



1933 INDUSTRIES ANNOUNCES FIRST QUARTER 2019 FINANCIALS

VANCOUVER, B.C., CANADA (December 20, 2018) – 1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQX: TGIFF) a licensed cultivator and producer of cannabis flower and concentrates and manufacturer of hemp/CBD products in Nevada, Colorado and California, is pleased to announce that it reached record quarterly sales revenue during the three months ended October 31, 2018 (“Q1 2019”).

Q1 2019 Selected Financial Highlights

All amounts expressed are in Canadian dollars

- Consolidated revenues of \$4,616,812, an increase of 46% over same quarter last year
- 18% revenue increase over the fourth quarter 2018
- Gross margin of \$1,932,332 (42%)
- Cash balance of \$15,165,630 at the end of the period
- Net loss of \$3,046,665
- Negative adjusted EBITDA of \$857,845
- Total assets increased to \$56,486,526, up from \$41,339,616 in the previous quarter

Segmented Information

- Alternative Medicine Association (“AMA”) reports sales revenue of \$2,256,764, with a gross margin of \$702,472 (31%)
- Infused MFG. (“Infused”) reports \$2,278,143 in sales revenue with gross margin of \$1,147,955 (50%)
- Spire Global Strategy reports consulting revenue of \$81,905

	October 31, 2018	October 31, 2017
Total revenue	\$ 4,616,812	\$ 2,464,487
Gross profit	1,932,332	1,162,866
Net loss	(3,046,665)	(570,695)
Comprehensive loss	(2,705,802)	(1,106,103)



Basic and diluted loss per share	(0.01)	(0.06)
	October 31, 2018	July 31, 2018
Current assets	\$ 23,761,885	\$ 13,398,978
Total assets	56,486,526	41,339,616
Current liabilities	4,066,715	2,391,088
Total liabilities	14,994,814	4,356,119

Management Commentary

“We are pleased to report another strong quarter of steady growth from our subsidiary companies. Increased demand for our cannabis products in the States of Nevada, California and Colorado are continuing to fuel this growth, while we focus on expanding wholesale capacity for our THC line of products and increasing sales of our CBD products across the U.S”, noted Mr. Brayden Sutton, President and CEO of the Company. “To maintain this growth, we have added key members to our team in finance, business development, sales and marketing and operations. We continue to make progress on our expansion in Las Vegas and remain focused on both organic and accretive growth in the next quarter”.

Developments in Q1 2019

- 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.
- On October 5, 2018, the Company announced that Infused began sales of its products in the State of Colorado, in conjunction with a previously announced licensing agreement with Denver Dab Co. (“DDC”) on June 5, 2018.
- On October 5, 2018, the Company launched Canna Fused™, a 1:1 CBD/THC-infused product line, making its debut in Denver in partnership with DDC, and announced that AMA entered into a licensing agreement with DDC for the exclusive rights to produce, manufacture, market, and sell DDC’s licensed products in the State of Nevada.
- On October 5, 2018, the Company announced the grant of 8,925,000 incentive stock options to its directors, officers, consultants and employees pursuant to its stock option plan.
- On October 12, 2018, the Company reported that Infused hit record growth from increased demand for its Canna Hemp™ proprietary line of hemp-based, CBD-infused products, resulting in increased revenue from US\$7,403 in June of 2017 to over US\$600,000 per month in just 14 months, representing an 8,000% increase. Infused continue to expand sales of its products in Nevada, California and Colorado.
- On October 23, 2018, the Company announced that its subsidiary, Spire Global Strategy had been awarded a contract to develop a Cannabis Regulatory Compliance Course at Selkirk College, a post-secondary institution located in the epicentre of cannabis cultivation in the Province of British Columbia.

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. The



Company owns 91% of both Alternative Medicine Association and Infused MFG. and 100% of Spire Global Strategy.

Please visit our website at <http://www.1933industries.com>

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