



1933 Industries Enters High Value Cannabis Flower Market in Nevada

Flower and pre-rolls account for over 60% of the market

VANCOUVER, B.C., CANADA (July 22, 2020) – 1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQX: TGIF), a vertically-integrated cannabis consumer packaged goods company, is pleased to announce the addition of premium smokable flower and pre-roll joints to its diverse portfolio of consumer-driven brands. While most cannabis companies focus on growing quantity, the Company’s AMA brand will fill a void in the market for craft-style quality cannabis grown at scale.

Nevada dispensaries resumed in-store sales in Nevada during the month of May, and recorded a 52% increase in sales compared to the previous month, when brick and mortar stores operated via home delivery and curbside pickup only. According to BDS Analytics, sales reached \$58.2 million in May, slightly down by 6% compared to May 2019 but remaining strong as year-to-date sales reached \$273.2 million. “What this data tells us is that the Nevada cannabis market has weathered the Covid-19 pandemic well and that the market for cannabis flower is thriving,” said Mr. Eugene Ruiz, President of 1933 Industries.

According to BDS figures for May, flower sales accounted for 52% of the overall sales, reaching over \$30 million, a 19% increase from the previous year. Pre-rolled joints, a product category tracked separately from flower, accounted for more than 9% of May sales with \$5.5 million in revenue.

1933 Industries has focused solely on the wholesale of cannabis concentrates during the last two years, a category that represents less than 25% of the total revenue in Nevada. By adding flower and pre-rolls to its product offerings, the Company will introduce a new revenue stream with a growing portfolio of products in almost every category.

“We are preparing to enter the smokable flower market segment with a differentiated premium tier product offering”, continued Mr. Ruiz. “Over the last two years, the Company has built a leading-edge, indoor grow facility focusing on the cultivation of craft cannabis at scale. With the Company’s past frustrations and struggles behind it, we are now reaching a notable milestone with valuable new inventory to sell into our 53 and growing list of dispensary accounts. This premium flower will greatly accelerate our sales momentum into next year because of its much higher price point and in fact, increase as our director of cultivation continues to perfect his craft within our facility. We expect that wholesale demand across our entire product portfolio will accelerate as the market in Nevada readjusts post-covid.”



The Company's award-winning cultivation experts have introduced a variety of cultivars with high THC content. With almost 6,000 plants in the facility, the Company is targeting approximately 500 lbs of biomass per month of which 350 lbs will be smokable flower and the balance of weight going into concentrates. At least 8 high THC, high terpene content cultivars were added to the growing portfolio and new genetics will be introduced to create unique cultivars that will be marketed under the AMA brand.

About 1933 Industries Inc.

1933 Industries is a vertically-integrated, growth-orientated company, focusing on the cultivation and manufacturing of cannabis consumer branded goods in a wide range of product formats. Operating through two subsidiaries, the Company controls all aspects of the value chain with cultivation, extraction, processing, and manufacturing assets supporting its diversified portfolio of cannabis brands and licensing partners.

Our award-winning proprietary portfolio of brands include: AMA flower and AMA concentrates, as well as CBD-infused Canna Hemp™, Canna Hemp X™, and Canna Fused™ products. Partners under licensing agreements include: Birdhouse Skateboards™, Blonde™ Cannabis, Bloom™, Denver Dab Co., Grizzly Griptape, The Pantry Company, PLUGplay, and The Original Jack Herer®.

The Company owns 91% of Alternative Medicine Association, LC (AMA), and 100% of Infused MFG LLC.

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