

Form 51-102F3
Material Change Report

Section 7.1 of National Instrument 51-102
Continuous Disclosure Obligations

Item 1 Name and Address of Company

1933 Industries Inc.
Suite 300 – 1055 W. Hastings Street
Vancouver, BC, V6E 2E9

Item 2 Dates of Material Change

April 8, 2024

Item 3 News Release

A news release relating to the material change was disseminated by Accesswire on April 8, 2024. The news release has also been filed on the System for Electronic Document Analysis and Retrieval (“SEDAR”) and is available at www.sedar.com.

Item 4 Summary of Material Change

1933 Industries Inc. (the “Company” or “1933 Industries”) (CSE: TGIF) (OTCQB: TGIFF) announced that its wholly owned subsidiary, FN Pharmaceuticals, has entered into a Membership Interest Purchase Agreement (the “Agreement”) to acquire from the Company’s Executive VP and General Counsel, Caleb Zobrist, his nine percent (9%) of the issued and outstanding membership interests of Alternative Medicine Association LC (“AMA”). Upon successful completion of this transaction, FN Pharmaceuticals would own 100% of the membership interest in AMA, the Company’s cultivation and production subsidiary.

Item 5 Full Description of Material Change

Under the terms of the Agreement, the purchase price (the “Purchase Price”) for the Membership is USD\$50,000, payable through the issuance of common shares of 1933 Industries (the “Shares”). The estimated number of Shares to be issued is 3,375,000 and the final number of shares will be determined by the 10-day VWAP price of the Shares prior to the closing date. The Shares will be issued to the seller via the Direct Registration System and will be subject to normal legends required by the US Securities and Exchange Commission and will be subject to four months and one day hold period required by applicable securities laws in Canada but will not be subject to escrow. The closing of this Agreement is conditional upon regulatory approvals, including the approval of the Canadian Securities Exchange, and the Nevada Cannabis Compliance Board, as applicable. There is no guarantee that this transaction will close.

As Mr. Zobrist is a senior officer of the Company, he is a “related party” to the Company within the meaning of Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions (“MI 61-101”). As such, the transaction constitutes a “related party transaction” within the meaning of MI 61-101.

The Company expects to rely on exemptions from formal valuation and the minority shareholder approval requirements of MI 61-101 found in sections 5.5(a) and 5.7(1)(a) of MI 61-101 as the fair market value of the transaction does not constitute more than the 25% of the Company's market capitalization.

Prior to the completion of the transactions contemplated by the Agreement, Mr. Zobrist held 2,571,250 common shares and 1,000,000 options of the Company, representing 0.73% of the issued and outstanding shares of the Company. At this time, it is not possible to definitively calculate the number of Shares to be held by Mr. Zobrist at closing, but it is not currently expected to exceed 3,375,000 Shares, which would result in Mr. Zobrist holding an aggregate of 5,946,000 Shares and 1,000,000 options, representing 1.41% of the then outstanding common shares of the Company.

The board of directors has approved the Agreement and the issuance of Shares thereunder. There are no prior valuations in respect of the Company, AMA or interest held by Mr. Zobrist in AMA and neither the board of the Company nor its officers are aware of the existence of any such valuation.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not Applicable.

Item 8 Executive Officer

To reach an executive officer, please contact:

Alexia Helgason, VP, IR and Corporate Communications
604-674-4756 (ext. 1)

Item 9 Date of Report

April 9, 2024.