



For Immediate Release

HARRYS PROVIDES UPDATE

Vancouver, British Columbia, September 27, 2023 – Harrys Manufacturing Inc.’s (CSE: HARY) (the “**Company**” or “**Harrys**”) announces that the Company’s new management team is focused on addressing some key challenges that the Company is currently facing, including the following:

- The traditional supply chain, which delivers products to stores via a network of licensed wholesaler distribution outlets, is often unable to get the Company’s products to market. This is due to a variety of reasons including contractual obligations with competing manufacturers at the retail level, operational challenges compounded by labour and driver shortages, and a growing unregulated contraband tobacco market have all disrupted the traditional wholesale distribution model; and
- Many chain retailers are contractually obligated to maintain the status quo and carry only brands provided by the dominant multinational cigarette companies.

“A logical step in the Company’s progression is to ensure we can get our product to market,” says CEO Nick Brusatore. Harrys management team is pleased to announce it is moving to a hybrid strategy that includes working with willing wholesalers and employing a Direct-to-Store Delivery (“**DSD**”) system. “We plan to build greater resiliency in our supply chain, and manage the flow of our products more effectively,” says Brusatore.

The new DSD system will be driven by a web-based portal that will streamline customer access to the Company’s brands more quickly and efficiently. The new DSD system will also help address some of the limitations of market access caused by contractual obligations which many retailers face. The DSD model will enhance the availability of the Company’s products to a broader selection of non-contracted retailers.

The Company’s next steps are to finish securing DSD partners, which the Company anticipates will be completed in November, and then test and complete the web portal order/entry system which the Company believes should be completed by year-end.

About Harrys

Harrys is a company that values its unique Canadian position as a marketer of tobacco products in a domestic market dominated by foreign multinationals. Harrys aspires to deliver value to its shareholders by satisfying the preferences of adult Canadian tobacco consumers who are seeking a quality product at a value price. Harrys management team brings over 40 years of industry experience and works with distribution and retail partners who put their customers first. For more information, please visit www.harrysmfg.com.

ON BEHALF OF THE BOARD

Nick Brusatore

CEO

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