012,812	\$ 1,463,550
Non-Current Assets	\$ 28,536,283	\$ 24,494,836
Cash at end of period	\$ 9,649,422	\$ 13,098,874
Total Liabilities	\$ 4,356,119	\$ 3,646,252

In Q4, Infused reports \$1,546,508 in sales revenues, an increase of 30% from \$1,192,051 in Q3 from its hemp-based, CBD-infused wellness product lines.

Alternative Medicine Association reports \$2,282,485 in sales revenue in Q4, up 9% from \$2,102,453 in Q3, driven by strong sales of cannabis flower and concentrates.



The Company's advisory arm, Spire Global Strategy reported consulting revenue of \$84,993 for the fourth quarter.

Developments in Q4

1933 Industries achieved steady growth during its fourth quarter and completed significant corporate developments, including:

- On May 5, 2018, the Company and its subsidiary, AMA, announced that they had entered into a purchase agreement for an existing 12,160 sq. ft. building adjacent to the future cultivation facility.
- On May 28, 2018, the Company and its subsidiary, Infused, announced a one-year licensing agreement with professional poker player, Mr. Scotty Nguyen.
- On June 5, 2018, the Company and its subsidiary, Infused announced a one-year licensing agreement with Denver Dab Company (DDC") to produce the Company's line of products in the state of Colorado.
- On June 6, 2018, the Company announced the closing of the previously announced purchase agreement dated May 15th, 2018 on the production building in Las Vegas, Nevada, which will house a separate hemp processing facility (the CBD Lab) operated by its subsidiary, Infused.
- On July 24, the Company announced that Infused had secured an Industrial Hemp Handler Conditional Certificate from the Nevada Department of Agriculture (NDA) Industrial Hemp program, for its proposed hemp processing facility in Las Vegas, Nevada.

Subsequent Developments:

- On August 3, the Company announced the filing of a preliminary short form prospectus with a commercially reasonable efforts offering of convertible debenture units for aggregate gross proceeds of up to \$15,000,000, led by Canaccord Genuity Corp. as lead agent and sole book-runner, together with Beacon Securities Limited.
- On August 7, the Company announced record sales for the month of July from its subsidiaries in Nevada and reported combined sales of \$1.6M CAD, a 362 percent increase over July 2017.
- On August 31, the Company announced the receipt for its final short form



prospectus filed with the securities regulatory authorities in British Columbia, Alberta, Saskatchewan and Ontario, in connection with the previously-announced offering of convertible debenture units of the Company.

- On September 14, the Company announced the closing of its short form prospectus offering of convertible debenture units, which included the exercise of an overallotment option, and raised gross proceeds of \$17,250,000.
- On September 27, the Company announced the continuation out of the province of Alberta and into the province of B.C. and concurrent name change to 1933 Industries Inc.

Detailed information on the financials and the management's discussion and analysis can be found at <https://sedar.com/>

About 1933 Industries Inc.

1933 Industries Inc. is a vertically integrated cannabis company with operations in the United States and Canada. Operating through three subsidiary companies, 1933 Industries owns licensed medical and adult-use cannabis cultivation and production assets, proprietary hemp-based, CBD infused products, CBD extraction services and a specialized cannabis advisory firm supporting clients in security, intelligence and due diligence.

Please visit our new website at www.1933industries.com

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"expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this news release. Actual results could differ materially from those currently anticipated due to a number of factors and risks including various risk factors discussed in the Company's disclosure documents, which can be found under the Company's profile on www.sedar.com. 1933 Industries undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.