



1933 INDUSTRIES PROVIDES GUIDANCE FOR RECORD FOURTH QUARTER REVENUE

The Company Expects Strongest Quarter to Date with Revenue of \$5.2M

VANCOUVER, B.C., CANADA (September 12, 2019) – 1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQX: TGIF), a vertically integrated cannabis consumer packaged goods company, is pleased to provide guidance for its fiscal Fourth Quarter ended July 31, 2019 (“Q4”).

Q4 Financial Highlights

Selected Financial Information. All amounts expressed are in Canadian dollars. The Company’s Q4 and audited Annual Report will be released by its due date of November 28, 2019.

Based on preliminary results, the Company expects revenue of \$5.2M for its Q4, representing a steady increase of 13% over its Q3 results (\$4.6M) and a 33% increase over the same quarter in fiscal 2018 (\$3.9M). The Company anticipates gross margin to continue to improve during the second half of fiscal 2020, as its infrastructure projects become fully operational and supplying the necessary raw materials for its branded goods products. Revenues are expected to increase during fiscal 2020, as the Company continues to expand distribution of its large portfolio of brands across the United States and additional licensing partners generate new revenue.

The Company expects to report a cash balance of \$18.6M, an increase of \$3.9M from the previous quarter end. The Company anticipates revenues for fiscal 2019 to total \$18M, marking an increase of 42.9% over its fiscal 2018 results (\$12.6M).

Management Commentary

Mr. Chris Rebentisch remarked, “Our guidance report for the fourth quarter outlines steady growth across our subsidiaries. We expect \$18 million in total revenues for our fiscal year, our largest reported revenue to date. We have taken several measures to prepare and position the Company for continued revenue growth throughout 2020. We have a robust cash position, which will be utilized to complete our large infrastructure projects, ramp up cultivation and manufacturing production in California and open new markets with an immediate focus in Arizona. We have established a strong core foundation, re-focused on building valuable brands of consumer packaged goods that are delivering unique consumer experiences and attracted top brands as partners in Nevada. We have set a disciplined growth path to scale up our assets and production capacity in both Nevada and California



where we see increased consumer demand for our AMA and Canna Hemp™ premium products.”

Q4 Operational Highlights

Infrastructure Update

During the quarter, the Company completed the construction and permitting process of its new state-of-the-art cultivation facility in Las Vegas, which, when fully operational will enable the company to produce a consistent supply of raw materials that is expected to have a positive effect on margins and future revenues. The Company expects the facility to have its first harvest by December 2019, and to harvest every two weeks on a continuing basis thereafter.

The Company reported that its original cultivation facility is being renovated so that it may be utilized as an expanded extraction facility in order to increase raw material production for its AMA branded concentrates such as shatter, crumble, sugar, wax, budder, and distillate. The Company has submitted layout plans to Clark County for permitting and for tenant improvements on the existing building. The Company reports that this project is on track to become operational by end of 2019.

The Company also reports that it is on track to open a customized hemp extraction facility for the isolation of higher yield of CBD, CBN, CBG, CBC, and several other cannabinoids, including the ability to produce full spectrum and broad-spectrum oils, as well as isolates, that meet required GMP standards. A one-of-a kind facility, the hemp lab is expected to lower operating and manufacturing costs, increase cannabinoid extraction efficiency with a higher recapture rate, and deliver higher margins for the Company's branded goods.

State Expansion

California represents the largest cannabis market in the world and establishing a local operation was a key priority for the Company. The Company recently reported the execution of a management agreement with California-based Green Spectrum, where the company will utilize its expertise in manufacturing and building distribution networks to undertake all initiatives relating to the establishment of a new cannabis manufacturing and extraction facility. In turn, the Company granted Green Spectrum a non-exclusive right and license to produce, manufacture, market and sell the Company's licensed products within California.

Green Spectrum operates as a licensed cannabis cultivator, manufacturer and distributor, and holds a pending home delivery business license. By partnering with Green Spectrum,



the Company will have the advantage of working with an established cultivator to build manufacturing and expand its distribution channels for its brands with the goal of becoming a statewide leader in the industry and launches the Company as a multi-state operator with a turnkey model that can be exported to other states.

Brand Partners

The Company executed a licensing agreement for the launch of Blonde™, a high-end California brand making its debut in Nevada. AMA received exclusive rights to cultivate flower, manufacture pre-rolls, live resin vape pens and cartridges under the Blonde™ brand for distribution to licensed dispensaries throughout Nevada.

About 1933 Industries Inc.

1933 Industries Inc. is a vertically integrated, brand-focused cannabis company with operations in the United States and Canada. Operating through two subsidiary companies, the Company owns leading cannabis brands as well as licensed cannabis cultivation, extraction, processing and manufacturing assets. With the goal of delivering natural wellness, our award-winning proprietary portfolio of brands include: AMA flower and AMA concentrates, CBD-infused Canna Hemp™, Canna Hemp X™, and Canna Fused™. Partners under licensing agreements include Denver Dab Co., Birdhouse Skateboards™, Blonde™ Cannabis, Gotti's Gold and Kurupt Moonrocks. The Company owns 91% of Alternative Medicine Association, LC (AMA), and 100% of Infused MFG.

About Canna Hemp™

Canna Hemp™ CBD Relief Cream was named **"Best Topical"** by Leafy's *Best in State: The Top State Specific Products and Experiences of 2018*.

<http://www.cannahemp.com>

<https://www.leafly.com/news/strains-products/best-in-state-2018-nevada-cannabis>

About Canna HempX™

Canna Hemp X™ was named **"Best Topicals for Pain"** by Herb's *Guide to the Best Cannabis Products on the Planet*. Canna Hemp X™ is a CBD sports recovery cream for athletes, bridging the gap between recovery and top performance.

<http://www.cannahempx.com>

<https://herb.co/learn/best-cannabis-products/>

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