



1933 Industries Reports Second Quarter 2023 Financial Results and Announces Ester Vigil as President

VANCOUVER, B.C., CANADA (April 3, 2023) – 1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQB: TGIFF), a Nevada-focused cannabis cultivator and producer, is pleased to announce its second quarter financial results (“Q2 2023”) For the six months ended January 31, 2023, and 2022. All amounts expressed are in Canadian dollars.

The Company owns 91% of Alternative Medicine Association (AMA), the Company’s cultivation and production subsidiary focused on the medical and adult-use cannabis market, and 100% of CBD product manufacturer Infused MFG LLC (Infused). The Company’s revenue is derived from wholesale cannabis sales in Nevada (AMA), and from the sale of hemp-derived consumer packaged goods (Infused) under the Canna Hemp™ brand sold across the US via ecommerce at cannahemp.com

Q1 2023 Financial Highlights

- Revenue \$3.6 million for Q2 2023 and \$9.2 million for the six months ended January 31, 2023
- Expenses \$0.2 million
- Gross margin \$1.9 million before adjustments
- Net loss \$0.4 million
- Adjusted EBITDA \$0.1 million – Second consecutive quarter of positive EBITDA

Consolidated Operating Highlights

- Total revenues were \$3.6 million for Q2 2023, representing a 13% increase over \$3.2 million for Q2 2022. Revenues are \$9.2 million for the six months ended January 31, 2023, representing a 52% increase from \$6.0 million during the same period in 2022.
- Expenses of \$0.2 million for Q2 2023 decreased by 92% from \$2.4 million in Q2 2022 in large part due to a substantial tax refund from the IRS. The Company continues to work diligently on controlling expenses.
- Gross margin was \$1.9 million, before fair value adjustments on biological assets and realized fair value adjustments on the sale of inventory. The decrease in gross margin is attributable to a decrease in flower pricing in Nevada.
- Net loss was \$0.4 million for Q2 2023 and \$0.8 million for Q2 2022.
- Adjusted EBITDA was \$0.1 million for Q2 2023 and \$0.1 million for Q2 2022.
- Cash at the end of the period was \$2.9 million compared to \$0.8 million during the same period in 2022.



Management Commentary

Mr. Paul Rosen, Chairman and CEO of 1933 Industries commented, "Wholesale pricing pressure continues to impact cultivators in Nevada, with lower sale prices on cannabis products experienced across the industry. In addition, the Company has chosen to deal with some legacy infrastructure issues that compressed our overall capacity this quarter. During the reporting period, the Company continued to focus on strengthening its operation. Necessary and essential infrastructure improvements to the Company's cultivation facility, including improvements to the facility's irrigation, air movement and humidification systems have been initialized and are well underway. A build-up of inventory will be the Company's priorities in the following quarters in order to increase the production of sellable dried flower and pre-rolls. We expect flower prices to stabilize in the near future, and we expect as well that the launch of consumption lounges will create a new attraction for visitors to the state and expand cannabis-related tourism. The Company is well positioned to benefit from increased demand, flower price stabilization, and the strength of its top brand and in-demand products that deliver excellent value to consumers.

Operationally, the Company has made substantial improvements in lowering its debt load, reducing expenses, and conserving its working capital over the last several quarters. The Company recorded positive Adjusted EBITDA for a second quarter in a row, a milestone in the Company's history."

Appointment of Ester Vigil as President

The Company is pleased to announce that Ms. Ester Vigil has been appointed as President. Ms. Vigil previously held the role of Director of Sales and served as president from 2019 to 2020. Ms. Vigil's return to the Company has been marked by significant achievements, including repositioning AMA as a top brand in Nevada. "Ester's contributions to the Company are very meaningful," said Mr. Rosen. "She has added value in all areas of our business, and her leadership has earned her esteem and respect from both her colleagues at 1933, and throughout the overall Nevada cannabis industry. I look forward to Ester continuing to help improve our business, deliver excellent value to our customers and deliver future growth."

Financial statements are prepared in accordance with International Financial Reporting Standards. Detailed information regarding the Company's financial results as well as management's discussion and analysis can be found at <https://sedar.com/> and <https://1933industries.com/investors/financial-information>

Please note the next financial release dates in accordance with the continuous disclosure schedule set out by the British Columbia Securities Commission:

W: 1933industries.com - E: info@1933industries.com



2023 Financial Release Dates	
Reporting Quarter	Release Date
Q3/2023	June 29, 2023
Q4/YE 2023	November 28, 2023
Q1/2024	January 1, 2024
Q2/2024	April 2, 2024
Q3/2024	July 2, 2024
Q4/YE 2024	November 28, 2024

About 1933 Industries Inc.

1933 Industries is a Nevada-based, growth-orientated company, focusing on the cultivation and manufacturing of a large portfolio of cannabis consumer-packaged goods in a variety of formats for both the wholesale and retail markets. Its product offerings include: THC flower, pre-rolls, and extracted products under the AMA and Level X brands for the Nevada market; Canna Hemp™, national cannabidiol (CBD) brand of infused wellness products including tinctures, gummies, topicals and sport recovery products. The Company owns 91% of Alternative Medicine Association, LC (AMA) and 100% of Infused MFG LLC (Infused).
www.1933industries.com

About Alternative Medicine Association

AMA is a licensed medical and adult-use cannabis cultivation and extraction subsidiary that produces its own branded line of unique cannabis products. AMA's extensive menu of cannabis products include: craft cannabis flower, pre-rolls, full spectrum oils, high quality distillates, proprietary blends of terpenes, vaporizer products and boutique concentrates such as shatter, crumble, batter, sugar wax, diamonds, and live resin. Ultra-craft brand Level X is an exclusive collection of exotic strains, selected specifically for their distinctive terpene profiles, high THC levels, and flavonoids. With state-of-the-art cultivation and extraction facilities based in Las Vegas, Nevada, AMA seeks to offer medical patients and recreational users alike a cannabis experience that's exceptional, potent, and consistent in quality.
www.amanev.com

AMA is also licensed in Nevada as an adult-use cannabis distributor.

About Canna Hemp™

With over 60 products in its portfolio, the Canna Hemp™ brand offers products in a variety of verticals and consumption formats, including, effects-based tinctures, topicals, vape pens and cartridges, gummies, and capsules for Sleep, Relief, Calm, Focus and Energy. High-grade CBD and a proprietary blend of terpenes formulated for specific effects are key differentiators for the Canna Hemp™ line. The Company recently introduced previously



untapped cannabinoids Cannabigerol (CBG) and Cannabinol (CBN) to its portfolio of products with a new line of natural tinctures and gummies.
www.cannahemp.com

For further information please contact:
Alexia Helgason, VP, IR, Marketing, Media
604-728-4407
alexia@1933industries.com

Paul Rosen, CEO
paul@1933industries.com

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

Notice regarding Forward Looking Statements: This news release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "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.